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The logo for SANVO Fine Chemicals Group Limited, featuring the word "SANVO" in a bold, white, sans-serif font on a red rectangular background, followed by the Chinese characters "三和" in a white, stylized font.

**SANVO Fine Chemicals Group Limited**  
**三和精化集團有限公司**

(於開曼群島註冊成立之有限公司)

(股份代號：301)

## 二零二三年全年業績公告

三和精化集團有限公司(「本公司」)董事(「董事」)會(「董事會」)謹此公佈本公司及其附屬公司(統稱「本集團」)截至二零二三年十二月三十一日止年度之經審核綜合業績。本公告載有本公司截至二零二三年十二月三十一日止年度之年報全文，符合香港聯合交易所有限公司(「聯交所」)證券上市規則關於全年業績初步公告所載資料的相關規定。

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# CORPORATE INFORMATION

# 公司資料

## EXECUTIVE DIRECTORS

Mr. Chen Bingqiang (*Chairman*)  
Mr. Ng Cheuk Lun

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Ir. Daniel Lai  
Mr. Xu Kai  
Mr. Yeung Chun Yue David

## AUDIT COMMITTEE

Mr. Yeung Chun Yue David (*Chairman*)  
Ir. Daniel Lai  
Mr. Xu Kai

## REMUNERATION COMMITTEE

Ir. Daniel Lai (*Chairman*)  
Mr. Xu Kai  
Mr. Yeung Chun Yue David  
Mr. Chen Bingqiang

## NOMINATION COMMITTEE

Mr. Xu Kai (*Chairman*)  
Ir. Daniel Lai  
Mr. Yeung Chun Yue David

## ESG COMMITTEE

Mr. Chen Bingqiang (*Chairman*)  
Mr. Ng Cheuk Lun  
Ir. Daniel Lai  
Mr. Xu Kai  
Mr. Yeung Chun Yue David

## 執行董事

陳炳強先生 (*主席*)  
吳卓倫先生

## 獨立非執行董事

賴錫璋工程師  
許凱先生  
楊振宇先生

## 審計委員會

楊振宇先生 (*主席*)  
賴錫璋工程師  
許凱先生

## 薪酬委員會

賴錫璋工程師 (*主席*)  
許凱先生  
楊振宇先生  
陳炳強先生

## 提名委員會

許凱先生 (*主席*)  
賴錫璋工程師  
楊振宇先生

## 環境、社會及管治委員會

陳炳強先生 (*主席*)  
吳卓倫先生  
賴錫璋工程師  
許凱先生  
楊振宇先生

## CORPORATE INFORMATION

### COMPANY SECRETARY

Mr. Ng Cheuk Lun

### AUTHORISED REPRESENTATIVES

Mr. Ng Cheuk Lun  
Mr. Chen Bingqiang

### REGISTERED OFFICE

71 Fort Street  
PO Box 500  
George Town  
Grand Cayman KY1-1106  
Cayman Islands

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No.5 Xinliu West Road  
Huangpu Town  
Zhongshan  
Guangdong Province  
The PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

5/F., 349 Hennessy Road  
Wanchai  
Hong Kong

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Services (Cayman) Limited  
71 Fort Street  
PO Box 500  
George Town  
Grand Cayman KY1-1106  
Cayman Islands

## 公司資料

### 公司秘書

吳卓倫先生

### 授權代表

吳卓倫先生  
陳炳強先生

### 註冊辦事處

71 Fort Street  
PO Box 500  
George Town  
Grand Cayman KY1-1106  
Cayman Islands

### 中國總部及主要營業地點

中國  
廣東省  
中山市  
黃圃鎮  
新柳西路5號

### 香港主要營業地點

香港  
灣仔  
軒尼詩道349號5/F

### 開曼群島股份過戶登記總處

Appleby Global Services (Cayman) Limited  
71 Fort Street  
PO Box 500  
George Town  
Grand Cayman KY1-1106  
Cayman Islands

## CORPORATE INFORMATION

### HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### INDEPENDENT AUDITOR

Moore CPA Limited  
(formerly known as Moore Stephens CPA Limited)  
Registered Public Interest Entity Auditor  
801-806 Silvercord, Tower 1  
30 Canton Road, Tsimshatsui  
Kowloon, Hong Kong

### HONG KONG LEGAL ADVISER

King & Wood Mallesons  
13/F, Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Central, Hong Kong

### PRINCIPAL BANKERS

CMB Wing Lung Bank Limited  
19/F, CMB Wing Lung Bank Building  
45 Des Voeux Road Central, Hong Kong

### PLACE OF LISTING

The Stock Exchange of Hong Kong Limited

### STOCK CODE

301

### COMPANY'S WEBSITE

[www.sanvo.com](http://www.sanvo.com)

## 公司資料

### 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1712-1716號舖

### 獨立核數師

大華馬施雲會計師事務所有限公司

註冊公眾利益實體核數師

香港九龍  
尖沙咀廣東道30號  
新港中心第一座801-806室

### 香港法律顧問

金杜律師事務所  
香港中環  
皇后大道中15號  
置地廣場  
告羅士打大廈13樓

### 主要往來銀行

招商永隆銀行  
香港德輔道中45號  
招商永隆銀行大廈19樓

### 上市地點

香港聯合交易所有限公司

### 股份代號

301

### 公司網頁

[www.sanvo.com](http://www.sanvo.com)

## FINANCIAL SUMMARY

## 財務概要

		For the Year Ended 31 December 截至十二月三十一日止年度				
		2023 二零二三年	2022 二零二二年	2021 二零二一年	2020 二零二零年	2019 二零一九年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收益	1,076,789	947,850	983,107	839,989	814,016
Gross profit	毛利	311,937	260,989	261,923	268,943	224,532
Gross profit margin	毛利率	29.0%	27.5%	26.6%	32.0%	27.6%
Profit before income tax	除所得稅前溢利	11,530	9,067	15,808	73,661	26,724
Profit for the year	年內溢利	6,257	4,492	14,015	65,820	23,935
Listing expenses	上市開支	—	—	—	—	12,753

		As at 31 December 於十二月三十一日				
		2023 二零二三年	2022 二零二二年	2021 二零二一年	2020 二零二零年	2019 二零一九年
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Total assets	資產總值	773,334	789,362	717,963	665,108	410,053
Total liabilities	負債總值	(541,501)	(567,714)	(485,499)	(438,399)	(325,477)
Total equity	權益總額	231,833	221,648	232,464	226,709	84,576

# CHAIRMAN'S STATEMENT

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Dear Shareholders,

I am pleased to present the Company's annual report for the year 2023, which represented a significant milestone as the general economy and industry situation have regained stability after the pandemic.

In the past year, we have made advancements in optimizing our human resources, such as improving workforce saturation and implementing a policy of assigning multiple roles to one person. We have also expanded our sales channels, including the adoption of live-streaming e-commerce. Our efforts have been directed towards customer development and optimization, as well as strengthening our online and offline businesses, with an emphasis on information discovery and application enhancement.

As our selling and distribution expenses and administrative expenses were increased during the year as a result of these efforts, we are starting to see a positive impact, with an increase of 13.6% and 39.3% in sales and net profit, respectively, compared to the same period last year. We believe that we will achieve significant progress in the fine chemical industry in the coming years concerning the above preparation. We remain committed to our mission of developing innovative technologies and products while providing the highest quality service to our clients.

Finally, on behalf of SANVO Fine Chemicals, I would like to thank our shareholders, customers, employees, and suppliers for their continued support and trust in us. We are confident that our business will continue to thrive in the upcoming years.

Chen Bingqiang  
*Chairman*

Guangdong, China 28 March 2024



# 主席報告

各位股東：

本人欣然提呈本公司年報，2023年是疫情後總體經濟和行業形勢回復正軌的一年。

於過去一年，我們提高了人力資源人均效益，包括工作飽和度以及實施一人多職能政策；擴展銷售渠道（如：直播帶貨）；致力開發和優化客戶，強化線上和線下業務；以及專注訊息發掘，提高應用。

儘管我們的銷售及分銷開支以及行政開支於年內因該等努力而有所增加，但亦漸見成效，銷售額和淨利潤分別對比同期去年增加13.6%和39.3%。我們相信上述工作在未來數年將會為我們帶來顯著的業務優勢。我們繼續秉承開發創新技術及產品的使命，同時為客戶提供最優質的服務。

最後，本人謹代表三和精化感謝股東、客戶、同事及供應商一直以來對我們之支持及信任。我們有信心我們的業務將於未來數年繼續蓬勃發展。

陳炳強  
主席

中國廣東，二零二四年三月二十八日





# MANAGEMENT DISCUSSION AND ANALYSIS

# 管理層討論與分析

## BUSINESS REVIEW AND OUTLOOK

### Principal business

The Group is an established fine industrial chemical products manufacturer based in the People's Republic of China (the "PRC"). The Group focuses principally on the manufacture, research and development, and sale of a diversified portfolio of fine industrial chemical products, which can serve a range of purposes, including as hardware and building materials and towards automotive maintenance. The Group's products can be broadly categorised into the following segments: (i) aerosols, (ii) organic silicone adhesives, (iii) synthetic adhesives and (iv) other miscellaneous products such as architectural coatings, oil products and wood paints.

The Group has two principal lines of business operations, namely the manufacture and sale of fine industrial chemical products: (i) under the brands of "SANVO 三和" and "FullTeam 芙田" and (ii) on an original equipment manufacturing ("OEM") basis whereby products are manufactured in accordance with the customer's design and specification and are marketed under the customer's brand name.

For the financial year ended 31 December 2023 ("FY2023"), the Group's total production output was approximately 66,416 tonnes as compared to the financial year ended 31 December 2022 ("FY2022") of approximately 55,282 tonnes. Aerosols related products remain as the major revenue source of the Group which accounted for over approximately 65.2% of the Group's total revenue for FY2023 (FY2022: 59.4%).

### Information on employees

As at 31 December 2023, the Group had 1,376 employees (31 December 2022: 1,252), including the executive Directors. The Group maintained gender balance in workforce (including senior management) with 43% female and 57% male employee. The Group's total employee benefit expenses (including Directors' remuneration and salaries in research and development expenses) were approximately RMB164,108,000 for FY2023 (FY2022: RMB131,921,000). Employee benefit expenses comprised of (i) salaries, allowances and benefits in kind, (ii) discretionary bonus and (iii) retirement benefit scheme contributions.

## 業務回顧及展望

### 主要業務

本集團為駐中華人民共和國(「中國」)發展成熟之精細化工產品製造商。本集團主力專注於製造、研發及銷售多元化精細化工產品組合，可廣泛用作不同用途，包括五金建材及汽車修護。本集團之產品大致可分為以下分部：(i)氣霧劑、(ii)有機矽膠粘劑、(iii)合成膠粘劑及(iv)其他雜項產品，例如建築塗料、油品及木器漆。

本集團有兩條主要業務營運線，即(i)以品牌「SANVO三和」及「FullTeam芙田」及(ii)按原設備製造(「OEM」)形式根據客戶之設計及規格製造及銷售精細化工產品，並以客戶品牌名稱進行營銷。

截至二零二三年十二月三十一日止財政年度(「二零二三財政年度」)，本集團之總產出約為66,416噸，而於截至二零二二年十二月三十一日止財政年度(「二零二二財政年度」)約為55,282噸。氣霧劑相關產品仍為本集團之主要收益來源，佔本集團二零二三年財政年度之收益總額約65.2%(二零二二年財政年度：59.4%)。

### 有關僱員的資料

於二零二三年十二月三十一日，本集團擁有1,376名僱員(二零二二年十二月三十一日：1,252名)，包括執行董事。本集團維持員工(包括高級管理層)性別平衡，女性員工佔43%，男性員工佔57%。本集團於二零二三年財政年度的僱員福利開支總額(包括董事酬金及研發開支)約為人民幣164,108,000元(二零二二年財政年度：人民幣131,921,000元)。僱員福利開支包括(i)薪金、津貼及實物福利、(ii)酌情花紅及(iii)退休福利計劃供款。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### BUSINESS REVIEW AND OUTLOOK (CONTINUED)

#### Business overview

For FY2023, the Group recorded a profit attributable to owners of the Company of approximately RMB6,257,000, representing an increase of approximately RMB1,765,000, or approximately 39.3%, as compared to the profit attributable to owners of the Company of approximately RMB4,492,000 for FY2022. The increase was primarily due to the increase in sales volume and decrease in purchase price of raw materials for FY2023.

With benefit from the increase in sales volume, we have recorded a revenue of approximately RMB1,076,789,000 in FY2023, representing an increase of approximately 13.6% compared to FY2022, in which, our OEM export orders increased by approximately 20.7% from approximately RMB27,438,000 for FY2022 to approximately RMB33,125,000 for FY2023.

#### Business and market development and expansion

- i) The Group has successfully acquired the land use right of a piece of industrial land in Puyang City, Henan Province through the acquisition of 100% equity interest in Sanvo New Materials Group Limited (formerly known as "Dechem Chemicals Holdings Limited") and its subsidiary ("**New Materials Group**"). The Group is intending to expand its market reach to Central China in future, concerning the growth in domestic provinces, raw materials reserve and geographical advantage in logistic arrangements with distributors in Eastern China, Northwest and Northeast China.

### 業務回顧及展望(續)

#### 業務回顧

於二零二三年財政年度，本集團錄得本公司擁有人應佔溢利約人民幣6,257,000元，較二零二二年財政年度本公司擁有人應佔溢利約人民幣4,492,000元增加約人民幣1,765,000元或約39.3%，主要由於二零二三財政年度的銷售量增加及原材料採購價格減少所致。

得益於銷售量上升，我們於二零二三年財政年度錄得收入約人民幣1,076,789,000元，較二零二二年財政年度增加約13.6%，其中OEM出口訂單由二零二二年財政年度的約人民幣27,438,000元增加至二零二三年財政年度的約人民幣33,125,000元，增幅約20.7%。

#### 業務與市場開拓及擴展

- i) 本集團已透過收購三和新材集團有限公司(前稱「德謙化工集團有限公司」)及其附屬公司(「**新材集團**」)之100%股權成功取得河南省濮陽市一幅工業用地之土地使用權。考慮到國內各省份的增長、原材料儲備及與中國東部、西北及東北地區分銷商物流安排方面的地理優勢，本集團擬於日後將其市場覆蓋範圍擴展至華中。

# MANAGEMENT DISCUSSION AND ANALYSIS

# 管理層討論與分析

## BUSINESS REVIEW AND OUTLOOK (CONTINUED)

### Business and market development and expansion (Continued)

- ii) A new ERP system has been put into operation in phases. In addition to the general management process, the system focused on strengthening online and offline management and big data analysis, including customer relationship management (CRM), product life cycle management (PLM), raw material price analysis management, human resources management (labelled talents profile management) and U Order (B2B sales operation platform), etc.

The Group will continue to focus on the development of the domestic sales network and overseas OEM customers, and market expansion in Central China through New Materials Group.

## FINANCIAL REVIEW

### Revenue

The total revenue of the Group amounted to approximately RMB1,076,789,000 for FY2023, representing an increase of approximately 13.6% from approximately RMB947,850,000 for FY2022. The increase of revenue was mainly attributable to the increase in sales volume and decrease in purchase price of raw materials.

### Gross profit and gross profit margin

Gross profit of the Group amounted to approximately RMB311,937,000 for FY2023, representing an increase of approximately 19.5% from approximately RMB260,989,000 for FY2022. Gross profit margin increased from approximately 27.5% for FY2022 to approximately 29.0% for FY2023. The above increase was primarily due to the decrease in average unit cost of sales arising from the decrease in purchase price of raw materials.

### 業務回顧及展望(續)

### 業務與市場開拓及擴展(續)

- ii) 分段投入使用全新ERP系統，除了一般管理流程外，重點強化線上線下管理以及大數據分析，包括客戶關係管理(CRM)，產品生命週期管理(PLM)，原材料價格分析管理，人力資源管理(標籤化人才畫像管理)以及U訂貨(B2B銷售運營平台)等。

本集團將繼續專注於開拓本地銷售網絡及海外OEM客戶及透過新材集團擴展華中地區的市場。

## 財務回顧

### 收益

本集團於二零二三年財政年度之收益總額約為人民幣1,076,789,000元，較二零二二年財政年度約人民幣947,850,000元增加約13.6%。收益增加主要由於本集團的銷售量增加及原材料採購價格減少所致。

### 毛利及毛利率

本集團於二零二三年財政年度之毛利約為人民幣311,937,000元，較二零二二年財政年度約人民幣260,989,000元增加約19.5%。毛利率由二零二二年財政年度約27.5%增加至二零二三年財政年度約29.0%。上述增加主要由於原材料採購價格下跌導致平均銷售單位成本下降所致。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### FINANCIAL REVIEW (CONTINUED)

#### Other income and gains

Other income and gains of the Group increased from approximately RMB6,079,000 for FY2022 to approximately RMB8,503,000 for FY2023. The increase was mainly attributable to the increase in the government subsidies.

#### Selling and distribution expenses

Selling and distribution expenses of the Group increased from approximately RMB131,810,000 for FY2022 to approximately RMB150,542,000 for FY2023. The increase was mainly due to the increase in (i) advertising and promotion activities, (ii) freight charges and (iii) salary and allowances for sales and marketing teams.

#### Administrative expenses

Administrative expenses of the Group increased from approximately RMB119,035,000 for FY2022 to approximately RMB143,140,000 for FY2023. The increase was mainly due to the increase in (i) staff costs (increase in number of staff and salary level), and (ii) research and development costs.

#### Finance costs

Finance costs of the Group increased from approximately RMB7,993,000 for FY2022 to approximately RMB8,835,000 for FY2023. The reason for the increase was caused by the decrease in interest capitalised into property, plant and equipment in FY2023.

#### Income tax expense

Income tax expense of the Group increased from approximately RMB4,575,000 for FY2022 to approximately RMB5,273,000 for FY2023 as a result of increase in taxable profit.

#### Profit for the year

The Group's profit for FY2023 attributable to owners of the Company was approximately RMB6,257,000, representing an increase of approximately 39.3% as compared to the profit for FY2022 of approximately RMB4,492,000.

### 財務回顧(續)

#### 其他收入及收益

本集團其他收入及收益由二零二二年財政年度約人民幣6,079,000元增加至二零二三年財政年度約人民幣8,503,000元。增加主要由於政府補助增加。

#### 銷售及經銷開支

本集團的銷售及經銷開支由二零二二財政年度約人民幣131,810,000元增加至二零二三財政年度約人民幣150,542,000元，主要由於(i)廣告及推廣活動、(ii)運費及(iii)銷售及營銷團隊的薪金及津貼增加所致。

#### 行政開支

本集團之行政開支由二零二二年財政年度約人民幣119,035,000元增加至二零二三年財政年度約人民幣143,140,000元。增加主要由於(i)員工成本(員工人數增加及薪金水平上升)及(ii)研發成本增加。

#### 融資成本

本集團之融資成本由二零二二年財政年度約人民幣7,993,000元增加至二零二三年財政年度約人民幣8,835,000元。增加的原因為二零二三年財政年度對物業、廠房及設備資本化的利息減少。

#### 所得稅開支

本集團之所得稅開支由二零二二年財政年度約人民幣4,575,000元增加至二零二三年財政年度約人民幣5,273,000元，此乃由於應課稅溢利增加。

#### 年內溢利

本集團於二零二三年財政年度之本公司擁有人應佔溢利約為人民幣6,257,000元，較二零二二年財政年度之溢利約人民幣4,492,000元增加約39.3%。

# MANAGEMENT DISCUSSION AND ANALYSIS

## DIVIDENDS

The Board did not recommend the payment of any final dividend for FY2023 (FY2022: nil).

The Board endeavours to strike a balance between the interests of the shareholders of the Company (the "Shareholders") and prudent capital management with a sustainable dividend policy. In proposing any dividends, the Board shall take into consideration, among others, the following factors:

1. operations and financial performance;
2. business development;
3. prospects;
4. capital requirements;
5. economic outline; and
6. any other factors that the Board consider appropriate.

The Board will review the dividend policy as appropriate from time to time.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

### Capital structure

The shares of the Company (the "Shares") were successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 16 January 2020 (the "Listing Date") and there has been no change in capital structure of the Company since then.

The Company completed a bonus issue of Shares on 18 July 2023 and 42,750,000 bonus Shares were allotted and issued by the Company on the basis of one (1) bonus Share for every ten (10) Shares held by the qualifying shareholders on 11 July 2023 (the "Bonus Issue"). Details of the Bonus Issue were set out in the circular of the Company dated 30 May 2023.

### Liquidity and financial resource

The Group recorded net current liabilities of approximately RMB158,136,000 as at 31 December 2023 (2022: RMB153,547,000). The current ratio, calculated by dividing the current assets by current liabilities, was approximately 0.63 as at 31 December 2023 (2022: 0.67).

# 管理層討論與分析

## 股息

董事會並無建議派發於二零二三年財政年度之任何末期股息(二零二二年財政年度：無)。

董事會致力以可持續股息政策在本公司股東(「股東」)利益與審慎的資本管理之間取得平衡。於提議任何股息時，董事會須考慮(其中包括)以下因素：

1. 營運及財務表現；
2. 業務發展；
3. 前景；
4. 資本要求；
5. 經濟概況；及
6. 董事會認為適當的任何其他因素。

董事會將定時檢討股息政策。

## 流動資金、財務資源及資本結構

### 資本結構

本公司股份(「股份」)已於二零二零年一月十六日(「上市日期」)成功在香港聯合交易所有限公司(「聯交所」)主板上市，此後本公司的資本結構並無任何變動。

本公司於二零二三年七月十八日完成發行紅股，並於二零二三年七月十一日按合資格股東每持有十(10)股股份獲發一(1)股紅股股份之基準配發及發行42,750,000股紅股(「發行紅股」)。有關發行紅股之詳情載於本公司日期為二零二三年五月三十日之通函。

### 流動資金及財務資源

於二零二三年十二月三十一日，本集團錄得流動負債淨值約人民幣158,136,000元(二零二二年：人民幣153,547,000元)。於二零二三年十二月三十一日按流動資產除以流動負債計算之流動比率約為0.63(二零二二年：0.67)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE (CONTINUED)

#### Liquidity and financial resource (Continued)

The gearing ratio, calculated by dividing total bank borrowings and other borrowings by equity of the Group, was approximately 0.95 as at 31 December 2023 (2022: 1.02).

For FY2023, the Group had funded its growth principally from cash generated from the sale of its products and debt financing, and the Group had generated sufficient cash and cash equivalents to meet its capital requirements. As at 31 December 2023, the Group had cash and bank deposits (including pledged bank deposits) of approximately RMB93,028,000 (2022: RMB121,849,000).

#### TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

#### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during FY2023 are set out in Note 14 to the consolidated financial statements for FY2023 in this annual report.

### 流動資金、財務資源及資本結構(續)

#### 流動資金及財務資源(續)

於二零二三年十二月三十一日之資產負債比率(按銀行借款及其他借款總額除以本集團權益計算)約為0.95(二零二二年：1.02)。

於二零二三年財政年度，本集團之增長資金主要來自出售產品及債務融資產生之現金，而本集團已產生充足現金及現金等價物以滿足其資本要求。於二零二三年十二月三十一日，本集團之現金及銀行存款(包括已抵押銀行存款)約為人民幣93,028,000元(二零二二年：人民幣121,849,000元)。

#### 財資政策

本集團對其財資政策已採取審慎的財務管理方法。董事會密切監控本集團之流動資金狀況，以確保本集團資產、負債的流動資金結構及其他承諾始終滿足其資金需求。

#### 物業、廠房及設備

本集團物業、廠房及設備於二零二三年財政年度之變動詳情載於本年報二零二三年財政年度綜合財務報表附註14。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### PRINCIPAL RISKS AND UNCERTAINTIES

The Group is exposed to various risks and uncertainties. The following are the key risks and uncertainties faced by the Group:

#### Price of Raw Materials

Our production process requires reliable and stable sources of large quantities of raw materials from third parties. We generally maintain a certain level of inventory of our raw materials for future production or to meet future demand according to our production plan and we do not have hedging arrangements against fluctuations in raw material prices and therefore we bear the risks associated with raw material cost fluctuations. The pricing of our raw materials is also sensitive to supply disruptions, general economic conditions, and many other factors that are beyond our control. We expect the prices of some of our key raw materials may increase in the future. If we are unable to reflect increases in the price of raw materials efficiently or adequately in the selling prices of our products, our cost base may increase, which may lead to a reduction in our gross profit margin, and the operating results for our products may be materially and adversely affected.

#### Market Risks

The market in which we operate is highly competitive and fragmented. Competitive factors include product quality, price, design and development capability, timely delivery, valuable service, scale and capacity, and efficiency. We face competition from existing and new players in the fine industrial chemicals industry worldwide, including numerous manufacturers in the PRC and elsewhere which offer similar fine industrial chemical products at lower prices than we do, as well as other enterprises which offer an increasing number of related products which could be used as substitutes for our products.

We expect competition in our industry to intensify in the future. There can be no assurance that we can stay competitive due to improvements by our competitors or other factors. To compete effectively, we may be forced, among other actions, to reduce prices, provide more sales incentives to customers and increase capital expenditures in our labour force, plant, property and equipment. Any intensification of the competition or failure by us to compete successfully with our competitors could have an adverse impact on the demand for, and pricing of, our products, and as a result, could result in a reduction of our market share and have an adverse effect on our business, financial condition, results of operations and prospects.

### 主要風險及不確定性

本集團面臨各種風險及不確定性。以下為本集團面臨的主要風險及不確定性：

#### 原材料價格

我們之生產工序需要來自第三方的可靠穩定大量原料來源。我們一般會根據我們之生產計劃維持若干水平原料存貨以供未來生產或滿足未來需求，且我們並無對原料價格波動進行對沖安排，因此我們承擔與原料成本波動相關之風險。我們之原料定價亦對供應中斷、整體經濟狀況及我們無法控制之多項其他因素敏感。我們預計未來若干主要原材料價格可能會上漲。倘我們無法有效或充分於我們之產品售價反映原料價格上漲，我們之成本基數或會增加，而我們之毛利率可能會因而下降，及我們產品之經營業績可能會受到重大不利影響。

#### 市場風險

我們經營所在之市場競爭激烈且分散。競爭因素包括產品質量、價格、設計及開發能力、及時交付、有價值之服務、規模及能力以及效率。我們面臨來自全球精細化工行業現有及新參與者之競爭，包括中國及其他地區之眾多製造商，彼等以低於我們之價格提供類似之精細化工產品，以及其他企業（其產品可替代我們之產品）之產量日益增加。

我們預期行業競爭於未來將會加劇。由於競爭對手之改進或其他因素，無法保證我們能維持競爭力。為保持有效競爭，除其他行動外，我們可能會被迫降價，為客戶提供更多之銷售激勵措施，並增加我們之勞動力、工廠、財產及設備的資本開支。任何激烈競爭或我們未能與競爭對手成功競爭均可能對我們產品之需求及定價產生不利影響，因此可能減少我們之市場佔有率，並對我們之業務、財務狀況、經營業績及前景造成不利影響。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

#### Compliance Risks

Under relevant PRC laws and regulations, we are required to hold various licences and permits in order to conduct our business. We are also required to comply with applicable regulations and standards in relation to our production and the quality of our products. These registrations, licenses, permits and certificates may only be valid for a limited period of time and may be subject to periodic reviews and renewal by the relevant authorities. Failure to comply with these laws and regulations, or the loss of or failure to renew our licences and permits or any change in the government policies, could lead to temporary or permanent suspension of some of our business operations or the imposition of penalties on us, which could adversely affect our results of operations and financial condition.

### BORROWINGS AND PLEDGE OF ASSETS

As at 31 December 2023, the Group had bank borrowings and other borrowings in aggregate of approximately RMB220,188,000 (2022: approximately RMB226,072,000). The interest rate of the relevant borrowings was charged in the range of 3.7% to 5.5% per annum for FY2023 (FY2022: 3.80% to 6.45% per annum).

As at 31 December 2023, the total pledged bank deposits of the Group of approximately RMB54,850,000 (2022: RMB31,349,000) were placed with a bank as securities for, amongst others, issues of bills payables for the Group's purchase of raw materials and guarantee to complete construction work for the right-of-use assets acquired in prior year.

As at 31 December 2023 and 2022, the Group's bank borrowings and other borrowings were secured by the following assets:

### 主要風險及不確定性(續)

#### 合規風險

根據相關中國法律及法規，我們須持有多項執照及許可以進行我們之業務。我們亦須遵守有關我們生產及產品質量之適用法規及標準。該等登記證、執照、許可及證書可能僅於一段有限期間內有效，並可能須由相關機關作定期檢驗及重續。無法遵守此等法律及法規，或失去或無法重續我們之執照及許可，或政府政策之任何更改均可能導致我們之部分業務營運暫時或永久地中斷或我們遭處罰，因而可能對我們之經營業績及財務狀況造成不利影響。

### 借款及資產抵押

於二零二三年十二月三十一日，本集團之銀行借款及其他借款合共約為人民幣220,188,000元(二零二二年：約人民幣226,072,000元)。於二零二三年財政年度，相關借款按介乎3.7%至5.5%(二零二二年財政年度：3.80%至6.45%)之年利率計息。

於二零二三年十二月三十一日，本集團之已抵押銀行存款總額約為人民幣54,850,000元(二零二二年：人民幣31,349,000元)，作為(其中包括)本集團於過往年度發行應付票據以購買原材料以及擔保完成使用權資產的建築工程。

於二零二三年及二零二二年十二月三十一日，本集團銀行借款及其他借款以下列資產抵押：

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	45,965	33,664
Right-of-use assets	使用權資產	80,273	81,733



# MANAGEMENT DISCUSSION AND ANALYSIS

# 管理層討論與分析

## FOREIGN EXCHANGE EXPOSURE

Majority of the Group's transaction are settled in RMB in the PRC, the Directors are of the view that the Group's foreign exchange rate risks are not significant. The Group had not entered into any derivative contracts to hedge against the foreign exchange rate risk for FY2023 and FY2022.

## CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Capital commitments related to capital expenditures for acquisition and construction of property, plant and equipment which the Group has contracted for but not yet incurred, which amounted to approximately RMB152,068,000 as at 31 December 2023 (2022: RMB69,399,000).

Please refer to note 35 to the consolidated financial statements for the year ended 31 December 2023 for details of contingent liabilities as at 31 December 2023.

## SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During FY2023, the Group did not have any significant investment held, any material acquisitions or disposals of subsidiaries or associated companies.

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed under the section headed "Future Plans and Use of Proceeds" in the Prospectus, the Group did not have other future plans for material investments or capital assets during FY2023.

## 匯率風險

本集團的大部分交易在中國以人民幣結算，董事會認為本集團的匯率風險並不重大。本集團尚未訂立任何衍生品合約，以對沖二零二三年財政年度及二零二二年財政年度的匯率風險。

## 資本承擔及或然負債

資本承擔與本集團就收購及建設物業、廠房及設備已訂約但未產生的資本支出有關，於二零二三年十二月三十一日之金額約為人民幣152,068,000元（二零二二年：人民幣69,399,000元）。

有關於二零二三年十二月三十一日的或然負債詳情，請參閱截至二零二三年十二月三十一日止年度之綜合財務報表附註35。

## 附屬公司及聯屬公司的重大投資、重大收購或出售

於二零二三年財政年度，本集團並無任何重大投資、重大收購及出售附屬公司或聯屬公司。

## 重大投資或資本資產的未來計劃

除招股章程「未來計劃及所得款項用途」一節所披露者外，於二零二三年財政年度，本集團並無其他重大投資或資本資產的其他未來計劃。

## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高層管理人員的個人資料

### EXECUTIVE DIRECTORS

#### Mr. Chen Bingqiang

Mr. Chen Bingqiang ("Mr. Ernest Chen"), aged 55, is the Chairman of the Board, an Executive Director, the Chief Executive Officer of the Group, the chairman of the Environmental, Social and Governance Committee and a member of the Remuneration Committee. Mr. Chen Bing Qiang is primarily responsible for and overseeing the strategic planning, business development and overall management of our Group. He was appointed as a Director on 12 April 2018 and redesignated as an executive Director on 15 April 2019. Mr. Ernest Chen is also a director of other members of the Group. Mr. Ernest Chen is the elder brother of Mr. Chen Bingyao, the chief technical engineer of the Company.

Mr. Chen Bingqiang has over 29 years of experience in the chemicals industry, he found and was a director of Sanvo Industrial Co., Ltd.\* (三和實業有限公司) ("Foshan Sanvo", a company engaged in the manufacture of plastic products, textiles, knitwear, auto parts and interior decoration materials) in Foshan City, Shunde District from March 1995 to June 2007, where he was mainly responsible for the overall management of the company. He joined the Group in April 2002. Mr. Chen Bingqiang graduated from the China Pharmaceutical University in Jiangsu province with a bachelor's degree, majoring in chemical pharmaceuticals in July 1991, he graduated from the Chinese University of Hong Kong with a master's degree in business administration in November 2016.

Mr. Chen Bingqiang obtained a certificate of qualification as a western pharmacist issued by Shunde City Science and Technology Bureau\* (順德市科技局) in July 1993. In July 2015, he has also been accredited as an intermediate engineer by the Guangdong Coating Industry Association (廣東省塗料行業協會) in the PRC. Mr. Chen Bingqiang was involved in the research of a number of patents and inventions, he was also co-awarded with Mr. Leo Chen the patent award of Zhongshan for a product named "nano mildew neutral silicone sealant" in July 2012.

### 執行董事

#### 陳炳強先生

陳炳強先生(「陳炳強先生」)，55歲，在集團擔任董事會主席、執行董事、行政總裁，並兼任環境、社會及管治委員會主席，以及薪酬委員會成員。陳炳強先生主要負責及監督本集團戰略規劃、業務發展及整體管理。彼於二零一八年四月十二日獲委任為董事，及於二零一九年四月十五日調任為執行董事。陳炳強先生亦為本集團其他成員公司的董事。陳炳強先生為本公司技術總工程師陳炳耀先生之胞兄。

陳炳強先生在化工行業擁有超過29年經驗，彼於一九九五年三月至二零零七年六月，於佛山市順德區成立三和實業有限公司(「佛山三和」，一間從事製造塑膠產品、紡織品、針織品、汽車零件及室內裝飾材料業務的公司)並擔任董事，主要負責該公司的整體管理。彼於二零零二年四月加入本集團。陳炳強先生於一九九一年七月畢業於江蘇省中國藥科大學並取得學士學位(主修化學制藥)，及於二零一六年十一月畢業於香港中文大學並取得工商管理碩士學位。

陳炳強先生於一九九三年七月獲得由順德市科技局頒發的西藥師資格證書；於二零一五年七月獲中國廣東省塗料行業協會頒發的中級工程師職稱；陳炳強先生參與多項專利與發明的研究，於二零一二年七月與陳炳耀先生憑藉名為「納米防黴中性硅酮密封膠」的產品共同獲得中山市專利獎。

## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

### EXECUTIVE DIRECTORS (CONTINUED)

#### Mr. Ng Cheuk Lun

Mr. Ng Cheuk Lun ("Mr. Ng"), aged 47, is an executive Director and the company secretary of the Company, and a member of ESG committee. Mr. Ng is primarily responsible for management of investor relationship, strategic planning, business development and company secretarial matters of the Group. He has been appointed as the company secretary of the Company since 7 August 2018 and an executive Director since 15 April 2019. Mr. Ng has been a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants since July 2011 as well as a Certified Practising Accountant of CPA Australia since August 2004.

Mr. Ng has been an executive director of Credit Intelligence Limited since 29 December 2020, an ASX listed company engaged in debt-restructuring, personal insolvency and money lending business and an executive director of Smart Auto Australia Limited, a company listed on National Stock Exchange of Australia on 4 June 2021, engaged in provision of bus rental and management services. Mr. Ng is primarily responsible for strategic planning and merger and acquisition matters.

From August 2007 to January 2011, Mr. Ng worked in Grant Thornton, an auditing firm where his last position was Senior Manager in the Assurance Division. Due to a merger between Grant Thornton and BDO Limited, he was transferred to BDO Limited and employed as Senior Manager from January 2011 to July 2011.

## 董事及高層管理人員的個人資料

### 執行董事(續)

#### 吳卓倫先生

吳卓倫先生(「吳先生」)，47歲，為執行董事兼本公司之公司秘書，及環境、社會及管治委員會成員。吳先生主要負責本集團投資者關係管理、策略規劃、業務發展及公司秘書事宜。彼自二零一八年八月七日起獲委任為本公司之公司秘書，並自二零一九年四月十五日起獲委任為執行董事。吳先生自二零一一年七月起為香港會計師公會之執業會計師及自二零零四年八月起為澳洲會計師公會之執業會計師。

吳先生自二零二零年十二月二十九日起擔任Credit Intelligence Limited(一間於澳洲證券交易所上市之公司，從事債務重組、個人破產及放債業務)之執行董事以及擔任Smart Auto Australia Limited(一間於二零二一年六月四日於澳大利亞國家證券交易所上市之公司，從事巴士租賃和管理業務)之執行董事。吳先生主要負責策略規劃及併購事宜。

於二零零七年八月至二零一一年一月，吳先生於一間審計公司致同任職，最後職位為審計高級經理。由於致同與香港立信德豪會計師事務所有限公司合併，彼於二零一一年一月至二零一一年七月獲調派至香港立信德豪會計師事務所有限公司擔任高級經理。

## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高層管理人員的個人資料

### INDEPENDENT NON-EXECUTIVE DIRECTORS

#### Ir. Daniel Lai

Ir. Daniel Lai ("Ir. Lai"), BBS, JP, aged 77, was appointed as an independent non-executive Director on 13 December 2019, and is responsible for providing independent advice and judgement to the Board. Ir. Lai is also the chairman of the remuneration committee as well as a member of the audit committee, the nomination committee and the ESG committee.

Ir. Lai has over 42 years of experience in the information technology sector. Ir. Lai has been a director of Digital Technology and Consultancy Company Limited since March 2016, a company engaged in information technology consultancy, education and advisory services. He has also been a director of Hong Kong Internet Exchange Company Limited (HKiX) a wholly owned subsidiary of The Chinese University of Hong Kong Foundation Limited since May 2020, HKiX provides interconnections among different networks on internet and is considered one of the largest internet exchange points in Asia Pacific region. From June 1978 to January 1999, he has held various positions at The Hong Kong Jockey Club (formerly known as The Royal Hong Kong Jockey Club) and Hong Kong Jockey Club Systems (Australia) Pty. Ltd., respectively, with his last position as the IT facilities management controller. From February 1999 to December 2011, he was the head of information technology of MTR Corporation Limited (a company listed on the Main board of the Stock Exchange, stock code: 0066). From January 2012 to January 2015, Ir. Lai was the Government Chief Information Officer of the Hong Kong Government. From March 2015 to September 2015, he was the interim vice president (administration) in the office of the president of the Hong Kong Polytechnic University. From September 2015 to September 2017, he was the professor of practice (computing) in the department of computing of the Hong Kong Polytechnic University. Ir. Lai graduated from the Hong Kong Polytechnic University with a diploma in management studies (commercial) in November 1975 and from the Griffith University in Australia with a master's degree in technology management in March 1995.

Ir. Lai has been a distinguished fellow member of the Hong Kong Computer Society since February 2005, a fellow of The Hong Kong Institute of Engineers since July 2012, a fellow of The Hong Kong Institute of Directors since August 2015, and a full member of the Hong Kong Management Association since March 1995. In July 2004, Ir. Lai was awarded the bronze bauhinia star and he was appointed a justice of peace in July 2001. Further, he has held various public service positions such as the president of the Hong Kong Computer Society from 1988 to 2004, and the chairman of the Department of Computing Advisory Committee of the Hong Kong Polytechnic University from April 2012 to April 2014.

### 獨立非執行董事

#### 賴錫璋工程師

賴錫璋工程師(「賴工程師」), BBS, JP, 77歲, 於二零一九年十二月十三日獲委任為獨立非執行董事, 負責向董事會提供獨立意見及判斷。賴工程師亦為薪酬委員會主席以及審計委員會, 提名委員會及環境、社會及管治委員會之成員。

賴工程師於資訊科技行業擁有逾42年經驗。自二零一六年三月起, 賴工程師為數碼科技顧問有限公司(一間從事資訊科技諮詢、教育及顧問服務之公司)之董事。彼亦自二零二零年五月起擔任香港中文大學基金會有限公司的全資附屬公司Hong Kong Internet Exchange Company Limited (HKiX)的董事, 該公司在互聯網上提供不同網絡之間的互連, 並被視為亞太地區最大的互聯網交易平台之一。於一九七八年六月至一九九九年一月, 彼分別於香港賽馬會(前稱英皇御准香港賽馬會)及Hong Kong Jockey Club Systems (Australia) Pty. Ltd.擔任多個職位, 其最後職位為資訊科技設備主管。於一九九九年二月至二零一一年十二月, 彼擔任香港鐵路有限公司(一間於聯交所主板上市之公司, 股份代號: 0066)的資訊科技主管。於二零一二年一月至二零一五年一月, 賴工程師出任香港政府之政府資訊科技總監。於二零一五年三月至二零一五年九月, 彼於香港理工大學校長室擔任暫任副校長(行政)。於二零一五年九月至二零一七年九月, 彼擔任香港理工大學電子計算學系之實務教授(電子計算)。賴工程師於一九七五年十一月畢業於香港理工大學, 取得管理學(商務)文憑, 並在一九九五年三月畢業於澳大利亞格里菲斯大學, 取得科技管理碩士學位。

賴工程師自二零零五年二月起為香港電腦學會院士、自二零一二年七月起為香港工程師學會資深會員、自二零一五年八月起為香港董事學會資深會員及自一九九五年三月起為香港管理專業協會之正式會員。於二零零四年七月, 賴工程師獲頒發銅紫荊星章, 並於二零零一年七月獲委任為太平紳士。此外, 彼擔任不同公共服務職位, 包括於一九八八年至二零零四年擔任香港電腦學會會長及於二零一二年四月至二零一四年四月擔任香港理工大學電子計算學系顧問委員會主席。

## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

### INDEPENDENT NON-EXECUTIVE DIRECTORS (CONTINUED)

#### Mr. Xu Kai

Mr. Xu Kai ("Mr. Xu"), aged 58, was appointed as an independent non-executive Director on 13 December 2019, and is responsible for providing independent advice and judgement to the Board. Mr. Xu is also the chairman of the nomination committee and a member of the audit committee, the remuneration committee and the ESG committee.

Mr. Xu has over 27 years of experience in the field of chemistry. He has been a Professor of Polymer Chemistry and Physics, researcher and deputy head of the Guangdong Specialised Laboratory of Electronic Organic Polymer Materials\* (廣東省電子有機聚合物材料重點實驗室) under the Guangzhou Chemical Laboratory of the Chinese Academy of Sciences since May 2009, where he was responsible for management of the laboratory. From May 1997 to December 2001, he was the head of the Department of Technology of the Guangzhou Chemical Laboratory of the Chinese Academy of Sciences\* (中國科學院廣州化學研究所科技處), where he was responsible for management of the laboratory. From March 1995 to December 1996, he was the secretary of the Specialised Laboratory of Cellulose Chemistry\* (纖維素化學重點實驗室) under the Chinese Academy of Sciences where he was responsible for administration of the laboratory. Mr. Xu graduated from the Guangzhou Chemical Laboratory of the Chinese Academy of Sciences in Beijing with a doctoral degree in polymer chemistry and physics and a master's degree in polymer chemistry and physics in March 2005 and June 1991, respectively.

Mr. Xu has been a member of the Specialised Committee of Coating\* (塗料專業委員會) under the Chemical Industry and Engineering Society of Guangdong since September 2008. He is also the deputy head of the Centre of Functional High Polymer Materials and Fine Chemicals of Foshan City\* (佛山市功能高分子材料與精細化學品專業中心) under the Chinese Academy of Sciences and has been the reviewer of various international academic journals since 2005. Mr. Xu was awarded the Silver Award for Science and Technology Progress in Guangdong\* (廣東省科技進步二等獎) in July 2009.

## 董事及高層管理人員的個人資料

### 獨立非執行董事(續)

#### 許凱先生

許凱先生(「許先生」)，58歲，於二零一九年十二月十三日獲委任為獨立非執行董事，負責向董事會提供獨立意見及判斷。許先生亦為提名委員會主席以及審計委員會，薪酬委員會及環境、社會及管治委員會之成員。

許先生於化學領域方面擁有逾27年經驗。自二零零九年五月起，彼擔任中國科學院廣州化學研究所旗下廣東省電子有機聚合物材料重點實驗室之高分子化學與物理教授、研究員及副所長，負責實驗室管理。於一九九七年五月至二零零一年十二月，彼擔任中國科學院廣州化學研究所科技處處長，負責實驗室管理。於一九九五年三月至一九九六年十二月，彼擔任中國科學院旗下纖維素化學重點實驗室之秘書，負責實驗室行政工作。許先生畢業於北京中國科學院廣州化學研究所，分別於二零零五年三月及一九九一年六月取得高分子化學與物理博士學位及高分子化學與物理碩士學位。

許先生自二零零八年九月起為廣東省化工學會塗料專業委員會委員。彼自二零零五年起亦為中國科學院旗下佛山市功能高分子材料與精細化學品專業中心常務副主任及多個國際學術期刊之審稿人。許先生於二零零九年七月獲頒發廣東省科技進步二等獎。



## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高層管理人員的個人資料

### INDEPENDENT NON-EXECUTIVE DIRECTORS (CONTINUED)

#### Mr. Yeung Chun Yue David

Mr. Yeung Chun Yue David ("Mr. Yeung"), aged 42, was appointed as an independent non-executive Director on 13 December 2019, and is responsible for providing independent advice and judgement to the Board. He is also the chairman of the audit committee and a member of the remuneration committee, the nomination committee and the ESG committee.

Mr. Yeung has over 17 years of experience in accounting and tax advisory. Mr. Yeung has been an executive director and vice chairman of Hatcher Group Limited (stock code: 8365) since 5 July 2021 and 25 January 2022, respectively. From September 2017 to July 2021, he was the managing partner and director of D & Partners CPA Limited. From July 2004 to September 2017, he worked in Cheng & Cheng Limited, Certified Public Accountants with his last position as a director.

Mr. Yeung has been an independent non-executive director of TL Natural Gas Holdings Limited (stock code: 8536) since 29 December 2021; Nexion Technologies Limited (stock code: 8420) since 10 September 2020; and Aeso Holding Limited (stock code: 8341) since 12 April 2019. Mr. Yeung graduated from City University of Hong Kong with a bachelor of business administration in accountancy in November 2004. He is a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants and a Certified Tax Adviser of the Taxation Institute of Hong Kong. He is currently a committee member of the Panyu Committee of Chinese People's Political Consultative Conference.

### 獨立非執行董事(續)

#### 楊振宇先生

楊振宇先生(「楊先生」)，42歲，於二零一九年十二月十三日獲委任為獨立非執行董事，負責向董事會提供獨立意見及判斷。彼亦為審計委員會主席以及薪酬委員會、提名委員會及環境、社會及管治委員會之成員。

楊先生，擁有逾17年會計及稅務諮詢經驗。楊先生分別自二零二一年七月五日及二零二二年一月二十五日起於亦辰集團有限公司(股份代號：8365)擔任執行董事及副主席。自二零一七年九月至二零二一年七月，彼於德博會計師事務所有限公司擔任管理合夥人兼董事。自二零零四年七月至二零一七年九月，彼於鄭鄭會計師事務所有限公司(執業會計師)任職，最後職位為董事。

楊先生自二零二一年十二月二十九日起於TL Natural Gas Holdings Limited(股份代號：8536)；自二零二零年九月十日起於Nexion Technologies Limited(股份代號：8420)；及自二零一九年四月十二日起於艾碩控股有限公司(股份代號：8341)擔任獨立非執行董事。楊先生於二零零四年十一月畢業於香港城市大學，取得工商管理(會計學)學士學位。楊先生為香港會計師公會執業會計師及香港稅務學會註冊稅務師。彼現時為中國人民政治協商會議番禺區委員會委員。

## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

### SENIOR MANAGEMENT

#### Mr. Liang Haitao

Mr. Liang Haitao ("Mr. Liang"), aged 38, was appointed as the director of the sales centre of the Company on 1 January 2023 and is responsible for the daily management of the sales department of the Group.

Mr. Liang joined the Group in 2008 after graduating from Changchun University majoring in marketing as an external marketing executive responsible for the production of billboards; a marketing executive responsible for marketing from 2009 to 2010; the district sales manager responsible for regional product sales and customer maintenance from 2011 to 2013; the regional sales manager responsible for the sales and customer maintenance of the regional products from 2014 to 2015; the assistant to sales director and regional manager from 2016 to 2017; the head of the planning department and the head of the furniture painting department responsible for the daily management of the Group's planning and furniture painting department from 2018 to 2021; the deputy director of the marketing centre of the Group responsible for the daily affairs of the marketing centre in 2022. In 2023, he serves as the director of the sales centre of the Group, responsible for the daily management of the Group's sales.

#### Mr. Ju Xuezhi

Mr. Ju Xuezhi ("Mr. Ju"), aged 58, was appointed as the director of the production centre and quality control centre of the Company on 1 January 2024 and is responsible for the daily management of the Group's production centre and quality control centre.

Mr. Ju has 24 years of experience in construction management. From 1992 to 2015, Mr. Ju worked at China Construction Xinjiang Construction Engineering Group (中國建築新疆建工集團), a state-owned enterprise engaged in construction business, with his last position as a deputy general manager; from 2015 to 2021, Mr. Ju started his own business. Mr. Ju graduated from Xinjiang Institute of Architecture and Engineering Technology (新疆建築工程技術學院) in 2000. He studied civil engineering at Xinjiang University in the PRC from 2002 to 2005 and obtained a diploma in 2005. Mr. Ju joined Guangdong Sanvo in October 2021 and has served as the director of the production centre since January 2022; he served as the director of the Group's production centre and quality control centre since 2024, responsible for the Group's production management, construction projects, and quality management.

## 董事及高層管理人員的個人資料

### 高層管理人員

#### 梁海濤先生

梁海濤先生(「梁先生」)，38歲，於二零二三年一月一日獲委任為本公司之銷售中心總監，負責本集團銷售中心日常管理。

梁先生於二零零八年畢業於長春大學市場營銷專業後加入本集團擔任市場發外專員一職，負責廣告品製作工作；二零零九年至二零一零年任職推廣專員，負責市場推廣工作；二零一一年至二零一三年任職銷售片區經理，負責片區產品銷售與客戶維護；二零一四年至二零一五年任職銷售大區經理，負責大區產品銷售與客戶維護；二零一六年至二零一七年任職銷售總監助理兼大區經理；二零一八年至二零二一年任職企劃部長兼任家具漆部長，負責集團企劃與家具漆部日常管理；二零二二年擔任本集團市場中心副總監負責市場中心日常事務。二零二三年擔任本集團銷售中心總監，負責銷售管理工作。

#### 鞠學智先生

鞠學智先生(「鞠先生」)，58歲，於二零二四年一月一日獲委任為本公司之生產中心與品管中心總監，負責本集團生產中心與品管中心日常管理。

鞠先生於建設管理擁有24年經驗。一九九二年至二零一五年，鞠先生在中國建築新疆建工集團(一間從事建設業務的央企)任職，最後職位為副總經理；二零一五年至二零二一年，鞠先生自主創業。鞠先生二零零零年畢業於新疆建築工程技術學院，於二零零二年至二零零五年在中國新疆大學修讀土木工程專業，並於二零零五年畢業取得文憑。鞠先生於二零二一年十月加入廣東三和，並於二零二二年一月起擔任生產中心總監，於二零二四年起擔任本集團生產中心與品管中心總監，負責集團生產管理、建設項目、質量管理工作。

## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高層管理人員的個人資料

### SENIOR MANAGEMENT (CONTINUED)

#### Ms. Wen Guihong

Ms. Wen Guihong ("Ms. Wen"), aged 43, was appointed as the head of financial and accounting centre of the Company on 1 January 2023, and is responsible for the daily management of financial and accounting centre of the Group.

After graduated from the Jilin University in financial accounting, Ms. Wen joined the Group in 2003 and served as a purchaser. She was responsible for the procurement of daily advertising materials. She served as the manager of advertising department from 2006 to 2007, where she was responsible for daily operations of the advertising activities; the manager of finance department of our production site from 2008 to 2014, where she was responsible for the daily management of financial matters of the production site; the manager of strategic planning department from 2015 to 2017; and the manager of the Group's accounting department from 2018 to 2020, where she was responsible for the daily matters of the accounting department. She was appointed as the head of Finance Department of the Group from 2021 to 2022, and served as the supervisor of the finance and accounting center of the Group in 2023, where she was responsible for financial management.

### 高層管理人員(續)

#### 溫桂宏女士

溫桂宏女士(「溫女士」)，43歲，於二零二三年一月一日獲委任為本公司財會中心部長，負責本集團財會中心日常管理。

溫女士於二零零三年畢業於吉林大學財務會計專業後加入本集團擔任採購員一職，負責日常廣告品的採購；二零零六年至二零零七年任職廣告部經理，負責日常與廣告業務相關的工作；二零零八年至二零一四年任職生產基地財務部經理，負責生產基地財務日常管理；二零一五年至二零一七年任職企劃部經理；二零一八年至二零二零年擔任本集團會計部經理負責會計部日常事務；二零二一年至二零二二年獲委任為本集團之財務部主管。二零二三年擔任本集團財會中心部長，負責財務管理工作。



## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

### SENIOR MANAGEMENT (CONTINUED)

#### Mr. Chen Bingyao

Mr. Chen Bingyao ("Mr. Leo Chen"), aged 50, is the chief technical engineer of SANVO Fine Chemicals. Mr. Leo Chen is responsible for the daily management of the four major research institutes (aerosol paint, aerosol refinement, daily chemicals and silicone) of the group's research and development centre. Mr. Leo Chen has resigned as an executive Director with effect from 21 July 2023 but remained as a director of certain subsidiaries of the Company. Mr. Leo Chen is the younger brother of Mr. Ernest Chen, an executive Director.

Mr. Leo Chen has over 20 years of experience in the chemicals industry. Prior to joining the Group, he worked in Guangdong Mediworld Pharmaceutical Co., Ltd., (a company engaged in research, development, manufacture, and sale business of Chinese medicines), as a technician from July 1997 to May 1999, where he was responsible for technical guidance of drug manufacturing and production, and subsequently he worked as an engineer at Foshan Sanvo, from June 1999 to July 2002. Since August 2002, he was a senior engineer of Guangdong Sanvo responsible for supervision of the technology development at Guangdong Sanvo and has subsequently been promoted to person-in-charge of project development (all-purpose adhesives, paints and coatings) in July 2005. Mr. Leo Chen graduated from the China Pharmaceutical University in Jiangsu province with a diploma in chemical pharmaceuticals in July 1997.

Mr. Leo Chen obtained a certificate of qualification as a senior chemical engineer awarded by the Human Resources and Social Security Department of Guangdong Province (中國廣東省人力資源社會保障局) in the PRC in November 2014. He was appointed as the committee member of the Chemical Engineering Testing Specialised Committee of the Shenzhen Analytical and Testing Committee\* (深圳市分析測試協會理事會化工測試技術專業委員會) from May 2013 to May 2016. In March 2015, Mr. Leo Chen was appointed as a member of the Energy Testing Solutions Professional Working Group of the National Committee of Standard Product Quality Testing Monitoring Methods\* (全國產品品質監管重點產品檢驗方法標準化技術委員會能源檢驗方法專業工作組). Mr. Leo Chen was involved in the research of a number of patents and inventions, Mr. Leo Chen was also co-awarded with Mr. Chen Bingqiang the patent award of Zhongshan for a product named "nano mildew neutral silicone sealant" in July 2012.

## 董事及高層管理人員的個人資料

### 高層管理人員(續)

#### 陳炳耀先生

陳炳耀先生(「陳先生」)，50歲，為三和精化研發中心技術總工，負責本集團研發中心(氣霧漆、氣霧精化、日化及有機硅)四大研究所日常管理工作。陳炳耀先生已辭任執行董事，自二零二三年七月二十一日起生效，惟仍擔任本公司若干附屬公司之董事。陳炳耀先生為執行董事陳炳強先生之胞弟。

陳先生在化工行業擁有超過20年經驗，在進入本集團前，於一九九七年七月至一九九九年五月間，在廣東環球製藥有限公司(一間從事中藥研究、開發、製造及銷售的公司)擔任技術員，負責藥品製造生產的技術指導，其後於一九九九年六月至二零零二年七月在佛山三和擔任工程師。自二零零二年八月起，在廣東三和擔任高級工程師，負責監督技術開發，於二零零五年七月晉升為專案開發(萬能膠、油漆及塗料)負責人。陳先生於一九九七年七月畢業於江蘇省中國藥科大學，取得化學藥劑文憑。

陳先生於二零一四年十一月獲得中國廣東省人力資源社會保障局頒發高級化學工程師職稱。於二零一三年五月至二零一六年五月，獲委任為深圳分析測試協會理事會化工測試技術專業委員會委員，於二零一五年三月，陳先生獲委任全國產品品質監管重點產品檢驗方法標準化技術委員會能源檢驗方法專業工作組成員。陳先生參與多項專利與發明的研究，於二零一二年七月，陳先生與陳炳強先生憑藉名為納米防黴中性密封膠的產品共同獲得中山市專利獎。

## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

## 董事及高層管理人員的個人資料

### SENIOR MANAGEMENT (CONTINUED)

#### Mr. Yang Shanjie

Mr. Yang Shanjie ("Mr. Yang"), aged 61, was appointed as the head of the company's research and development centre on 1 January 2024, where he was responsible for the daily management of the four major research institutes (synthetic rubber, oil products, architectural waterproofing and wood coatings) of the research and development centre.

Mr. Yang has nearly 39 years of working experience in the industry. After graduation from Anhui University in 1984, he joined Anqing Chemical Factory (安慶化工總廠) and served as deputy factory manager; he joined Anqing Zhongtian Petrochemical Co., Ltd. (安慶中天石油化工有限公司) in 2004 and served as the deputy general manager; he joined the Group in 2011 and was responsible for the research and development of oil products of the Group. In 2023, he serves as the head of the quality control centre of the Group, responsible for the quality management of the Group. In 2024, he served as the head of the Group's research and development centre and was responsible for the Group's research and development management.

#### Mr. Gou Lizhu

Mr. Gou Lizhu ("Mr. Gou"), aged 40, was appointed as the deputy head of the marketing centre of the Company on 1 January 2024 and is responsible for the daily management of the marketing centre of the Group.

Mr. Gou joined the Group in the finance department after graduating from Lanzhou University of Commerce in 2006 and was engaged in daily financial work; in 2010, he was the head of finance department and was responsible for daily financial management; from 2011 to 2012, he was a marketing specialist and was responsible for marketing work; from 2013 to 2016, he was a sales area manager and was responsible for customer development and sales; from 2017 to 2019, he served as a regional manager, responsible for regional management and market development; from 2020 to 2023, he served as a planning manager, responsible for planning management; in 2024, he served as the deputy head of the Group's marketing centre, responsible for planning management, marketing promotion and brand management.

### 高層管理人員(續)

#### 楊善杰先生

楊善杰先生(「楊先生」)，61歲，於二零二四年一月一日獲委任為本公司研發中心部長，負責研發中心(合成膠、油品、建塗防水及木器漆)四大研究所日常管理工作的。

楊先生於本行業擁有近39年經驗。於一九八四年畢業於安徽大學後加入安慶化工總廠工作，曾擔任副廠長；於二零零四年加入安慶中天石油化工有限公司工作，曾擔任副總經理；於二零一一年加入本集團工作，負責集團油品研發事務。二零二三年擔任本集團品管中心部長，負責集團質量管理工作。二零二四年擔任本集團研發中心部長，負責集團研發管理工作。

#### 苟立柱先生

苟立柱先生(「苟先生」)，40歲，於二零二四年一月一日獲委任為本公司之市場中心副部長，負責本集團市場中心日常管理。

苟先生於二零零六年畢業於蘭州商學院後加入本集團財務部任職，從事日常財務工作；二零一零年擔任財務主管，負責日常財務管理；二零一一年至二零一二年擔任市場專員，負責市場推廣工作；二零一三年至二零一六年擔任銷售片區經理，負責客戶開發及銷售工作；二零一七年至二零一九年擔任大區經理，負責大區管理及市場開發；二零二零年至二零二三年擔任企劃部經理，負責企劃管理；二零二四年擔任本集團市場中心副部長，負責企劃管理、市場推廣、品牌管理工作。

## BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

### SENIOR MANAGEMENT (CONTINUED)

#### Ms. Liao Xingli

Ms. Liao Xingli ("Ms. Liao"), aged 42, was appointed as the deputy head of the operation centre of the Company on 1 January 2024 and is responsible for the daily management of the operation centre of the Group.

Ms. Liao joined the Group in 2004 after graduating from Chongqing Technology and Business University majoring in International Economics and Trade as an order management specialist in the business department, responsible for the processing and follow-up of sales orders; from 2008 to 2014, she was the manager of the business department and was responsible for the daily management of the business department; from 2015 to 2021, she worked in the planning department and was responsible for the planning work of the sales department of automobile products, foreign trade, OEM, etc; in 2022, she worked in the purchasing department and was fully responsible for the daily management of the purchasing department; in 2024, she served as the deputy head of the operation centre of the Group and was responsible for the management of the purchasing, planning, ordering and transportation.

#### Ms. Tang Meiyu

Ms. Tang Meiyu ("Ms. Tang"), aged 34, was appointed as a senior manager of the human resources centre of the Company on 1 January 2024 and is responsible for the daily management of the human resources centre of the Group.

Ms. Tang joined the Group in 2013 as a remuneration and performance specialist after graduating from Southwest University for Nationalities, majoring in human resources management, and was responsible for remuneration accounting and performance appraisal; from 2015 to 2017, she was a remuneration and performance supervisor, responsible for remuneration and performance management; from 2018 to 2023, she was a remuneration and performance manager, responsible for the daily management of remuneration and performance; and in 2024, she was appointed as a senior manager of the human resources centre of the Group, responsible for the management of the human resources.

### COMPANY SECRETARY

Mr. Ng Cheuk Lun was appointed as the company secretary of the Company on 7 August 2018.

Please refer to the subsection headed "Directors — Executive Directors" in this section for Mr. Ng's biography.

## 董事及高層管理人員的個人資料

### 高層管理人員(續)

#### 廖星禮女士

廖星禮女士(「廖女士」)，42歲，於二零二四年一月一日獲委任為本公司之運營中心副部長，負責本集團運營中心日常管理。

廖女士於二零零四年畢業於重慶工商大學國際經濟與貿易專業後加入本集團，擔任商務部訂單管理專員一職，負責銷售訂單的處理與跟進工作；二零零八年至二零一四年任職商務部經理，全面負責商務部之日常工作；二零一五年至二零二一年，任職於企劃部，先後負責車品、外貿、代工等銷售部企劃工作；二零二二年，任職於採購部，全部負責採購部之日常管理工作；二零二四年擔任本集團運營中心副部長，負責採購、計劃、訂單及運輸管理工作。

#### 唐美玉女士

唐美玉女士(「唐女士」)，34歲，於二零二四年一月一日獲委任為本公司之人資中心高級經理，負責本集團人資中心日常管理。

唐女士於二零一三年畢業於西南民族大學人力資源管理專業後加入本集團擔任薪酬績效專員一職，負責薪酬核算與績效考核工作；二零一五年至二零一七年任職薪酬績效主管，負責薪酬與績效管理工作；二零一八年至二零二三年任職薪酬績效經理，負責薪酬及績效日常管理；二零二四年擔任本集團人資中心高級經理，負責人力資源管理工作。

### 公司秘書

吳卓倫先生於二零一八年八月七日獲委任為本公司之公司秘書。

有關吳先生之履歷，請參閱本節「董事 — 執行董事」分節。

# DIRECTORS' REPORT

The Directors are pleased to present their report together with the audited consolidated financial statements for FY2023 of the Group.

## PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is an established fine industrial chemical products manufacturer based in the PRC. The principal activities of the Group are researching, developing, manufacturing and sales of a diversified portfolio of fine industrial chemical products, which can serve a range of purposes, including as hardware and towards building materials and automotive maintenance.

## BUSINESS REVIEW

### General

Further discussion and analysis of the Group's principal activities, including a business review for FY2023, and an indication of the likely future developments of the Group's business can be found in the Chairman's Statement and the Management Discussion and Analysis as set out on pages 8 to 16 of this annual report. These discussions from part of this directors' report.

### Environmental policies and performance

The Group is committed to its corporate and social responsibility in promoting a sustainable and environmentally friendly environment. The Group strives to minimise the environmental impact in daily course of business.

Further details of the Group's environmental policies and performance are set out in the Environmental, Social and Governance Report of the Company on pages 67 to 118 of this annual report.

### Compliance with laws and regulations that have a significant impact on the Group

The Group and its business are governed by certain laws and regulations that have a significant impact on the Group. To the best of the Directors' knowledge, information and belief, during FY2023, there was no material breach of or non-compliance with the applicable laws and regulations by the Group. The Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

# 董事會報告

董事會欣然提呈其報告連同本集團二零二三年財政年度經審計綜合財務報表。

## 主要業務

本公司為投資控股公司。本集團為駐中國發展成熟之精細化工產品製造商。本集團之主要業務為研究、開發、製造及銷售多元化精細化工產品組合，可廣泛用作不同用途，包括五金建材及汽車修護。

## 業務回顧

### 一般資料

有關本集團主要業務的進一步討論及分析，包括對二零二三年財政年度的業務回顧，以及本集團業務的未來可能發展，請參閱載於本年報第8至16頁之主席報告及管理層討論與分析。該等討論為本董事會報告之一部分。

### 環境政策及表現

本集團致力於履行企業及社會責任，促進可持續發展及構建環境友好環境。本集團致力減少日常業務營運對環境的影響。

有關本集團環境政策及表現的進一步詳情載於本年報第67至118頁的本公司環境、社會與管治報告。

### 遵守對本集團有重大影響的法律法規

本集團及其業務受若干對本集團有重大影響的法律法規所約束。據董事所深知、盡悉及確信，於二零二三年財政年度，本集團概無重大違反或不遵守適用法律法規的情況。本集團已在重大方面遵守對本集團業務及營運有重大影響的相關法律法規。

# DIRECTORS' REPORT

# 董事會報告

## BUSINESS REVIEW (CONTINUED)

### Relationships with employees, customers and suppliers

#### Relationship with customers

We have long-term and well-established relationships with the majority of our major customers. We had established relationships with our five largest customers who have been conducting business with us for an average of more than eight years. We believe that being able to maintain long-term customer relationships demonstrates the Group's ability to provide high-quality products on time and enables us to maintain our extensive distribution channels and network.

The Group's largest customer and five largest customers for FY2023 accounted for approximately 5.1% (FY2022: 3.5%) and 13.1% (FY2022: 11.0%), respectively, of the Group's total turnover for FY2023.

According to the understanding of the Directors, none of the Directors, their associates or any Shareholders who owned more than 5% of the Company's share capital had any interests in the five largest customers at any time during FY2023.

#### Relationship with suppliers

We believe that our industry reputation and on-time settlement help us in building a stable network of suppliers which cover all aspects of the Group's raw materials needs. Establishing a good relationship with major suppliers enables the Group to have more flexibility in resources allocation compared with our competitors. We had established relationships with our five largest suppliers who have been conducting business with us for an average of over eleven years. We believe our established relationships also enables us to procure the necessary supplies when we require them, reducing the risk of shortage or delay in delivery of materials or services causing material disruption to our works. The Directors consider that partnering with these suppliers is one of the key success factors for us to deliver high quality products in a timely manner to our customers.

The Group's largest supplier and five largest suppliers for FY2023 accounted for approximately 6.4% (FY2022: 4.7%) and 24.8% (FY2022: 19.7%), respectively, of the Group's total purchases for FY2023.

According to the understanding of the Directors, none of the Directors, their associates or any Shareholders who owned more than 5% of the Company's share capital had any interests in the five largest suppliers at any time during FY2023.

#### Relationship with employees

Employees are regarded as the most important and valuable assets of the Group. The Group ensures all staff are reasonably remunerated and provides them with a safe and healthy workplace and other developmental training and has proper whistle blowing procedures.

## 業務回顧(續)

### 與僱員、客戶及供應商的關係

#### 與客戶的關係

我們與大部分主要客戶建立長期良好關係。我們與五大客戶建立業務關係，彼等與我們進行業務平均超過八年。我們相信，維持長期客戶關係反映本集團能按時提供高質素產品，並有助我們維持廣泛經銷渠道及網絡。

於二零二三年財政年度，本集團最大客戶及五大客戶分別佔本集團二零二三年財政年度收益總額約5.1%（二零二二年財政年度：3.5%）及13.1%（二零二二年財政年度：11.0%）。

據董事了解，概無董事、其聯繫人或任何持有本公司超過5%股本的股東在二零二三年財政年度任何時間於五大客戶持有任何權益。

#### 與供應商的關係

我們相信，我們之行業聲譽及按時結清費用有助我們建立一個穩定之供應商網絡，涵蓋本集團所有領域的原料需求。與主要供應商建立良好關係令本集團於分配資源時比起競爭對手具備更大靈活性。我們與五大供應商建立業務關係，該等供應商與我們進行業務平均超過十一年。我們相信，我們與供應商之悠久關係亦令我們能夠於有需要時取得必要供應，以減低短缺或延遲交付材料或服務導致對我們工作產生重大干擾之風險。董事認為，與該等供應商合作為我們可按時向客戶交付優質產品之主要成功因素之一。

於二零二三年財政年度，本集團最大供應商及五大供應商分別佔本集團年內總採購額約6.4%（二零二二年財政年度：4.7%）及24.8%（二零二二年財政年度：19.7%）。

據董事了解，概無董事、其聯繫人或任何持有本公司超過5%股本的股東在二零二三年財政年度任何時間於五大供應商持有任何權益。

#### 與僱員的關係

本集團視僱員為最重要且最寶貴的資產。本集團確保所有員工獲得合理薪酬，為彼等提供安全及健康的工作環境以及其他發展培訓，並設有適當的舉報程序。



# DIRECTORS' REPORT

# 董事會報告

## EVENTS AFTER THE REPORTING DATE

Save as disclosed in the section headed "Management Discussion and Analysis" of this annual report, there were no significant events after the reporting period up to the date of this annual report.

## RESULTS

The results of the Group for FY2023 are set out in the consolidated statement of comprehensive income of this report.

## FINAL DIVIDEND

The Board did not recommend the payment of any final dividend for FY2023 (2022: nil).

## FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out in the section headed "Financial Summary" of this annual report.

## SHARE CAPITAL

The Company had allotted and issued 42,750,000 new ordinary shares by way of bonus issue on the basis of one (1) bonus share for every ten (10) shares to the then qualified shareholders of the Company on 11 July 2023.

Details of the share capital of the Company for FY2023 are set out in Note 26 to the consolidated financial statements for FY2023 in this annual report.

## RESERVES

Movements in the reserves of the Company during FY2023 are set out in Note 27 to the consolidated financial statements for FY2023 in this annual report. Under the laws of the Cayman Islands, share premium of the Company is available for distributions or paying dividends to the Shareholders subject to the provisions of its Memorandum and Articles of Association ("Articles") and a statutory solvency test. Pursuant to the Articles, dividends may be declared and paid out of the profits of the Company 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 or paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the applicable law of the Cayman Islands.

## 報告日期後事項

除本年報「管理層討論與分析」一節所披露者外，報告期後直至本年報日期並無出現任何重大事件。

## 業績

本集團二零二三年財政年度的業績載於本報告綜合全面收益表。

## 末期股息

董事會並無建議向股東派發二零二三年財政年度任何末期股息（二零二二年：無）。

## 財務概要

本集團最近五個財政年度的業績以及資產和負債摘要載於本年報「財務概要」一節。

## 股本

本公司已於二零二三年七月十一日以發行紅股的方式向本公司當時的合資格股東配發及發行42,750,000股新普通股，基準為每十(10)股股份獲發一(1)股紅股股份。

本公司於二零二三年財政年度的股本詳情載於本年報二零二三年財政年度綜合財務報表附註26。

## 儲備

本公司於二零二三年財政年度之儲備變動情況載於本年報二零二三年財政年度綜合財務報表附註27。根據開曼群島法律，本公司之股份溢價可根據其組織章程大綱及細則（「細則」）之規定，在通過法定償付能力測試的情況下，用於向股東派發或支付股息。根據細則，可宣派股息並由本公司之溢利支付，或自以溢利撥充而董事認為不再需要之儲備中扣除。在普通決議案的批准下，亦可自股票溢價賬或根據開曼群島適用法律可就此目的而授權之任何其他基金或賬戶中宣派或支付股息。

## DIRECTORS' REPORT

### PROFITS AVAILABLE FOR DISTRIBUTION

Profit available for distribution of the Company as at 31 December 2023, calculated under Part 6 of the Companies Ordinance, amounted to approximately RMB50,643,000 (31 December 2022: RMB57,081,000).

### EQUITY-LINKED AGREEMENTS

During FY2023, the Company did not enter into any equity-linked agreements in respect of the Shares.

### CHARITABLE DONATIONS

During FY2023, the Group made charitable donations amounted to RMB22,000 (FY2022: RMB83,000).

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During FY2023 and up to the date of this annual report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

### PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company had maintained a sufficient public float as required under the Listing Rules during FY2023 and up to the date of this annual report.

## 董事會報告

### 可供分配溢利

於二零二三年十二月三十一日，根據《公司條例》第6部計算的本公司可供分配溢利約為人民幣50,643,000元（二零二二年十二月三十一日：人民幣57,081,000元）。

### 股權掛鈎協議

於二零二三年財政年度，本公司並無就股份訂立任何股權掛鈎協議。

### 慈善捐款

於二零二三年財政年度，本集團之慈善捐款為人民幣22,000元（二零二二年財政年度：人民幣83,000元）。

### 優先購買權

細則或開曼群島（本公司註冊成立所在司法權區）法律並無關於優先購買權的規定。

### 購買、出售或贖回本公司之上市證券

於二零二三年財政年度及直至本年報日期，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

### 公眾持股量

根據本公司可公開獲取的資料並據董事所深知，於二零二三年財政年度及直至本年報日期，本公司一直維持上市規則規定的充足公眾持股量。

## DIRECTORS' REPORT

### DIRECTORS OF THE COMPANY

The Directors during FY2023 and up to the date of this annual report were:

Mr. Chen Bingqiang	Executive Director, chairman of the Board and chief executive officer
Mr. Chen Bingyao (resigned on 21 July 2023)	Executive Director
Mr. Ng Cheuk Lun	Executive Director
Ir. Daniel Lai	Independent non-executive Director
Mr. Xu Kai	Independent non-executive Director
Mr. Yeung Chun Yue David	Independent non-executive Director

The biographical details of the Directors and senior management of the Company are set out in "Biographies of the Directors and Senior Management" on pages 17 to 26 of this annual report.

In accordance with the Articles, Mr. Ng Cheuk Lun and Mr. Yeung Chun Yue David shall retire by rotation at the forthcoming annual general meeting of the Company to be held on Friday, 28 June 2024 (the "2024 AGM") and they, being eligible, offer themselves for re-election.

### DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for a term of three years and renewable automatically for every successive term of one year thereafter, until terminated by either party giving not less than three months' notice in writing to the other.

Each of the independent non-executive Directors has entered into an appointment letter with the Company for a term of three years and shall continue thereafter on a yearly basis up to a maximum of three years, until terminated by either party giving not less than three months' notice in writing to the other.

None of the Directors who is proposed for re-election at the 2024 AGM has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save as the related party transactions disclosed in Note 29 to the consolidated financial statements for FY2023 in this annual report, no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of FY2023 or at any time during FY2023.

## 董事會報告

### 本公司董事

於二零二三年財政年度及直至本年報日期，董事包括：

陳炳強先生	執行董事、董事會主席及行政總裁
陳炳耀先生 (於二零二三年 七月二十一日辭任)	執行董事
吳卓倫先生	執行董事
賴錫璋工程師	獨立非執行董事
許凱先生	獨立非執行董事
楊振宇先生	獨立非執行董事

本公司董事及高層管理人員的履歷詳情載於本年報第17至26頁「董事及高層管理人員的個人資料」。

根據細則，吳卓倫先生及楊振宇先生將於二零二四年六月二十八日(星期五)舉行之應屆股東週年大會(「二零二四年股東週年大會」)上輪值退任，彼等符合資格並願意重選連任。

### 董事服務合約

各執行董事已與本公司訂立服務合約，為期三年，其後每次自動續期一年，直至任何一方向另一方發出不少於三個月書面通知終止為止。

各獨立非執行董事已與本公司訂立委任函，為期三年，其後將按年續期最多三年，直至任何一方向另一方發出不少於三個月書面通知終止為止。

概無擬於二零二四年股東週年大會上重選連任的董事，與本公司或其任何附屬公司訂有本公司或其任何附屬公司不可於一年內免付賠償(法定賠償除外)而終止之未屆滿服務合約。

### 董事於重大交易、安排及合約中的權益

除本年報二零二三年財政年度綜合財務報表附註29所披露的關聯方交易外，概無存在本公司或其任何附屬公司為訂約方及概無董事直接或間接擁有重大利益的交易、安排或合約於二零二三年財政年度結束時或二零二三年財政年度任何時間存續。



## DIRECTORS' REPORT

## 董事會報告

### CHANGES IN DIRECTOR'S BIOGRAPHICAL DETAILS UNDER RULE 13.51B(1) OF THE LISTING RULES

There was no change in Directors' biographical details which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during FY2023 and up to the date of this annual report.

### INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND THE CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2023, the Directors and the chief executive had the following interests in the Share, underlying Shares and debentures of the Company, its Group members and/or associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules were as follows:

### 根據上市規則第13.51B(1)條對董事履歷詳情的變動

於二零二三年財政年度及直至本年報日期，概無任何根據上市規則第13.51B(1)條要求披露的董事履歷資料變動。

### 本公司董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債權證中擁有的權益及淡倉

於二零二三年十二月三十一日，董事及最高行政人員於本公司、其集團成員公司及／或相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）股份、相關股份及債權證中擁有須根據證券及期貨條例第352條記錄於本公司存置的登記冊的權益，或根據上市規則附錄C3所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益如下：

Name of Director(s)/ chief executive	Capacity/ nature of interest	Relevant company (including associated corporation)	Number of Shares held <sup>(Note 1)</sup>	Number of underlying Shares held	Approximate percentage of shareholding in the total issued share capital of the Company 佔本公司全部已發行股本概約股權百分比
董事／最高行政人員姓名	身分／權益性質	相關公司（包括相聯法團）	所持股份數目 <sup>(附註1)</sup>	所持相關股份數目	
Mr. Chen Bingqiang 陳炳強先生	Interest of controlled corporation 於受控法團的權益	Sanvo Fine Chemicals Limited (Note 2) Sanvo Fine Chemicals Limited (附註2)	345,400,000	–	73.45%
Mr. Ng Cheuk Lun 吳卓倫先生	Beneficial owner 實益擁有人	N/A 不適用	–	4,400,000 (Note 3) 4,400,000 (附註3)	0.94%

Notes:

- (1) All the Shares above are held in long position.
- (2) Sanvo Fine Chemicals Limited is wholly-owned by Mr. Chen Bingqiang. Mr. Chen Bingqiang is deemed to be interested in the 345,400,000 Shares held by Sanvo Fine Chemicals Limited pursuant to the SFO.
- (3) These interests represent the number of underlying Shares in respect of the Amended 2019 Share Option Scheme (as defined hereinafter), the details of which are set out under the section headed "SHARE OPTION SCHEME" of this report.

附註：

- (1) 上述所有股份均以好倉持有。
- (2) Sanvo Fine Chemicals Limited由陳炳強先生全資擁有。根據證券及期貨條例，陳炳強先生被視為於Sanvo Fine Chemicals Limited持有的345,400,000股股份中擁有權益。
- (3) 該等權益指經修訂二零一九年購股權計劃（定義見下文）的相關股份數目，有關詳情載於本報告「購股權計劃」一節。

## DIRECTORS' REPORT

## 董事會報告

### INTERESTS AND SHORT POSITIONS OF THE SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2023, so far as was known to the Directors or chief executive of the Company, the following persons (other than the interests disclosed above in respect of the Directors and chief executive of the Company) has, or is deemed to have, interests or short positions in the Shares or underlying Shares as recorded in the register to be kept under Section 336 of the SFO are set out below:

Name 姓名/名稱	Capacity/nature of interest 身分/權益性質	Number and class of Shares <sup>(Note 1)</sup> 股份數目及類別 <sup>(附註1)</sup>	Approximate percentage of shareholding in the total issued share capital of the Company 佔本公司全部已發行股本概約股權百分比
Sanvo Fine Chemicals Limited (Note 2) Sanvo Fine Chemicals Limited (附註2)	Beneficial owner 實益擁有人	345,400,000	73.45%
Ms. Liang Yinsheng (Note 3) 梁銀生女士(附註3)	Interest of spouse 配偶權益	345,400,000	73.45%

Notes:

- All the Shares above are held in long position.
- Sanvo Fine Chemicals Limited is wholly-owned by Mr. Chen Bingqiang. Mr. Chen Bingqiang is deemed to be interested in the 345,400,000 Shares held by Sanvo Fine Chemicals Limited pursuant to the SFO.
- Ms. Liang Yinsheng, the spouse of Mr. Chen Bingqiang, is deemed to be interested in the 345,400,000 Shares held by Mr. Chen Bingqiang through his controlled corporation, Sanvo Fine Chemicals Limited.

### DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

During FY2023, none of the Directors, directors of the Company's subsidiaries, controlling Shareholders or their respective associates, had interests in business (apart from the business of the Group) which competes or is likely to compete either directly or indirectly with the business of the Group which would require disclosure pursuant to the Listing Rules.

### 主要股東及其他人士於本公司股份及相關股份中擁有的權益及淡倉

於二零二三年十二月三十一日，就本公司董事或最高行政人員所知，以下人士(除上文就本公司董事及最高行政人員所披露之權益外)於或被視為於股份或相關股份中，擁有按照證券及期貨條例第336條須予存置之登記冊所記錄之權益或淡倉，載列如下：

附註：

- 上述所有股份均以好倉持有。
- Sanvo Fine Chemicals Limited由陳炳強先生全資擁有。根據證券及期貨條例，陳炳強先生被視為於Sanvo Fine Chemicals Limited持有的345,400,000股股份中擁有權益。
- 陳炳強先生之配偶梁銀生女士為被視為於陳炳強先生透過其受控法團Sanvo Fine Chemicals Limited持有的345,400,000股股份中擁有權益。

### 董事及控股股東於競爭業務中的權益

於二零二三年財政年度，概無董事、本公司附屬公司的董事、控股股東或其各自的聯繫人，於根據上市規則須予披露與本公司及其附屬公司業務競爭或可能直接或間接競爭的業務(本集團業務除外)中擁有權益。

## DIRECTORS' REPORT

## 董事會報告

### PERMITTED INDEMNITY PROVISION

Subject to applicable laws, the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them 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, pursuant to the Articles. Such provisions were in force throughout FY2023 and are currently in force. The Company has arranged for appropriate insurance cover for Directors' liabilities in respect of legal actions that may be brought against the Directors.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during FY2023.

### SHARE OPTION SCHEME

The Company adopted a share option scheme on 13 December 2019 (the "2019 Share Option Scheme") and, in order to align with the amendments to Chapter 17 of the Listing Rules taking effect from 1 January 2023, amended (the "Proposed Share Scheme Amendments") its terms (the "Amended 2019 Share Option Scheme") on 30 June 2023 (the "Adoption Date").

The following is a summary of the principal terms of the Amended 2019 Share Option Scheme. The terms of the Amended 2019 Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

#### Purpose

The Amended 2019 Share Option Scheme is a share incentive scheme and is established to recognize and acknowledge the contributions the Eligible Participants (as defined below) have had or may have made to the Group. The Amended 2019 Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) motivating the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attracting and retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

### 獲准許彌償條文

在遵守適用法律的前提下，根據細則，如董事在執行其各自職務之職責或假定職責或與此相關之事務時因所作出、發生之任何行為或不作為而應會或可能招致或蒙受訴訟、成本、費用、損失、損害及開支，則彼等或彼等任何一方均應自本公司之資產及溢利中獲彌償一切有關之款項。該等條文於二零二三年財政年度整個年度一直生效，且目前仍然有效。本公司已為董事就可能針對其提起的法律訴訟安排涵蓋董事責任的適當保險。

### 管理合約

於二零二三年財政年度，並無簽訂或存在任何涉及本集團全部或大部分業務的管理及行政的合約。

### 購股權計劃

本公司於二零一九年十二月十三日採納一項購股權計劃（「二零一九年購股權計劃」），為與自二零二三年一月一日起生效的上市規則第17章的修訂保持一致，於二零二三年六月三十日（「採納日期」）修訂（「建議購股權計劃修訂」）其條款（「經修訂二零一九年購股權計劃」）。

下列為經修訂二零一九年購股權計劃的主要條款概要。經修訂二零一九年購股權計劃的條款符合上市規則第17章的規定。

#### 目的

經修訂二零一九年購股權計劃為認可及承認合資格參與者（定義見下文）對本集團已作出或可能作出之貢獻而設立之一項股份獎勵計劃。經修訂二零一九年購股權計劃將為合資格參與者提供於本公司擁有個人權益之機會，並旨在達成下列目標：

- (i) 鼓勵合資格參與者以本集團利益作出彼等之最佳表現效率；及
- (ii) 吸納及挽留作出對本集團長遠發展有所裨益或將會有所裨益之貢獻之合資格參與者或以其他方式維持與其持續之業務關係。

## DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEME (CONTINUED)

#### Eligible Participant

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph below to the following persons ("**Eligible Participants**"):

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries (including persons who are granted share options under the Amended 2019 Share Option Scheme as an inducement to enter into employment contracts with the Group; and
- (ii) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries.

#### Maximum number of shares

The maximum number of Shares which may be allotted and issued in respect of the Amended 2019 Share Option Scheme and any other share scheme(s) of the Company (the "**Scheme Limit**") shall not in aggregate exceed 42,750,000 Shares, being 10% of the Shares in issue as at the Adoption Date. Unless expressly approved by the Shareholders at general meeting and expressly allowed by the Stock Exchange, no any options or awards may be granted under any share schemes of the Company if the grant of such share options or awards would result in the scheme limit being exceeded.

Any share options or awards lapsed in accordance with the terms of the respective share scheme of the Company will not be regarded as utilized for the purpose of calculating the Scheme Limit.

Following the refreshment of Scheme Limit on 30 June 2023 and the grant of 2,184,246 award Shares under the 2023 Share Award Scheme on 15 November 2023, as at the date of this report, the number of Shares available for future grant under the Amended 2019 Share Option Scheme, the 2023 Share Award Scheme and other share schemes of the Company was 40,565,754.

### 購股權計劃(續)

#### 合資格參與者

董事會可酌情向下列人士(「**合資格參與者**」)要約授出購股權以按下文一段釐定之行使價認購董事會可能釐定之該等數目新股份：

- (i) 本公司或其任何附屬公司全職或兼職工作之任何僱員、行政人員或高級人員(包括根據經修訂二零一九年購股權計劃獲授購股權作為與本集團訂立僱傭合約誘因的人士)；及
- (ii) 本公司或其任何附屬公司任何董事(包括非執行董事及獨立非執行董事)。

#### 股份數目上限

就經修訂二零一九年購股權計劃及本公司任何其他股份計劃可能配發及發行的最高股份數目(「**計劃限額**」)合共不得超過42,750,000股股份，即於採納日期已發行股份的10%。除非於股東大會上獲股東明確批准及獲聯交所明確准許，倘授出任何購股權或獎勵會導致超過計劃限額，則不得根據本公司任何股份計劃授出任何購股權或獎勵。

就計算計劃限額而言，根據本公司相關股份計劃條款而失效的任何購股權或獎勵將不被視為已動用。

於二零二三年六月三十日更新計劃限額及於二零二三年十一月十五日根據二零二三年股份獎勵計劃授出2,184,246股獎勵股份後，於本報告日期，根據經修訂二零一九年購股權計劃、二零二三年股份獎勵計劃及本公司其他股份計劃可供未來授出的股份數目為40,565,754股。

## DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEME (CONTINUED)

#### Maximum number of shares (Continued)

The Company may seek approval of the Shareholders at general meeting for refreshing the Scheme Limit after three (3) years from (i) the date of approving the Proposed Share Scheme Amendments; or (ii) the date for the shareholders' approval for the last refreshment (as the case may be). In any event, the total number of Shares which may be allotted and issued in respect of the Amended 2019 Share Option Scheme and any other share scheme(s) of the Company shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the refreshed limit. Any refreshment to the Scheme Limit within any three-year period must be approved by the Shareholders, where any controlling Shareholder and his associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting and in accordance with the requirements under the Listing Rules. Such requirements are not applicable if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Limit (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of the Scheme Limit immediately before the issue of securities, rounded to the nearest whole Share.

For the purpose of seeking approval of the Shareholders at general meeting for refreshing the Scheme Limit, the Company must send a circular to the Shareholders containing the information as required by the Listing Rules from time to time, including the reason for the refreshment.

### 購股權計劃(續)

#### 股份數目上限(續)

本公司可於(i)批准建議股份計劃修訂日期；或(ii)股東批准最後一次更新(視情況而定)日期起計三(3)年後於股東大會上尋求股東批准更新計劃限額。在任何情況下，就經修訂二零一九年購股權計劃及本公司任何其他股份計劃可能配發及發行的股份總數，合共不得超過批准經更新限額當日已發行股份的10%。於任何三年期間內對計劃限額作出的任何更新均須經股東批准，而任何控股股東及其聯繫人(或倘並無控股股東，則董事(不包括獨立非執行董事)及本公司最高行政人員以及彼等各自的聯繫人)須於股東大會上根據上市規則的規定放棄投票贊成相關決議案。倘根據上市規則第13.36(2)(a)條所載，緊隨本公司按比例向股東發行證券後進行更新，以使更新後的計劃限額未動用部分(佔已發行股份總數的百分比)與緊接發行證券前的計劃限額未動用部分相同，約整至最接近的整數股，則該等規定並不適用。

為於股東大會上尋求股東批准更新計劃限額，本公司必須向股東寄發通函，當中載有上市規則不時規定之資料，包括更新之理由。



## DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEME (CONTINUED)

#### Maximum entitlement of each Eligible Participant

The maximum entitlement of share options of each Eligible Participant under the Amended 2019 Share Option Scheme shall not exceed 1% of the Shares of the Company (i.e. 4,275,000 Shares as at the Adoption Date). Where any grant of share options under the Amended 2019 Share Option Scheme to an Eligible Participant would result in the Shares issued and to be issued in respect of all share options and awards granted under the share schemes of the Company (including any other share schemes of the Company (as defined under the Listing Rules), where applicable, but excluding any share options and awards lapsed in accordance with the terms of the respective share scheme of the Company) to such person in the 12-month period up to and including the date of such grant exceeds 1% of the Shares in issue, such grant must be separately approved by Shareholders in general meeting with such Eligible Participant and his close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders. The circular must disclose the identity of the Eligible Participant, the number and terms of the share options to be granted (and those previously granted to such Eligible Participant in the 12-month period), the purpose of granting share options to the Eligible Participant and an explanation as to how the terms of the share options serve such purpose. The number and terms of the share options to be granted to such Eligible Participant must be fixed before Shareholders' approval. In respect of any share options to be granted, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under the Listing Rules.

#### Time of exercise of option and duration of the Share Option Scheme

Subject to the relevant clauses, the Amended 2019 Share Option Scheme shall be valid and effective until the close of business of the Company on the date (i.e. 12 December 2029) which falls ten (10) years from the date of adoption of the 2019 Share Option Scheme (i.e. 13 December 2019), after which period no further Share Options may be offered but the provisions of the Amended 2019 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Share Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Amended 2019 Share Option Scheme.

### 購股權計劃(續)

#### 向每名合資格參與者授出購股權的數目上限

每名合資格參與者根據經修訂二零一九年購股權計劃獲授購股權的最高數目不得超過本公司股份的1%(即於採納日期的4,275,000股股份)。倘根據經修訂二零一九年購股權計劃向合資格參與者授出任何購股權，將導致於截至有關授出日期(包括該日)止12個月期間，就根據本公司股份計劃(包括本公司任何其他股份計劃(定義見上市規則)(如適用)但不包括根據本公司相關股份計劃條款已失效的任何購股權及獎勵)向有關人士發行及將予發行的所有購股權及獎勵股份超過已發行股份的1%，則有關授出須經股東於股東大會上另行批准，而有關合資格參與者及其緊密聯繫人(或倘合資格參與者為關連人士，則為聯繫人)須放棄投票。本公司必須向股東寄發通函。該通函必須披露合資格參與者的身分、將予授出的購股權數目及條款(及過往於12個月期間向該合資格參與者授出的購股權)、向合資格參與者授出購股權的目的及有關購股權條款如何達致該目的的解釋。將授予該合資格參與者的購股權數目及條款須於股東批准前釐定。就將予授出的任何購股權而言，就根據上市規則計算行使價而言，建議進一步授出購股權的董事會會議日期應被視為授出日期。

#### 行使購股權的時間及購股權計劃的期限

在相關條款的規限下，經修訂二零一九年購股權計劃將一直有效及生效，直至本公司於採納二零一九年購股權計劃日期(即二零一九年十二月十三日)起十(10)年當日(即二零一九年十二月十二日)營業時間結束為止，於該期間後不得進一步授出購股權，惟經修訂二零一九年購股權計劃的條文將繼續有效，以使此前已授出的任何購股權可有效行使，或根據經修訂二零一九年購股權計劃的條文可能另行規定者為限。

## DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEME (CONTINUED)

#### Time of exercise of option and duration of the Share Option Scheme (Continued)

The Amended 2019 Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Amended 2019 Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

A Grantee shall ensure that any exercise of his Share Option under the relevant clause is valid and complies with all laws, legislations and regulations to which he is subject. The Board may, as a condition precedent to allotting shares upon an exercise of a Share Option, require the relevant Grantee to produce such evidence as it may reasonably require for such purpose.

The Option Period of a Share Option may not end later than ten (10) years from the Offer Date.

Vesting period of share options shall be no less than 12 months. Share options granted to Eligible Participants may be subject to a shorter vesting period under the following circumstances:

- (i) grants to an Eligible Participant whose employment is terminated due to death or disability or event of force majeure;
- (ii) grants of share options with performance-based vesting conditions provided in the scheme document, in lieu of time-based vesting criteria; and
- (iii) grants of share options with a mixed or accelerated vesting schedule such that the share options may vest evenly over a period of 12 months.

The Board is of the view that the discretion in allowing a shorter vesting period in each of the circumstances gives the Company more flexibility to provide competitive remuneration package to reward exceptional performers and grant share options in exceptional circumstances where justified, which is in line with the purpose of the Amended 2019 Share Option Scheme.

### 購股權計劃(續)

#### 行使購股權的時間及購股權計劃的期限(續)

經修訂二零一九年購股權計劃由董事會管理，董事會就經修訂二零一九年購股權計劃或其詮釋或效力(除本公告另有規定者外)產生的所有事宜作出的決定為最終決定，對各方均具約束力。

承授人須確保根據相關條款行使其購股權屬有效，並遵守其須遵守的所有法律、法規及法例。作為行使購股權時配發股份的先決條件，董事會可要求相關承授人提供就此可能合理要求的證據。

購股權的購股權期間不得遲於要約日期起計十(10)年結束。

購股權的歸屬期不得少於12個月。在下列情況下，授予合資格參與者的購股權的歸屬期可能較短：

- (i) 向因身故或殘疾或不可抗力事件而終止僱傭的合資格參與者授出；
- (ii) 根據計劃文件規定的績效歸屬條件授出購股權，以取代基於時間的歸屬標準；及
- (iii) 授出混合或加速歸屬時間表的購股權，以使購股權可於12個月期間內平均歸屬。

董事會認為，在各種情況下酌情允許較短的歸屬期，使本公司能夠更靈活地提供具競爭力的薪酬待遇，以獎勵表現優異的員工，並在合理的特殊情況下授出購股權，這符合經修訂二零一九年購股權計劃的目的。

## DIRECTORS' REPORT

## 董事會報告

### SHARE OPTION SCHEME (CONTINUED)

#### Acceptance of an offer of options

A Share Option shall be deemed to have been granted to and accepted by the Grantee and to have taken effect when the duplicate offer document constituting acceptances of the Share Options duly signed by the Grantee, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date. Such payment shall in no circumstances be refundable. To the extent that the offer to grant a Share Option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Any Offer may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the share option.

#### Basis of determining the exercise price

The Subscription Price of a Share in respect of any particular Share Option granted under the Amended 2019 Share Option Scheme shall, subject to any adjustments made pursuant to the relevant clause, be such price as the Board may in its absolute discretion determine at the time of grant of the relevant share options (and shall be stated in the letter containing the Offer) but the exercise price shall be not less than the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a Business Day;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five (5) Business Days immediately preceding the date of grant; and
- (c) the nominal value of the Shares.

### 購股權計劃(續)

#### 接納購股權要約

本公司於相關接納日期或之前收到由承授人正式簽署構成接納購股權的一式兩份要約文件連同以本公司為受益人的1.00港元匯款作為授出購股權的代價後，購股權即被視為已授予承授人並獲承授人接納並生效。有關款項在任何情況下均不得退還。倘授出購股權的要約於任何規定的接納日期未獲接納，則其將被視為已被不可撤回地拒絕。

就少於所要約的股份數目的要約而言，接納任何要約，惟接納的股份數目須為股份在聯交所買賣的每手買賣單位或其完整倍數，且有數目在構成接納購股權的一式兩份要約文件中清楚列明。

#### 釐定行使價之基準

根據經修訂二零一九年購股權計劃授出的任何特定購股權所涉及的股份的認購價(可根據相關條款作出任何調整)應為董事會於授出相關購股權時全權酌情釐定的價格(並須於載有要約的函件中協定)，惟行使價不得低於以下各項的最高者：

- (a) 股份於授出日期(必須為營業日)在聯交所每日報價表所列的收市價；
- (b) 股份於緊接授出日期前五(5)個營業日在聯交所每日報價表所列之平均收市價；及
- (c) 股份的面值。



# DIRECTORS' REPORT

# 董事會報告

## SHARE OPTION SCHEME (CONTINUED)

### Basis of determining the exercise price (Continued)

The detailed movement of the share options of the Company for the year ended 31 December 2023 are set out as follows:

## 購股權計劃(續)

### 釐定行使價之基準(續)

截至二零二三年十二月三十一日止年度，本公司購股權的變動詳情載列如下：

Name and category of grantee	Date of grant	Exercise price	Number of underlying Shares				Outstanding as at 31 December 2023	Exercise period	Vesting date
			Outstanding as at 1 January 2023	Granted during the year	Exercised during the year	Lapsed during the year			
承授人的姓名及類別	授出日期	行使價	於二零二三年一月一日尚未行使	年內已授出	年內已行使	年內失效	於二零二三年十二月三十一日尚未行使	行使期	歸屬日期
<b>Directors</b>									
<b>董事</b>									
Mr. Ng Cheuk Lun	29 March 2023	HK\$1.122	-	2,200,000	-	-	2,200,000	From 29 March 2024 to 28 March 2033	29 March 2024
吳卓倫先生	二零二三年三月二十九日	1.122港元	-	2,200,000	-	-	2,200,000	二零二四年三月二十九日至二零三三年三月二十八日	二零二四年三月二十九日
	29 March 2023	HK\$1.122	-	2,200,000	-	-	2,200,000	From 29 March 2025 to 28 March 2033	29 March 2025
	二零二三年三月二十九日	1.122港元	-	2,200,000	-	-	2,200,000	二零二五年三月二十九日至二零三三年三月二十八日	二零二五年三月二十九日
<b>Employees</b>									
<b>員工</b>									
Certain employees	29 March 2023	HK\$1.122	-	8,624,000	-	-	8,624,000	From 29 March 2024 to 28 March 2033	29 March 2024
若干員工	二零二三年三月二十九日	1.122港元	-	8,624,000	-	-	8,624,000	二零二四年三月二十九日至二零三三年三月二十八日	二零二四年三月二十九日
	29 March 2023	HK\$1.122	-	8,624,000	-	-	8,624,000	From 29 March 2025 to 28 March 2033	29 March 2025
	二零二三年三月二十九日	1.122港元	-	8,624,000	-	-	8,624,000	二零二五年三月二十九日至二零三三年三月二十八日	二零二五年三月二十九日
<b>Total</b>			-	<b>21,648,000</b>	-	-	<b>21,648,000</b>		
<b>合計</b>			-	<b>21,648,000</b>	-	-	<b>21,648,000</b>		

# DIRECTORS' REPORT

# 董事會報告

## SHARE AWARD SCHEME

The share award scheme of the Company (the "**2023 Share Award Scheme**") was adopted by the Board on 30 June 2023 (the "**Adoption Date**"). Summary of principal terms of the 2023 Share Award Scheme are set forth below:

### Purpose

The purpose of the 2023 Share Award Scheme is to recognize, including but not limited to, the incredible contribution made towards the listing of the Company on the Stock Exchange and the continuous contribution made towards the development of the Group by the employees of the Group during the COVID-19 epidemic and global economic downturn and to provide selected employees (the "**Selected Employees**") with incentives for their contribution or potential contribution to the development and long-term growth of the Group.

### Administration

The 2023 Share Award Scheme shall be subject to the administration of the Board in accordance with the rules, terms and conditions of the 2023 Share Award Scheme. The decisions of the Board as to all matters relating to the 2023 Share Award Scheme or its interpretation shall be final and binding. Hence, no any trustee will be appointed to administer the 2023 Share Award Scheme, and none of the Directors is a trustee of the 2023 Share Award Scheme nor has a direct or indirect interests in the trustee(s) of the 2023 Share Award Scheme (if any).

### Duration

Subject to any early termination as may be determined by the Board, the 2023 Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.

### Participants

Subject to the terms of the 2023 Share Award Scheme, the Board may, from time to time, at its absolute discretion select any employee as a Selected Employee, grant awards (the "**Award(s)**") to any Selected Employee and determine the number of award shares (the "**Award Shares**") to be granted.

## 股份獎勵計劃

董事會於二零二三年六月三十日（「**採納日期**」）採納本公司的股份獎勵計劃（「**二零二三年股份獎勵計劃**」）。二零二三年股份獎勵計劃的主要條款概要載列如下：

### 目的

二零二三年股份獎勵計劃旨在表彰本集團僱員（包括但不限於）對本公司於聯交所上市所作出的傑出貢獻，以及於新型冠狀病毒疫情及全球經濟衰退期間對本集團發展所作出的持續貢獻，並向選定僱員（「**選定僱員**」）就其對本集團發展及長期增長作出的貢獻或可能做出的貢獻提供獎勵。

### 行政

二零二三年股份獎勵計劃須由董事會根據二零二三年股份獎勵計劃的規則、條款及條件管理。董事會就有關二零二三年股份獎勵計劃或其詮釋的所有事宜作出的決定為最終決定，並具有約束力。因此，將不會委任任何受託人管理二零二三年股份獎勵計劃，且概無董事為二零二三年股份獎勵計劃的受託人，亦無於二零二三年股份獎勵計劃的受託人中擁有直接或間接權益（如有）。

### 期限

二零二三年股份獎勵計劃將自採納日期起生效，有效期為十(10)年，惟董事會可能決定提前終止。

### 參與者

在二零二三年股份獎勵計劃條款的規限下，董事會可不時全權酌情選定任何僱員作為選定僱員，向任何選定僱員授出獎勵（「**獎勵**」），並釐定將予授出的獎勵股份（「**獎勵股份**」）數目。

## DIRECTORS' REPORT

In determining the eligibility of Selected Employees and the number of Awarded Shares to be granted, the Board may take into consideration, including but not limited to, the following matters:

1. the past contribution of the relevant Selected Employee made towards the listing of the Company on the Stock Exchange;
2. the past and/or future satisfaction of key performance indicators (such as individual performance assessment based on the periodic and/or annual performance assessment and review results);
3. the continuous contribution of the relevant Selected Employee made towards the development of the Group during the COVID-19 epidemic and global economic downturn;
4. the expected and potential contribution of the relevant Selected Employee to the development and long-term growth of the Group;
5. the length of employment of the relevant Selected Employee with the Group;
6. the current level of salary of the relevant Selected Employee;
7. the general financial condition of the Group; and
8. any other matter which the Board considers relevant.

### Maximum entitlement of each participant

No Award may be granted to any one Selected Employee such that the total number of Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the respective share scheme of the Company) in any 12-month period up to and including the date of such grant exceeds 1% of the issued Shares from time to time, unless such grant is separately approved by the Shareholders in general meeting with such grantee (the "Grantee") and his/her close associates (with the meaning ascribed thereto under the Listing Rules) abstaining from voting in accordance with Rules 17.03D(1) of the Listing Rules.

### Operation

Pursuant to the 2023 Share Award Scheme, the Board may, from time to time, at its absolute discretion select any eligible employee to participate in the 2023 Share Award Scheme as a Selected Employee and to grant the Award Shares and determine the number of Award Shares to be awarded as well as the terms and conditions to be complied with by any Selected Employee.

## 董事會報告

於釐定選定僱員的資格及將予授出的獎勵股份數目時，董事會可考慮(包括但不限於)以下事宜：

1. 相關選定僱員過往對本公司於聯交所上市作出的貢獻；
2. 關鍵績效指標的過往及／或未來滿意度(如基於定期及／或年度表現評估及檢討結果的個人表現評估)；
3. 相關選定僱員於新型冠狀病毒疫情及全球經濟衰退期間對本集團發展作出的持續貢獻；
4. 相關選定僱員對本集團發展及長期增長預期作出及可能作出的貢獻；
5. 相關選定僱員於本集團的任職年期；
6. 相關選定僱員目前的薪金水平；
7. 本集團的整體財務狀況；及
8. 董事會認為相關的任何其他事宜。

### 每名參與者可獲授權益上限

概不得向任何一名選定僱員授出獎勵，致使於任何12個月期間內及包括該授出的日期，就授予該名人士之所有購股權及獎勵(不包括根據本公司相關股份計劃條款已失效的任何購股權及獎勵)已發行及將予發行的股份總數超過不時已發行股份之1%，除非該授出於股東大會上獲股東另行批准，而該承授人(「承授人」)及其緊密聯繫人(具有上市規則所賦予的涵義)須根據上市規則第17.03D(1)條放棄投票。

### 營運

根據二零二三年股份獎勵計劃，董事會可不時全權酌情選定任何合資格僱員作為選定僱員參與二零二三年股份獎勵計劃，並授出獎勵股份及釐定將予授出的獎勵股份數目以及任何選定僱員須遵守的條款及條件。

## DIRECTORS' REPORT

## 董事會報告

### Vesting period of awards granted

Subject to the terms and conditions of the 2023 Share Award Scheme and the fulfillment of all relevant vesting conditions, the Board shall on the Vesting Date (or if any Vesting Date is not a business day, on the next business day) cause the Company to allot and issue to such Selected Employee such number of new Award Shares as set out in the Award Letter and the Board shall cause to be paid the subscription money for the new Award Shares, representing the nominal value of the new Award Shares multiplied by the number of new Award Shares to be issued, from the Group's resources.

The vesting of any Awards under the 2023 Share Award Scheme shall be subject to a Vesting Period to be determined by the Board in its absolute discretion, which shall be specified in the Award Letter. Only insofar as and for so long as the Listing Rules require, the Vesting Period for the Awards under the 2023 Share Award Scheme shall not be less than 12 months, unless the Board determines in its sole discretion that the Awards granted to Selected Employee may be less than 12 months under the specific circumstances as set out in the circular of the Company dated 13 June 2023.

### Amount payable on acceptance of the Awarded Shares

An offer of Award is accepted by a Selected Employee when the acceptance form attached to the award letter (the "Award Letter") duly signed by such Selected Employee is received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within such time as may be specified in the Award Letter (which shall not be later than one month from the offer date). Such remittance is not refundable in any circumstances. Where the offer of Award is not accepted within the prescribed period of time as specified in the Award Letter, the Award will be deemed not to have taken effect and will automatically lapse forthwith on the day following the last day of the prescribed period.

### 獎勵股份之歸屬期間

在二零二三年股份獎勵計劃的條款及條件的規限下，並待所有相關歸屬條件獲達成後，董事會須於歸屬日期（或倘任何歸屬日期並非營業日，則於下一個營業日）促使本公司向有關選定僱員配發及發行獎勵函件所載數目的新獎勵股份，而董事會須促使以本集團資源支付新獎勵股份的認購款項，相當於新獎勵股份的面值乘以將予發行的新獎勵股份數目。

二零二三年股份獎勵計劃項下任何獎勵的歸屬須受董事會全權酌情釐定的歸屬期所限，其須於獎勵函件中訂明。僅於上市規則規定的時間內，二零二三年股份獎勵計劃項下獎勵的歸屬期不得少於12個月，除非董事會在本公司日期為二零二三年六月十三日之通函所載特定情況下全權酌情釐定授予選定僱員的獎勵可能少於12個月。

### 接納獎勵股份時應付的金額

當本公司於獎勵函件（「獎勵函件」）可能指定的時間（不得遲於要約日期起計一個月）內收到經選定僱員正式簽署的獎勵函件隨附的接納表格，連同以本公司為受益人的1.00港元匯款（作為獲授獎勵的代價）時，獎勵要約則為獲選定僱員所接納。該匯款在任何情況下均不予退還。倘獎勵要約未於獎勵函件指定的指定期限內獲接納，則獎勵將被視為無效，並將於指定期限的最後一日立即自動失效。

## DIRECTORS' REPORT

### Transferability and other rights

Any Award shall be personal to the Grantee and shall not be transferrable or assignable to any other person prior to the Vesting Date, unless a waiver is granted by the Stock Exchange allowing the transfer of the Awards from a Selected Employee to a vehicle (such as a trust or a private company) for the benefit of such Selected Employee and any family members of such Selected Employee (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the 2023 Share Award Scheme and comply with the requirements of the Chapter 17 of the Listing Rules.

A Selected Employee shall not have any interest or rights (including the right to receive dividends) in the Award Shares under an Award prior to the Vesting Date; and a Selected Employee shall have no voting rights in the Award Shares under an Award prior to the Vesting Date. The Award Shares to be allotted and issued shall rank pari passu with the fully paid Shares in issue on the date of allotment.

### Clawback

Where such Grantee (i) ceases to be an employee of the Group by reason of the termination of his/her employment on grounds entitling the employer to effect such termination without notice or payment in lieu of notice; (ii) having been convicted of any criminal offence involving his/her integrity or honesty; (iii) has been guilty of persistent or serious misconduct; (iv) has committed any act of bankruptcy; (v) has made any arrangement or composition with his/her creditors generally; or (vi) having done something which brings the Group into disrepute or causes damages to the Group (including, among others, causing material misstatement of the financial statements of the Company), any Award granted to such Grantee (to the extent not being vested) shall lapse immediately and automatically.

If the Grantee ceases to be a Selected Employee for any reason other than the above, the Award (to the extent not being vested) shall lapse forthwith unless the Board determines otherwise in which event the Award (or such remaining part thereof) shall vest.

The Company does not have a policy of clawing back share options or Award Shares that have already been exercised or have already been delivered to Grantee, as the case may be.

## 董事會報告

### 可轉讓性及其他權利

任何獎勵屬承授人個人所有，不得於歸屬日期前轉讓或出讓予任何其他人士，除非聯交所授出豁免，允許選定僱員將獎勵轉讓予該選定僱員及該選定僱員的任何家族成員（如就遺產規劃或稅務規劃而言）為受益人的工具（如信託或私人公司），而其將繼續符合二零二三年股份獎勵計劃的目的並遵守上市規則第17章的規定。

選定僱員於歸屬日期前不得於獎勵項下的獎勵股份中擁有任何權益或權利（包括收取股息的權利）；而選定僱員於歸屬日期前不得於獎勵項下的獎勵股份中擁有任何投票權。將予配發及發行之獎勵股份須與於配發日期之已發行繳足股份享有同等地位。

### 回撥

倘有關承授人(i)因僱主有權終止其僱傭關係而毋須發出通知或支付代通知金，因而不為本集團僱員；(ii)被裁定觸犯涉及其品格或誠信的任何刑事罪行；(iii)屢次或嚴重行為不當；(iv)作出任何破產行為；(v)與其債權人全面達成任何債務償還安排或債務重整協議；或(vi)作出導致本集團聲譽受損或對本集團造成損害（其中包括導致本公司財務報表出現重大錯誤陳述）的事件後，則任何授予有關承授人之獎勵（以未歸屬者為限）將即時自動失效。

倘承授人因上文所述以外的任何原因不再為選定僱員，則獎勵（以未歸屬者為限）立即失效，除非董事會另行釐定獎勵（或其剩餘部分）應歸屬的時間。

本公司並無有關回撥已行使或已交付承授人（視情況而定）的購股權或獎勵股份的政策。

## DIRECTORS' REPORT

## 董事會報告

### Lapse of Award

The Award (to the extent not being vested) shall lapse automatically upon the following events:

- (a) the date on which Grantee (i) ceases to be an employee of the Group by reason of the termination of his/her employment on grounds entitling the employer to effect such termination without notice or payment in lieu of notice; (ii) having been convicted of any criminal offence involving his/her integrity or honesty; (iii) has been guilty of persistent or serious misconduct; (iv) has committed any act of bankruptcy; (v) has made any arrangement or composition with his/her creditors generally; or (vi) having done something which brings the Group into disrepute or causes damages to the Group (including, among others, causing material misstatement of the financial statements of the Company);
- (b) the expiry of any of the periods for accepting or exercising the Award;
- (c) the date on which such Grantee breaching the rule against transferring the Awards; and
- (d) on the date on which an order for the winding up of the Company is made or a resolution is passed for the voluntary winding up of the Company.

### Cancellation of Award

The Board may at any time with the consent of and on such terms as may be agreed with the relevant Grantee cancel Awards previously granted but which have not yet vested.

Where the Company cancels Awards and offers new Awards to the same Selected Employee, the offer of such new Awards may only be made with available Awards to the extent not yet granted (excluding the cancelled Awards) within the Scheme Limit pursuant to the requirements of the Listing Rules.

### 獎勵失效

獎勵(以未歸屬者為限)將於發生以下事件時自動失效:

- (a) 承授人(i)因僱主有權終止僱傭關係而不再為本集團僱員當日,而毋須發出通知或支付代通知金;(ii)被裁定觸犯涉及其品格或誠信的任何刑事罪行;(iii)屢次或嚴重行為不當;(iv)作出任何破產行為;(v)與其債權人全面達成任何債務償還安排或債務重整協議;或(vi)作出導致本集團聲譽受損或對本集團造成損害的事情(其中包括導致本公司財務報表出現重大錯誤陳述);
- (b) 接納或行使獎勵的任何期限屆滿;
- (c) 承授人違反轉讓獎勵規則的日期;及
- (d) 於頒令本公司清盤或通過決議案將本公司自動清盤當日。

### 註銷獎勵

董事會可在相關承授人同意的情況下,隨時按與相關承授人可能協定的有關條款,註銷先前授出但尚未歸屬的獎勵。

倘本公司註銷獎勵並向同一選定僱員提供新獎勵,則該等新獎勵的要約僅可在尚未授出的獎勵(不包括已註銷獎勵)的情況下,根據上市規則要求在計劃限額內作出。



## DIRECTORS' REPORT

## 董事會報告

## Termination

The Company may by resolution in general meeting at any time terminate the 2023 Share Award Scheme and in such event no further Award shall be granted but the provisions of the 2023 Share Award Scheme shall remain in force and effect in all other respects.

All Awards granted prior to such termination and not then vested shall continue to be valid and be vested upon expiry of the relevant Vesting Period, subject to and in accordance with the 2023 Share Award Scheme.

On 15 November 2023, the Company offered to grant a total of 2,184,246 Awarded Shares at HK\$1.00 consideration to 210 Grantees as an incentive to (i) recognise the Grantees' contribution to the business performance and development of the Group; and (ii) general incentive and motivate the Grantees to remain with the Group and to strive for better contributions to the Group in the future. The grant of Awarded Shares is subject to acceptance by the Selected Employees and the vesting period and conditions. For details, please refer to the announcement of the Company dated 15 November 2023.

Details of the movement of the Awarded Shares during the year ended 31 December 2023 are set out in the table as follows:

Name	Date of Grant	Vesting Period/dates	As at 1 January 2023	Granted during the year	Number of Award Shares					Outstanding as 31 December 2023
					Vested during the year	Lapsed during the year	Canceled during the year	Exercised during the year	At 31 December 2023	
Employees	15 November 2023	15 November 2024	-	2,184,246	-	-	-	-	-	2,184,246
僱員	二零二三年十一月十五日	二零二四年十一月十五日	於二零二三年一月一日	年內授出	年內歸屬	年內失效	年內註銷	年內行使	於二零二三年十二月三十一日尚未行使	

Saved as disclosed above, no Awarded Share was granted, exercised, lapsed or cancelled during the year ended 31 December 2023.

## 終止

本公司可隨時於股東大會上通過決議案終止二零二三年股份獎勵計劃，在此情況下，不得進一步授出獎勵，惟二零二三年股份獎勵計劃的條文在所有其他方面仍具有效力及作用。

根據二零二三年股份獎勵計劃並在其規限下，於有關終止前授出但當時尚未歸屬的所有獎勵將繼續有效，並於有關歸屬期屆滿時歸屬。

於二零二三年十一月十五日，本公司以1.00港元的代價向210名承授人提呈授出合共2,184,246股獎勵股份，作為(i)表彰承授人對本集團業務表現及發展的貢獻；及(ii)一般激勵及激勵承授人留在本集團，並在未來為本集團作出更好貢獻的獎勵。授出獎勵股份須待選定僱員接納以及歸屬期及條件獲達成後，方可作實。有關詳情，請參閱本公司日期為二零二三年十一月十五日的公告。

獎勵股份於截至二零二三年十二月三十一日止年度的變動詳情載於下表：

除上文所披露者外，截至二零二三年十二月三十一日止年度，概無獎勵股份獲授出、行使、失效或註銷。

## DIRECTORS' REPORT

## 董事會報告

### RIGHTS TO ACQUIRE THE COMPANY'S SECURITIES

At no time during FY2023 was the Company, or any of its holding companies or subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company or their respective associates (as defined under the Listing Rules) to have any right to acquire benefits by means of the acquisition of shares in, or debenture of, the Company or any other body corporate.

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as the related party transactions disclosed in Note 29 to the consolidated financial statements for FY2023 in this annual report, no controlling Shareholder had a material interest, either directly or indirectly, in any contract of significance (whether for the provision of services to the Company or not) to the business of the Group to which the Company or any of its subsidiaries was a party during FY2023.

### RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken in the ordinary course of business by the Group during FY2023 are set out in Note 29 to the consolidated financial statements for FY2023 in this annual report.

The related party transactions set out in Note 29 to the consolidated financial statements for FY2023 constitute "connected transaction" or "continuing connected transactions" (as defined under Chapter 14A of the Listing Rules) which are fully exempted from the disclosure requirements under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules.

### CONNECTED TRANSACTIONS

During FY2023, the Group did not conduct any continuing connected transaction (as defined under Chapter 14A of the Listing Rules) which is subject to shareholders' approval, reporting and annual review requirements under the Listing Rules.

### 收購本公司證券之權利

於二零二三年財政年度任何時候，本公司或其任何控股公司或附屬公司，或其任何同系附屬公司並無作為任何安排的一方，以使本公司董事或最高行政人員或其各自之聯繫人（定義見上市規則）有權獲得通過購買本公司或任何其他法人團體的股份或債權證獲得利益的權利。

### 控股股東於重大合約之權益

除本年報二零二三年財政年度綜合財務報表附註29中披露的關聯方交易外，於二零二三年財政年度，概無控股股東直接或間接於任何對本集團業務有重大意義且本公司或其任何附屬公司為一方的合約中擁有重大利益（不論是否向本公司提供服務）。

### 關聯方交易

本集團於二零二三年財政年度在日常業務過程中進行的關聯方交易詳情載於本年報二零二三年財政年度綜合財務報表附註29。

二零二三年財政年度綜合財務報表附註29所載的關聯方交易構成「關連交易」或「持續關連交易」（定義見上市規則第14A章），完全獲豁免遵守上市規則第14A章的披露規定。本公司已遵守上市規則第14A章的披露規定。

### 關連交易

本集團於二零二三年財政年度並無進行任何持續關連交易（定義見上市規則第14A章），須符合股東批准、報告及年度審閱要求。

## DIRECTORS' REPORT

### ANNUAL GENERAL MEETING

The Company will hold the 2024 AGM on Friday, 28 June 2024, the notice of which will be published and despatched to the Shareholders in due course.

### CLOSURE OF BOOK FOR REGISTER OF MEMBERS

For determining the entitlement of the Shareholders to attend and vote at the 2024 AGM, the register of members of the Company will be closed from Tuesday, 25 June 2024 to Friday, 28 June 2024 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the 2024 AGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 24 June 2024.

### AUDITOR

The financial statements for FY2023 have been audited by Moore CPA Limited ("Moore Hong Kong") who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Moore Hong Kong as auditor of the Company will be proposed at the 2024 AGM.

### TAX RELIEF

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holdings of the Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the Shares, they are advised to consult their professional advisers.

On behalf of the Board

**Chen Bingqiang**  
Chairman

Guangdong, China, 28 March 2024

## 董事會報告

### 股東週年大會

本公司將於二零二四年六月二十八日(星期五)舉行二零二四年股東週年大會，大會通告將於適當時候刊發及寄發予股東。

### 暫停辦理股份過戶登記手續

為確定股東出席二零二四年股東週年大會並於會上投票的權利，本公司將於二零二四年六月二十五日(星期二)至二零二四年六月二十八日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會辦理任何股份過戶登記。為符合資格出席二零二四年股東週年大會並於會上投票，所有過戶文件連同有關股票須於二零二四年六月二十四日(星期一)下午四時三十分前交回本公司的香港股份過戶登記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17樓1712至1716號舖)，以辦理登記手續。

### 核數師

二零二三年財政年度的財務報表經大華馬施雲會計師事務所有限公司(「大華馬施雲」)審計，其將輪值告退，符合資格並願意續聘連任。本公司將於二零二四年股東週年大會上提呈一項決議案，以續聘大華馬施雲為本公司核數師。

### 稅務減免

本公司並不知悉股東因持有股份而可享有任何稅務減免。倘股東不確定購買、持有、出售、交易或行使與股份有關的任何權利所涉及的稅務問題，應諮詢其專業顧問。

代表董事會

主席  
陳炳強

中國廣東，二零二四年三月二十八日

# CORPORATE GOVERNANCE REPORT

The Directors recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Company's corporate governance practices are based on principles and code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules.

The Company confirms that, other than the deviation from code provision C.2.1, the Company had complied with all the code provisions set out in the CG Code during FY2023.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Ernest Chen is the chairman of the Board and the chief executive officer of the Company. In view that Mr. Ernest Chen has been assuming day-to-day responsibilities in operating and managing the Group, the Board believes that with the support of Mr. Ernest Chen's extensive experience and knowledge in the business of the Group, vesting the roles of both chairman and chief executive officer of the Company in Mr. Ernest Chen strengthens the solid and consistent leadership and thereby allows for efficient business planning and decision which is in the best interest to the Group.

The Directors consider that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstances. Notwithstanding the above, the Board is of the view that this management structure is effective for the Group's operations, and sufficient checks and balances are in place. The Directors are committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Company and the Shareholders as a whole. The Board will continue to review and consider segregating the roles of chairman of the Board and the chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

## 企業管治報告

董事認同良好企業管治對管理及內部程序之重要性，從而達致有效問責。本公司之企業管治常規乃以上市規則附錄C1所載企業管治守則（「企業管治守則」）載列之原則及守則條文為基礎。

本公司確認，除偏離守則條文第C.2.1條外，本公司於二零二三年財政年度已遵守企業管治守則所載的所有守則條文。

企業管治守則守則條文第C.2.1條規定，董事會主席和最高行政人員的角色應分開，並且不應由同一個人擔任。陳炳強先生為董事會主席兼本公司行政總裁。鑑於陳炳強先生一直負責經營及管理本集團之日常職責，故董事會相信，在陳炳強先生於本集團業務方面之豐富經驗及知識支持下，由陳炳強先生同時兼任本公司主席及行政總裁之角色可加強穩固連貫之領導，從而達致有效業務規劃及決策並符合本集團之最佳利益。

董事認為，於有關情況下偏離企業管治守則守則條文第C.2.1條屬恰當。儘管有上述情況，董事會認為該管理架構對本集團營運行之有效，並有足夠的制衡。董事致力達致高水平企業管治，以保障本公司及股東之整體利益。董事會將在適當時候並適當考慮本集團整體情況後，繼續檢討並考慮將董事會主席與本公司行政總裁之角色分開。

# CORPORATE GOVERNANCE REPORT

## BOARD OF DIRECTORS

### Responsibilities

The Board is charged with promoting the success of the Company by directing and supervising its affairs. The Board has general powers for the management and conduct of the Company's business. The day-to-day operations and management are delegated by the Board to the management of the Company, who will implement the strategy and direction as determined by the Board.

### Composition

The composition of the Board for the year ended 31 December 2023 and up to the date of this annual report was as follows:

#### Executive Directors

Mr. Chen Bingqiang (*chairman and chief executive officer*)

Mr. Chen Bingyao (*resigned on 21 July 2023*)

Mr. Ng Cheuk Lun

#### Independent non-executive Directors

Ir. Daniel Lai

Mr. Xu Kai

Mr. Yeung Chun Yue David

The biographical details of each of the Directors are set out in the section headed "Biographies of the Directors and Senior Management" on pages 17 to 26 of this annual report.

There is no alternate director being appointed to the Board.

#### Responsibilities of executive Directors

The executive Directors are responsible for the leadership and control of the Company and overseeing the Group's business development, strategic planning and promoting the success of the Group.

# 企業管治報告

## 董事會

### 責任

董事會領導並監管本公司事務，令本公司持續成功。董事會具有管理及進行本公司業務之一般權力，董事會已轉授權力予本公司管理層負責日常營運及管理，執行董事會釐定之策略及方向。

### 組成

截至二零二三年十二月三十一日止年度及直至本年報日期，董事會的組成如下：

#### 執行董事

陳炳強先生 (*主席兼行政總裁*)

陳炳耀先生 (*於二零二三年七月二十一日辭任*)

吳卓倫先生

#### 獨立非執行董事

賴錫璋工程師

許凱先生

楊振宇先生

各董事之履歷詳情載列於本年報第17至26頁「董事及高層管理人員的個人資料」一節。

董事會並無替任董事。

#### 執行董事之責任

執行董事負責領導及控制本公司，監督本集團之業務發展、策略規劃，令本集團持續成功。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF DIRECTORS (CONTINUED)

#### Responsibilities of independent non-executive Directors

The independent non-executive Directors participate in the Board meetings to bring in an independent judgement to bear on the issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts and scrutinize the Company's performance in achieving agreed corporate goals and objectives. They are also responsible for ensuring a high standard of financial and other mandatory reporting of the Board as well as providing a balance in the Board in order to effectively exercise an independent judgement on the corporate actions of the Company so as to protect Shareholders' interest and the overall interest of the Group.

Throughout FY2023, the Company had three independent non-executive Directors, which met the requirements of the Listing Rules that the number of independent non-executive Directors must represent at least one-third of the Board and should not be less than three, and that at least one of the independent non-executive Directors has appropriate professional qualifications or accounting or related financial management expertise.

Each of the independent non-executive Directors has made an annual confirmation of independence in writing pursuant to Rule 3.13 of the Listing Rules and the Board is satisfied that all the independent non-executive Directors have been independent and met the independence guidelines set out in Rule 3.13 of the Listing Rules during FY2023 and up to the date of this annual report.

#### Term of Directors

Each of the executive Directors has entered into a service contract with the Company and each of the independent non-executive Directors has entered into an appointment letter with the Company. The principal particulars of these service contracts and letters of appointment are (i) for a term of three years commencing from their respective effective dates; and (ii) subject to termination in accordance with their respective terms. The term of the service contracts and the letters of appointment is renewable automatically, subject to the Articles and the applicable Listing Rules.

### 董事會(續)

#### 獨立非執行董事之責任

獨立非執行董事參與董事會會議，在涉及策略、政策、公司表現、問責性、資源、主要委任及操守準則等事宜上提供獨立意見，仔細檢查本公司之表現是否達到既定企業目標和目的，亦負責確保董事會之財務報告及其他強制報告達到高水平，以及令董事會保持均衡，對本公司之企業行動提出有效獨立意見，保障股東利益及本集團之整體利益。

於整個二零二三年財政年度，本公司有三名獨立非執行董事，符合上市規則獨立非執行董事必須佔董事會成員人數至少三分之一、且不應少於三名之規定，以及至少一名獨立非執行董事具備適當專業資格、或具備會計或有關財務管理專長的規定。

各獨立非執行董事已根據上市規則第3.13條作出年度書面確認，董事會確信全體獨立非執行董事均屬獨立人士，於二零二三年財政年度內並且直至本年報日期均符合上市規定第3.13條所載之獨立性指引。

#### 董事任期

各執行董事與本公司已訂立服務合約，而各獨立非執行董事已與本公司訂立委任函。該等服務合約及委任函之主要詳情為(i)任期自各相關有效日期起為期三年；及(ii)可按各自之條款予以終止。服務合約及委任函之年期可自動重續，惟須遵守細則及適用上市規則。



# CORPORATE GOVERNANCE REPORT

# 企業管治報告

## BOARD OF DIRECTORS (CONTINUED)

### Remuneration

The Directors and the senior management receive remuneration in the form of salaries, fees, discretionary bonuses and other allowances and benefits in kind (where applicable).

The aggregate amount of remuneration (including salaries, allowances, discretionary bonuses, other benefits and contributions to pension schemes) paid or payable to the Directors for FY2023 was approximately RMB4,145,000.

The remuneration of the Directors is determined with reference to salaries paid by comparable companies, experience, time commitment and responsibilities of the Directors and performance of the Group. Details of the remuneration of the Directors for FY2023 are set out in Note 10 to the consolidated financial statements for FY2023 in this annual report. In addition, pursuant to code provision E.1.5 of the CG Code, the annual remuneration of the senior management of the Company by band for FY2023 is set out below:

		Number of senior management 高層管理人員數目
Nil-HK\$1,000,000	零至1,000,000港元	9

Save as disclosed in this annual report, (i) no remuneration was paid to the Directors or the five highest paid individuals as an inducement to join, or upon joining, the Group; (ii) no compensation was paid to, or receivable by, the Directors or past Directors or the five highest paid individuals during FY2023 for the loss of office as director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group; and (iii) none of the Directors waived any emoluments during the same period.

Save as disclosed in this annual report, no Director or none of the five highest paid individuals has been paid in cash or Shares or otherwise by any person either to induce him to become, or to qualify him as a Director, or otherwise for service rendered by him in connection with the promotion or formation of us.

## 董事會 (續)

### 薪酬

董事及高層管理人員以薪金、袍金、酌情花紅及其他津貼及實物福利(如適用)等形式獲取薪酬。

二零二三年財政年度已付或應付董事之薪酬總額(包括薪金、津貼、酌情花紅、其他津貼及退休計劃供款)約為人民幣4,145,000元。

董事薪酬乃參考可資比較公司支付之薪金、董事之經驗、時間、投入及責任以及本集團之表現釐定。二零二三年財政年度董事薪酬詳情載列於本年報二零二三年財政年度綜合財務報表附註10。此外，根據企業管治守則守則條文第E.1.5條，二零二三年財政年度本公司高層管理人員之年度薪酬按等級載列如下：

除本年報所披露者外，(i)本集團並無向董事或五名最高薪酬人士支付薪酬作為吸引加入或加入本集團後之獎勵；(ii)董事或前任董事或五名最高薪酬人士於二零二三年財政年度並未獲支付或應收取任何補償，彌補失去本集團任何成員公司之董事職位或有關本集團任何成員公司事務管理之任何其他職位；及(iii)概無董事同期放棄任何酬金。

除本年報所披露者外，概無董事或五名最高薪酬人士獲任何人士支付現金或股份或以其他方式付款，以吸引其成為或符合資格成為董事，或作為其就創辦或成立本公司所提供服務之回報。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD OF DIRECTORS (CONTINUED)

#### Continuous Professional Development

Newly appointed Director will be arranged a comprehensive, formal and tailored induction which includes provision of key guidelines, documents and publications relevant to their roles, responsibilities and ongoing obligations; a briefing on the Company's structure, businesses, risk management and other governance practices and meeting with other fellow Directors so as to help the newly appointed Directors familiarize with the management, business and governance policies and practices of the Company, and ensure that they have a proper understanding of the operations and businesses of the Company.

The Company encourages its directors to participate in continuous professional development courses and seminars organized by professional institutions or professional firms and study materials on relevant topics so that they can continuously update and further improve their relevant knowledge and skills.

During FY2023, the Directors were provided with reading materials relevant to corporate governance, director's duties and responsibilities, the Listing Rules, anti-corruption and other relevant ordinances.

#### Meeting of Board and Board Committees and Directors' Attendance Records

Notice of regular Board meetings is served on all Directors at least 14 days before the meeting. For other Board and Board committee meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all Directors at least three days before each Board or Board committee meeting to keep Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management of the Company where necessary.

### 董事會(續)

#### 持續專業發展

新委任董事將獲安排全面、正式兼特為其而設之入職培訓，包括獲提供與其角色、責任及持續義務有關之主要指引、文件及刊物，本公司架構、業務、風險管理及其他管治常規之簡介，與其他董事會面，以協助新委任董事了解本公司之管理、業務及管治政策及常規，並確保其對本公司的運作及業務有適當理解。

本公司鼓勵董事參與專業協會或專業公司舉辦之持續專業發展課程及研討會，研讀有關主題之材料，以便持續更新並進一步改善相關知識及技巧。

於二零二三年財政年度，董事獲提供有關企業管治、董事職責及責任、上市規則、反貪污及其他有關條例之閱讀材料。

#### 董事會及董事會委員會會議及董事出席紀錄

定期董事會會議通知於會議前至少14日送達至全體董事。其他董事會及董事會委員會會議通常會發出合理時間之通知。

董事會文件連同一切適當、完備及可靠之資料，於各董事會或董事會委員會會議舉行前至少三天送交全體董事，使董事得知本公司的最新發展及財務狀況，從而可作出知情決定。董事會及每位董事應有自行接觸本公司高層管理人員之獨立途徑。

# CORPORATE GOVERNANCE REPORT

# 企業管治報告

## BOARD OF DIRECTORS (CONTINUED)

### Meeting of Board and Board Committees and Directors' Attendance Records (Continued)

The minutes of Board and Board committee meetings are kept by the company secretary and are open for inspection by any Director. The minutes of Board and Board committee meetings record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft and final versions of minutes are sent to all Directors for their comment and records respectively, within a reasonable time after the meetings are held. The number of Board meeting held and attendance of each of the Directors is as follow:

Name of Director 董事姓名	General meeting attended/ eligible to attend 出席/合資格出席 股東大會	Board meeting attended/ eligible to attend 出席/合資格出席 董事會會議
Mr. Chen Bingqiang 陳炳强先生	1/1	6/6
Mr. Chen Bingyao (resigned on 21 July 2023) 陳炳耀先生 (於二零二三年七月二十一日辭任)	1/1	4/4
Mr. Ng Cheuk Lun 吳卓倫先生	1/1	6/6
Ir. Daniel Lai 賴錫璋工程師	1/1	6/6
Mr. Xu Kai 許凱先生	1/1	6/6
Mr. Yeung Chun Yue David 楊振宇先生	1/1	6/6

The chairman of the Board will at least annually hold meetings with the independent non-executive Directors without the presence of other Directors.

## CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code. The Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and written employee guidelines, and the Company's compliance with the CG Code and disclosure in this corporate governance report.

## 董事會 (續)

### 董事會及董事會委員會會議及董事出席紀錄 (續)

董事會及董事會委員會會議之會議紀錄由公司秘書保存，可供任何董事查閱。董事會及董事會委員會會議之會議紀錄記下審議事項充足詳情及所達致之決定，包括董事提出之任何關注事項或表達之異議。會議紀錄初稿及定稿於會議後一段合理時間內分別送交董事提供意見及保存。舉行董事會會議數目及各董事出席紀錄如下：

董事會主席在其他董事不在場的情況下至少每年與獨立非執行董事舉行會議。

## 企業管治職能

董事會負責履行企業管治守則守則條文第A.2.1條所載之職能。董事會檢討本公司之企業管治政策及常規、董事及高層管理人員之培訓及持續專業發展、本公司在遵守法律及監管規定方面之政策及常規、遵守標準守則及書面僱員指引及本公司遵守企業管治守則之情況及在本企業管治報告內之披露。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES

The Board delegates certain responsibilities to the Audit Committee, Remuneration Committee and Nomination Committee (together, the "Committees"). In accordance with the Listing Rules, the Articles and the relevant laws and regulations in the Cayman Islands, the Board has established the Committees for effective and efficient corporate governance. These Committees are established and operated in accordance with the specific written terms of reference, which are available on the websites of the Company and the Stock Exchange.

#### Audit Committee

The Audit Committee consists of three members, namely Mr. Yeung Chun Yue David (Chairman), Ir. Daniel Lai and Mr. Xu Kai. The primary duties of the Audit Committee are, among others:

- (a) to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and other terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;
- (c) where more than one audit firm is engaged, to discuss with each of the audit firms the nature and scope of the audit and reporting obligations and ensure co-ordination between audit firms before the audit commences;
- (d) to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;

### 董事會委員會

董事會轉授若干責任予審計委員會、薪酬委員會及提名委員會（統稱「該等委員會」）。按照上市規則、細則及開曼群島相關法律及規例，董事會已成立該等委員會實現有效及高效之企業管治。該等委員會按照可於本公司及聯交所網站查閱之特定職權範圍成立並運作。

#### 審計委員會

審計委員會由三名成員組成，即楊振宇先生（主席）、賴錫璋工程師及許凱先生。審計委員會之主要職務為（其中包括）：

- (a) 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及其他聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；
- (b) 按適用的標準檢討及監察外聘核數師是否獨立客觀及審計程序是否有效。審計委員會應於審計工作開始前先與核數師討論審計性質及範疇以及有關申報責任；
- (c) 如多於一家外聘核數師公司參與審計工作，於審計工作開始前先與每一外聘核數師公司討論審計性質及範疇以及有關申報責任，確保他們能互相配合；
- (d) 就外聘核數師提供非審計服務制定政策，並予以執行。就此規定而言，「外聘核數師」包括與負責審計的公司處於同一控制權、所有權或管理權之下的任何機構，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該機構屬於負責審計的公司的本土或國際業務的一部分的任何機構。審計委員會應就任何須採取行動或改善的事項向董事會報告並提出建議；

# CORPORATE GOVERNANCE REPORT

# 企業管治報告

## BOARD COMMITTEES (CONTINUED)

### Audit Committee (Continued)

#### Review of the Company's financial information

- (e) to monitor the integrity of the Company's financial statements and annual report and accounts, interim report and quarterly reports (if any), and to review significant financial, reporting judgements contained in them;
- (f) in reviewing these reports (the Company's annual report and accounts, interim report and quarterly report) before submission to the Board, the Audit Committee should focus particularly on:
  - (i) any changes in accounting policies and practices;
  - (ii) major judgemental areas;
  - (iii) significant adjustments resulting from the audit;
  - (iv) the going concern assumption and any qualifications;
  - (v) compliance with accounting standards;
  - (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting;
  - (vii) the fairness and reasonableness of any connected transaction and the impact of such transaction on the profitability of the Group and whether such connected transactions, if any, have been carried out in accordance with the terms of the agreement governing such transactions;
  - (viii) whether all relevant items have been adequately disclosed in the Group's financial statements and whether the disclosures give a fair view of the Group's financial conditions;
  - (ix) any significant or unusual items that are, or may need to be, reflected in such reports and accounts;
  - (x) the cashflow position of the Group; and
  - (xi) and to provide advice and comments thereon to the Board;

## 董事會委員會(續)

### 審計委員會(續)

#### 審閱本公司財務資料

- (e) 監察本公司的財務報表以及年度報告及賬目、中期報告及季度報告(如有)的完整性,並審閱報表及報告所載有關財務申報的重大意見;
- (f) 在向董事會提交有關報告(本公司的年度報告及賬目、中期報告及季度報告)前,審計委員會應特別針對下列事項加以審閱:
  - (i) 會計政策及實務的任何更改;
  - (ii) 涉及重要判斷性的地方;
  - (iii) 因審計而出現的重大調整;
  - (iv) 持續經營的假設及任何保留意見;
  - (v) 是否遵守會計準則;
  - (vi) 是否遵守有關財務申報的上市規則及法律規定;
  - (vii) 關連交易是否屬公平合理及對本集團盈利的影響及該等關連交易(如有)是否按照有關協議的條款執行;
  - (viii) 是否所有相關項目已足夠地披露於本集團的財務報表,及有關披露是否可以公平地展示本集團的財政狀況;
  - (ix) 在該等報告及賬目中所反映或需反映的任何重大或不尋常項目;
  - (x) 本集團現金流量的狀況;及
  - (xi) 並就此向董事會提供建議及意見;



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (CONTINUED)

#### Audit Committee (Continued)

#### Review of the Company's financial information (Continued)

- (g) in regard to (f) above:
- (i) members of the Audit Committee should liaise with the Board and senior management of the Group and the Audit Committee must meet, at least twice a year, with the Company's auditors; and
  - (ii) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;
- (h) to discuss problems and reservations with the auditors arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary);

#### Oversight of the Company's financial reporting system, risk management and internal control procedures

- (i) to review the Company's financial controls, internal control and risk management systems;
- (j) to discuss the risk management and internal control system with management to ensure that management has performed its duty to have an effective internal control system. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- (k) to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- (l) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- (m) to review the Group's financial and accounting policies and practices;
- (n) to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response;

#### 董事會委員會 (續)

#### 審計委員會 (續)

#### 審閱本公司財務資料 (續)

- (g) 就上述(f)項而言：
- (i) 審計委員會成員應與董事會及本集團的高層管理人員進行商議。審計委員會須至少每年與本公司的核數師開會兩次；及
  - (ii) 審計委員會應考慮於該等報告及賬目中所未反映或需反映的任何重大或不尋常事項，並應適當考慮任何由本公司屬下會計及財務彙報職員、合規主任或核數師提出的事項；
- (h) 與核數師討論中期審計及年度審計遇到的問題及作出的保留、及核數師認為應當討論的其他事項（管理層可能按情況而須避席此等討論）；

#### 監管本公司財務申報制度、風險管理及內部監控程序

- (i) 檢討本公司的財務監控、內部監控及風險管理系統；
- (j) 與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立有效的內部監控系統。討論內容應包括本公司在會計及財務彙報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關會計及財務彙報職能的預算是否充足；
- (k) 主動或應董事會的委派考慮有關風險管理及內部監控事宜的重要調查結果及管理層對調查結果的回應；
- (l) 如果設有內部審計功能，須確保內部和外聘核數師工作得到協調，也須確保內部審計功能有足夠資源運作，並且在本公司內部有適當的地位，以及檢討及監察其成效；
- (m) 檢討本集團的財務及會計政策及實務；
- (n) 檢查外聘核數師給予管理層的《審計情況說明函件》、核數師就會計紀錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應；



# CORPORATE GOVERNANCE REPORT

# 企業管治報告

## BOARD COMMITTEES (CONTINUED)

### Audit Committee (Continued)

#### Oversight of the Company's financial reporting system, risk management and internal control procedures (Continued)

- (o) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- (p) to report to the Board on the matters set out above; and
- (a) to consider and implement other matters, as defined or assigned by the Board from time to time.

The Audit Committee held 3 meetings during FY2023 for the purposes of, among other things, considering and approving the annual results for the year ended 31 December 2022 and the interim results for the six months ended 30 June 2023. The details of attendance are set out below:

Audit Committee Members 審計委員會成員		Number of meetings attended/held 出席/舉行會議次數
Mr. Yeung Chun Yue David	楊振宇先生	3/3
Ir. Daniel Lai	賴錫璋工程師	3/3
Mr. Xu Kai	許凱先生	3/3

The Audit Committee has recommended to the Directors the nomination of Moore Hong Kong for re-appointment as external auditor of the Company at the 2024 AGM.

The Group's annual results for FY2023 have been reviewed by the Audit Committee.

### Remuneration Committee

The Remuneration Committee consists of four members, namely Ir. Daniel Lai (Chairman), Mr. Xu Kai, Mr. Yeung Chun Yue David and Mr. Chen Bingqiang. The primary duties of the Remuneration Committee are, among others, to make recommendations to the Board:

- (i) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) to review and approve the Group's management's remuneration proposals with reference to the Board's corporate goals and objectives;

### 董事會委員會(續)

#### 審計委員會(續)

#### 監管本公司財務申報制度、風險管理及內部監控程序(續)

- (o) 確保董事會及時回應於外聘核數師給予管理層的《審計情況說明函件》中提出的事宜；
- (p) 就上述事宜向董事會彙報；及
- (a) 考慮及執行董事會不時確定或委派的其他事項。

審計委員會於二零二三年財政年度舉行了3次會議，以(其中包括)考慮及批准截至二零二二年十二月三十一日止年度的全年業績及截至二零二三年六月三十日止六個月的中期業績。出席詳情載列如下：

審計委員會已建議董事於二零二四年股東週年大會提名大華馬施雲獲重新委任為本公司外聘核數師。

審計委員會已審閱本集團二零二三年財政年度之年度業績。

### 薪酬委員會

薪酬委員會由四名成員組成，即賴錫璋工程師(主席)、許凱先生、楊振宇先生及陳炳強先生。薪酬委員會之主要職務為(其中包括)：

- (i) 就本公司全體董事及高層管理人員的薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；
- (ii) 因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (CONTINUED)

#### Remuneration Committee (Continued)

- (iii) either to determine, with delegated responsibility, or to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management, this should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (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 group;
- (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 review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

The Remuneration Committee held 1 meeting during FY2023 for the purposes of, among others, considering the remuneration package and benefits of the executive Directors and making recommendations to the Board for approval. The details of attendance are set out below:

Remuneration Committee Members 薪酬委員會成員		Number of meetings attended/held 出席/舉行會議次數
Ir. Daniel Lai	賴錫璋工程師	1/1
Mr. Xu Kai	許凱先生	1/1
Mr. Yeung Chun Yue David	楊振宇先生	1/1
Mr. Chen Bingqiang	陳炳強先生	1/1

### 董事會委員會(續)

#### 薪酬委員會(續)

- (iii) 獲董事會轉授責任釐定或向董事會建議個別執行董事及高層管理人員的薪酬待遇，此應包括非金錢利益、退休金權利及賠償金額(包括喪失或終止職務或委任的賠償)；
- (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、須付出的時間及職責以及集團內其他職位的僱用條件；
- (vi) 檢討及批准向執行董事及高層管理人員就其喪失或終止職務或委任所須支付的賠償，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本身的薪酬；及
- (ix) 審閱及/或批准上市規則第17章項下有關股份計劃的事宜。

薪酬委員會於二零二三年財政年度舉行了1次會議，以(其中包括)考慮執行董事的薪酬待遇及福利，並向董事會提出建議以供批准。出席詳情載列如下：

# CORPORATE GOVERNANCE REPORT

# 企業管治報告

## BOARD COMMITTEES (CONTINUED)

### Directors Remuneration Policy

The Company has adopted a Director Remuneration Policy, it sets out the general principles which guide the Group to deal with the remuneration matters. This remuneration policy aims to provide a fair market level of remuneration to retain and motivate high quality directors, senior management of the Group and attract experienced people of high calibre to oversee the business and development of the Group.

### Nomination Committee

The Nomination Committee consists of three members, namely Mr. Xu Kai (Chairman), Ir. Daniel Lai and Mr. Yeung Chun Yue David. The primary duties of the Nomination Committee are, among others:

- (i) to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (ii) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships with reference to the Board Diversity Policy and Nomination Policy;
- (iii) to assess the independence of the independent non-executive Directors; and
- (iv) to make recommendations to the Board on the appointment or re-appointment of Directors succession planning for Directors, in particular the chairman and the chief executive.

The Nomination Committee held 1 meeting during FY2023 for the purposes of, among others, reviewing the composition of the Board, considering any changes in the Directors and senior management of the Company and the making recommendations to the Board for approval. The details of attendance are set out below:

Nomination Committee Members 提名委員會成員		Number of meetings attended/held 出席/舉行會議次數
Mr. Xu Kai	許凱先生	1/1
Ir. Daniel Lai	賴錫璋工程師	1/1
Mr. Yeung Chun Yue David	楊振宇先生	1/1
Mr. Chen Bingyao (resigned on 21 July 2023)	陳炳耀先生(於二零二三年七月二十一日辭任)	1/1

## 董事會委員會(續)

### 董事薪酬政策

本公司已採納董事薪酬政策，當中載列指引本集團處理薪酬事宜的一般原則。此薪酬政策旨在提供公平的市場薪酬水平，以挽留及激勵本集團高質素的董事、高級管理人員以及吸引經驗豐富的優秀人才監督本集團的業務及發展。

### 提名委員會

提名委員會由三名成員組成，即許凱先生(主席)、賴錫璋工程師及楊振宇先生。提名委員會之主要職務為(其中包括)：

- (i) 至少每年檢討董事會的架構、人數及組成(包括技能、知識、經驗及多元化觀點)，並就任何為配合本公司策略而擬對董事會作出的變動提出建議；
- (ii) 參考董事會成員多元化政策及提名政策，物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- (iii) 評核獨立非執行董事的獨立性；及
- (iv) 向董事會提呈下列事項的建議：委任或重新委任董事及董事繼任計劃(尤其是主席及最高行政人員)。

提名委員會於二零二三年財政年度舉行了1次會議，以(其中包括)檢討董事會的組成，考慮董事及本公司高層管理人員的任何變動，並向董事會提出建議以供批准。出席詳情載列如下：

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### BOARD COMMITTEES (CONTINUED)

#### Board Diversity Policy

The Company has a board diversity policy which sets out its approach to achieve a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The Board's current target for gender representation is to achieve having at least a director of different gender no later than 31 December 2024. In striving to attaining gender diversity, the Nomination Committee is delegated with authority to identify potential candidates through different means and channels, including use of external recruitment agencies and any other means that it deems appropriate.

#### Nomination Policy

The Board has a nomination policy which sets out the procedures and criteria for the selection, appointment and reappointment of the Directors. In evaluating and selecting any candidate for directorship, the Nomination Committee shall consider the candidates' character and integrity, professional qualifications, skills, knowledge and experience, independence, diversity on the Board, willingness to devote adequate time to discharge duties as a Board member and such other criteria that are appropriate to the business of the Company.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as the required standards for securities transactions by the Directors. Specific enquiries have been made to all the Directors and all the Directors have confirmed that they had complied with the required standards, where applicable, set out in the Model Code during FY2023.

### EXTERNAL AUDITOR AND REMUNERATION

Moore Hong Kong is appointed as the external auditor of the Company.

For FY2023, the fees paid to Moore Hong Kong for the audit of the annual financial statements of the Group were HK\$1,450,000 (equivalent to approximately RMB1,305,000).

During FY2023, Moore Hong Kong provided non-audit service in relation to the Bonus Issue to the Company for approximately HK\$10,000.

### 董事會委員會 (續)

#### 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，當中載列達致可持續及均衡發展的方針。本公司認為董事會層面的多元化程度增加為支持達到策略目標及可持續發展之必要元素。於設計董事會成員多元化時，董事會成員多元化一直從多個方面考慮，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及年資。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀標準充分顧及董事會成員多元化的裨益。

董事會目前的性別代表目標是在不遲於二零二四年十二月三十一日實現擁有至少一名不同性別的董事。為致力實現性別多元化，提名委員會獲授權透過不同方式及渠道(包括使用外部招聘機構及其認為適當的任何其他方式)物色潛在候選人。

#### 提名政策

董事會設有提名政策，當中載列甄選、委任及重新委任董事的程序及標準。於評估及甄選任何董事候選人時，提名委員會應考慮候選人的品格及誠信、專業資格、技能、知識及經驗、獨立性、董事會多元化、是否願意投入足夠時間履行作為董事會成員的職責以及適用於本公司業務的其他標準。

### 董事進行證券交易的標準守則

本公司已採納上市規則附錄C3所載上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事進行證券交易的規定標準。經向全體董事作出具體查詢後，全體董事確認，彼等於二零二三年財政年度已遵守標準守則所載規定標準(倘適用)。

### 外聘核數師及薪酬

大華馬施雲獲委任為本公司外聘核數師。

於二零二三年財政年度，支付予大華馬施雲審計本集團年度財務報表之費用為1,450,000港元(相當於約人民幣1,305,000元)。

於二零二三財政年度，大華馬施雲就發行紅股向本公司提供非審核服務，金額約為10,000港元。

# CORPORATE GOVERNANCE REPORT

## ACCOUNTABILITY AND AUDIT

The Directors are responsible for the preparation of the consolidated financial statements in order to give a true and fair view of the financial position of the Group, the financial performance and cash flow during FY2023. In preparing the consolidated financial statements for FY2023, the Directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are prudent, fair and reasonable and prepared the consolidated financial statements on a going concern basis. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The statement from the external auditors regarding their reporting responsibilities on the consolidated financial statements is set out in the section headed "Independent Auditor's Report" of this annual report.

## INTERNAL CONTROLS AND RISK MANAGEMENT

The Board is responsible for maintaining sound and effective internal control and risk management systems in order to safeguard the Group's assets and Shareholders' interests and reviewing the effectiveness of the Company's internal control and risk management systems on an annual basis so as to ensure that internal control and risk management systems in place are adequate. The Company outsourced its internal audit function to Messrs BT Corporate Governance Limited who reports to the Board directly. The internal audit function primarily carries out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems, and reports their findings to the Board on, at least, an annual basis.

The Group's internal control system includes a well-established organisational structure with clearly defined lines of responsibility and authority. The day-to-day departmental operations are entrusted to individual department which is accountable for its own conduct and performance and is required to operate its own department's business within the scope of the delegated authority and to implement and strictly adhere to the strategies and policies set by the Company from time to time. Each department is also required to keep the Board informed of material developments of the department's business and implementation of the policies and strategies set by the Board on a regular basis.

# 企業管治報告

## 問責及審計

董事負責編製綜合財務報表，以便真實公允反映本集團於二零二三年財政年度之財務狀況、財務表現及現金流量。編製二零二三年財政年度綜合財務報表時，董事已選定適當會計政策並貫徹應用，作出審慎、公允且合理之判斷及估計，並按持續經營基準編製綜合財務報表。概無任何可能對本公司持續經營之能力構成嚴重問題之事件或狀況之重大不明朗因素。

外聘核數師有關綜合財務報表申報責任之聲明載列於本年報「獨立核數師報告」一節。

## 內部監控及風險管理

董事會有責任維持穩健有效之內部監控以保障本集團之資產及股東之利益，並每年檢討本公司內部監控及風險管理制度之效力，確保已設立之內部監控及風險管理制度充足。本公司將其內部審計職能外判予直接向董事會報告之哲慧企管專才有限公司。內部審計職能主要分析及獨立評估本集團之風險管理及內部監控制度是否充足及有效，並至少每年向董事會報告調查結果。

本集團之內部監控制度包括完善的組織架構，清楚界定責任及權限。日常部門營運交由個別部門負責，個別部門須為其行事、表現負上責任，並須在轉授權限範圍內經營本部門之業務，執行並嚴格遵行本公司不時設定之策略及政策。各部門須定期知會董事會部門業務之重大發展及董事會設定之政策及策略之執行情況。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INTERNAL CONTROLS AND RISK MANAGEMENT (CONTINUED)

During FY2023, the Board had reviewed the effectiveness of the internal control and risk management systems of the Group to ensure that a sound system is maintained and operated by the management in compliance with the agreed procedures and standards. The review covered all material controls, including financial, operational and compliance controls and risk management functions. In particular, the review also covered the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting, internal audit and financial reporting functions. The review was made by discussions with the management of the Company and the assessment conducted by the Audit Committee. The Board believes that the existing internal control system is adequate and effective, in particular, for financial reporting and Listing Rules compliance.

### INSIDE INFORMATION

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company takes seriously of its obligations under Part XIVA of the SFO and the Listing Rules. All the inside information identified by the Directors shall be published and disclosed to the public in a timely manner through the Company's publications and communications, unless the information falls within safe harbours as prescribed in the SFO.

### WHISTLEBLOWING POLICY AND ANTI-CORRUPTION POLICY

The Company has formulated whistle blowing policy which allows all staff and independent third parties, including customers, suppliers and contractors, to report any possible improprieties, misconducts, malpractices or irregularities in matters of financial reporting, internal control or other matters to the Board or the Audit Committee anonymously. The Group will handle the reports and complaints with care and will treat the whistle-blower's concerns fairly and properly. Any person who is found to have victimized or retaliated against those who have raised concerns under this policy will subject to disciplinary sanctions.

### 內部監控及風險管理(續)

於二零二三年財政年度，董事會已檢討本集團內部監控及風險管理制度之效力，確保管理層遵照既定程序及標準維持及營運有效之制度。檢討涵蓋所有重要監控措施，包括財務、營運及合規監控措施及風險管理職能，尤其是檢討亦涵蓋資源充足情況、員工資歷及經驗、培訓課程及本公司之會計、內部監控及財務報告職能之預算。檢討以與本公司管理層討論及審計委員會進行評估之方式進行。董事會認為現有內部監控制度充足有效，尤其是在財務報告及遵守上市規則方面。

### 內幕消息

本公司高度重視其於證券及期貨條例第XIVA部及上市規則下有關處理及發佈內幕消息之程序及內部監控措施之義務。所有經董事確定之內幕消息均須及時通過本公司之刊物及通訊刊發並向公眾披露，除非有關消息屬於證券及期貨條例所規定之安全港條件之範圍內。

### 舉報政策及反貪污政策

本公司已制定舉報政策，容許所有員工及獨立第三方(包括客戶、供應商及承包商)向董事會或審核委員會匿名舉報有關財務匯報、內部監控或其他方面可能發生的不正當行為、失當行為、瀆職或違規行為。本集團將謹慎處理舉報及投訴，並將公平妥善地處理舉報人的疑慮。任何人士如被發現對根據本政策提出疑慮的人士作出迫害或報復，將受到紀律處分。



# CORPORATE GOVERNANCE REPORT

## WHISTLEBLOWING POLICY AND ANTI-CORRUPTION POLICY (CONTINUED)

The Group has adopted anti-corruption policy on a zero-tolerance basis for any form of corruption, including bribery and extortion, fraud and money laundering, and promise to operate our business in an honest, ethical and creditable manner. The policies are revised in due course and all Directors and employees are reminded with its requirement from time to time. The Group strictly abides by national and local laws and regulations related to bribery, extortion, fraud and money laundering, including but not limited to the Company Law of the PRC\* (《中華人民共和國公司法》), the Anti-Money Laundering Law of the PRC\* (《中華人民共和國反洗錢法》), the Anti-Unfair Competition Law of the PRC\* (《中華人民共和國反不正當競爭法》) and other laws and regulations.

Please refer to the "Environmental, Social and Governance Report" contained in this report for more details.

## COMMUNICATION WITH SHAREHOLDERS AND SHAREHOLDER RIGHTS

The company has adopted a Shareholders' communication policy with the objective of ensuring that the Shareholders will have equal and timely access to information about the Company in order to enable the Shareholders to exercise their rights in an informed manner and allow them to engage actively with the Company.

The AGM remains the principal forum for dialogue with the Shareholders. The Shareholders are encouraged to participate in the proceedings of and ask questions about the resolutions being proposed and the operations of the Group. The Articles allow a Shareholder entitled to attend and vote at general meeting of the Company to appoint more than one proxy to attend and vote on his/her/its behalf and also provide that a proxy need not be a Shareholder.

# 企業管治報告

## 舉報政策及反貪污政策 (續)

本集團對任何形式的貪污 (包括賄賂及勒索、欺詐及洗黑錢) 採取零容忍的反貪污政策, 並承諾以誠實、合乎道德及誠信的方式經營業務。該等政策於適當時候作出修訂, 並不時提醒全體董事及僱員有關其要求。本集團嚴格遵守有關賄賂、勒索、欺詐及洗黑錢的國家及地方法律法規, 包括但不限於《中華人民共和國公司法》、《中華人民共和國反洗錢法》、《中華人民共和國反不正當競爭法》, 以及其他法律法規。

有關更多詳情, 請參閱本報告所載「環境、社會及管治報告」。

## 與股東之通訊及股東權利

本公司已採納股東通訊政策, 旨在確保股東可平等及適時地獲得有關本公司的資料, 使股東可在知情情況下行使其權利, 並讓彼等積極參與本公司事務。

股東週年大會依然為與股東對話之主要論壇。本公司鼓勵股東參與其程序並就建議決議案及本集團之經營提問。細則容許有權出席本公司股東大會並於會上投票之股東委任一名以上受委代表代表該股東出席並投票, 並規定該受委代表毋須為股東。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### COMMUNICATION WITH SHAREHOLDERS AND SHAREHOLDER RIGHTS (CONTINUED)

The Company has reviewed the implementation and effectiveness of the shareholder communication policy during the year and conclude that it is effective because some minority shareholders have personally approached the company and ask for relevant news.

All resolutions put forward at general meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange after conclusion of each general meeting.

#### Procedures for Shareholders to convene an extraordinary general meeting

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

#### Procedures for putting forward proposals at general meeting

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Companies Act of the Cayman Islands. However, Shareholders who wish to propose resolutions may follow Article 64 of the Articles for requisitioning an extraordinary general meeting and including a resolution at such meeting. The relevant requirements and procedures are set out above. As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

### 與股東之通訊及股東權利(續)

本公司於年內已檢討股東通訊政策的實施及成效，並認為該政策有效，原因為部分少數股東已親自接觸本公司並詢問相關消息。

於股東大會上提出的所有決議案將根據上市規則以投票表決方式表決，而投票表決結果將於各屆股東大會舉行後於本公司及聯交所網站刊登。

#### 股東召開股東特別大會之程序

根據細則第64條，董事會可按其認為合適的時候召開股東特別大會。股東特別大會亦可由一名或多名股東要求召開，該等股東於提出要求當日須持有本公司實繳股本不少於十分之一並有權在股東大會上投票。有關要求須以書面形式向董事會或秘書提出，藉以要求董事會就處理有關要求所指明之任何事務而召開股東特別大會。有關會議須在提呈該要求後2個月內召開。如董事會在提呈日期起計21日內未有安排召開有關會議，則請求人(或多名請求人)可用相同方式自行召開會議，且請求人因董事會未有妥為召開會議而招致的所有合理費用，須由本公司償還請求人。

#### 於股東大會提出建議之程序

開曼群島公司法並無容許股東於股東大會提出新決議案之條文。然而，有意提出決議案之股東，可依照細則第64條，要求召開股東特別大會並在會上納入決議案。有關規定及程序於上文載列。股東提名人選參選董事之程序可於本公司網站查閱。

# CORPORATE GOVERNANCE REPORT

## COMMUNICATION WITH SHAREHOLDERS AND SHAREHOLDER RIGHTS (CONTINUED)

### Procedures for putting enquiries to the Company and contact details

Shareholders may, at any time, direct questions, request for publicly available information and provide comments and suggestions to directors or management of the Company. Such questions, requests and comments can be addressed to the company secretary of the Company by email to [stella@sanvo.com](mailto:stella@sanvo.com).

## DIVIDEND POLICY

The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate.

## CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2023, in view of the changes to Appendix A1 to the Listing Rules, the Company has adopted the second amended and restated Articles, which was approved by the Shareholders at the annual general meeting of the Company held on 30 June 2023, and is available on the websites of the Company ([www.sanvo.com](http://www.sanvo.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

## COMPANY SECRETARY AND PRIMARY CONTACT OF THE COMPANY

The company secretary of the Company is Mr. Ng Cheuk Lun, who is also an executive Director and the primary contact of the Company. Mr. Ng is a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants as well as a Certified Practising Accountant of CPA Australia. He reports to the chairman of the Board directly.

In compliance with Rule 3.29 of the Listing Rules, Mr. Ng Cheuk Lun undertook not less than 15 hours of relevant professional training during the FY2023. All the Directors have access to the advice and services of the company secretary on corporate governance and Board practice and matters. Mr. Ng Cheuk Lun has been contacting with the Board directly in respect of company secretarial matters.

# 企業管治報告

## 與股東之通訊及股東權利(續)

### 向本公司提出查詢之程序及聯絡詳情

股東可隨時就公開資料直接提出問題及要求，並向本公司董事或管理層提供意見及建議。有關問題、要求及意見可發送電郵予本公司之公司秘書(電郵為 [stella@sanvo.com](mailto:stella@sanvo.com))。

## 股息政策

每年宣派股息之形式、頻率及金額將於考慮本集團溢利增長、現金狀況、營運產生之正現金流量、業務增長之預計資本需求以及董事會認為適當的其他因素後釐定。

## 組織章程文件

截至二零二三年十二月三十一日止年度，鑒於上市規則附錄A1的變動，本公司已採納第二份經修訂及重列細則，其已於二零二三年六月三十日舉行的本公司股東週年大會上獲股東批准，內容可於本公司網站([www.sanvo.com](http://www.sanvo.com))及聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk))查閱。

## 公司秘書及本公司主要聯絡人

本公司之公司秘書為吳卓倫先生，其亦為執行董事及本公司之主要聯絡人。吳先生為香港會計師公會之執業會計師及澳洲會計師公會之執業會計師。彼直接向董事會主席匯報。

吳卓倫先生遵守上市規則第3.29條，於二零二三財政年度已參加不少於15小時之相關專業培訓。所有董事均可取得並享用公司秘書就企業管治及董事會常規及事宜而提供之意見及服務。吳卓倫先生一直就公司秘書事宜直接與董事會聯絡。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ABOUT THIS REPORT

SANVO Fine Chemicals Group Limited (the “**Company**” together with its subsidiaries, collectively, “**we**”, “**us**”, “**our**” or the “**Group**”) is pleased to present our annual Environmental, Social and Governance Report (the “**Report**”) to provide an overview of the Group’s management of significant issues affecting the operation, including environmental, social and governance (“**ESG**”) issues.

### REPORTING PERIOD

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

### REPORTING SCOPE

This Report covers all subsidiaries of the Group in the People’s Republic of China (the “**PRC**”) with core business that principally engaged in researching, developing, manufacturing and sales of a diversified portfolio of fine industrial chemical products in the PRC, representing all our total revenue of the Reporting Period. The Group will continue in assessing the impacts of its business on the major ESG aspects and to include in the Report. The scope of the Report is consistent with the ESG Report last year.

### REPORTING BASIS

This Report was prepared in accordance with the Environmental, Social, and Governance Reporting Guide (“**ESG Reporting Guide**”) set out in Appendix C2 (formerly known as Appendix 27) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Group has complied with the mandatory disclosure requirements and the “comply or explain” provisions set out in the ESG Reporting Guide. The Group will continue to optimize and improve the disclosure of KPIs. This Report was prepared and published in both English and Chinese. In the event of contradiction or inconsistency, the English version shall prevail. For more information on our corporate governance, please refer to the “Corporate Governance Report” on pages 49 to 66 of the annual report of the Company for the year ended 31 December 2023.

### 關於本報告

三和精化集團有限公司(「本公司」，連同其附屬公司，統稱「我們」或「本集團」)欣然提呈年度環境、社會及管治報告(「本報告」)，概述本集團對影響營運的重大問題的管理，包括環境、社會及管治(「ESG」)問題。

### 報告期間

本報告闡述本集團於二零二三年一月一日至二零二三年十二月三十一日(「報告期間」)於環境及社會層面的舉措及表現。

### 報告範圍

本報告涵蓋本集團於中華人民共和國(「中國」)所有附屬公司，其核心業務為於中國研究、開發、製造及銷售多元化的精細化工產品組合，我們於報告期的全部收入均來自上述業務。本集團將繼續評估其業務對主要ESG方面的影響，並將其納入本報告。本報告的範圍與去年的ESG報告一致。

### 報告基準

本報告乃根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄C2(前稱附錄二十七)所載「環境、社會及管治報告指引」(「ESG報告指引」)編製。本集團已遵守ESG報告指引中所載強制披露規定及「不遵守就解釋」條文。本集團將繼續完善並改進關鍵績效指標的披露。本報告以中、英文編製及刊發。如中、英文版本有任何抵觸或不相符之處，概以英文版本為準。有關我們的企業管治的更多資料，請參閱本公司截至二零二三年十二月三十一日止年度之年報第49至66頁「企業管治報告」。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

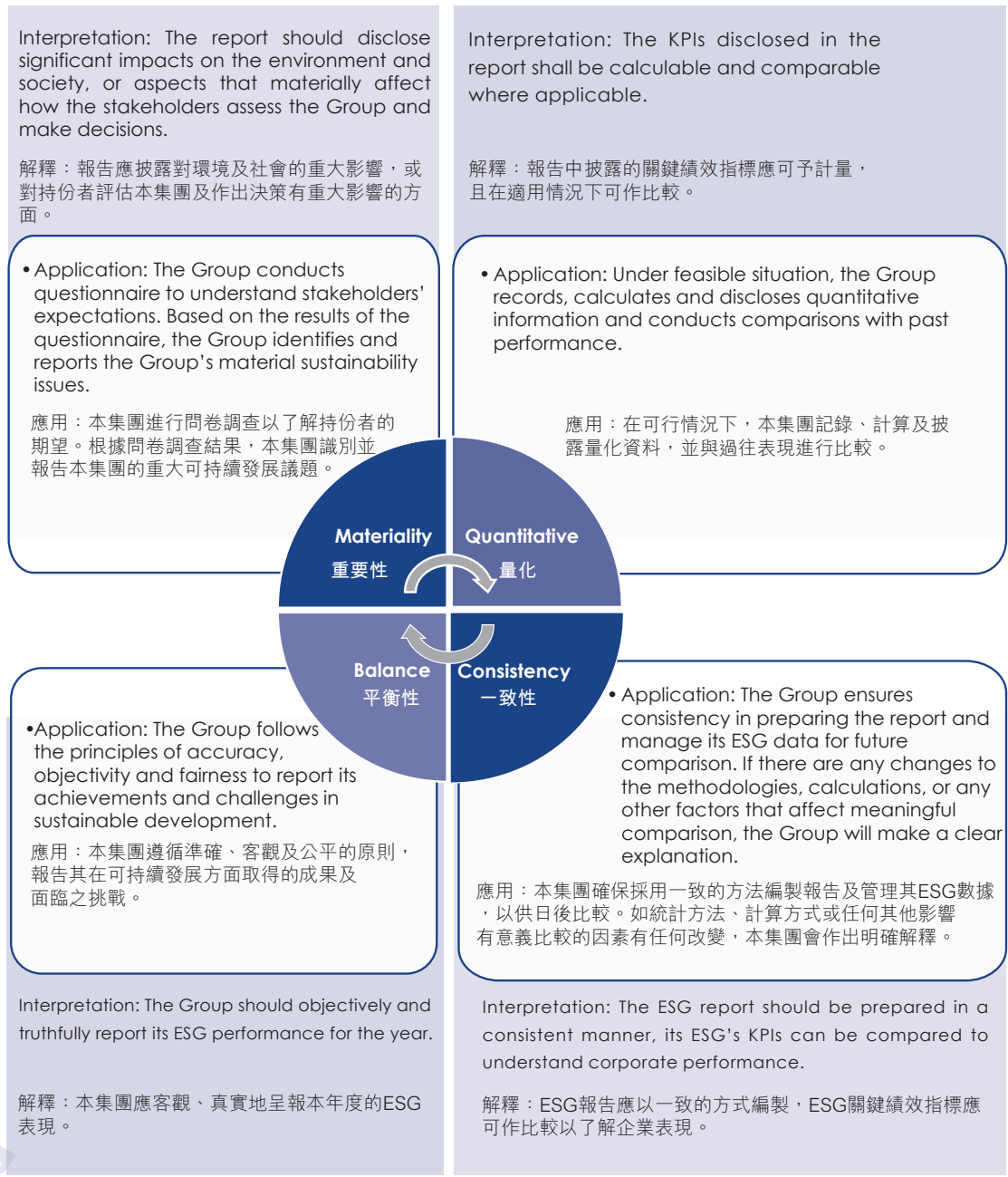
# 環境、社會及管治報告

## REPORTING BASIS (CONTINUED)

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

## 報告基準(續)

於編製過程中，本集團遵守重要性、量化、平衡及一致性的報告原則：





# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### BOARD STATEMENT

To strengthen our management on sustainable development, an ESG governance structure was established. The Board takes full accountability for the Group's ESG governance and sustainable development. They are responsible for monitoring the Group's materiality issues, performance, and evaluating the ESG related risks and opportunities regularly. Under the authorization of the Board, the ESG committee considers and evaluates various stakeholders' concerns and interests by materiality assessment to determine the Group's ESG management approach, strategy, priorities, and objectives. The Board is committed to integrating ESG principles into our business management practices.

The Group has set ESG related targets which demonstrate the effectiveness of the Group's ESG policies and various ESG management systems. The Board will continue to review the ESG related performance and review the progress based on the ESG related targets in the future, and will improve relevant ESG policies according to the target progress, so as to supervise and improve sustainability efforts.

### ESG GOVERNANCE STRUCTURE

The Group established an ESG governance structure and carried out the concept of sustainable development into daily work. The Group had formed an ESG Committee, which is chaired by one of our Executive Directors, to oversee the ESG task force ("Task Force") led by our Administration Manager. The structure is consisted of three parts: decision-making level, organization level and execution level.

- **Decision-making level: Board of the Group**

The Board is the highest decision-making level of the Group which takes full responsibility for ESG strategy and reporting. The Board monitors sustainable development performance and progress of the Group. It reviews and approves the Group's ESG management policies, strategies, goals, and annual work, including assessment, prioritization, and management of material ESG issues, risks, and opportunities. It also regularly reviews the ESG performance of the Group and its progress in achieving related objectives. The oversight of the Board is to ensure that the ESG committee and the ESG task force have all the right tools and resources to oversee the ESG issues.

### 董事會聲明

為加強可持續發展管理，我們建立了ESG管治架構。董事會對本集團的ESG管治及可持續發展承擔全部責任。彼等負責監察本集團的重要性事宜及表現，並定期評估ESG相關風險及機會。在董事會的授權下，ESG委員會透過重要性評估考慮及評估不同持份者的關注及利益，以釐定本集團的ESG管理方針、策略、優次排列及目標。董事會致力將環境、社會及管治原則融入我們的業務管理常規。

本集團已制定ESG相關目標，展示本集團ESG政策及各項ESG管理系統的有效性。董事會未來將繼續審視ESG相關表現，並根據ESG相關目標檢討進度，同時將根據目標進度改善相關ESG政策，以監督及改善可持續發展工作。

### ESG管治架構

本集團建立了ESG管治架構，將可持續發展理念落實到日常工作中。本集團成立了ESG委員會，由其中一名執行董事擔任主席。ESG委員會負責監督由行政經理領導的ESG工作小組（「工作小組」）。ESG管治架構由三個部分組成：決策層、組織層和執行層。

- **決策層：本集團董事會**

董事會為本集團的最高決策層，對ESG策略及報告承擔全部責任。董事會監察本集團的可持續發展表現及進度，審閱及批准本集團的ESG管理政策、策略、目標及年度工作，包括評估、優次排列及管理重要的ESG事宜、風險及機會，其亦定期檢討本集團的ESG表現及達成相關目標的進度。董事會的監督是為了確保ESG委員會及ESG工作組擁有監督ESG事宜的所有適當工具及資源。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## ESG GOVERNANCE STRUCTURE (CONTINUED)

### • Organization level: ESG committee

The Group's ESG committee is the second level of the governance structure. The ESG committee is delegated by the Board, chaired by an Executive Director. Following Mr. Leo Chen's resignation in July 2023, Mr. Chen Bingqiang, an Executive Director, the chairman of the Board and the Chief Executive Officer of the Company, was appointed as the chairman of the ESG committee of the Company. The ESG committee is responsible for formulating ESG management policies, strategies, goals, and annual work and promoting related implementation. They also identify, evaluate, review, and manage major ESG issues, risks and opportunities. All working status and related recommendations will be reported to the Board of the Group regularly.

### • Execution level: The ESG task force

The execution level is the third level of the governance structure. The Group has established the Task Force. The Task Force comprises core members from different departments of the Group and is responsible for collecting relevant information on our ESG aspects for the preparation of the ESG Report. The Task Force reports to the ESG committee, assists in identifying and assessing the Group's ESG risks, and assesses the effectiveness of the Group's ESG internal control mechanism. The Task Force will also examine and assess our performances in different aspects such as health and safety, labor standards, and product and service responsibility in the ESG area. This level is responsible for organizing, promoting, and implementing various ESG related tasks under the Group's ESG management policies and strategies. All tasks will be reported to the ESG committee regularly.

## ESG管治架構(續)

### • 組織層：ESG委員會

本集團的ESG委員會為管治架構的第二層。ESG委員會由董事會授權，並由一名執行董事擔任主席。在陳炳耀先生於二零二三年七月辭任後，本公司執行董事、董事會主席兼行政總裁陳炳強先生已獲委任為本公司ESG委員會主席。ESG委員會負責制定ESG管理方針、策略、目標及年度工作，並推動相關事宜的執行。彼等亦識別、評估、檢討及管理重大ESG事宜、風險及機會。所有工作情況及相關建議將定期報告予本集團董事會。

### • 執行層：ESG工作小組

執行層是管治架構的第三層。本集團已成立工作小組。工作小組由本集團不同部門的核心成員組成，負責收集ESG方面的相關資料，用於編製ESG報告。工作小組向ESG委員會匯報，協助識別及評估本集團的ESG風險，並評估本集團ESG內部控制機制的有效性。工作小組亦會檢查和評估我們在ESG範疇內健康與安全、勞工標準、產品及服務責任等不同層面的表現。執行層負責根據本集團的ESG管理方針及策略組織、推動及執行各項ESG相關工作。所有工作均定期報告予ESG委員會。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ESG GOVERNANCE STRUCTURE (CONTINUED)

#### Interaction between the board and the designated committee in ESG governance

Different ESG issues are reviewed by the ESG committee at the meetings, which are held at least annually. During the Reporting Period, the ESG committee and the Board reviewed the ESG governance and different ESG issues, and identified the ESG related (including but not limited to climate-related) risks and opportunities. ESG related risks are embedded in our risk management process and risk register, which alongside all other types of risk as an integral part of its Group-wide Risk Management Framework.

### CONTACT INFORMATION

The Group welcomes your feedback on the Report for our sustainability initiatives. Please contact us by email to [sanvo@sanvo.com](mailto:sanvo@sanvo.com).

### APPROVAL OF THE REPORT

The Report was approved by the Board of Directors (the "Board") of the Company on 28 March 2024.

### ESG管治架構(續)

#### 董事會與ESG管治專責委員會的互動

ESG委員會至少每年舉行一次會議，檢討不同的ESG事宜。於報告期間，ESG委員會及董事會已檢討ESG治理及不同ESG議題，並識別ESG相關(包括但不限於氣候相關)風險及機遇。ESG相關風險已納入我們的風險管理程序及風險登記冊，與所有其他類型的風險一併納入集團風險管理框架。

### 聯絡資料

本集團歡迎閣下就可持續發展舉措對本報告提出回應意見。請電郵至[sanvo@sanvo.com](mailto:sanvo@sanvo.com)聯絡本公司。

### 報告審批

本公司董事會(「董事會」)已於二零二四年三月二十八日批准本報告。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## STAKEHOLDER ENGAGEMENT

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

## 持份者參與

我們已識別業務營運的主要持份者。我們通過各種溝通渠道與持份者進行定期互動。下表說明我們的主要持份者關注的問題以及我們與持份者進行溝通的途徑：

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Government, public and communities 政府、公眾人士及社區	<ul style="list-style-type: none"> <li>- To comply with laws 遵守法例</li> <li>- Proper tax payment 妥實繳稅</li> <li>- Ensure production safety, environmental protection and social responsibility 確保安全生產、保護環境及履行社會責任</li> <li>- Promote regional economic development and employment 促進地區經濟發展及就業</li> </ul>	<ul style="list-style-type: none"> <li>- On-site inspections and checks 實地視察檢查</li> <li>- Research and discussion through work conferences, work reports preparation and submission for approval 通過工作座談會研究和討論，編製及提交工作報告以供審批</li> </ul>	<ul style="list-style-type: none"> <li>- Operated, managed and paid taxes according to laws and regulations, strengthened safety management; obtained/renewed license timely, accepted the government's supervision, inspection and evaluation, and actively undertook social responsibilities 依照法律及規例經營、管理並繳稅，加強安全管理；及時獲得／更新許可證，接受政府監督、檢查及評估，並積極承擔社會責任</li> </ul>
Shareholders and Investors 股東與投資者	<ul style="list-style-type: none"> <li>- Return on investment 投資回報</li> <li>- Stable operation 經營穩定</li> <li>- Risk minimization 風險最低化</li> <li>- Information disclosure and transparency 資訊披露及透明度</li> <li>- Protection of interests and fair treatment of shareholders 保障股東權益及公平對待股東</li> <li>- True, accurate and timely reporting 真實、準確及按時報告</li> </ul>	<ul style="list-style-type: none"> <li>- Annual general meetings and other shareholder meetings 週年股東大會及其他股東大會</li> <li>- Interim reports, annual reports and announcements 中期報告、年報及公告</li> <li>- Company website 公司網站</li> <li>- Meeting with investors 與投資者會面</li> <li>- Roadshows 路演</li> </ul>	<ul style="list-style-type: none"> <li>- Issued notices of general meetings and proposed resolutions according to regulations, disclosed company's information by publishing announcements/circulars, interim report and annual report in the year. Carried out different forms of investor activities with an aim to improve investors' recognition. Held results briefing once. Disclosed corporate contact details on website and in reports and ensured all communication channels available and effective 按規例發佈股東大會通告及擬議決議案，年內透過刊發公告／通函、中期報告及年報披露公司資料。開展不同形式的投資者活動，以提高投資者認可度。舉行一次業績簡報會。在網站及報告中披露公司聯絡詳情，確保各種溝通渠道暢通</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## STAKEHOLDER ENGAGEMENT (CONTINUED)

## 持份者參與(續)

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Employees 僱員	<ul style="list-style-type: none"> <li>- Safeguard the rights and interests of employees 保障僱員權利和利益</li> <li>- Salary and welfare 薪金及福利</li> <li>- Working environment 工作環境</li> <li>- Career development opportunities 事業發展機會</li> <li>- Self-actualization 自我實現</li> <li>- Health and safety 健康與安全</li> </ul>	<ul style="list-style-type: none"> <li>- Feedback box 意見箱</li> <li>- Training, seminars, briefing sessions 培訓、研討會、簡介會</li> <li>- Team activities 團隊活動</li> </ul>	<ul style="list-style-type: none"> <li>- Provided a healthy and safe working environment; developed communication channel with management; developed a fair mechanism for promotion; cared for employees by helping those in need and organizing employee activities 提供健康及安全的工作環境；建立與管理層溝通的渠道、建立公平的晉升機制；幫助有需要僱員並組織僱員活動，關懷僱員</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>- Assurance on quality and quantity of product 確保產品品質及產量</li> <li>- Stable relationship 穩定關係</li> <li>- Group reputation and brand image 集團聲譽及品牌形象</li> <li>- Market demand 市場需求</li> </ul>	<ul style="list-style-type: none"> <li>- Site visit 實地考察</li> <li>- Exhibition 展覽</li> <li>- Email and customer service hotline 電子郵件及客戶服務熱線</li> <li>- Feedback forms 回應意見表</li> <li>- Regular meeting 定期會議</li> <li>- Market research 市場調查</li> </ul>	<ul style="list-style-type: none"> <li>- Organised marketing activities, site visit and exhibition and exhibition 組織市場推廣活動、實地考察及展覽</li> </ul>
Suppliers/ Partners 供應商/合作夥伴	<ul style="list-style-type: none"> <li>- Long-term partnership 長期夥伴關係</li> <li>- Honest cooperation 坦誠合作</li> <li>- Fairness and openness 公平、公開</li> <li>- Information resources sharing 資訊資源共享</li> <li>- Timely settlement 按時結算支付</li> </ul>	<ul style="list-style-type: none"> <li>- Strategic co-operation 策略合作</li> <li>- Regular meetings 定期會議</li> <li>- Tendering process 招標過程</li> </ul>	<ul style="list-style-type: none"> <li>- Invited tenders publicly to select best suppliers and contractors, performed contracts according to agreements, enhanced daily communication, and established long-term cooperation with quality suppliers and subcontractors 公開招標選擇最佳供應商及承包商，按約定履行合約，加強日常交流，與優質供應商及分包商建立長期合作關係</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## STAKEHOLDER ENGAGEMENT (CONTINUED)

## 持份者參與(續)

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Peer/industry associations 同業/行業組織	<ul style="list-style-type: none"> <li>- Experience sharing 分享經驗</li> <li>- Cooperation 協作</li> <li>- Fair competition 公平競爭</li> </ul>	<ul style="list-style-type: none"> <li>- Industry conferences and meetings 行業會議</li> </ul>	<ul style="list-style-type: none"> <li>- Stuck to fair play, cooperated with peers to realize win-win, shared experiences and attended seminars and meetings of the industry so as to promote sustainable development of the industry 堅持公平競爭，與同業合作以實現共贏，分享經驗，參加行業研討會及會議，促進行業可持續發展</li> </ul>
Financial institution 金融機構	<ul style="list-style-type: none"> <li>- Compliance with the laws and regulations 遵守法律及規例</li> <li>- Disclosure of information 資訊披露</li> </ul>	<ul style="list-style-type: none"> <li>- Consulting 諮詢</li> <li>- Information disclosure 資訊披露</li> <li>- Reports 報告</li> </ul>	<ul style="list-style-type: none"> <li>- Complied with regulatory requirements in a strict manner, disclosed and reported true information in a timely and accurate manner according to law 嚴格遵守監管規定，依法及時、準確、真實披露及報告資訊</li> </ul>
Bank 銀行	<ul style="list-style-type: none"> <li>- Timely repayment of loans 按時償還貸款</li> <li>- Honest cooperation 誠實合作</li> <li>- Stable operation 經營穩定</li> </ul>	<ul style="list-style-type: none"> <li>- Regular meeting 定期會議</li> <li>- Business and operation update 業務及營運資訊更新</li> </ul>	<ul style="list-style-type: none"> <li>- Paid interest according to instalment schedule and cooperated with banks for inspection and monitoring 按照分期付款時間表支付利息，配合銀行進行審查及監督</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

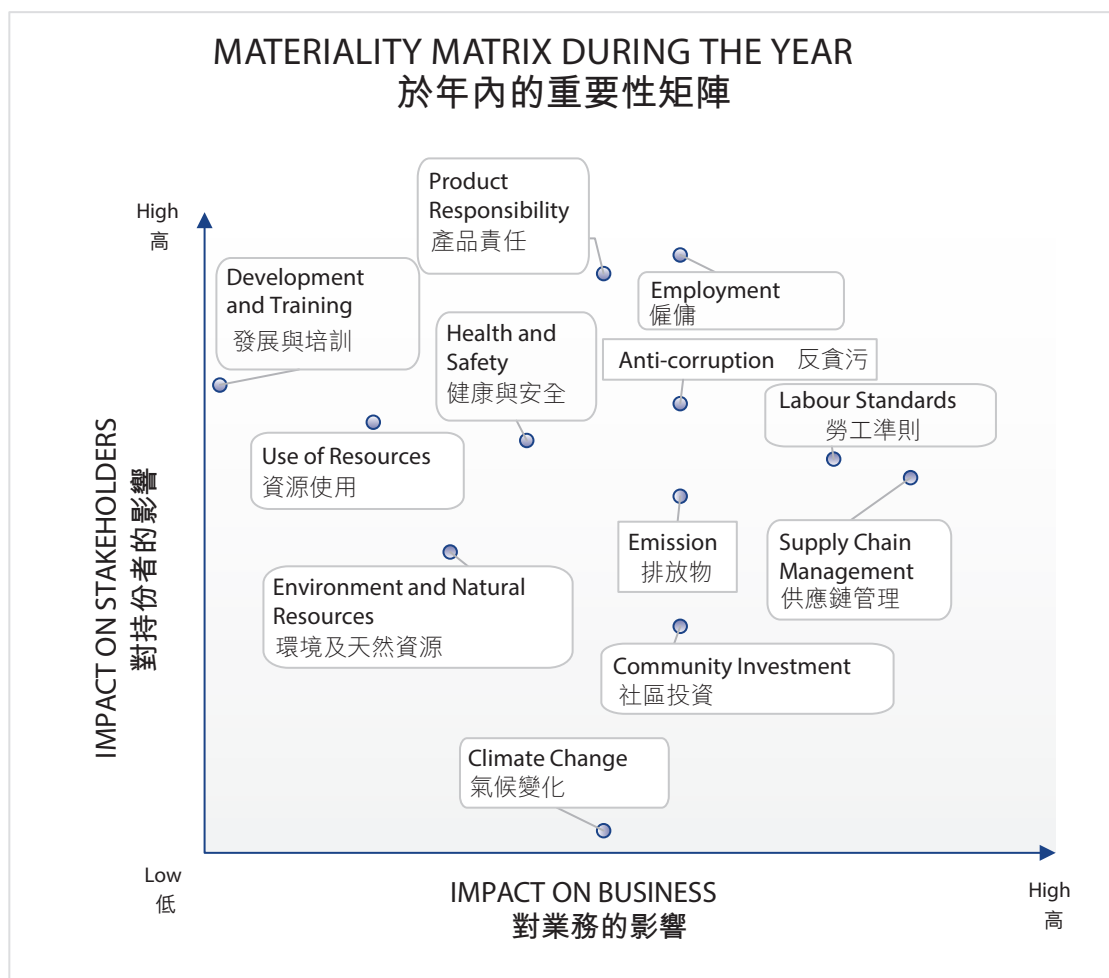
## 環境、社會及管治報告

### MATERIALITY ASSESSMENT

In order to better understand stakeholders' opinions and expectations on the Group's ESG performance, the Group has adopted a systematic approach to conduct the annual materiality assessment, by inviting relevant stakeholders to participate in the materiality survey and rate the potentially significant issues, and taking the Group's business development strategies and industry practices as reference. The Group analyzed the results of the materiality survey into a materiality matrix. The identified significant issues and stakeholder concerns will be reviewed and discussed with the management and disclosed in the ESG Report. During the Reporting Period, the Group's materiality matrix is as follows:

### 重要性評估

重要性評估為更好地了解持份者對本集團環境、社會及管治表現的意見及期望，本集團採用系統化的方法進行年度重要性評估，邀請相關持份者參與重要性調查，對潛在重要議題進行評分，並參考本集團的業務發展策略及行業慣例。本集團將重要性調查的結果分析為重要性矩陣。已識別的重要議題及持份者關注事項將與管理層審閱及討論，並於環境、社會及管治報告中披露。於報告期間，本集團的重要性矩陣如下：





# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS

### Aspect A1: Emissions

To demonstrate commitment to sustainable development and compliance with laws and regulations relating to environmental protection, the Group endeavors to minimize the environmental impact of the business activities and maintain green operations and green office practices. As a responsible chemical manufacturing company, we were accredited with the ISO 14001 (Environmental Management Systems Certificate) in 2021, which remains valid till August 2024.

Our Group's operations are subject to certain environmental requirements pursuant to the laws in the PRC, including but not limited to PRC Environmental Protection Law\* (《中華人民共和國環境保護法》), the PRC Law on Prevention and Control of Water Pollution\* (《中華人民共和國水污染防治法》), the Law on Prevention and Control of Atmospheric Pollution of the PRC\* (《中華人民共和國大氣污染防治法》), the Law on Prevention and Control of Environmental Noise Pollution of the PRC\* (《中華人民共和國環境噪聲污染防治法》), the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes\* (《中華人民共和國固體廢物污染環境防治法》) and Technical Specification for Operation and Management of Volatile Organic Compounds Treatment Facilities in Guangdong Province issued by Department of Ecological Environment of Guangdong Province 2022 No.330\* (廣東省揮發性有機物治理設施運行管理技術規範粵環函〔2022〕330號). We continuously observe the laws and regulations in relation to environmental protection in the PRC and have been in strict compliance with them. We have implemented environmental protection measures in our operations including having environmental protection procedures in place to treat and dispose of all of our waste in accordance with national and local environmental laws and regulations. Dust, waste water, noise and different sorts of pollutants are generated during our production processes. We have established environmental and pollution control policies with various measures in place to process and dispose of our industrial wastes to minimize the impact on the environment include, amongst other things:

\* The English name is for identification purpose only.

## A. 環境層面

### 層面A1：排放物

為了表明對可持續發展的承諾並遵守與環境保護有關的法律及規例，本集團努力將業務活動對環境的影響降至最低，並保持綠色營運及綠色辦公實踐。作為一間負責任的化學品製造公司，我們已於二零二一年獲得ISO14001（環境管理體系認證），有效期至二零二四年八月。

根據中國法律，本集團的營運須遵守若干環境要求，包括但不限於《中華人民共和國環境保護法》、《中華人民共和國水污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國固體廢物污染環境防治法》及廣東省揮發性有機物治理設施運行管理技術規範粵環函〔2022〕330號。我們持續遵守中國有關環境保護之法律及規例，並且一直嚴格遵行。我們已於營運中實施環境保護措施，包括設立環境保護程序，根據國家及地方環境法律及規例處理及處置所有廢物。我們的生產工序會產生灰塵、廢水、噪音及不同種類污染物。我們已設立環境及污染控制政策，採取各種措施處理及處置工業廢物，將環境影響降至最低。其中包括：

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A. ENVIRONMENTAL ASPECTS (CONTINUED)

#### Aspect A1: Emissions (Continued)

##### Air pollution

There are increasingly stringent environmental and safety requirements in the PRC fine industrial chemical industry especially for emission of volatile organic compounds (the "VOCs"). Certain of our subsidiaries have been listed as one of the VOCs emission enterprises under supervision and required to compile a VOCs emission comprehensive control scheme (VOCs排放綜合整治方案 (the "Control Scheme")) in 2018. In addition, we also developed a self-monitoring scheme during the Reporting Period, in order to obtain more timely and comprehensive understanding of conditions of emissions. Thus our Group aims to increase the number and proportion of our products which are water-based/low-VOCs to adhere to the prevailing and more stringent industry environmental standards in order to minimise any adverse impact on the environment resulting from our business activities and monitor technological trends in our industry in the PRC, which is evident from (i) 108 (2022: 118) out of 184 (2022: 207) of our fine industrial chemical products (representing approximately 58.7% (2022: 57.0%) of our products) are currently water-based/low-VOCs, and (ii) our Group holds various patents (such as "Zero-VOC tranquilization nano-emulsion paint" \*(一種零VOC納米安神乳膠漆), "Gear oil and preparation method thereof" \*(一種排擋油及其製備方法), "Water-based crack sealer and preparation method thereof" \*(一種水性美縫劑及其製備方法), "Water-based anti-corrosion industrial paint and a preparation method thereof" \*(一種水性防腐工業漆及其製備方法) and "High-hardness wear-resistant double-group water based wood paint and its preparation method" \*(高硬度耐磨雙組水性木器漆及其製備方法)) in relation to the manufacture of environmentally friendly fine industrial chemical products which are water-based and/or low-VOCs.

\* The English name is for identification purpose only.

### A. 環境層面(續)

#### 層面A1：排放物(續)

##### 空氣污染

中國精細化工業之環境及安全規定日益嚴格，尤其是揮發性有機化合物(「VOCs」)的排放。於二零一八年，我們的若干附屬公司已列為受監管的揮發性有機化合物排放企業之一，並須編撰VOCs排放綜合整治方案(「整治方案」)。此外，我們亦於報告期間制定了自行監測方案，以更及時、更全面地了解排放情況。因此，本集團旨在增加水性/低揮發性有機化合物產品之數量及比例，以遵守當前更為嚴格之行業環境標準，盡量減少業務活動對環境產生之任何不利影響，並監察中國業內之技術趨勢，從(i)我們184種(二零二二年：207種)精細化工產品中有108種(二零二二年：118種)(佔我們的產品約58.7%)(二零二二年：57.0%)為水性/低揮發性有機化合物；及(ii)本集團持有多項涉及生產水性及/或低揮發性有機化合物環保精細化工產品之專利(例如一種「零VOC納米安神乳膠漆」、一種「排擋油及其製備方法」、一種「水性美縫劑及其製備方法」、一種「水性防腐工業漆及其製備方法」以及「高硬度耐磨雙組水性木器漆及其製備方法」)可見一斑。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A1: Emissions (Continued)

#### Air pollution (Continued)

In order to minimise the emission of VOCs, the Group had implemented measures as below:

- upgrading the oil paint to water paint;
- change of raw material such as toluene and acetone to ethanol;
- the propellant LPG is replaced by dimethyl ether ("DME") in which DME is more soluble;
- adding cover for containers that are not fully sealed in order to reduce the volatilisation of organic waste gas;
- optimising the production plan so as to reduce various emission and waste by cleaning devices due to change of raw materials for production;
- renovated exhaust gas and dust collecting channels in production workshops to reduce emission from the hazardous substances effectively;
- upgraded the original waste gas treatment facilities in the paint workshop and installing an activated carbon adsorption devices to improve the waste gas treatment capacity;
- using fully sealed stirring kettle to reduce waste gas spillover;
- using gas collecting hood in the window free workshop to collect waste gas;
- replaced the original exhaust gas adsorption equipment with a double-layer activated carbon adsorption equipment, which is installed next to the FV fine chemicals workshop to improve the efficiency of waste gas collection and treatment;
- installed a new set of activated carbon adsorption, trommel screen and regenerative thermal oxidizer (the "RTO") device with activated carbon adsorption equipment in the key production bases; and
- planting more trees in a systematic way to ensure an evergreen environment.

## A. 環境層面 (續)

### 層面A1：排放物 (續)

#### 空氣污染 (續)

為盡量減少揮發性有機化合物的排放，本集團已採取以下措施：

- 將油性漆升級為水性漆；
- 轉用乙醇而非甲苯及丙酮等原料；
- 以更易於溶解的二甲醚(「二甲醚」)取代壓縮液化石油氣；
- 為未完全密封的容器加上蓋子，減少有機廢氣揮發；
- 優化生產計劃，以減少因生產原材料變動而產生的清潔設備排放及廢物；
- 已改造生產車間的廢氣及灰塵收集管道，有效減少有害物質排放；
- 已升級油漆車間原有的廢氣處理設施，並安裝活性炭吸附裝置，提高廢氣處理能力；
- 使用全封閉攪拌釜，減少廢氣外溢；
- 在密閉車間使用集氣罩收集廢氣；
- 將原廢氣吸附設備更換為雙層活性炭吸附設備，安裝在FV精細化學品車間旁，提高廢氣收集及處理效率；
- 已於主要生產基地安裝一套新的活性炭吸附、電子屏及蓄熱式熱氧化爐(「RTO」)裝置，配備活性炭吸附設備；及
- 有系統地植樹，確保環境常綠。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A. ENVIRONMENTAL ASPECTS (CONTINUED)

#### Aspect A1: Emissions (Continued)

##### Air pollution (Continued)

Other than VOCs, our operation also generates airborne pollutants in our production and transportation processes. Our vehicles are regularly inspected to ensure exhaust emissions are within regulated limits. During the Reporting Period, the Group has purchased two heavy goods vehicles, a large bus and a private car to meet the Group's business development needs. In addition, the Group has sold three vehicles which are aged and in poor condition so as to reduce the emission of air pollutant and greenhouse gas.

##### Waste control

Our hazardous waste produced mainly consists of waste paint slag\* (廢漆渣), waste activated carbon\* (廢活性炭), waste paint buckets\* (廢油漆桶), waste sealant\* (廢密封劑) and waste packing material\* (廢包裝物) used during the production process. Non-hazardous waste mainly includes domestic waste and rag. They are separately stored and handled with the ledger for record. As our production process involves the use and storage of hazardous materials, it is always our top concern to comply with the applicable environmental laws and regulations in the PRC and avoid the occurrence of any environmental contamination event during our production activities. As a result, we continuously observe the laws and regulations in relation to environmental protection as amended from time to time in the PRC. In practice, in order to properly control the disposal of our production wastes, we have formulated detailed environmental protection rules and guidance for our staff to follow during production. We also engage qualified recycling companies to perform waste disposal and treatment, especially for hazardous waste, so as to minimize the impact on nature. In addition, to ensure that the quantities and rates of our production discharge are in compliance with the applicable environmental laws and regulations, we engage qualified third-party pollutant supervision companies to examine, monitor and provide advice on our pollutant discharge conditions for at least once in each quarter.

##### Other pollution

With respect to waste water, we have filters installed in our sewage pipelines; carried out regular cleaning of our sewers and pipelines and improved the drainage system to achieve rain and sewage diversion to ensure pollutants do not directly enter the sewer. During the reporting period, we engaged qualified third-party sewage testing agency to examine our sewage condition and the test results were complied with relevant national and local laws and regulation. We also installed soundproof walls to control the noise generated during any renovation or maintenance works carried out at our production sites.

### A. 環境層面 (續)

#### 層面A1：排放物 (續)

##### 空氣污染 (續)

除揮發性有機化合物外，我們的營運亦會在生產及運輸過程中產生空氣污染物。我們會定期檢查車輛，確保廢氣排放量低於限值。報告期內，本集團已購買兩輛重型貨車、一輛大型巴士及一輛私家車，以滿足本集團的業務發展需求。此外，本集團已售出三輛車齡較長及狀況良好的車輛，以減少空氣污染物及溫室氣體排放。

##### 廢物控制

我們產生的有害廢物主要包括在生產過程中使用的廢漆渣、廢活性炭、廢油漆桶、廢密封劑及廢包裝物。無害廢物主要包括生活垃圾及碎布。該等廢物獨立貯存及使用分類簿記處理，以作記錄。由於我們的生產過程涉及使用及貯存有害材料，因此遵守中國適用的環境法律及規例，並避免在生產活動中造成任何環境污染，一直是我們的當務之急。因此，我們持續遵守中國不時修訂的有關環境保護的法律及規例。在實踐上，為適當地控制生產廢物的處置，我們制定了詳盡的環境保護規則及指南，供員工在生產過程中遵循。我們亦聘請合資格回收公司處置和處理廢物，尤其是有害廢物，盡量減少對大自然的影響。此外，為確保我們的生產排放量及排放速率符合適用的環境法律及規例，我們聘請合資格第三方污染物監督公司於每個季度至少檢查一次並監控我們的污染物排放狀況，並就此提供建議。

##### 其他污染

廢水方面，我們已於污水管道安裝過濾器，定期清潔下水道及管道，並改善排水系統，實現雨污分離，確保污染物不會直接排入下水道。報告期內，我們委託有資質的第三方污水檢測機構對污水進行檢測，檢測結果符合國家及地方相關法律法規。我們亦已安裝隔音牆，控制生產工地進行任何翻新或維修工程期間所產生之噪音。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A1: Emissions (Continued)

#### Other pollution (Continued)

Our Group strictly adheres to the standards, metric and targets set or issued by the PRC Government environment-related compliance (including those issued by the General Administration of Quality Supervision, Inspection and Quarantine of the PRC and Standardization Administration of the PRC) in assessing and managing our impact on the environment resulting from our business activities, including without limitation our consumption or use of hazardous or harmful substances in our fine industrial chemical products. In addition, given the increasingly stringent environmental and safety requirements in the PRC fine industrial chemical products industry, our Group places emphasis on minimising adverse impact on the environment, particularly through research and development on eco-friendly products, in order to strengthen and maintain our competitiveness such as by establishing research and development centres, the objectives and functions of which include (i) research and development on new products and designing new solutions and/or formulae, and (ii) gathering market intelligence and closely monitoring the technological trends in our industry in the PRC and also globally. We also strive to produce high quality products, which includes limiting the use of harmful and non-eco-friendly substances in the production process. For example, certain of our subsidiaries has been accepted as a member of the Guangdong Association of Quality Inspection\* (廣東省質量檢驗協會) as well as Zhongshan Association of Quality Technology\* (中山市質量技術協會) and has participated in relevant association activities, such as staff trainings and seminars on quality inspection. Our group has also been recognized by the government to establish innovative practice and skills training bases, such as provincial post-doctoral innovation practice bases. In addition, our Group has been keeping apprised close attention to the newly published or amended environmental laws, regulations or rules enacted by the environmental protection governmental authorities of national or local level from time to time and is willing to assume social responsibilities to assist in building up a more environmentally friendly, pollutant-free and recyclable society by focusing on improving clean production. Moreover, we have also participated in academic research relating to clean production and a number of our management and employees have published papers with respect to environmental issues caused by the production of relevant hazardous chemicals in various periodicals in the PRC. We will continue to encourage our management and employees to conduct or take part in research relating to environmental protection issues, especially in areas connecting with manufacture of, among others, aerosols, adhesives, painting and coating products.

\* The English name is for identification purpose only.

## A. 環境層面 (續)

### 層面A1：排放物 (續)

#### 其他污染 (續)

於評估及管理我們的業務活動 (包括但不限於我們的精細化工產品消耗或使用危險或有害物質) 對環境所造成之影響時，本集團嚴格遵守中國政府就環保合規事宜所設定或頒佈之標準、指標及目標 (包括中國國家質量監督檢驗檢疫總局及中國國家標準化管理委員會所頒佈者)。此外，鑒於中國精細化工行業之環境及安全要求日益嚴格，本集團特別透過研發環保產品，致力將對環境之不利影響減至最低，以加強及維持我們的競爭力，例如設立研發中心，其目的及功能包括 (i) 研發新產品及設計新解決方案及／或配方及 (ii) 收集市場情報及密切監察中國以至全球行業之技術趨勢。我們亦致力於生產高品質產品，包括於生產工序中限制使用有害及非環保物質。例如，數家集團附屬公司已獲接納為廣東省質量檢驗協會及中山市質量技術協會成員，並已參加相關之協會活動，例如員工培訓及質量檢驗研討會。本集團亦獲政府認可建立創新實踐及技能培訓基地，如省級博士後創新實踐基地。此外，本集團一直密切關注國家或地方各級環保政府機關不時頒佈之新發佈或經修訂環境法律、規例或規則，並樂意承擔社會責任，透過著重改善清潔生產，協助建立更環保、無污染及可回收利用之社會。此外，我們亦參與有關清潔生產之學術研究，我們多名管理層成員及員工已於中國不同期刊發表生產相關危險化學品所引起環境問題之論文。我們將繼續鼓勵管理層及僱員進行或參與有關環保問題之研究，尤其是與 (其中包括) 氣霧劑、膠粘劑、油漆及塗料產品製造相關之領域。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A. ENVIRONMENTAL ASPECTS (CONTINUED)

#### Aspect A1: Emissions (Continued)

##### Other pollution (Continued)

In light of the above measures, we believe the discharge of each of the key pollutants generated during our production process shall remain within prescribed regulatory limits and thus our business operations do not have a material adverse impact on the environment.

In addition, the Group advocates emission reduction, and is committed to achieving sustainable operations and compliance with emission requirements permitted by the local authorities. To this end, we have set targets in terms of reducing emissions (including air pollutants, greenhouse gas, hazardous wastes and non-hazardous wastes). The Group will actively implement the air pollutants control plan, energy-saving plan, material-saving plan and measures to maintain or reduce the intensity of waste production and relevant gas emissions. The Group will review the progress and explore more opportunities for various environmental protection goals. In the future, we will set more specific quantitative environmental goals to nurture the environment and cherish natural resources. Moreover, we are investing more resources in recycling to help the development of circular economy.

### A. 環境層面 (續)

#### 層面A1：排放物 (續)

##### 其他污染 (續)

鑒於上述措施，我們認為生產過程中產生的各種關鍵污染物之排放量應保持在規定的法律及規例限制內，故此我們的業務營運不會對環境造成重大不利影響。

此外，本集團提倡減排，致力達致可持續營運及遵守地方政府部門許可的排放規定。為此，我們已就減排（包括空氣污染物、溫室氣體、有害廢物及無害廢物）設定目標。本集團將積極實施空氣污染物管控計劃、節能計劃、材料節約計劃以及相關措施，確保廢物產生及相關氣體排放密度不高於當前水平。本集團將檢討進展情況，並進一步探索達致各種環保目標的機會。未來，我們將制定更具體的量化環境目標，呵護環境及珍惜天然資源。此外，我們正在回收放面投放更多資源，助力發展循環經濟。

Environmental aspects 環境層面	Targets 目標
Air Pollutants Emissions 空氣污染物排放	The Group will actively implement the air pollutants control plan and measures to reduce the intensity of total air pollutants emissions by 2% by 2027, compared to 2022. 本集團將積極實施空氣污染物管控計劃及措施，確保二零二十七年的空氣污染物排放總量密度較二零二二年減少2%。
Greenhouse Gas Emissions 溫室氣體排放	The Group will actively implement the energy-saving plan and measures to reduce the intensity of greenhouse gas emissions by 2% by 2027, compared to 2022. 本集團將積極實施節能計劃及措施，確保二零二十七年的溫室氣體排放密度較二零二二年減少2%。
Waste Reduction 減少廢棄物	The Group will actively implement the material-saving plan and measures to reduce the intensity of total waste production by 2% by 2027, compared to 2022. 本集團將積極實施材料節約計劃及措施，確保二零二十七年的廢棄物產生總量密度較二零二二年減少2%。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A1: Emissions (Continued)

#### Other pollution (Continued)

During the Reporting Period, there was no material breach of or noncompliance with the applicable laws and regulations related to environmental protection.

Major air pollutants emission from our operation during the Reporting Period as follows:

Type of Air Pollutants	Air Pollutant Emission 空氣污染物排放	Air Pollutant Emission (kg) 空氣污染物排放量 (千克)	
		2023	2022 <sup>1</sup>
		二零二三年	二零二二年 <sup>1</sup>
Sulphur dioxide	二氧化硫	81.05	61.62
<b>Intensity (kg/Revenue RMB'000)</b>	密度 (千克/人民幣千元收益)	<b>0.00008</b>	0.00007
Nitrogen oxides	氮氧化物	2,938.97	2,356.62
<b>Intensity (kg/Revenue RMB'000)</b>	密度 (千克/人民幣千元收益)	<b>0.0027</b>	0.0025
Particulate matter	懸浮粒子	184.25	177.02
<b>Intensity (kg/Revenue RMB'000)</b>	密度 (千克/人民幣千元收益)	<b>0.00017</b>	0.00019

Notes:

- The Group has reviewed the methodology of data collection on use of vehicles for the corresponding period in 2022 and restated the data of air pollutant emissions accordingly.

The increase in air pollutant emission during the Reporting Period is due to the increased fuel consumption by new vehicles purchased.

During the Reporting Period, the GHG emission from the operation is set out below:

Type of GHG emissions	GHG Emission <sup>1</sup> 溫室氣體排放 <sup>1</sup>	Equivalent CO <sub>2</sub> emission (tons) 二氧化碳當量排放量 (噸)	
		2023	2022 <sup>2</sup>
		二零二三年	二零二二年 <sup>2</sup>
Scope 1 Direct emissions <sup>3</sup>	範圍1直接排放 <sup>3</sup>	752.76	450.14
Scope 2 Indirect emissions <sup>4</sup>	範圍2間接排放 <sup>4</sup>	5,733.13	5,003.63
<b>Total</b>	<b>總計</b>	<b>6,485.89</b>	<b>5,453.77</b>
<b>Intensity (tons/Revenue RMB'000)</b>	<b>密度 (噸/人民幣千元收益)</b>	<b>0.0060</b>	0.0058

## A. 環境層面 (續)

### 層面A1：排放物 (續)

#### 其他污染 (續)

報告期間內，並無重大違反或不符合適用環保法律及規例的情況。

報告期間內，我們的營運產生的主要空氣污染物排放情況如下：

附註：

- 本集團已審閱二零二二年同期車輛使用數據收集方法，並相應重列空氣污染物排放數據。

於報告期間，空氣污染物排放增加乃由於購買新車的燃料消耗增加所致。

報告期間內，營運產生的溫室氣體排放情況如下：

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A1: Emissions (Continued)

#### Other pollution (Continued)

Notes:

- The calculation of the GHG gas is based on the "A Corporate Accounting and Reporting Standard" from The GHG Protocol, the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions from Industrial Enterprises in Other Industries (Trial) published by National Development and Reform Commission of the People's Republic of China\* (《工業其他行業企業溫室氣體排放核算方法與報告指南(試行)》), the GHG Protocol Tool for Energy Consumption in China\* (《能源消耗引起的溫室氣體排放計算指南》), and the Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions of Land Transportation Enterprises (《陸上交通運輸企業溫室氣體排放核算方法與報告指南》).
- The Group has reviewed the methodology of data collection on use of vehicles for the corresponding period in 2022 and restated the data of GHG emissions accordingly.
- Scope 1: Direct emission from vehicles, gas stove and refrigerant that are owned by the Group.
- Scope 2: Indirect emissions from the generation of purchased electricity consumed by the Group.

\* The English name is for identification purpose only.

The increase in GHG emission under Scope 1 during the Reporting Period is due to the increase in fuel consumption of new vehicles purchased and the increase in the use of refrigerants during the Reporting Period. We have taken steps to repair the machines after discovering that the damaged the refrigeration equipment resulted in the increased consumption of refrigerants.

During the Reporting Period, the hazardous waste and non-hazardous waste produced from the operation is set out below:

## A. 環境層面(續)

### 層面A1：排放物(續)

#### 其他污染(續)

附註：

- 溫室氣體乃根據溫室氣體盤查議定書中的「企業會計與報告標準」、中華人民共和國國家發展和改革委員會發佈的《工業其他行業企業溫室氣體排放核算方法與報告指南(試行)》、《能源消耗引起的溫室氣體排放計算指南》及《陸上交通運輸企業溫室氣體排放核算方法與報告指南》計算。
- 本集團已審閱二零二二年同期車輛使用數據收集方法，並相應重列溫室氣體排放數據。
- 範圍1：本集團擁有的車輛、燃氣爐具及製冷劑的直接排放。
- 範圍2：本集團消耗外購電力所產生的間接排放。

報告期間範圍1的溫室氣體排放增加乃由於報告期間新購買車輛的燃料消耗增加及製冷劑使用增加。在發現製冷設備損壞導致製冷劑消耗增加後，我們已採取措施維修機器。

報告期間內，營運產生的有害廢棄物及無害廢棄物載列如下：

Hazardous and non-hazardous waste 有害及無害廢物		(tons) (噸)	(tons) (噸)
		2023 二零二三年	2022 二零二二年
Hazardous waste	有害廢物	64.13	13.90
Non-hazardous waste	無害廢物	72.03	63.45
<b>Total</b>	<b>總計</b>	<b>136.16</b>	<b>77.35</b>
<b>Intensity (tons/Revenue RMB'000)</b>	<b>密度(噸/人民幣千元收益)</b>	<b>0.00013</b>	<b>0.00008</b>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A1: Emissions (Continued)

#### Other pollution (Continued)

The increase in hazardous and non-hazardous waste during the Reporting Period is mainly due to the MV Production Site was under full operation for the whole year while it was only operational for two months during the previous year, and also the increase in production volume and product types during the Reporting Period. In addition, the increase of waste activated carbon in hazardous waste is due to the increase in production, and the upgrade of environmental dust removal system to secondary activated carbon dust removal, which requires more frequent replacement of activated carbon according to environmental protection requirements. During the Reporting Period, 70.82 tons non-hazardous wastes were recycled, compared to 63.45 tons in 2022.

#### Target achievement progress

For each target established, the details of corresponding measures to achieve such target will be disclosed in the sections of "Aspect A1: Emissions" and "Aspect A2: Use of Resources".

The Group had developed the environmental targets for air pollutants emission, GHG emissions and waster production, and the result as at the end of Reporting Period is as follow:

## A. 環境層面 (續)

### 層面A1：排放物 (續)

#### 其他污染 (續)

於報告期間，有害及無害廢棄物增加乃主要由於MV生產基地於整個年度全面營運，而上一年度僅營運兩個月，以及於報告期間產量及產品類型增加。此外，有害廢棄物中廢活性碳的增加是由於產量增加，以及環保除塵系統升級為二級活性碳除塵，需要根據環保要求更頻繁地更換活性碳。於報告期間，無害廢棄物回收量為70.82噸，而二零二二年為63.45噸。

#### 目標達成進度

就所制定的各項目標而言，為達到有關目標而採取的相應措施詳情將於「層面A1：排放物」及「層面A2：資源使用」章節披露。

本集團已就空氣污染物排放、溫室氣體排放及廢棄物產生制定環境目標，於報告期末的結果如下：

Environmental KPI	Targets	Baseline Year	2023 vs. 2022 二零二三年對比 二零二二年	Status
環境關鍵績效指標	目標	基準年		狀態
The intensity of total air pollutants emissions 空氣污染物排放總量密度	Reducing the intensity of air pollutants emissions by 2% by 2027 到二零二七年，空氣污染物排放密度減少2%	2022 二零二二年	Increase by 20% 增加20%	In progress 進行中
The intensity of greenhouse gas emissions 溫室氣體排放密度	Reducing the intensity of greenhouse gas emissions by 2% by 2027 到二零二七年，溫室氣體排放密度減少2%	2022 二零二二年	Increase by 5% 增加5%	In progress 進行中
The intensity of total waste production 廢棄物產生總量密度	Reducing the intensity of hazardous waste production by 2% by 2027 到二零二七年，有害廢棄物產生密度減少2%	2022 二零二二年	Increase by 55% 增加55%	In progress 進行中

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A. ENVIRONMENTAL ASPECTS (CONTINUED)

#### Aspect A2: Use of Resources

The Group's production facilities and business operations are strictly abide by the laws and regulations of the PRC, including but not limited to the Energy Conservation Law of the PRC\* (《中華人民共和國節約能源法》) and other laws and regulations. We have implemented energy & resources conservation measure in our operations including having energy & resources conservation procedure in place in the course of business operation. We are committed to improving the efficiency of energy use, advocating conservation of resources, and improving the efficiency of energy and resource consumption.

The Group places high priority on the efficient use of resources. Due to business nature of the Group, various types of raw materials including but not limited to packaging materials, additives, pigments, fillers, color powder, metallic powder, resin, rubber and solvents are used and consumed in the production process. The Group strives to improve the efficient use of natural resources, such as minimising waste/emissions and implementing effective recycling program. Practical measures are implemented as follows to improve the efficiency of the usage of raw materials so as to save resource:

- Using fully automated machinery to eliminate the manual errors and decrease the amount of raw materials wasted during production;
- Configuring with automated pipeline transfer systems to reduce the evaporation of raw materials arising from the use of/transfer from barrels;
- Utilising materials that facilitate clean production environment to effectively reduce the consumption of detergents and running water;
- Improving product packaging forms to conserve the consumption of carton materials;
- Focus on quality management so as to reduce wastage and scrap for less pollution resulted;
- Adopting "one vehicle one card" policy so as to monitor the usage of fuel by each vehicle and to avoid wastage by private usage;

### A. 環境層面(續)

#### 層面A2：資源使用

本集團的生產基地及業務營運嚴格遵守中國的法律法規，包括但不限於《中華人民共和國節約能源法》及其他法律法規。我們已於營運過程中實施節能及節約資源措施，包括於業務營運過程中制定節能及節約資源程序。我們致力於提高能源使用效率，倡導資源節約，提高能源和資源使用效率。

本集團高度重視資源的有效使用。由於本集團的業務性質，生產過程中使用及消耗多種原材料，包括但不限於包裝材料、添加劑、顏料、填充劑、色粉、金屬粉、樹脂、橡膠及溶劑。本集團致力改善天然資源的有效使用，例如盡量減少浪費／排放，並實施有效的回收計劃。所採取的實際措施如下以提高原材料使用效率，節約資源：

- 使用全自動機器，消除人為錯誤，減少生產過程中原材料浪費；
- 配置自動化管道輸送系統，以減少因利用／自桶轉移而產生的原材料蒸發；
- 利用有利於清潔生產環境的材料，有效減少洗滌劑和自來水的消耗；
- 改善產品包裝形式，節約紙箱材料的消耗；
- 注重質量管理，以減少浪費及廢料，從而減少污染；
- 採用「一車一卡」政策，監控每輛車輛的燃料使用情況，避免因私人使用造成浪費；

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A2: Use of Resources (Continued)

In addition, the other resources used by the Group are electricity and water. The Group has formulated and implemented the management rules for energy conservation and consumption\* (《節能節耗管理細則》). For usage of water, the Group did not encounter any problems in sourcing water that is fit for purpose. Practical measures are implemented as follows.

- Switching off lights and turning off unnecessary energy consuming devices when staff leaves the office;
- Adopting LED lighting in some production workshops and offices;
- Bringing our own cups to avoid using paper cups;
- Collection of carton box and sold to recycling companies;
- Setting the temperature of air-conditioning system in a range between 25°C to 26°C;
- Regular maintenance of vehicles with good condition for operational efficiency;
- Using online office system to minimise the use of paper. Promoting double side printing in office;
- Enhancing the monitoring for the use of food in canteen to reduce wastage; and
- Establishing management system of idle resources in order to fully utilise the resources of the Group.

In addition, the Group advocates energy and resources saving, and is committed to achieving sustainable operations and compliance with emission requirements by local authorities. To this end, we have set targets in terms of energy use efficiency and water efficiency, so as to perform better energy conservation and water conservation. The Group will actively implement the energy-saving plan, water-saving plan and measures to reduce the intensity of energy consumption and water consumption. The Group will review the progress and explore more opportunities for various environmental protection goals. In the future, we will set more specific quantitative environmental goals to nurture the environment and cherish natural resources. Moreover, we are investing more resources in recycling to help the development of circular economy.

## A. 環境層面 (續)

### 層面A2：資源使用 (續)

此外，本集團使用的其他能源為電力及水。本集團已制定並實施《節能節耗管理細則》。用水方面，本集團並無在求取適用水源方面遇到任何問題。所採取的實施措施如下。

- 員工離開辦公室時，關閉照明並關掉不必要的耗能設備；
- 於部分生產車間及辦公室採用LED照明產品；
- 自攜杯子，避免使用紙杯；
- 收集紙箱並售予回收公司；
- 將空調系統的溫度設置在25°C至26°C之間；
- 定期保養狀況良好的車輛以提高運作效率；
- 使用網上辦公系統，盡量減少紙張使用。提倡辦公室使用雙面打印；
- 加強監控食堂的食品使用，減少浪費；及
- 建立閒置資源管理制度，充分利用本集團資源。

此外，本集團提倡節約能源及資源，致力達致可持續營運及遵守地方政府部門的排放規定。為此，我們已就能源使用效率及用水效率設定目標，以便更好地節能節水。本集團將積極實施節能計劃、節水計劃及措施，確保減少耗電及耗水密度。本集團將檢討進展情況，並進一步探索達到各種環保目標的機會。未來，我們將制定更具體的量化環境目標，以呵護環境及珍惜天然資源。此外，我們在回收方面投放更多資源，助力發展循環經濟。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

## A. 環境層面(續)

### Aspect A2: Use of Resources (Continued)

### 層面A2：資源使用(續)

Environmental aspects 環境層面	Targets 目標
Energy Conservation 節約能源	The Group will actively implement the energy-saving plan and measures to reduce the intensity of energy consumption by 2% by 2027, compared to 2022. 本集團將積極實施節能計劃及措施，確保二零二十七年的能源消耗密度較二零二二年減少2%。
Water Conservation 節約用水	The Group will actively implement the water-saving plan and measures to reduce the intensity of water consumption by 2% by 2027, compared to 2022. 本集團將積極實施節水計劃及措施，確保二零二十七年的用水密度較二零二二年減少2%。

Consumption of energy, water and packaging materials by the Group during the Reporting Period is set out below:

報告期間內，本集團的能源、水及包裝材料消耗量載列如下：

Type of energy 能源類型	Energy Consumption 能源消耗	Energy consumed (kWh) 能源消耗(千瓦時)	
		2023 二零二三年	2022 <sup>1</sup> 二零二二年 <sup>1</sup>
		Unleaded petrol 無鉛汽油	554,745.60
Diesel 柴油	1,404,563.73	1,048,928.56	
Purchased electricity 外購電力	10,043,949.80	8,202,115.55	
LPG 液化石油氣	80,500.00	56,222.22	
LNG 液化天然氣	73,985.46	39,123.03	
<b>Total</b>	<b>總計</b>	<b>12,157,744.59</b>	<b>9,943,818.64</b>
<b>Energy intensity (kWh/Revenue RMB'000)</b>	<b>能源密度(千瓦時/人民幣千元收益)</b>	<b>11.29</b>	<b>10.49</b>

Notes:

附註：

- The Group has reviewed the methodology of data collection on use of vehicles for the corresponding period in 2022 and restated the data of energy consumption accordingly.

- 本集團已審閱二零二二年同期車輛使用數據收集方法，並相應重列能源消耗數據。

	Water Consumption 耗水量	Water consumption intensity (tons/Revenue RMB'000)	
		(tons) (噸)	(tons) (噸)
		2023 二零二三年	2022 二零二二年
Running water consumed 自來水消耗量		94,055.00	80,561.00
<b>Water consumption intensity (tons/Revenue RMB'000)</b>	<b>耗水密度(噸/人民幣千元收益)</b>	<b>0.09</b>	<b>0.08</b>



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A2: Use of Resources (Continued)

Packaging materials 包裝材料		(tons) (噸)	(tons) (噸)
Type of packaging materials 包裝材料類型		2023 二零二三年	2022 二零二二年
Metal 金屬		21,227.55	10,360.26
Plastic 塑膠		15,986.85	10,309.03
Paper 紙張		3,582.97	2,359.85

The increase in energy consumption during the Reporting Period is due to the increased in fuel consumption by new vehicles purchased. Owing to the increase in the output and the number of employees of the MV Production Site during the Reporting Period, fuel consumption in the staff canteen and water consumption increased as a result. In addition to the increase in production, e-commerce products have also increased this year, leading to an increase in packaging materials consumed in products.

#### Target achievement progress

The Group had developed the 2023 environmental target for energy conservation and water conservation, and the result as at the end of Reporting Period is as follow:

Environmental KPI 環境關鍵績效指標	Targets 目標	Baseline Year 基準年	2023 vs. 2022 二零二三年對比 二零二二年	Status 狀態
The intensity of energy consumption. 能源消耗密度。	Reducing the intensity of energy consumption by 2% by 2027 到二零二七年前能源消耗密度減少2%	2022	Increase by 8% 增加8%	In progress 進行中
The intensity of water consumption. 耗水密度。	Reducing the intensity of water consumption by 2% by 2027 到二零二七年前將耗水密度減少2%	2022	Increase by 3% 增加3%	In progress 進行中

## A. 環境層面 (續)

### 層面A2：資源使用 (續)

於報告期間，能源消耗增加乃由於購買新車的燃料消耗增加所致。由於報告期內MV生產基地的產量及僱員人數增加，員工食堂的燃料消耗及耗水量因此增加。除產量增加外，本年度電商產品亦有所增加，導致產品所消耗的包裝材料增加。

#### 目標達成進度

本集團已制定二零二三年節能節水的環境目標，於報告期末的結果如下：

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A. ENVIRONMENTAL ASPECTS (CONTINUED)

#### Aspect A3: The Environment and Nature Resources

The Group raises staff's awareness on environmental issues through education and training and enlist employees' support in improving the Group's performance, promote environmental awareness amongst the customers, business partners and Shareholders and support community activities in relation to environmental protection and sustainability and evaluate regularly and monitor past and present business activities impacting upon health, safety and environmental matters. With the integration of policies mentioned in sections "Emissions" and "Use of Resource", the Group strives to minimise the impacts to the environment and natural resources.

#### Aspect A4: Climate Change

Climate change has caused frequent extreme weather and has a major impact on business operations. Therefore, the Group has formulated working mechanisms and contingency plan to identify, prevent and mitigate climate change issues that may have a significant impact. At the same time, we would adjust the use of resources and energy. In response to disasters and accidents that are easily induced by extreme weather, we always enhance the capability to the disaster response.

#### Physical Acute Risk

The Group has identified extreme weather such as typhoons, heavy rain, thunder and lightning and flooding that can cause physical acute risk. The potential consequences include damage to documents, material, equipment, buildings and even employees' health and life. The above potential consequences will cause economic losses and increase operating costs to the Group.

### A. 環境層面 (續)

#### 層面A3：環境及天然資源

本集團透過教育及培訓提升員工對環境問題的意識，並得到員工支持提升本集團的績效，提升客戶、業務夥伴及股東的環保意識，支持有關環境保護與可持續發展的社區活動，並定期評估及監測過去及現時影響健康、安全及環境事宜的業務活動。透過整合「排放物」與「資源使用」各節中提及的政策，本集團力求盡量減少對環境及天然資源的影響。

#### 層面A4：氣候變化

氣候變化導致極端天氣頻繁發生，對業務營運造成重大影響。因此，本集團已制定工作機制及應急計劃，以識別、預防及減輕可能產生重大影響的氣候變化問題。同時，我們將調整資源及能源的使用。針對極端天氣易引發的災害和事故，我們一直在提高應對災害的能力。

#### 實體急性風險

本集團已識別颱風、暴雨、雷電及洪水等可導致實體急性風險的極端天氣。此種天氣可能產生的後果包括文件、材料、設備、建築物、甚至僱員的健康及生活遭受損害。上述可能導致的後果將對本集團造成經濟損失並導致經營成本增加。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A4: Climate Change (Continued)

#### Physical Acute Risk (Continued)

The Group has established contingency plans including different measures as below to prevent and minimise the negative effect of extreme weather.

## A. 環境層面 (續)

### 層面A4：氣候變化 (續)

#### 實體急性風險 (續)

為預防及盡量減少極端天氣的不利影響，本集團已制定以下各種措施等應急預案。

Extreme weather 極端氣候	Physical Acute Risk 實體急性風險 Preventative and mitigation measures 預防及緩解措施
Typhoons 颱風	<ul style="list-style-type: none"> <li>- Close doors and Windows with advance notice 提前通知，關閉門窗</li> <li>- Move materials and equipment to safety areas in advance, or covered with a tarp 預先將物料及設備運送至安全區域，或用防水布覆蓋</li> <li>- Reinforce equipment and components that may be blown away 加固可能被大風吹走的設備及部件</li> <li>- Stop all outdoor work 停止一切戶外作業</li> </ul>
Heavy rain and Flooding 暴雨洪澇	<ul style="list-style-type: none"> <li>- Clean up trash and make sure drains unblocked 清理垃圾，確保排水渠暢通</li> <li>- Maintain drainage equipment 維護排水設備</li> <li>- Reinforce equipment and components that may be washed away 加固可能被洪水沖走的設備及部件</li> </ul>
Thunder and lightning 雷電	<ul style="list-style-type: none"> <li>- Keep good conditions of earthing devices 保持接地裝置處於良好狀態</li> <li>- Control travel and outdoor work before the arrival of lightning 在發生雷電前，管控出行及戶外作業</li> <li>- Remind employees to save data and turn off computers 提醒員工保存數據及關閉電腦</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A. ENVIRONMENTAL ASPECTS (CONTINUED)

#### Aspect A4: Climate Change (Continued)

##### Physical Chronic Risk

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

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

### A. 環境層面 (續)

#### 層面A4：氣候變化(續)

##### 實體慢性風險

本集團已識別可導致實體慢性風險的極端天氣(如極端炎熱天氣)。此種天氣可能產生的後果包括員工戶外或車間中暑的可能性增加、流失率及工傷上升，以及縮短產品壽命。工作環境降溫的需求將會增加，從而可能導致本集團的電力需求及經營成本增加。

為預防及盡量減少極端天氣的不利影響，本集團已制定以下各種措施。

Extreme weather 極端氣候	Physical Chronic Risk 實體慢性風險 Preventive and mitigation measures 預防及緩解措施
Extremely hot weather 酷熱天氣	<ul style="list-style-type: none"> <li>- Open windows to allow the air to circulate 打開窗戶，保持空氣流通</li> <li>- Water the ground 澆濕地面</li> <li>- Keep a First-aid kit in a convenient location 備妥急救箱</li> <li>- Keep tea and cold water available 24 hours a day 全天24小時供應茶及涼水</li> <li>- Arrange employees' working schedule reasonably to ensure adequate sleep 合理安排員工工作時間，確保員工睡眠充足</li> <li>- Outdoor and aerial work should be stopped 停止戶外及高空作業</li> <li>- Provide sufficient usage instructions and product information to customer and distributor 向客戶及分銷商提供充足的使用指示及產品資料</li> <li>- Strengthen the product development 加強產品開發</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS (CONTINUED)

### Aspect A4: Climate Change (Continued)

#### Transitional Risk

The Group has identified related matters such as the tightened laws and regulations imposed by the government which can cause transitional risk. The potential consequences include a higher chance of breach of relevant laws and regulations.

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

## A. 環境層面 (續)

### 層面A4：氣候變化 (續)

#### 過渡風險

本集團已識別相關事項，例如政府實施的收緊法律及法規可能導致過渡風險。潛在後果包括違反相關法律及法規的可能性較高。

本集團已制定以下不同措施，以防止及盡量減少過渡風險的負面影響。

Climate-related risks description 氣候相關風險描述	Transitional Risk 過渡風險 Preventative and mitigation measures 預防及緩解措施
<p><u>Legal risk</u> 法律風險</p> <p>Exposure to litigation risk. We have to adapt the tightened law and regulations imposed by the local government due to climate change, as well as bear the risk of potential litigation once we fail to obligate the new regulations 面臨訴訟風險。我們須適應地方政府因氣候變化而實施的收緊法律及法規，並於我們未能遵守新法規時承擔潛在訴訟的風險。</p>	<ul style="list-style-type: none"> <li>Monitor the updates of environmental laws and regulations in advance 提前監察更新環境法律及法規</li> <li>Continue monitoring of the ESG reporting standards of the Hong Kong Listing Rules 持續監察香港上市規則的環境、社會及管治報告標準</li> </ul>
<p><u>Market risk</u> 市場風險</p> <p>More customers are concerned about climate-related risks and opportunities, which may lead to changes in customer preference. 更多客戶關注與氣候相關的風險和機遇，這可能導致客戶偏好的變化。</p>	<ul style="list-style-type: none"> <li>Fulfill the requirements of climate-related regulations issued by the government 履行政府頒佈的氣候相關法規之要求</li> <li>Prioritize the climate change as a high concern in the market decisions to show to the clients that the company is concerned about the problem and challenges of climate change 將氣候變化作為市場決策中高度關注的優先事項，向客戶展示公司對氣候變化問題和挑戰的關注</li> </ul>
<p><u>Technology risk</u> 技術風險</p> <p>Increased research and development ("R&amp;D") costs associated with the rising demand for sustainable technology or solutions to address climate change. 隨著應對氣候變化的可持續科技或解決方案的需求不斷增長，研究及開發〔研發〕成本增加。</p>	<ul style="list-style-type: none"> <li>Adapt the business model and product offerings to align with sustainability goals and evolving regulations 調整業務模式及產品供應，以符合可持續發展目標及不斷變化的法規</li> <li>Recruit or train relevant technical personnel to reduce R&amp;D cycle 招聘或訓練相關技術人員，縮短研發週期</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. SOCIAL ASPECTS

#### Aspect B1: Employment

The Group believes that environmental protection starts from a strong foundation of experience and knowledge built upon new talents and a key to our success is our ability to recruit, retain, motivate and develop talented and experienced staff members. A subsidiary of the Group received its first Business Social Compliance Initiative ("BSCI") certification in 2022 and remains valid in 2023 upon compliance with the requirements set by BSCI standards. The BSCI Code of Conduct was also signed by the subsidiary.

SANVO's in-house research and development team (the "R&D team") has formulated many patents for our aerosol, adhesive, and waterproofing products. Since 2002, we have been recruiting 50 to 100 college graduates each year. We endeavour to attract and retain appropriate and suitable personnel to serve our Group. Our group assesses the available human resources on a continuous basis and will determine whether additional personnel are required to cope with the business development of our Group. The Group's employment handbook sets out our standards for compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, antidiscrimination, and other benefits and welfare.

The Group strictly abides by the laws and regulations of the PRC regarding employment, including but not limited to the Labour Law of the PRC\* (《中華人民共和國勞動法》), the Labour Contract Law of the PRC\* (《中華人民共和國勞動合同法》), the Social Insurance Law of the PRC\* (《中華人民共和國社會保險法》), the Employment Promotion Law of the PRC\* (《中華人民共和國就業促進法》) and other laws and regulations.

\* The English name is for identification purpose only.

### B. 社會層面

#### 層面B1：僱傭

本集團認為，環境保護始於建立在新人才基礎上經驗及知識的牢固基礎，而我們成功的關鍵在於能夠招聘、挽留、激勵及培訓有才能及經驗豐富的員工。本集團一間附屬公司於二零二二年首次獲得商業社會責任倡議（「BSCI」）認證，並在符合BSCI標準規定的要求後於二零二三年繼續有效，該附屬公司已亦簽署BSCI行為準則。

三和之內部研發團隊（「研發團隊」）已為我們之氣霧劑、膠黏劑及防水產品制定多項專利。自二零零二年起，我們每年招聘50至100名大學畢業生。我們致力吸引及挽留合適及適當的人員為本集團服務。本集團持續評估可用的人力資源，並釐定是否需要額外人手以配合本集團的業務發展。本集團的僱員手冊列出薪酬與解僱、招聘與晉升、工作時間、休息時間、平等機會、反歧視以及其他利益及福利的標準。

本集團嚴格遵守中國有關僱傭的法律及法規，包括但不限於《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》、《中華人民共和國就業促進法》等法律法規。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B1: Employment (Continued)

The Group entered into separate labour contracts with each of our employees in accordance with the applicable labour laws of PRC. The package includes basic wages, over-time work allowances, bonuses, retirement benefits and other staff benefits such as various PRC government sponsored employee benefit funds. We have devised an appraisal system for our employees, and we consider the appraisal result in conducting our salary reviews and making promotion decisions. All our staff members undergo a performance appraisal once a year. The appraisal provides us with an opportunity to assess each individual staff's strengths and areas for improvement, thereby enabling us to effectively train and develop each individual staff.

We recruit new employees based on specific job requirements, our resources and needs from time to time. We believe our success depends heavily upon our employees' provision of consistent, quality and reliable services. In order to attract, retain and develop the knowledge, skills and quality of our employees, we place strong emphasis on the development and training of our employees. Induction courses, training programs and safety courses are conducted regularly. Apart from the above, we also incentivise our employees to gain knowledge in the relevant field of studies. We believe this will also increase the overall competitiveness of our workforce and can maintain good relationship with our employees as we believe that our employees are valuable assets to our Group.

During the Reporting Period, there were no material non-compliance regarding compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, anti-discrimination, and other benefits and welfare being brought against the Group or its employees.

## B. 社會層面 (續)

### 層面B1：僱傭 (續)

本集團根據中國適用勞工法與各僱員訂立獨立的勞工合約。薪酬方案包括基本工資、加班津貼、花紅、退休金及其他員工福利，例如各種中國政府資助的僱員福利基金。我們為僱員設計評估系統，並於進行薪酬檢討及制訂晉升決定時考慮評估的結果。我們所有員工每年均接受一次績效評估。通過評估，我們有機會評估每名員工的長處及需改進之處，從而使我們能有效培訓及培養每名員工。

我們基於特定工作要求、我們的資源及需要而不時招聘新僱員。我們相信，我們的成功非常取決於僱員提供穩定、優質及可靠的服務。為吸引及挽留僱員以及提升僱員的知識、技術及質素，我們重視僱員的發展及培訓，定期舉行入職課程、培訓課程及安全課程。除上述者外，我們亦鼓勵僱員掌握相關研究範疇的知識。我們相信，此舉將增加我們員工隊伍的整體競爭力，亦可與僱員保持良好關係，因為我們相信僱員是本集團的寶貴資產。

報告期間內，本集團或其僱員概無有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、反歧視以及其他待遇及福利方面的重大違規事項。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B1: Employment (Continued)

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

## B. 社會層面(續)

### 層面B1：僱傭(續)

以下為於二零二三年及二零二二年十二月三十一日按性別、年齡組別、僱員類別、僱傭類型及地點劃分的僱員明細：

		2023 二零二三年		2022 二零二二年	
		Number of staff 員工數目	% of Total 佔總數百分比	Number of staff 員工數目	% of Total 佔總數百分比
<b>By gender</b>	<b>按性別</b>				
Male	男性	781	57	739	59
Female	女性	595	43	513	41
<b>Total</b>	<b>合共</b>	<b>1,376</b>	<b>100</b>	<b>1,252</b>	<b>100</b>
<b>By age group</b>	<b>按年齡組別</b>				
30 or below	30歲或以下	464	34	414	33
31-40	31歲至40歲	428	31	415	33
41-50	41歲至50歲	344	25	299	24
51 or above	51歲或以上	140	10	124	10
<b>Total</b>	<b>合共</b>	<b>1,376</b>	<b>100</b>	<b>1,252</b>	<b>100</b>
<b>By employee category</b>	<b>按僱員類別</b>				
Normal	一般	1,295	94	1,139	91
Middle	中級	63	5	93	7
Senior	高級	18	1	20	2
<b>Total</b>	<b>合共</b>	<b>1,376</b>	<b>100</b>	<b>1,252</b>	<b>100</b>
<b>By locations</b>	<b>按地點</b>				
Hongkong-PRC	中國香港	3	0.2	3	1
Mainland-PRC	中國內地	1,373	99.8	1,249	99
<b>Total</b>	<b>合共</b>	<b>1,376</b>	<b>100</b>	<b>1,252</b>	<b>100</b>
<b>By employment type</b>	<b>根據僱傭類型</b>				
Full-time	全職	1,376	100	1,252	100
Part-time	兼職	-	-	-	-
<b>Total</b>	<b>合共</b>	<b>1,376</b>	<b>100</b>	<b>1,252</b>	<b>100</b>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B1: Employment (Continued)

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

		2023 二零二三年	2022 二零二二年
<b>Turnover rate by gender<sup>1</sup></b>	<b>流失率(按性別)<sup>1</sup></b>		
Male	男性	42%	13%
Female	女性	38%	19%
<b>Turnover rate by age group<sup>1</sup></b>	<b>流失率(按年齡組別)<sup>1</sup></b>		
30 or below	30歲或以下	53%	6%
31-40	31歲至40歲	41%	14%
41-50	41歲至50歲	29%	19%
51 or above	51歲或以上	23%	41%
<b>Turnover rate by location<sup>1</sup></b>	<b>流失率(按地點)<sup>1</sup></b>		
Hong Kong	香港	-	-
the PRC	中國	40%	15%

Notes:

1. Calculation methodology of turnover rate: employees in the specified category leaving employment divided by the average of total number of employees in the specified category of the Group at the beginning and the end of the Reporting Period.

### Aspect B2: Health and Safety

The Group places emphasis on occupational health and work safety in our production plants. As a responsible chemical manufacturing company, we have been accredited with the ISO 45001 (Occupational Health and Safety Management Systems Certificate) in 2021 and it remains valid till August 2024. We are subject to PRC labour, safety and work-related laws and regulations including the Law on Production Safety of the PRC\* (《中華人民共和國安全生產法》). Thus, we have implemented various health and safety measures, such as:

- (i) compiling health and safety management manuals;
- (ii) establishing standard procedures and guidelines for the operation of machineries;
- (iii) establishing contingency plans and measures in case of emergency and work accidents;
- (iv) arranging occupational health exams and posting risk alert cards for key positions;

## B. 社會層面(續)

### 層面B1：僱傭(續)

以下為於報告期間及相應期間按性別、年齡組別及地區劃分的僱員流失率明細：

附註：

1. 流失率計算方法：離職的特定類別員工人數除以報告期間期初及期末本集團特定類別員工總數的平均值。

### 層面B2：健康與安全

本集團重視生產工廠的職業健康與工作安全。作為負責任的化工產品製造公司，我們於二零二一年通過了ISO45001(職業健康與安全管理體系認證)認證，有效期至二零二四年八月。我們遵守包括《中華人民共和國安全生產法》等中國的勞動、安全及工作相關的法律法規。因此，我們實施了各種健康及安全措施，例如：

- (i) 編製健康與安全管理手冊；
- (ii) 制訂標準流程及機械操作指引；
- (iii) 制訂應急計劃及緊急情況及工作意外措施；
- (iv) 安排職業健康體檢，張貼關鍵崗位風險警示卡；

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. SOCIAL ASPECTS (CONTINUED)

#### Aspect B2: Health and Safety (Continued)

- (v) reserving safety fund, which can be used for safety related activities and employees protection purposes;
- (vi) engaging qualified third-party occupational health supervision companies to examine, monitor and provide advices on Occupational Health conditions; and
- (vii) providing other information, instructions, training and supervision as necessary.

Our business involves the handling, storage and use of flammable and explosive materials. Improper handling of these materials may result in serious health effects or personal injury. Thus, we have designated warehouses in place for the storage of raw materials or goods that are classified as hazardous substances. These warehouses are equipped with safety and fire control systems and equipment in accordance with relevant PRC laws and regulations. We endeavour to keep the storage levels of our inventory, including hazardous substances, remained satisfactory and were within our storage capacity.

Besides, we have established a production safety committee for each of our current production sites to oversee the implementation of the safety measures at our current production sites. We have also prepared a number of production safety manuals for different production processes, which are designed to standardise the operating procedures in respect of work safety.

We maintain different types of insurance policies for all of our properties, manufacturing facilities, plant and machinery, equipment and inventories against damage caused by accidents and also for safety production liability and employer's liability. To minimise our product liability risk, we maintain product liability insurance and have stringent quality control measures in place to avoid or reduce the incidence of product defects. We are also required under relevant PRC laws and regulations to pay social insurance and housing provident fund for our employees. We provide group life, employer liability, work safety and mandatory social insurances for our employees in the PRC. We arrange our employees to undertake annual occupational health check. If there is any employee having occupational diseases, we will report to relevant authorities in the PRC and file employment injury insurance claim for employee concerned.

### B. 社會層面 (續)

#### 層面B2：健康與安全 (續)

- (v) 預留安全基金，可用於安全相關活動及僱員保障目的；
- (iv) 委聘合資格第三方職業健康監督公司對職業健康情況進行檢查、監測和提供建議；及
- (vii) 提供其他資訊、指示、培訓及監督(如必要)。

我們的業務涉及處理、貯存及使用易燃、易爆炸材料。不當處理該等材料可能會引致嚴重的健康影響或人身傷害。因此，我們指定倉庫貯存分類為危險物質的原材料或貨物。根據中國相關法律及規例，該等倉庫配備安全與消防系統及設備。我們致力使包括危險物質的存貨保持在令人滿意的水平，並且處於我們的貯存能力內。

此外，我們為各個現有生產工地成立安全生產委員會，以監督當前生產工地安全措施的實施情況。我們亦為不同生產過程編製多本安全生產手冊，旨在使工作安全方面的操作程序標準化。

我們為全部物業、生產廠房、廠房及機器、設備及存貨投保不同類型保單以保障意外造成之損失以及安全生產責任及僱主責任。為減低我們的產品責任風險，我們投購產品責任保險並設有嚴格的品質監控措施以避免或減少產品缺陷的情況。根據相關中國法律及規例，我們亦須為僱員支付社會保險及住房公積金。我們為中國的僱員提供團體人壽、僱主責任、工作安全及強制性社會保險。我們安排僱員進行年度職業健康檢查。倘有任何僱員患有職業病，我們將向中國相關部門報告，並為有關僱員提出工傷保險索賠。

\* The English name is for identification purpose only.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B2: Health and Safety (Continued)

We maintain an internal record of our work injuries. In the latest three reporting years including the current reporting period, there were 4 and 5 injury cases recorded in 2023 and 2022 respectively (2021:Nil). There were no material non-compliance cases noted in relation to health and safety laws and regulations during the Reporting Period. The Group has established an internal management team responsible for monitoring the implementation of the aforementioned policy.

Below is a detailed breakdown of the Group's work-related injuries and fatalities of the past three reporting years (including current Reporting Period) are listed as below:

## B. 社會層面 (續)

### 層面B2：健康與安全 (續)

我們備存內部工傷記錄。於最近三個報告年度 (包括本報告期間)，於二零二三年及二零二二年分別錄得4宗及5宗受傷個案 (二零二一年：無)。於報告期間內並無與健康及安全法律及規例有關的重大違規事項。本集團已成立內部管理團隊，負責監督上述政策的實施。

以下為本集團於過去三個報告年度 (包括本報告期間) 的工傷及死亡事故明細：

		2023 二零二三年	2022 二零二二年	2021 二零二一年
<b>Number of Work-Related Fatalities:</b>	因工亡故人數：	-	-	-
- Rate of work-related fatalities	- 因工亡故的比率	-	-	-
<b>Number of Work Injuries:</b>	工傷人數：	4	5	-
- Lost days due to work injury	- 因工傷損失工作日數	121.5	214	-

### Safety training and emergency drills

During the Reporting Period, the Group conducted training sessions such as production safety training, special operation safety training, and extreme weather response training to improve the safety awareness of employees. At the same time, we have also carried out emergency response drills, so that employees could have the ability to deal with emergencies such as fire etc.

### 安全培訓及應急演練

報告期內，本集團開展安全生產培訓、特種作業安全培訓、極端天氣應對培訓等培訓，提高員工安全意識。同時，我們亦開展應急演練，使員工有能力應對火災等突發事件。





# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B2: Health and Safety (Continued)

#### Regular team building activities

For the physical and mental health of employees, the Group also organised sports games and team building activities on a regular basis, so that employees can combine work and rest and enhance team bonding.



## B. 社會層面(續)

### 層面B2：健康與安全(續)

#### 定期舉辦團隊建設活動

為保障員工的身心健康，本集團亦定期舉辦運動會及團隊建設活動，讓員工勞逸結合，增進團隊凝聚力。





# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B3: Development and Training

The Group recognises the importance of providing training for the development of our employees, therefore we have developed a Training Management Guidebook\*(《培訓管理指南》) to guide the implementation of relevant training activities. To ensure the performance quality of our employees and their health and safety at work place and to familiarize our employees with our quality control systems, we provide on-the-job training to our employees on work safety. We also encourage our employees in attending external industry-related trainings established in our employment handbook.

In order to meet the needs of the Group's sustainable development, to realize employees' understanding and recognition of corporate culture, internal rules and regulations, and job responsibilities, and to ensure that employees' job knowledge and skills can be improved, we have arranged a series of training for our staff.

Each production base formulates an "Annual Training Plan" according to their own business development needs every year and submits it to the human resources department for review. The human resources department coordinates the training resources of each production base and prepares a group-level "Annual Training Plan" which should be approved by president. In addition to our job training, the Group organizes induction training for new employees according to their job categories, including factory-level safety training to provide occupational safety knowledge, occupational health knowledge, company rules and regulations, etc.

The Group has set up a series of policies for the attraction and training of science and technology personnel, including the following aspects of (i) training and further study, (ii) attraction of outstanding talents, (iii) talent performance evaluation and reward system, (iv) organization and implementation of science and technology achievements transformation and incentive and reward system, which help to establish an open platform for innovation and entrepreneurship. In addition, a post-doctorate workstation is now in preparation for academic talent training. Over the years, the new talents we help develop can find better and efficient sustainable solutions to further our commitment to an eco-friendly process.

The Group upholds an open and responsible attitude, listens to opinions with an open mind, and improves its work efficiency through continuous discussion and introspection.

## B. 社會層面(續)

### 層面B3：發展及培訓

本集團明白為僱員發展提供培訓非常重要，因此我們已開發《培訓管理指南》，以對相關培訓活動作出指引。為確保員工的績效品質以及彼等於工作場所的健康及安全，並使僱員熟悉我們的品質控制體系，我們為僱員提供有關工作安全的在職培訓。我們亦鼓勵僱員參加僱員手冊中設立的與行業相關的外部培訓。

為滿足本集團可持續發展的需要，使員工理解並認同企業文化、內部規章制度和崗位職責，確保員工的工作知識和技能得到提升，我們為員工安排了一系列培訓。

各生產基地每年根據自身業務發展需要制定《年度培訓計劃》，並提交人力資源部審核。人力資源部統籌各生產基地的培訓資源，編製集團級《年度培訓計劃》，由總裁審批。除在職培訓外，本集團根據新員工的工作類別為其組織入職培訓，包括提供職業安全知識、職業健康知識、公司制度及規章等的廠級安全培訓。

本集團已制定一系列政策吸引及培訓科技人員，包括以下方面：(i)培訓及進修；(ii)吸引優秀人才；(iii)人才績效評估及獎勵制度；(iv)組織實施科技成果轉化及激勵獎勵制度，有助於建立開放的創新創業平台。此外，博士後工作站目前正在籌備學術人才培養。多年來，我們幫助發展的新人才能夠找到更好及高效的可持續解決方案，以進一步履行我們對環保流程的承諾。

本集團秉持開放及負責的態度，以開放的心態聆聽意見，透過不斷的討論及反思提高工作效率。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B3: Development and Training (Continued)

Below is a detailed breakdown of the employee training data by gender and employee category during the Reporting Period:

Percentage of Trained Employee		受訓僱員百分比		%	%
				百分比	百分比
				2023	2022
				二零二三年	二零二二年
<b>Overall</b>	<b>總體</b>				
<b>By Gender</b>	<b>按性別</b>				
Male	男			52	53
Female	女			48	47
<b>Total</b>	<b>總計</b>			100	100
<b>By Employee Category</b>	<b>按僱員類別</b>				
Normal	一般			92	92
Middle	中級			8	7
Senior	高級			-	1
<b>Total</b>	<b>總計</b>			100	100

## B. 社會層面(續)

### 層面B3：發展及培訓(續)

以下為於報告期間按性別及僱員類別劃分的僱員培訓數據明細：

Average Training Hours		平均培訓時數		Hours per staff	Hours per staff
				每名員工	每名員工
				受訓時數	受訓時數
				2023	2022
				二零二三年	二零二二年
<b>Overall</b>	<b>總體</b>				
<b>By Gender</b>	<b>按性別</b>				
Male	男			3.14	2.41
Female	女			3.13	3.22
<b>By Employee Category</b>	<b>按僱員類別</b>				
Normal	一般			3.04	2.83
Middle	中級			5.94	2.17
Senior	高級			0.42	0.50

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B4: Labour Standards

The Group strictly complies with relevant labour laws and regulations in the PRC, including but not limited to those listed in the "Employment" section of the Report, and the Law of the PRC on the Protection of Minors\* (《中華人民共和國未成年人保護法》) and other laws and regulations. The Group prohibits the use of child labour and forced labour that violate fundamental human rights and also poses threat to sustainable social and economic development. During the recruitment process, the Group would verify the actual age of the applicants by checking their identity documentations and other records to avoid hiring any child labour. To prevent forced labour, we protect the right of our employees to freely choose employment and ensure that all employment relationships are voluntary. The Group and its employees may terminate the employment contract for personal reasons or other reasons, and need to give an appropriate notice period or payment in lieu of notice. If any violation is discovered, it will handle it in a serious manner, depending on the actual situation, it will be handled in accordance with national and local laws and regulations. Employment contracts and other records, documenting all relevant details of the employees (including age) are properly maintained for verification by relevant statutory body upon request.

During the Reporting Period, we did not identify any issue related to child labour or forced labour, and any non-compliance to prevent such matters within the Group.

### Aspect B5: Supply Chain Management

The Group works closely with its suppliers who are committed to high quality, environmental, health and safety standards. The major types of materials used by us include packaging materials, additives, pigments, fillers, color powder, metallic powder, resin, rubber and solvents that were sourced from suppliers based in the PRC.

## B. 社會層面 (續)

### 層面B4：勞工準則

本集團嚴格遵守相關的中國勞動法律及規例。包括但不限於本報告「僱傭」一節所列者，以及《中華人民共和國未成年人保護法》及其他法律法規。童工及強迫勞工侵犯基本人權，且不利可持續社會及經濟發展，本集團禁止僱用童工及強迫勞工。於招聘過程中，本集團將透過檢查申請人的身分證明文件及其他記錄核實其實際年齡，以避免僱用童工。為防止強制勞工，我們保障僱員自由選擇就業的權利，並確保所有僱傭關係均屬自願。本集團及其僱員可因個人原因或其他原因終止僱傭合約，並須給予適當通知期或支付代通知金。如發現違規情況，將嚴肅處理，根據實際情況，按照國家及地方法律法規處理。本集團妥善保存僱傭合約以及其他有關僱員所有相關詳情（包括年齡）的記錄，以供有關法定機構按求核實。

報告期間內，我們並無發現在本集團內有任何與童工或強迫勞工有關的問題，亦無發現任何不合規情況，以防止本集團內出現有關事宜。

### 層面B5：供應鏈管理

本集團與致力於高品質且達至環境、健康及安全標準的供應商緊密合作。我們使用的材料的主要類型包括包裝材料、添加劑、顏料、填料、色粉、金屬粉、樹脂、橡膠及溶劑，該等材料均來自中國供應商。

\* The English name is for identification purpose only.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. SOCIAL ASPECTS (CONTINUED)

#### Aspect B5: Supply Chain Management (Continued)

To ensure consistency in quality, purchase orders are normally placed with suppliers which are on our internal list of approved suppliers. We have multiple sources for most of our raw materials to reduce possible interruptions to our business operations and overreliance on any individual supplier. This helps us to maintain stability of components and raw materials procurement. We usually do not enter into any long-term agreements with our suppliers. We have an extensive network of suppliers on our internal list of approved suppliers which have a track record of delivering the materials and components on schedule. In selecting a supplier, we take into account a number of criteria, including: (i) its track record and reputation, (ii) quality of materials or components/parts (as applicable), and (iii) their qualifications (such as the obtainment of an Operating License for Dangerous Chemicals). In addition to reviewing factors such as brand and product quality, suppliers' environmental and social responsibility performance is one of our primary considerations in establishing strategic relationships. In considering building partnership, we will require the potential supplier to fill and signed a Supplier Social Responsibility Assessment Form\*(《供應商社會責任評估表》), and give priority to companies holding ISO 14001 environmental management system certification. We are also committed to promoting the procurement and use of more environmentally-friendly products and materials. In order to ensure our suppliers' supply components and/or raw materials to our Group at competitive prices, we have internal control measures in place, including separate teams that handle the (i) procurement of suppliers, and (ii) obtainment of quotations from suppliers, respectively. Our suppliers provide their quotations to us by email or facsimile. In addition, we strive to source our raw materials only from suppliers which we believe are reputable as to ensure quality standards and maintain our competitive edge. We request that our suppliers enter into quality assurance agreements with us. We will regularly check and review the performance of the existing suppliers, conduct assessment and re-evaluate the qualified suppliers quarterly to ensure orderly purchasing. For social responsibilities, we also request that our suppliers enter into letters of Honesty and Integrity commitment to ensure that suppliers shall strictly abide by relevant laws and regulations and adhere to the principles of fairness, justice, openness and honesty. At the same time, we also require suppliers to comply with the requirements of the BSCI standard and sign Social Responsibility Commitment Document.

### B. 社會層面(續)

#### 層面B5：供應鏈管理(續)

為確保品質穩定，本集團通常向內部認可供應商名單上的供應商發出採購訂單。我們大多數的原材料有多個來源，以減少業務營運中斷的可能及避免過度依賴任何單一供應商。此舉有助我們維持零件及原材料採購穩定。我們通常不會與供應商訂立任何長期協議。我們的內部認可供應商名單上的供應商網絡範圍廣大，該等供應商有按時交付材料及零件的往績。我們於選擇供應商時，會考慮許多標準，包括：(i)其往績及聲譽，(ii)材料或零件／組件的品質(如適用)，以及(iii)其資格(例如持有危險化學品經營許可證)。除品牌及產品品質等因素外，供應商的環境及社會責任表現亦是我們建立戰略關係的主要考慮因素。在考慮建立夥伴關係時，我們會要求潛在供應商填寫及簽署《供應商社會責任評估表》，並優先考慮持有ISO14001環境管理體系認證的公司。我們亦致力促進採購及使用更環保的產品及材料。為確保我們的供應商以具有競爭力的價格向本集團供應零件及／或原材料，我們制訂內部控制措施，包括區分負責(i)供應商採購及(ii)由供應商獲取報價的獨立團隊。我們的供應商用電子郵件或傳真向我們報價。此外，我們致力僅從我們認為信譽卓著的供應商採購原材料，以確保品質標準並保持我們的競爭優勢。我們亦要求供應商與我們簽訂品質保證協議。我們會定期檢查及檢討現有供應商的表現，進行評估，並每季重新評估合資格供應商，以確保採購有序進行。在社會責任方面，我們亦要求供應商簽訂《誠信廉潔承諾書》，確保供應商嚴格遵守相關法律法規，遵守公平、公正、公開、廉潔的原則。同時，我們亦要求供應商遵守BSCI標準的要求，並簽署社會責任承諾書。

\* The English name is for identification purpose only.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B5: Supply Chain Management (Continued)

We usually enter into supply agreements with our suppliers on an annual basis, which typically do not have an automatic renewal clause. Our supply agreements typically provide for the type of raw materials, equipment and/or components supplied, quantity, price, method of order and delivery, payment and credit terms, quality assurance, penalty for delays and defects of raw materials, and termination and renewal of the agreements. In general, our purchases from raw material suppliers are made on the basis of individual orders specifying the quantity of raw materials. In some cases, we will pay a certain percentage of the purchase price to our suppliers prior to the delivery of raw materials. Payment terms granted by our suppliers vary depending on a number of factors including our relationship with the supplier and the size of an order. Our major suppliers generally extend us a credit period ranging between 30 to 90 days from delivery.

Regarding subcontracting, we have subcontracted the manufacture of amongst others, PU-form sealant, ceramic adhesive, marble glue, dry hanging stone glue, polyester chemical anchor, poly-putty, natural stone art paint and ceramic tile back adhesive to several manufacturers based in the PRC in past years in order to maintain flexibility in our resources and production and to better serve or suit our customers' needs. When selecting subcontractors, we will evaluate their performance in using environment-friendly products and services by using Preliminary Evaluation Form and Comprehensive Onsite Evaluation Form, and give priority to those subcontractors with good performance as approved subcontractors. In the annual subcontractors' assessment, performance in terms of using environment-friendly products and services will be included and reviewed.

We generally placed orders based on our production schedules and we did not enter into long-term contracts with any of our subcontractors. We selected manufacturers to whom we subcontract by considering a number of factors, including their qualifications, experience, technical processes, production capacity, services quality, machinery and equipment, proximity to our production sites, terms offered by them and their ability to assure timely delivery, in order to ensure they have the operating capabilities and resources to meet our internal standards and technical specifications.

## B. 社會層面 (續)

### 層面B5：供應鏈管理 (續)

我們通常會與供應商每年簽訂一份供應協議，該協議通常無自動續訂條款。我們的供應協議通常會規定原材料類型、所供應的設備及／或零件、數量、價格、訂購及交付方式、付款及信貸條款、品質保證，延誤及原材料缺陷罰款以及終止與續訂協議。一般而言，我們向原材料供應商採購的產品根據指定原材料數量的單一訂單進行。在若干情況下，我們將於原材料交付前向供應商支付某個百分比的購買價格。我們的供應商授予的付款條件視乎多項因素，包括我們與供應商的關係以及訂單規模。我們的主要供應商通常會給我們提供由交付日起三十日至九十日的信用期。

分包方面，我們於過去數年已將PU型密封膠、陶瓷膠、雲石膠、乾掛石膠、聚酯化學錨栓、膩子、天然石材藝術漆、磁磚背膠的生產程序分包予總部位於中國的數個製造商，以保持資源及生產的靈活，以及更好服務或滿足客戶的需求。於挑選分包商時，我們將使用初步評估表格及綜合現場評估表格評估其使用環保產品及服務的表現，並優先考慮表現良好的分包商作為認可分包商。在年度分包商評估中，將包括有關使用環保產品及服務的表現以供審閱。

我們通常根據生產時間表發出訂單，且我們並無與任何分包商訂立長期合約。我們考慮多項因素來選擇分包製造商，包括彼等的資格、經驗、技術流程、生產能力、服務品質、機器及設備、與我們生產地點的距離，彼等提供的條款以及彼等確保及時交貨的能力，以確保彼等具有滿足我們內部標準及技術規範的營運能力及資源。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. SOCIAL ASPECTS (CONTINUED)

#### Aspect B5: Supply Chain Management (Continued)

While we did not enter into long-term subcontracting agreements, to ensure consistency of our products we had entered into annual agreements with our subcontractors pursuant to which we may place individual orders.

Thus, we believe there are no significant environmental and social risks for our management decision on supply chain management during the Reporting Period.

During the Reporting Period, we had over 72 (2022: over 80) suppliers and subcontractors on our approved list, which all of them are from the PRC. All suppliers and subcontractors are subject to the above aforementioned practices regarding suppliers' and subcontractors' engagement. The Group has established an internal management team responsible for monitoring the implementation of the aforementioned policy.

#### Aspect B6: Product Responsibility

The Group invests a significant amount of manpower and material resources in our environmental protection efforts. Every aerosol, adhesives, and waterproofing film are also made with non-toxic and eco-friendly materials. Through the efforts and resources we placed in creating a sustainable production process, we lead the charge in a growing coalition of environmental protectors within any industry.

In addition, we believe that our good research and development strength and excellent track record are important factors affecting customers' choice of products. We have obtained the Laboratory Accreditation Certificates issued by China National Accreditation Service for Conformity Assessment (CNAS) and have been approved to be high and new technology enterprises ("HNTE") by the Guangdong Science and Technology Department\* (廣東省科學技術廳), Guangdong provincial finance department\* (廣東省財政廳) and the Guangdong Provincial Tax Service, State Administration of Taxation\* (國家稅務總局廣東省稅務局). We believe that this is the recognition of the company's strong technological innovation ability and high-end technology development ability, which proves that the company's technical level has at least reached the domestic or international advanced level. We consider such recognitions as one of the key factors leading to our success.

\* The English name is for identification purpose only.

### B. 社會層面 (續)

#### 層面B5：供應鏈管理 (續)

儘管我們並無簽訂長期分包協議，為確保產品穩定，我們已與分包商簽訂年度協議，據此我們發出單個訂單。

因此，我們認為我們於報告期間對供應鏈管理的管理決定並無重大環境及社會風險。

報告期間內，我們的認可供應商名單上有逾72名供應商及分包商(二零二二年：逾80名)，彼等均來自中國。所有供應商及分包商均須遵守上述有關供應商及分包商委聘的慣例。本集團已成立內部管理團隊，負責監督上述政策的實施。

#### 層面B6：產品責任

本集團在環境保護方面投入大量人力及重大資源。每個氣霧劑、膠黏劑及防水膜亦使用無毒及環保材料製成。通過我們在創建可持續生產流程方面投入的努力及資源，我們在任何行業內不斷發展的環保聯盟中處於領先地位。

此外，我們相信，我們良好的研發實力及卓越的往績記錄是影響客戶選擇產品的關鍵因素。我們已取得中國合格評定國家認可委員會(CNAS)頒發的實驗室認可證書，並獲廣東省科學技術廳、廣東省財政廳及國家稅務總局廣東省稅務局認可為高新技術企業(「高新技術企業」)。我們相信，這是對公司強大的技術創新能力和高端技術開發能力的認可，證明公司的技術水平至少達到國內或國際先進水平。我們認為該等認可是我們成功的關鍵因素之一。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B6: Product Responsibility (Continued)

#### Quality Control

We strive to provide high quality products to our customers and place great emphasis on quality control, which is equally important during our procurement and manufacture processes. Accordingly, we have adopted a quality control system and we believe that as a result of our stringent in-house quality control procedures, (i) we did not receive any material complaints or claims in relation to our products that would materially and adversely affect our financial position in recent years, and (ii) the total value of products returned by our customers due to product defects or percentage of our total revenue of total products sold or shipped subject to recalls for safety and health reasons is immaterial. In addition, we maintain product liability insurance for more than 50 products in order to protect the rights and interests of consumers.

In recognition of our quality management system, we are certified as being in compliance with the requirements of ISO 9001: 2015 in 2021 and it remains valid until August 2024. In addition, we are certified upon compliance with the requirements of ISO 10012: 2003 in 2022 which would be valid until December 2023. Our quality control system is divided into the following main stages:

Raw materials procurement: All raw materials used in our production processes are subject to inspection upon receipt at our current production sites, before being warehoused. We conduct sample inspections and tests on each batch of our raw materials when they are delivered to our manufacturing facilities, to ensure that they are in accordance with our standards. We document all quality control checks on all raw materials and conduct regular reviews on our suppliers to assess their own quality controls. We also request that our suppliers enter into quality assurance agreements with us and raw materials that fail to meet our standards are returned to our suppliers for corrective measures or for replacement at the supplier's own cost.

## B. 社會層面 (續)

### 層面B6：產品責任 (續)

#### 品質控制

我們致力向客戶提供高品質的產品，並十分重視品質控制。這於我們的採購和製造過程中同樣重要。因此，我們採用品質控制體系，且我們相信，由於我們的內部品質控制程序嚴格，(i)我們並無收到任何與我們的產品有關且會對我們近年的財務狀況有重大不利影響的重大投訴或索償，以及(ii)由於產品缺陷而使客戶退貨的產品總價值或出於安全及健康原因而召回的產品佔我們銷售或運輸總收益的百分比可謂微不足道。此外，我們亦為50多種產品投保產品責任險，保障消費者權益。

就認可我們的品質管理體系而言，我們於二零二一年獲認證符合ISO9001:2015的要求，有效期至二零二四年八月。此外，我們於二零二二年獲得符合ISO10012:2003要求的認證，該認證有效期至二零二三年十二月。我們的品質控制體系分為以下主要階段：

原材料採購：生產過程中使用的所有原材料於存入倉庫前，均須經過我們當前生產地點的收貨檢查。當我們將每批原材料送至生產廠房時，我們均會抽樣檢查及測試，以確保符合我們的標準。我們記錄所有原材料的所有品質控制檢查，並定期審查供應商，以評估彼等的品質控制。我們亦要求供應商與我們簽訂品質保證協議，將不符合我們標準的原材料退還予供應商，以採取糾正措施或由供應商自費更換。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. SOCIAL ASPECTS (CONTINUED)

#### Aspect B6: Product Responsibility (Continued)

##### Quality Control (Continued)

Production process monitoring: Our quality control personnel monitor our production processes to ensure consistency in the quality of our products. Work-in-progress products are checked by the designated quality control personnel before being passed on to the next stages of production. The quality control personnel at the next stage of production re-examines the work in-progress products received, to ensure there are no defects before the products are further processed. The Group has a Process Control that requires us to filter out unqualified semi-finished products in every subtle link, while Operation Guidelines require us to ensure the production quality in terms of equipment maintenance, material performance management, technical means, and operating conditions.

Finished products quality control: At the end of the production process, we inspect our products on a sampling basis to verify that they meet our quality standards and specifications before delivery to our customers. In addition, we ensure that our finished products are properly stored in our warehouses prior to deliver to our customers.

Ongoing quality improvement: Depending on the extent of any products quality issues which we may detect, we may engage independent third-party experts to perform product quality inspections. We also expose our products to various environment conditions to ensure that each type of product maintains an optimum level of quality for the duration of its expected useful life.

During the Reporting Period, there are no material disputes between our Group and our customers in respect of the quality of products produced by us and the Group is not aware of any material non-compliance against laws and regulations related to products responsibilities, including but not limited to the Product Quality Law of the PRC\* (《中華人民共和國產品質量法》) and the Law on the Protection of Rights and Interests of Consumers of the PRC\* (《中華人民共和國消費者權益保護法》).

### B. 社會層面 (續)

#### 層面B6：產品責任 (續)

##### 品質控制 (續)

生產過程監控：我們的品質控制人員監察生產過程，以確保產品品質穩定。在製品進行下一步生產過程前，由指定品質控制人員檢查在製品。生產過程下一階段的品質控制人員會重新檢查收到的在製品，以確保在進一步處理產品前並無缺陷。本集團設有過程控制，要求我們在每個小環節中過濾不合格的半成品，而操作指引則要求我們在設備維護、材料性能管理、技術手段、操作條件等方面確保生產質量。

製成品品質控制：生產過程結束時，我們將抽樣檢查產品，以確保其符合我們的品質標準及規格，然後交付予客戶。此外，我們確保在交付製成品予客戶之前，製成品妥善貯存於倉庫內。

持續提升品質：視乎我們可能發現的任何產品質量問題的嚴重程度，我們可能委聘獨立第三方專家進行產品品質檢驗。我們亦將產品放置於不同環境狀況中，以確保各類產品於其預期可使用年期期間維持最佳品質水平。

於報告期間，本集團與客戶之間並無就我們所生產的產品質量發生任何重大糾紛，且本集團並不知悉任何嚴重違反與產品責任有關的法律及法規的情況，包括但不限於《中華人民共和國產品質量法》及《中華人民共和國消費者權益保護法》。

\* The English name is for identification purpose only.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B6: Product Responsibility (Continued)

#### Research and Development

The research and development capability is the core competence of the Group, we attach great importance to the establishment of relevant policies and systems to promote its progress. In the Reporting Period, we have invested more than RMB49 million in research and development and achieved the following aspects: (i) a patent was applied for the preparation of a foam cleaning agent, (ii) approved and initiated projects of two new products, (iii) participated in the drafting of an industry association standard for a certain test method. Meanwhile, our R&D team has a clear organization structure, and possess scientific research conditions, which enables carrying out various forms of industry-university-research cooperation with domestic and overseas research and development institutions. Based on our continuous efforts, we have been recognized as innovative small and medium-sized enterprise by the Guangdong Industry and Information Technology Department\* (廣東省工業和信息化廳).

#### Customers and distributors' feedback

We have adopted a policy for handling product complaints received from our customers and/or distributors. If our customers have feedback or complaints regarding the quality of our products or services, they may contact our customer service personnel on our hotline, who will record details of such feedback or complaints, and the relevant departments, such as production, quality control, operations and procurement, will be notified of such complaints and relevant corrective or remedial measures will be implemented when necessary. To verify the veracity of any complaints over the quality of our products, we will assess a sample of the product taken prior to the delivery against the product specifications to evaluate the product's quality. If it is determined that the complaint is due to manufacturing fault, defective products are generally returned to us or replaced by non-defective products at our own costs to our customers and/or distributors. In the event that the product quality problem is due to defective materials, we will request that the relevant supplier(s) bear(s) the costs of replacement and/or rectification.

## B. 社會層面 (續)

### 層面B6：產品責任 (續)

#### 研究及開發

研究及開發能力是本集團的核心競爭力，我們非常重視相關政策及制度的建立，以推動其進步。於報告期間，我們已投入超過人民幣49,000,000元用於研發，並取得以下方面的進展：(i)一項專利已申請用於製備泡沫清潔劑，(ii)兩項新產品的批准及啟動項目，(iii)參與起草特定測試方法的行業協會標準。同時，我們的研發團隊具有清晰的組織架構，具備科研條件，能夠與海內外研發機構開展多種形式的產學研合作。基於我們的不懈努力，我們獲廣東省工業和信息化廳認定為創新型中小企業。

#### 客戶及分銷商的意見

我們已實行政策以處理從客戶及／或分銷商收到的產品投訴。倘若我們的客戶對我們的產品或服務品質有回應意見或投訴，彼等可使用熱線電話聯絡我們的客戶服務人員，相關部門，例如生產、品質控制，營運及採購部門將獲告知所記錄的回應意見或投訴詳情。必要時會實施有關糾正或補救措施。為核實對我們產品品質的任何投訴，我們將根據產品規格評估於交付前抽取的產品樣本，以評估產品的品質。倘若確定投訴由製造故障所引起，通常有缺陷的產品會退回給我們，或以無缺陷產品更換，由我們自行承擔費用交付予客戶及／或分銷商。倘若產品品質問題由有缺陷的材料而引致，我們將要求相關供應商承擔更換及／或糾正的費用。

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# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. SOCIAL ASPECTS (CONTINUED)

#### Aspect B6: Product Responsibility (Continued)

##### Product Advertising/Labeling

The Group understands our customers' rights and is committed to providing accurate product and service information for customers in connection with their purchase or consumption decision. In terms of advertising compliance, the Group has arranged staff training and provided corresponding guidelines. The Group requires careful review of advertising material to protect our customers' interest. The Group is committed to providing sufficient and accurate information and product label to customers, and considers that it is an extended responsibility of product safety management. The Group provides clear and simple instructions, including the danger, precaution measures and emergency treatment of chemical products and contact information.

##### Intellectual Property Protection and Data Protection and Privacy

The Group strictly abides by national and local laws and regulations, including but not limited to the Patent Law of the PRC (《中華人民共和國專利法》), the Copyright Law of the PRC\* (《中華人民共和國著作權法》), the Trademark Law of the PRC\* (《中華人民共和國商標法》) and other laws and regulations. The Group holds various patents and is constantly applying for patents for our new products and new processes. We have obtained the Intellectual Property Management System certification\* (《知識產權管理體系認證證書》), which remains valid until May 2025. The Group also arranged several key personnel to participate in external training courses regarding enterprise intellectual properties whom successfully completed the course. Meanwhile, a subsidiary of our Group was recognized as a provincial intellectual property demonstration enterprise by the Guangdong Intellectual Property Protection Association\* (廣東知識產權保護協會).

### B. 社會層面 (續)

#### 層面B6：產品責任 (續)

##### 產品廣告／標籤

本集團理解客戶的權利，並致力為客戶提供準確的產品及服務資訊，以供客戶作出購買或消費決定。就廣告合規而言，本集團已安排員工培訓並提供相應指引。本集團需要仔細審查廣告材料，以保障客戶的利益。本集團致力向客戶提供充足及準確的資訊及產品標籤，並認為此乃產品安全管理的延伸責任。本集團提供清晰簡單的指引，內容包括化工產品的危險性，預防措施及應急處理以及聯絡資料。

##### 知識產權保護與數據保護及私隱

本集團嚴格遵守國家及地方法律法規，包括但不限於《中華人民共和國專利法》、《中華人民共和國著作權法》、《中華人民共和國商標法》及其他法律法規。本集團持有多項專利，並持續為新產品及新流程申請專利。我們已取得《知識產權管理體系認證證書》，有效期至二零二五年五月。本集團亦安排多位骨幹人員參加企業知識產權外部培訓課程，並順利完成課程。同時，本集團一間附屬公司獲廣東省知識產權保護協會認定為省級知識產權示範企業。

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# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B6: Product Responsibility (Continued)

#### *Intellectual Property Protection and Data Protection and Privacy (Continued)*

In order to protect the information of customers and the Group (including information related to intellectual property rights), we have formulated guidelines to ensure that office equipment such as computers are properly kept. All the documents and electronic materials of the Group, including training materials, are not allowed to circulate outside without authorization. All business information, financial information, personnel information, contract documents, customer information, research and statistical information, technical documents, marketing plans, management documents, meeting content, that have not been publicly disclosed are all considered corporate secrets. Our employees are responsible for their confidentiality. All rights and interests obtained by employees who are on duty, such as commercial and technical information, inventions and research results, belong to the Group, and no one is allowed to copy, imitate, transfer, extract, or distribute without written authorization. The Group is committed to protecting customers' data and privacy. Unless the customer's consent is obtained, the collected customer information will not be used for promotional purposes. The Group has established an internal management team responsible for monitoring the implementation of the aforementioned policy.

During the year ended 31 December 2023, to the best of our directors' knowledge, there was no material non-compliance or violation in intellectual property, advertising, labelling, and privacy.

## B. 社會層面 (續)

### 層面B6：產品責任 (續)

#### *知識產權保護與數據保護及私隱 (續)*

為保護客戶及本集團的資訊 (包括有關知識產權的資訊)，我們已制定指引，以確保電腦等辦公室設備得到妥善保管。本集團所有文件及電子材料 (包括培訓材料) 未經授權不得在外部傳閱。所有未公開披露的業務信息、財務信息、人員信息、合同文件、客戶信息、研究統計信息、技術文件、營銷計劃、管理文件、會議內容均屬於公司機密。我們的僱員有責任對其保密。在職僱員獲得的所有權利及權益 (如商業及技術資訊、發明及研究成果) 均屬於本集團，且不允許任何人在未經書面授權的情況下複製、仿製、轉讓、提取或分發。本集團致力保障客戶資料及私隱。未經客戶允許絕不會將所收集的客戶資料用作宣傳用途。本集團已成立內部管理團隊，負責監督上述政策的實施。

截至二零二三年十二月三十一日止年度，據董事所深知，於知識產權、廣告、標籤及私隱方面概無發生重大不遵守或違反事項。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. SOCIAL ASPECTS (CONTINUED)

#### Aspect B7: Anti-Corruption

Anti-corruption is one of the basic principles of the corporate social responsibility defined internationally. The Group has adopted a zero-tolerance policy for any form of corruption, including bribery and extortion, fraud and money laundering, and promise to operate our business in an honest, ethical and creditable manner. The policies are revised in due course and all Directors and employees are reminded with its requirement from time to time. The Group strictly abides by national and local laws and regulations related to bribery, extortion, fraud and money laundering, including but not limited to the Company Law of the PRC\* (《中華人民共和國公司法》), the Anti-Money Laundering Law of the PRC\* (《中華人民共和國反洗錢法》), the Anti-Unfair Competition Law of the PRC\* (《中華人民共和國反不正當競爭法》) and other laws and regulations. To ensure the workplace operates in a fair and transparent manner, the Group has formulated the Anti-corruption and Whistleblowing Handbook to avoid suspected corruption. If there is any suspected case related to corruption, employees are encouraged to report it to human resources department. All these practical actions enhance the sense of belonging and fair play among our various stakeholders. During the reporting period, we provided anti-corruption training for directors and anti-duty crime training for top management and employees. Looking ahead, we will continue to invest more resource to our anti-corruption training and expand the scope of anticorruption training data disclosure.

During the Reporting Period, to the best knowledge of the directors, there was no material non-compliance or violations regarding anti-corruption exercises and no concluded legal case regarding corruption practices brought against the Group or its employees.

#### Aspect B8: Community Investment

The public awareness on corporate social responsibility keeps rising these years. They expect corporations to operate and take long-term development of the society into consideration instead of focusing on short-term financial results and shareholders' return. Being a social-responsible corporation, the Group is committed to contributing to the community.

### B. 社會層面(續)

#### 層面B7：反貪污

反貪污是國際社會界定的企業社會責任的基本原則之一。本集團對任何形式的貪污(包括賄賂及勒索、欺詐及洗黑錢)採取零容忍政策,並承諾以誠實、合乎道德及誠信的方式經營業務。該等政策於適當時候作出修訂,且其要求會不時提請全體董事及僱員注意。本集團嚴格遵守有關賄賂、勒索、欺詐及洗黑錢的國家及地方法律法規,包括但不限於《中華人民共和國公司法》、《中華人民共和國反洗錢法》、《中華人民共和國反不正當競爭法》及其他法律法規。為確保工作場所以公平透明的方式運作,本集團已制訂反貪污及舉報手冊,以避免涉嫌貪污的事項。倘有任何涉嫌貪污的事項,本集團鼓勵僱員向人事部報告。所有該等實際行動加強我們各持份者的歸屬感及公平競爭感。於報告期間,我們為董事提供反貪污培訓,並為高級管理層及僱員提供反職務犯罪培訓。展望未來,我們將繼續投入更多資源進行反貪污培訓,並擴大反貪污培訓數據披露範圍。

於報告期間,就董事所深知,概無不遵守或違反反貪污行動的情況,亦無針對本集團或其僱員提出並已審結的貪污訴訟案件。

#### 層面B8：社區投資

近年來,公眾的企業社會責任意識不斷提高。彼等期望企業營運慮及社會的長遠發展,而非專注於短期財務業績及股東回報。作為一家對社會負責任的企業,本集團致力為社區作出貢獻。

\* The English name is for identification purpose only.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## B. SOCIAL ASPECTS (CONTINUED)

### Aspect B8: Community Investment (Continued)

In addition to the tax revenue generated by the economy for the local community, the Group also creates jobs and talent transmission channels for the community through a series of activities such as talent training and recruitment, thereby creating value for the community. In May 2023, the Group launched the third Government-School-Enterprise Cooperation Exchange Meeting, inviting seven universities to visit and exchange, and promoting the cooperation between industry, university and research. At the same time, the Group has been implementing the "Campus Beauty Program"\* (校園美景計劃) since 2002, aiming to cultivate graduates who have just emerged from the society to become professionals. In July 2023, the 22nd "Campus Beauty Program" was held, and attracted more than 100 fresh graduates to participate in the training programmes.

As a socially responsible company, the Group is committed to understanding the needs of the communities in which we operate. The Group strives to develop long-term relationship with our stakeholders and seek to make contributions to programmes that have a positive impact on community development. The Group has all along concerned about the poverty and elderly care issue in local community as well as the impoverished areas. During the Reporting Period, the Group donated approximately RMB22,000 (2022: 83,000) to local community and charitable organization.

### Participation in Rescue and Support Activities organised by Community

During 2023, to fulfill our commitment to be a socially responsible company, the Group responded to the call of the local community\* (廣東省中山市) and organised volunteers from the Group to support the disaster relief and support activities. The volunteers of Group participated in staff control at the Lighting Fair based in Zhongshan in March 2023. Moreover, the volunteers of Group participated in flood relief in Xinxiang, Henan Province, in July 2023.



\* The English name is for identification purpose only.

## B. 社會層面 (續)

### 層面B8：社區投資 (續)

除經濟為當地社區帶來稅收收益外，本集團亦透過人才培訓、招募等一系列活動，為社區創造就業及人才輸送渠道，為社區創造價值。於二零二三年五月，本集團啟動第三屆政校企業合作交流會，邀請七間大學參觀交流，推動產學合作。同時，本集團自二零零二年起實施「校園美景計劃」，旨在培養剛走出社會的畢業生成為專業人士。於二零二三年七月，舉辦第22期「校園美景計劃」，吸引逾100名應屆畢業生參與培訓。

本集團勇於承擔社會責任，致力了解我們營運所在社區的需求。本集團致力與持份者建立長期關係，並努力為能對社區發展產生積極影響的項目作出貢獻。本集團一直關注當地社區及貧困地區的貧困及長者護理問題。於報告期間，本集團向當地社區及慈善組織捐款約人民幣22,000元（二零二二年：83,000元）。

### 參與社區組織的救援及支援活動

於二零二三年，為履行成為有社會責任企業之承諾，本集團響應廣東省中山市的號召，組織本集團義工支援救災及支援活動。於二零二三年三月，本集團義工參加中山燈博會人員管控。於二零二三年七月，本集團義工參與河南新鄉抗洪救災。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. SOCIAL ASPECTS (CONTINUED)

#### Participation in Community-based Respect for the Elderly Event

During 2023, the Group responded to the call of the local community\* (廣東省佛山市順德區杏壇鎮村社區) and organised volunteers from the Group to support the Respect for the Elderly event. The volunteers of Group helped the elderly in the local community and participated in volunteering to provide dinners for the elderly.



#### Blood Donation Event

In response to the government's promotion for blood donation, the Group encouraged employees to actively donate blood. During the reporting period, the Group participated in a blood donation event organized by the local community\* (廣東省佛山市順德區杏壇鎮村社區), and earnestly fulfilled its social responsibilities and missions' aims to create value for all stakeholders, including civil society and the planet.

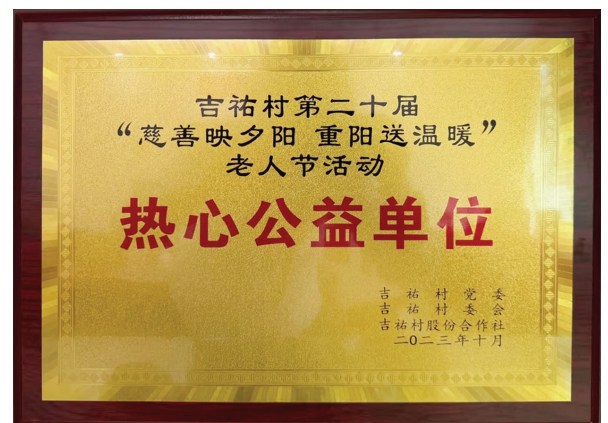


\* The English name is for identification purpose only.

### B. 社會層面(續)

#### 參與社區敬老活動

於二零二三年，本集團響應廣東省佛山市順德區杏壇鎮村社區的號召，組織本集團義工支持敬老活動。本集團義工為當地社區老人提供協助，參與為老人提供晚餐的義工活動。



#### 捐血活動

為響應政府的無償獻血倡議，本集團鼓勵員工積極獻血。於報告期內，本集團參與了一次由廣東省佛山市順德區杏壇鎮村社區舉辦的捐血活動，並認真履行其社會責任及使命，旨在為所有持份者(包括民間社會及地球)創造價值。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## REFERENCES TO THE ESG REPORTING GUIDE

## 環境、社會及管治報告指引的提述

Subject areas, aspects, general disclosures and KPIs 主題範疇、層面、一般披露及關鍵績效指標		Chapter/Disclosure 章節／披露
<b>General Disclosure</b> 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Emissions 排放物
<b>KPI A1.1</b> 關鍵績效指標A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions 排放物
<b>KPI A1.2</b> 關鍵績效指標A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 直接(範圍1)及能源間接(範圍2)溫室氣體排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions 排放物
<b>KPI A1.3</b> 關鍵績效指標A1.3	Total hazardous waste produced and, where appropriate, intensity. 所產生有害廢棄物總量及(如適用)密度。	Emissions 排放物
<b>KPI A1.4</b> 關鍵績效指標A1.4	Total non-hazardous waste produced and, where appropriate, intensity. 所產生無害廢棄物總量及(如適用)密度。	Emissions 排放物
<b>KPI A1.5</b> 關鍵績效指標A1.5	Description of emission target(s) set and steps taken to achieve them. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。	Emissions 排放物
<b>KPI A1.6</b> 關鍵績效指標A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。	Emissions 排放物
<b>General Disclosure</b> 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc. 有效使用資源(包括能源、水及其他原材料)的政策。 註：資源可用於生產、儲存、運輸、樓宇、電子設備等。	Use of Resources 資源使用
<b>KPI A2.1</b> 關鍵績效指標A2.1	Direct and/or indirect energy consumption by type in total and intensity 按類型劃分的直接及／或間接能源總耗量及密度。	Use of Resources 資源使用
<b>KPI A2.2</b> 關鍵績效指標A2.2	Water consumption in total and intensity. 總耗水量及密度。	Use of Resources 資源使用
<b>KPI A2.3</b> 關鍵績效指標A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them. 描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。	Use of Resources 資源使用



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## REFERENCES TO THE ESG REPORTING GUIDE (CONTINUED)

## 環境、社會及管治報告指引的提述(續)

Subject areas, aspects, general disclosures and KPIs 主題範疇、層面、一般披露及關鍵績效指標		Chapter/Disclosure 章節/披露
KPI A2.4 關鍵績效指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. 描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。	Use of Resources 資源使用
KPI A2.5 關鍵績效指標A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量及(如適用)每生產單位佔量。	Use of Resources 資源使用
General Disclosure 一般披露	Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	Emissions and Use of Resources 排放物及資源使用
KPI A3.1 關鍵績效指標A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	Emissions, Use of Resources and The Environment and Natural Resources 排放物、資源使用以及環境及天然資源
General Disclosure 一般披露	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	Climate Change 氣候變化
KPI A4.1 關鍵績效指標A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. 描述已經及可能會對發行人產生影響的重大氣候相關事宜，以及應對行動。	Climate Change 氣候變化
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Employment 僱傭
KPI B1.1 關鍵績效指標B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region 按性別、僱傭類型(如全職或兼職)、年齡組別及地區劃分的僱員總數。	Employment 僱傭
KPI B1.2 關鍵績效指標B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	Employment 僱傭

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## REFERENCES TO THE ESG REPORTING GUIDE (CONTINUED)

## 環境、社會及管治報告指引的提述(續)

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General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Health and Safety 健康與安全
KPI B2.1 關鍵績效指標B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 過去三年(包括匯報年度)每年因工亡故的人數及比率。	Health and Safety 健康與安全
KPI B2.2 關鍵績效指標B2.2	Lost days due to work injury. 因工傷損失工作日數。	Health and Safety 健康與安全
KPI B2.3 關鍵績效指標B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Health and Safety 健康與安全
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Development and Training 發展及培訓
KPI B3.1 關鍵績效指標B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層)劃分的受訓僱員百分比。	Development and Training 發展及培訓
KPI B3.2 關鍵績效指標B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Development and Training 發展及培訓
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Labour Standards 勞工準則

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## REFERENCES TO THE ESG REPORTING GUIDE (CONTINUED)

## 環境、社會及管治報告指引的提述(續)

Subject areas, aspects, general disclosures and KPIs 主題範疇、層面、一般披露及關鍵績效指標		Chapter/Disclosure 章節/披露
KPI B4.1 關鍵績效指標B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	Labour Standards 勞工準則
KPI B4.2 關鍵績效指標B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Labour Standards 勞工準則
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
KPI B5.1 關鍵績效指標B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	Supply Chain Management 供應鏈管理
KPI B5.2 關鍵績效指標B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。	Supply Chain Management 供應鏈管理
KPI B5.3 關鍵績效指標B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	Supply Chain Management 供應鏈管理
KPI B5.4 關鍵績效指標B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	Supply Chain Management 供應鏈管理
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility 產品責任
KPI B6.1 關鍵績效指標B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	Product Responsibility 產品責任
KPI B6.2 關鍵績效指標B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Product Responsibility 產品責任



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

# 環境、社會及管治報告

## REFERENCES TO THE ESG REPORTING GUIDE (CONTINUED)

## 環境、社會及管治報告指引的提述(續)

Subject areas, aspects, general disclosures and KPIs 主題範疇、層面、一般披露及關鍵績效指標		Chapter/Disclosure 章節／披露
KPI B6.3 關鍵績效指標B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Product Responsibility 產品責任
KPI B6.4 關鍵績效指標B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	Product Responsibility 產品責任
KPI B6.5 關鍵績效指標B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Product Responsibility 產品責任
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Anti-Corruption 反貪污
KPI B7.1 關鍵績效指標B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	Anti-Corruption 反貪污
KPI B7.2 關鍵績效指標B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Anti-Corruption 反貪污
KPI B7.3 關鍵績效指標B7.3	Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。	Anti-Corruption 反貪污
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區投資
KPI B8.1 關鍵績效指標B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	Community Investment 社區投資
KPI B8.2 關鍵績效指標B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	Community Investment 社區投資

# INDEPENDENT AUDITOR'S REPORT



Independent Auditor's Report to the Shareholders of  
SANVO Fine Chemicals Group Limited  
(Incorporated in the Cayman Islands with limited liability)

## OPINION

We have audited the consolidated financial statements of SANVO Fine Chemicals Group Limited (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages 126 to 216, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("**IFRSs**") issued by the International Accounting Standards Board ("**IASB**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

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

# 獨立核數師報告

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大華馬施雲  
會計師事務所有限公司

致三和精化集團有限公司股東之  
獨立核數師報告  
(於開曼群島註冊成立之有限公司)

## 意見

我們已審計第126至216頁中列出的三和精化集團有限公司(以下簡稱「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)的綜合財務報表,其中包括於二零二三年十二月三十一日的綜合財務狀況表及截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註(包括重大會計政策資料)。

我們認為,該等綜合財務報表已根據國際會計準則理事會(「**國際會計準則理事會**」)頒佈之國際財務報告準則(「**國際財務報告準則**」)真實而中肯地反映了 貴集團於二零二三年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

## 意見的基礎

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

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)

## KEY AUDIT MATTERS

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

### Revenue Recognition

Refer to Notes 4.8, 6 and 7 to the consolidated financial statements.

#### Key audit matter

##### 關鍵審計事項

Revenue of the Group mainly comprises sales of fine industrial chemical products as hardware and building materials and automotive maintenance.

貴集團的收益主要包括五金建材及汽車修護化工產品之銷售收入。

The Group enters into framework agreements with its distributors and customers every year. According to the terms of the framework agreements, revenue is recognised when the goods are delivered to the distributors and customers, which is the point when the control of the goods is considered to have transferred to its distributors and customers.

貴集團每年與其經銷商及客戶訂立框架協議。根據框架協議的條款，當貨物交付給經銷商及客戶時，貨物的控制權視為已轉移給經銷商及客戶，其時將確認收益。

We have identified the recognition of revenue from sale of goods under the framework arrangements as a key audit matter because revenue is one of the key performance indicators of the Group and because there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.

由於銷售收益乃 貴集團業績表現的重要指標之一，而且存在管理層為了達到特定目標或滿足期望而操縱收益確認時間的固有風險，因此我們將根據框架安排銷售商品的收益確認為關鍵審計事項。

# 獨立核數師報告(續)

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

### 收益確認

請參閱綜合財務報表附註4.8、6及7。

#### How the matter was addressed in our audit

##### 我們的審計如何處理關鍵審計事項

Our audit procedures to address the recognition of revenue from framework arrangements included the following:

我們評估框架安排收益之確認執行的審計程序包括：

- inspected framework agreements signed in the current year, on a sample basis, and considered whether the framework agreements contained terms allowing the distributors and customers to make any sales returns;
- 抽樣檢查年內簽署的框架協議，並考慮框架協議是否包含允許經銷商及客戶進行任何銷售退貨的條款；
- for sales transactions during the reporting period, compared, on a sample basis, details in the sales invoices to the relevant goods delivery notes, which were signed by the distributors and customers, to assess if the related revenue had been recognised in the appropriate financial period on the basis of the terms of sales as set out in the framework agreements;
- 就報告期內的銷售交易而言，將銷售發票中的詳細信息與經銷商及客戶簽署的相關貨物交貨單進行抽樣比較，以評估相關收入是否已根據框架協議中規定的銷售條款在適當的財務期間內確認；

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)

# 獨立核數師報告(續)

## KEY AUDIT MATTERS (CONTINUED)

### Revenue recognition (Continued)

#### Key audit matter

#### 關鍵審計事項

## 關鍵審計事項(續)

### 收益確認(續)

#### How the matter was addressed in our audit

#### 我們的審計如何處理關鍵審計事項

- inspected all significant sales returns, if any, during the reporting period and after the end of the reporting period to assess whether sales returns had been accounted for in the appropriate financial period;
- 檢查報告期內及報告期末的所有重大銷售退貨(如有)，以評估是否在適當的財政期間內對銷售退貨進行了會計處理；
- obtained external confirmations of the outstanding trade receivable balances as at the reporting date directly from distributors and customers, on a sample basis. Where the distributors and customers did not return the requested confirmations, inspected the sales invoices and related goods delivery notes signed by the distributors and customers indicating the distributors and customers' acknowledgement of delivery of the goods sold for the year ended 31 December 2023; and
- 以抽樣為基礎，從經銷商及客戶直接取得於報告日期尚未收取的貿易應收款餘額的外部詢證函。倘經銷商及客戶未交回要求提交的詢證函，則檢查由經銷商及客戶簽署的銷售發票及相關貨物交付記錄，該等記錄表明經銷商及客戶已確認截至二零二三年十二月三十一日止年度的已售商品已獲交付；及
- inspected significant manual adjustments, if any, to revenue during the reporting period, enquiring of management the reasons for such adjustments and comparing the details of the adjustments to relevant underlying documentation.
- 檢查在報告期內所作與收益相關的重大人為調整(如有)，向管理層詢問關於該等調整的原因，並將調整的詳情與相關基礎文案核對。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors of the Company are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditors report thereon.

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

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

### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The audit committee of the Company assists the directors of the Company in discharging their responsibilities for overseeing the Group's financial reporting process.

## 獨立核數師報告(續)

### 綜合財務報表及其核數師報告以外的信息

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

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

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

### 董事就綜合財務報表須承擔的責任

貴公司董事須負責根據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要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

貴公司審計委員會協助貴公司董事履行監督貴集團的財務報告過程的責任。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

## 獨立核數師報告(續)

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。根據我們的協定的受聘條款，我們僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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



## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

## 獨立核數師報告(續)

### 核數師就審計綜合財務報表承擔的責任(續)

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

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

我們還向 貴公司審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除威脅的行動或應用的防範措施。

# INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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

### Moore CPA Limited

*Certified Public Accountants*

### Li Wing Yin

Practising Certificate Number: P05035

Hong Kong, 28 March 2024

# 獨立核數師報告(續)

## 核數師就審計綜合財務報表承擔的責任(續)

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

### 大華馬施雲會計師事務所有限公司

*執業會計師*

### 李穎賢

執業證書號碼：P05035

香港，二零二四年三月二十八日

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

# 綜合全面收益表

截至二零二三年十二月三十一日止年度

			2023 二零二三年	2022 二零二二年
		Notes 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>	7	<b>1,076,789</b>	947,850
Cost of sales	銷售成本		<b>(764,852)</b>	(686,861)
<b>Gross profit</b>	<b>毛利</b>		<b>311,937</b>	260,989
Other income and gains	其他收入及收益	7	<b>8,503</b>	6,079
Selling and distribution expenses	銷售及經銷開支		<b>(150,542)</b>	(131,810)
Administrative expenses	行政開支		<b>(143,140)</b>	(119,035)
Share-based payment expenses	以股份為基礎之付款開支	30	<b>(5,711)</b>	-
(Provision for)/reversal of impairment losses on trade receivables, net	貿易應收款項減值虧損(撥備)/撥回淨額	32(b)	<b>(682)</b>	837
Finance costs	融資成本	8	<b>(8,835)</b>	(7,993)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>	9	<b>11,530</b>	9,067
Income tax expense	所得稅開支	11	<b>(5,273)</b>	(4,575)
<b>Profit for the year</b>	<b>年內溢利</b>		<b>6,257</b>	4,492
<b>Profit for the year attributable to:</b>	<b>以下人士應佔年內溢利：</b>			
Equity holders of the Company	本公司權益持有人		<b>6,214</b>	4,492
Non-controlling interests	非控股權益		<b>43</b>	-
			<b>6,257</b>	4,492
<b>Other comprehensive income/(loss), net of tax</b>	<b>其他全面收益/(虧損)，扣除稅項後</b>			
Item that will not be reclassified subsequently to profit or loss:	其後或會重新分類至損益之項目：			
Exchange differences arising on translation	海外附屬公司換算產生之匯兌差額		<b>787</b>	5,679
Item that may be reclassified subsequently to profit or loss:	其後不會重新分類至損益之項目：			
Exchange differences arising on translation for overseas subsidiaries	換算產生之匯兌差額		<b>(2,570)</b>	(10,032)
<b>Other comprehensive loss for the year</b>	<b>年內其他全面虧損</b>		<b>(1,783)</b>	(4,353)
<b>Total comprehensive income for the year attributable to:</b>	<b>以下人士應佔年內全面收益總額：</b>			
Equity holders of the Company	本公司權益持有人		<b>4,431</b>	139
Non-controlling interests	非控股權益		<b>43</b>	-
			<b>4,474</b>	139
<b>Earnings per share attributable to the owners of the Company (RMB cents)</b>	<b>本公司擁有人應佔每股盈利(人民幣分)</b>			(restated) (經重列)
- Basic	— 基本	13	<b>1.32</b>	0.96
- Diluted	— 攤薄		<b>1.31</b>	0.96

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2023

# 綜合財務狀況表

於二零二三年十二月三十一日

		2023		2022	
		二零二三年		二零二二年	
		Notes	RMB'000	RMB'000	
		附註	人民幣千元	人民幣千元	
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>				
<b>Non-current assets</b>	<b>非流動資產</b>				
Property, plant and equipment	物業、廠房及設備	14	355,439	297,596	
Right-of-use assets	使用權資產	15	142,665	168,525	
Prepayments for acquisition of property, plant and equipment	收購物業、廠房及設備之預付款項	17	4,801	8,271	
Finance costs	融資成本	23	347	–	
Deferred tax assets	遞延稅項資產	25	604	502	
			<b>503,856</b>	<b>474,894</b>	
<b>Current assets</b>	<b>流動資產</b>				
Inventories	存貨	18	85,700	88,698	
Trade and bills receivables, other receivables and prepayments	貿易及票據應收款項、其他應收款項及預付款項	17	90,750	103,921	
Pledged bank deposits	已抵押銀行存款	19	54,850	31,349	
Cash and cash equivalents	現金及現金等價物	19	38,178	90,500	
			<b>269,478</b>	<b>314,468</b>	
<b>Current liabilities</b>	<b>流動負債</b>				
Trade and bills payables, accruals, contract liabilities and other payables	貿易及票據應付款項、應計費用、合約負債及其他應付款項	20	296,527	312,487	
Lease liabilities	租賃負債	21	1,597	7,369	
Bank borrowings	銀行借款	22	110,595	141,372	
Other borrowings	其他借款	23	12,767	3,583	
Tax payables	應付稅項		6,128	3,204	
			<b>427,614</b>	<b>468,015</b>	
<b>Net current liabilities</b>	<b>流動負債淨值</b>		<b>(158,136)</b>	<b>(153,547)</b>	
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>345,720</b>	<b>321,347</b>	

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2023

# 綜合財務狀況表(續)

於二零二三年十二月三十一日

			2023	2022
			二零二三年	二零二二年
		Notes	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	21	9,015	10,432
Bank borrowings	銀行借款	22	81,423	81,117
Other borrowings	其他借款	23	15,403	-
Deferred income	遞延收入	24	5,456	5,494
Deferred tax liabilities	遞延稅項負債	25	2,590	2,656
			113,887	99,699
<b>Net assets</b>	<b>資產淨值</b>		<b>231,833</b>	221,648
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	26	4,184	3,792
Reserves	儲備	27	227,649	217,856
<b>Total equity</b>	<b>權益總額</b>		<b>231,833</b>	221,648

The consolidated financial statements of the Group were approved and authorised for issue by the Board of Directors of the Company on 28 March 2024 and are signed on its behalf by:

於二零二四年三月二十八日獲本公司董事會批准及授權刊發綜合財務報表及由以下人士代其簽署：

**Mr. Chen Bingqiang**  
陳炳強先生  
Director  
董事

**Mr. Ng Cheuk Lun**  
吳卓倫先生  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

# 綜合權益變動表

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

		Share capital	Share premium <sup>#</sup>	Capital reserve <sup>#</sup>	Translation reserve <sup>#</sup>	Other reserve <sup>#</sup>	Share option and share award reserves <sup>#</sup>	Retained earnings <sup>#</sup>	Subtotal	Non-controlling interest	Total equity
		股本	股份溢價 <sup>#</sup>	資本儲備 <sup>#</sup>	匯兌儲備 <sup>#</sup>	其他儲備 <sup>#</sup>	購股權及股份獎勵儲備 <sup>#</sup>	保留盈利 <sup>#</sup>	小計	非控股權益	權益總額
		RMB'000 人民幣千元 (Note 26) (附註26)	RMB'000 人民幣千元 (Note 27) (附註27)	RMB'000 人民幣千元 (Note 27) (附註27)	RMB'000 人民幣千元 (Note 27) (附註27)	RMB'000 人民幣千元 (Note 27) (附註27)	RMB'000 人民幣千元 (Note 27) (附註27)	RMB'000 人民幣千元 (Note 27) (附註27)	RMB'000 人民幣千元 (Note 27) (附註27)	RMB'000 人民幣千元 (Note 27) (附註27)	RMB'000 人民幣千元 (Note 27) (附註27)
Balance at 1 January 2022	於二零二二年一月一日之結餘	3,792	75,932	33,184	761	38,071	-	80,724	232,464	-	232,464
Profit for the year	年內溢利	-	-	-	-	-	-	4,492	4,492	-	4,492
Other comprehensive income:	其他全面收益：										
Exchange differences arising on translation	換算產生之匯兌差額	-	-	-	(4,353)	-	-	-	(4,353)	-	(4,353)
Total comprehensive income for the year	年內全面收益總額	-	-	-	(4,353)	-	-	4,492	139	-	139
Appropriation to safety reserve (Note 27)	轉撥至安全儲備(附註27)	-	-	-	-	12,165	-	(12,165)	-	-	-
Utilisation of safety reserve (Note 27)	動用安全儲備(附註27)	-	-	-	-	(2,895)	-	2,895	-	-	-
Appropriation to statutory surplus reserve (Note 27)*	轉撥至法定盈餘儲備(附註27)*	-	-	-	-	-	-	-	-	-	-
2021 final dividends (Note 12)	二零二一年末期股息(附註12)	-	(10,955)	-	-	-	-	-	(10,955)	-	(10,955)
Balance at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日之結餘	3,792	64,977	33,184	(3,592)	47,341	-	75,946	221,648	-	221,648
Profit for the year	年內溢利	-	-	-	-	-	-	6,214	6,214	43	6,257
Other comprehensive income:	其他全面收益：										
Exchange differences arising on translation	換算產生之匯兌差額	-	-	-	(1,783)	-	-	-	(1,783)	-	(1,783)
Total comprehensive income for the year	年內全面收益總額	-	-	-	(1,783)	-	-	6,214	4,431	43	4,474
Appropriation to safety reserve (Note 27)	轉撥至安全儲備(附註27)	-	-	-	-	13,129	-	(13,129)	-	-	-
Issue of shares upon bonus issue (Note 26)	於發行紅股時發行股份(附註26)	392	(392)	-	-	-	-	-	-	-	-
Utilisation of safety reserve (Note 27)	動用安全儲備(附註27)	-	-	-	-	(3,477)	-	3,477	-	-	-
Appropriation to statutory surplus reserve (Note 27)*	轉撥至法定盈餘儲備(附註27)*	-	-	-	-	4,756	-	(4,756)	-	-	-
Recognition of equity-settled to share-based payments in relation share option (Note30(a))	就購股權確認以股權結算以股份為基礎的付款(附註30(a))	-	-	-	-	-	5,383	-	5,383	-	5,383
Recognition of equity-settled to share-based payments in relation share award (Note30(b))	就股份獎勵確認以股權結算以股份為基礎的付款(附註30(b))	-	-	-	-	-	328	-	328	-	328
Balance at 31 December 2023	於二零二三年十二月三十一日之結餘	4,184	64,585	33,184	(5,375)	61,749	5,711	67,752	231,790	43	231,833

<sup>#</sup> These reserve accounts comprise the consolidated reserve of approximately RMB227,606,000 (2022: RMB217,856,000) in the consolidated statement of financial position.

<sup>#</sup> 該等儲備賬目包括於綜合財務狀況表列賬之綜合儲備約人民幣227,606,000元(二零二二年：人民幣217,856,000元)。

\* Certain subsidiaries of the Group registered in the PRC have appropriated the statutory surplus reserve which reached 50% of the respective registered capital already.

\* 本集團於中國註冊的若干附屬公司已將法定盈餘儲備轉撥，達到各自註冊資本的50%。



# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

# 綜合現金流量表

截至二零二三年十二月三十一日止年度

			2023 二零二三年	2022 二零二二年
		Notes 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Cash flows from operating activities</b>	<b>經營活動之現金流量</b>			
Profit before income tax	除所得稅前溢利		11,530	9,067
Adjustments for:	經以下各項調整:			
Amortisation of deferred income	遞延收入攤銷		(38)	(38)
Bank interest income	銀行利息收入	7	(1,121)	(1,273)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9	10,736	9,729
Depreciation of right-of-use assets	使用權資產折舊	9	3,870	4,416
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	9	541	38
Provision for/(reversal of) impairment losses on trade receivables	貿易應收款項減值虧損撥備/(撥回)	9	682	(837)
Interest expense	利息開支	8	8,835	7,993
Share-based payment expenses in relation to share options	與購股權有關的以股份為基礎的付款開支	30	5,383	-
Share-based payment expenses in relation to share rewards scheme	與股份獎勵計劃有關的以股份為基礎的付款開支	30	328	-
<b>Operating profit before working capital changes</b>	<b>營運資金變動前之經營溢利</b>		<b>40,746</b>	29,095
Decrease in inventories	存貨減少		2,998	8,664
Decrease/(increase) in trade and bills receivables, other receivables and prepayments	貿易及票據應收款項、其他應收款項及預付款項減少/(增加)		12,622	(5,730)
(Decrease)/increase in trade and bills payables, accruals, contract liabilities and other payables	貿易及票據應付款項、應計費用、合約負債及其他應付款項(減少)/增加		(10,960)	33,299
<b>Cash generated from operations</b>	<b>營運所得現金</b>		<b>45,406</b>	65,328
Income tax paid	已付所得稅		(2,517)	(6,725)
<b>Net cash generated from operating activities</b>	<b>經營活動所得現金淨額</b>		<b>42,889</b>	58,603
<b>Cash flows from investing activities</b>	<b>投資活動所得現金流量</b>			
Bank interest received	已收銀行利息		1,121	1,273
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		45	8
Payments for acquisition of property, plant and equipment (Note (i))	收購物業、廠房及設備之付款(附註(i))		(38,045)	(38,921)
(Decrease)/increase in pledged bank deposits	已抵押銀行存款(減少)/增加		(23,501)	30,267
Prepayments for acquisition of property, plant and equipment	收購物業、廠房及設備之預付款項		-	(970)
Payment for finance costs	融資成本付款		(480)	-
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>		<b>(60,860)</b>	(8,343)

# CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 31 December 2023

# 綜合現金流量表(續)

截至二零二三年十二月三十一日止年度

		Notes 附註	2023	2022
			二零二三年	二零二二年
			RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Cash flows from financing activities</b>	<b>融資活動之現金流量</b>			
Proceeds from bank borrowings	銀行借款之所得款項		166,626	195,182
Proceeds from other borrowings	其他借款之所得款項		38,300	-
Repayment of bank borrowings	償還銀行借款		(197,097)	(121,965)
Repayment of other borrowings	償還其他借款		(13,713)	(20,167)
Repayment of advance from a director	償還一名董事之墊款		(5,000)	-
Advance from a director	一名董事之墊款		-	5,000
Capital element of lease rentals paid	已付租金之本金部分		(9,013)	(7,252)
Interest element of lease rentals paid	已付租金之利息部分		(707)	(1,394)
Interest paid on bank borrowings	已付銀行借款利息	8	(9,505)	(10,661)
Interest paid on other borrowings	已付其他借款利息	8	(2,467)	(1,122)
Dividends paid	已付股息		-	(10,955)
<b>Net cash generated (used in)/from financing activities</b>	<b>融資活動(所用)/所得現金淨額</b>		<b>(32,576)</b>	26,666
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物(減少)/增加淨額</b>		<b>(50,547)</b>	76,926
<b>Cash and cash equivalents at beginning of the year</b>	<b>年初現金及現金等價物</b>		<b>90,500</b>	17,927
<b>Effect of foreign exchange rate changes</b>	<b>匯率變動之影響</b>		<b>(1,775)</b>	(4,353)
<b>Cash and cash equivalents at end of the year</b>	<b>年末現金及現金等價物</b>	19	<b>38,178</b>	90,500

Note:

## Major non-cash transaction:

- (i) During the year, additions of property, plant and equipment of approximately RMB3,817,000 (2022: RMB1,234,000) were prepaid in prior years and the amounts were transferred from prepayments for acquisition of property, plant and equipment.

附註:

## 重大非現金交易:

於年內，添置物業、廠房及設備約人民幣3,817,000元(二零二二年：人民幣1,234,000元)已於過往年度預付，有關款項轉撥自收購物業、廠房及設備之預付款項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

## 1. CORPORATE INFORMATION

SANVO Fine Chemicals Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Act of the Cayman Islands on 12 April 2018. The registered office of the Company is located at PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The Company’s headquarters and principal place of business in the Peoples Republic of China (the “**PRC**”) is located at Dacen Industrial Park, Huangpu Town, Zhongshan, Guangdong Province, the PRC and the Company’s principal place of business in Hong Kong is located at 5/F., 349 Hennessy Road, Wanchai, Hong Kong. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 16 January 2020 (the “**Listing Date**”) (the “**Listing**”).

The Company is an investment holding company. The principal activities of the Group are researching, developing, manufacturing and sales of fine industrial chemical products as hardware and building materials and automotive maintenance in the PRC.

At 31 December 2023, the directors of the Company consider the immediate holding company and ultimate holding company to be Sanvo Fine Chemicals Limited, a company incorporate in the British Virgin Islands (the “**BVI**”). Its ultimate controlling party is Mr. Chen Bingqiang (“**Mr. Ernest Chen**”), who is also the chairman and executive director of the Company.

# 綜合財務報表附註

截至二零二三年十二月三十一日止年度

## 1. 公司資料

三和精化集團有限公司(「**本公司**」，與其附屬公司統稱為「**本集團**»)於二零一八年四月十二日註冊成立為獲豁免公司，並根據開曼群島公司法於開曼群島註冊為有限公司。本公司之註冊辦事處位於PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands。本公司之總部及中華人民共和國(「**中國**»)主要營業地點位於中國廣東中山市黃圃鎮大岑工業區。本公司之香港主要營業地點位於香港灣仔軒尼詩道349號5樓。本公司股份於二零二零年一月十六日(「**上市日期**»)於香港聯合交易所有限公司(「**聯交所**»)主板上市(「**上市**»)。

本公司為投資控股公司。本集團之主要業務為於中國研究、開發、製造及銷售精細化工產品(如五金建材)及汽車修護。

於二零二三年十二月三十一日，本公司董事將Sanvo Fine Chemicals Limited(一間於英屬處女群島(「**英屬處女群島**»)註冊成立之公司)視為直接控股公司及最終控股公司。其最終控股方為陳炳強先生(「**陳炳強先生**」)，彼亦為本公司之董事會主席兼執行董事。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 2. BASIS OF PREPARATION AND PRESENTATION

The consolidated financial statements set out in this report has been prepared in accordance with all applicable International Financial Reporting Standards ("IFRSs"), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards ("IAS") and related interpretations issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The consolidated financial statements are presented in RMB and all values are rounded to the nearest thousand (RMB000) except when otherwise indicated.

It should be noted that accounting estimates and assumptions have been used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are set out in Note 5 Significant accounting judgements and estimate

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 2. 編製及呈列基準

本報告所載綜合財務報表按照所有適用國際財務報告準則(「國際財務報告準則」)編製,當中包括國際會計準則理事會(「國際會計準則理事會」)頒佈之所有適用個別國際財務報告準則、國際會計準則(「國際會計準則」)及其相關詮釋。綜合財務報表亦符合香港公司條例及聯交所證券上市規則(「上市規則」)之適用披露條文規定。

綜合財務報表以人民幣列值。除另有說明外,所有數值已約整至最接近之千位數(人民幣千元)。

務請注意,在編製綜合財務報表時已作出會計估計及假設。儘管該等估計乃根據管理層對目前事件及行動之最佳認識及判斷而作出,惟實際結果最終可能有別於該等估計。涉及較高程度或較為複雜判斷之範疇,或假設及估計對綜合財務報表而言屬重大之範疇載於附註5「主要會計判斷及估計」。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 3. ADOPTION OF NEW OR AMENDMENTS TO IFRSs

#### (a) Adoption of new and revised IFRSs effective 1 January 2023

In the current year, the Group has adopted for the first time the following new or amendments to IFRSs issued by IASB, which are relevant and mandatorily effective for the Group's consolidated financial statements for the accounting period beginning on 1 January 2023:

IFRS 17 (including the October 2020 and February 2022 Amendments to IFRS 17)	Insurance Contracts
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform – Pillar Two Model Rules

The adoption of the above new or amendments to IFRSs has had no material impact on the Group's financial performance and position for the current and prior periods and/or the disclosures set out in these consolidated financial statements, except for the following:

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 3. 採納新訂或經修訂國際財務報告準則

#### (a) 採納於二零二三年一月一日生效的新訂及經修訂國際財務報告準則

於本年度，本集團已首次採納以下由國際會計準則理事會頒佈的新訂或經修訂國際財務報告準則，該等準則與本集團於二零二三年一月一日開始的會計期間的綜合財務報表相關及強制生效：

國際財務報告準則第17號	保險合約 (包括二零二零年十月及二零二二年二月之國際財務報告準則第17號修訂本)
國際會計準則第1號及國際財務報告準則實務報告第2號(修訂本)	國際會計準則第1號及國際會計政策之披露
國際會計準則第8號(修訂本)	會計估計之定義
國際會計準則第12號(修訂本)	與單一交易產生之資產及負債有關的遞延稅項
國際會計準則第12號(修訂本)	國際稅務改革—第二支柱模型規則

採納上述新訂或經修訂國際財務報告準則對本集團於本期間及過往期間的財務表現及狀況及／或該等綜合財務報表所載披露並無重大影響，惟以下除外：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 3. ADOPTION OF NEW OR AMENDMENTS TO IFRSs (CONTINUED)

#### (a) Adoption of new and revised IFRSs effective 1 January 2023 (continued)

##### **Impacts on application of Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies**

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

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

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

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

In accordance with the guidance set out in the amendments, accounting policy information that is standardised information, or information that only duplicates or summarises the requirements of the IFRSs, is considered immaterial accounting policy information and is no longer disclosed in the notes to the consolidated financial statements so as not to obscure the material accounting policy information disclosed in the notes to the consolidated financial statements.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 3. 採納新訂及經修訂國際財務報告準則(續)

#### (a) 採納於二零二三年一月一日生效的新訂及經修訂國際財務報告準則(續)

##### **應用國際會計準則第1號及國際財務報告準則實務報告第2號(修訂本)會計政策之披露的影響**

本集團已於本年度首次應用該等修訂。修訂國際會計準則第1號財務報表的呈列，以「重大會計政策資料」取代「主要會計政策資料」一詞的所有實例。倘連同實體財務報表所載其他資料一併考慮時，會計政策資料可合理預期會影響通用財務報表的主要使用者根據該等財務報表作出的決定，則該會計政策資料屬重大。

該等修訂亦澄清，即使金額並不重大，由於相關交易的性質、其他事件或情況，會計政策資料可能屬重大。然而，並非所有與重大交易、其他事件或情況有關的會計政策資料本身均屬重大。倘實體選擇披露非重大會計政策資料，有關資料不得掩蓋重大會計政策資料。

國際財務報告準則實務報告第2號作出重大性判斷(「實務報告」)亦予以修訂，以說明實體如何將「重大性流程的四個步驟」應用於會計政策披露，並判斷有關會計政策的資料對其財務報表是否屬重大。實務報告已加入指引及示例。

應用該等修訂對本集團的財務狀況及表現並無重大影響，惟已影響本附註3所載本集團會計政策的披露。

根據該等修訂所載的指引，會計政策資料(為標準資料)或僅重覆或概述國際財務報告準則規定的資料被視為非重大會計政策資料，且不再於綜合財務報表附註中披露，以免掩蓋綜合財務報表附註所披露的重大會計政策資料。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 3. ADOPTION OF NEW OR AMENDMENTS TO IFRSs (CONTINUED)

#### (b) Revised IFRSs not yet adopted

The following are new or amendments to IFRSs that have been issued, but are not yet effective and have not been early adopted by the Group.

		Effective for annual periods beginning on or after 於以下日期或之後開始之 年度報告期間生效 To be determined*
Amendments to IFRS 10 and IAS 28 國際財務報告準則第10號及國際會計準則第28號(修訂本)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營企業之間的資產出售或投入	待釐定*
Amendment to IFRS 16 國際財務報告準則第16號(修訂本)	Lease Liability in a Sale and Leaseback 售後租回之租賃負債	1 January 2024 二零二四年一月一日
Amendments to IAS 1 國際會計準則第1號(修訂本)	Classification of Liabilities as Current or Non-current 負債分類為流動或非流動	1 January 2024 二零二四年一月一日
Amendments to IAS 1 國際會計準則第1號(修訂本)	Non-current Liabilities with Covenants 附帶契諾的非流動負債	1 January 2024 二零二四年一月一日
Amendments to IAS 7 and IFRS 7 國際會計準則第7號及國際財務報告準則第7號(修訂本)	Supplier Finance Arrangements 供應商融資安排	1 January 2024 二零二四年一月一日
Amendments to IAS 21 國際會計準則第21號(修訂本)	Lack of Exchangeability 缺乏可換性	1 January 2025 二零二五年一月一日

\* On 17 December 2015, the IASB issued "Effective Date of Amendments to IFRS 10 and IAS 28". This update defers the effective date of the amendments in "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" that the IASB issued in September 2014. Early application of these amendments continues to be permitted.

The Group has already commenced an assessment of the related impact to the Group of the above new or amendments that are relevant to the Group upon initial adoption. According to the preliminary assessment made by the directors of the Company, management does not anticipate any significant impact on the Group's financial position and results of operations.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 3. 採納新訂及經修訂國際財務報告準則(續)

#### (b) 尚未採納的經修訂國際財務報告準則

以下為已頒佈但尚未生效且本集團並無提早採納的新訂或經修訂國際財務報告準則。

		Effective for annual periods beginning on or after 於以下日期或之後開始之 年度報告期間生效 To be determined*
		待釐定*
		1 January 2024 二零二四年一月一日
		1 January 2024 二零二四年一月一日
		1 January 2024 二零二四年一月一日
		1 January 2024 二零二四年一月一日
		1 January 2025 二零二五年一月一日

\* 於二零一五年十二月十七日，國際會計準則理事會發佈「國際財務報告準則第10號及國際會計準則第28號修訂本之生效日期」。此更新延遲了國際會計準則理事會於二零一四年九月頒佈之「投資者與其聯營公司或合營企業之間的資產出售或投入」修訂本之生效日期。提早採用該等修訂繼續得到允許。

本集團已開始評估首次採納上述與本集團相關的新訂或經修訂準則對本集團的相關影響。根據本公司董事作出的初步評估，管理層預期不會對本集團的財務狀況及經營業績造成任何重大影響。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information adopted in the preparation of the consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated.

#### 4.1 Basis of consolidation and subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries comprising the Group for the year.

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee; exposure, or rights, to variable returns from the investee; and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料

編製綜合財務報表時所採納之重大會計政策資料如下。除另有訂明外，該等政策已貫徹應用於所呈列之所有年度。

#### 4.1 綜合基準及附屬公司

綜合財務報表納入本公司及本集團旗下附屬公司於年內之財務報表。

附屬公司指本公司能對其行使控制權之被投資公司。倘具備以下全部三項要素，本公司即對被投資公司擁有控制權：對被投資公司擁有權力、就被投資方可變回報承受風險或享有權利，及其行使權力影響有關可變回報之能力。倘有事實及情況顯示任何該等控制權要素可能有變，將會重新評估有關控制權。

在編製綜合財務報表時，集團內公司間進行之集團內公司間交易、結餘及未變現交易收益均予以對銷。倘集團內公司間資產銷售之未變現虧損於綜合賬目時撥回，則相關資產亦會以本集團之角度進行減值測試。附屬公司財務報表內所報告之金額已於需要時進行調整，以確保與本集團採納之會計政策貫徹一致。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.1 Basis of consolidation and subsidiaries (continued)

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

#### 4.2 Property, plant and equipment

Depreciation is provided on the straight-line method, based on the estimated economic useful life of the individual asset, using the following rates:

Buildings	2% to 5% per annum, or over the term of leases if shorter
Plant and machinery	9% to 25% per annum
Furniture, fixtures and office	10% to 33% per annum equipment
Motor vehicles	18% to 25% per annum
Leasehold improvements	10% to 33% per annum, or over the term of the leases if shorter

No depreciation is provided for construction in progress until such time as the relevant assets are completed and available for intended use. Construction in progress are transferred to the relevant categories of property, plant and equipment upon the completion of their respective construction.

Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.1 綜合基準及附屬公司(續)

損益及其他全面收益各部分歸屬於本公司擁有人及非控股權益，儘管此導致非控股權益產生虧絀結餘。

#### 4.2 物業、廠房及設備

折舊按直線法使用以下利率於個別資產之估計經濟可使用年期作出撥備如下：

樓宇	每年2%至5%，或租賃期（以較短者為準）
廠房及機器	每年9%至25%
傢俬、裝置及辦公設備	每年10%至33%
汽車	每年18%至25%
租賃物業裝修	每年10%至33%，或租賃期（以較短者為準）

直至有關工程完工並可作其擬定用途之前，在建工程不計提折舊。於相關建設完成後，在建工程轉撥至物業、廠房及設備之相關類別。

折舊方法、估計可使用年期及餘值會於各報告日進行檢討及調整（如適用）。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.3 Financial instruments

##### Financial assets

##### (a) Classification

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

Management determines the classification of its financial assets at initial recognition. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. The Group's financial assets comprise of trade and bills receivables, other receivables, pledged bank deposits and cash and cash equivalents.

##### (b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.3 金融工具

##### 金融資產

##### (a) 分類

本集團僅於同時符合以下標準之情況時，方會將金融資產分類為按攤銷成本計量：

- 業務模式之目標為持有資產以收取合約現金流量；及
- 合約條款產生在指定日期之現金流量乃全數用於支付未償還本金及利息。

管理層於初步確認時釐定其金融資產之分類。本集團於及僅於管理該等資產之業務模式有變時重新分類債務投資。

就按公平值計量的資產而言，收益及虧損將記錄於損益或其他全面收益。就債務工具投資而言，此將取決於持有投資的業務模式。

倘金額預期將於一年或以內收回，則分類為流動資產。否則，呈列為非流動資產。本集團之金融資產包括貿易及票據應收款項、其他應收款項、已抵押銀行存款以及現金及現金等價物。

##### (b) 確認及取消確認

常規購買及出售之金融資產於交易日確認，交易日即本集團承諾買賣資產之日期。當收取來自投資的現金流量之權利屆滿或已轉移，且本集團已實質上轉移所有權之所有風險及回報時，金融資產將取消確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.3 Financial instruments (continued)

##### Financial assets (continued)

##### (c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classified its debt instruments at financial assets measured at amortised cost.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income and gains using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income and gains. Impairment losses are recognised directly in profit or loss and presented separately in the face of the consolidated statement of comprehensive income.

##### (d) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECLs") on financial assets measured at amortised cost (including cash and cash equivalents, pledged bank deposits and trade, bills and other receivables). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

##### Measurement of ECLs

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

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

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.3 金融工具(續)

##### 金融資產(續)

##### (c) 計量

初始確認時，本集團之金融資產按公平值計量，倘屬並非按公平值計入損益之金融資產，則另加直接因收購該金融資產而產生之交易成本。

債務工具之後續計量取決於本集團管理資產之業務模式及資產之現金流量特徵。本集團按攤銷成本計量之金融資產將債務工具分類。

就持作收回合約現金流量的資產而言，倘有關資產之現金流量僅為支付本金及利息，則按攤銷成本計量。來自該等金融資產之利息收入按實際利率法計入其他收入及收益。終止確認產生之任何收益或虧損於損益直接確認，並於其他收入及收益呈列。減值虧損於損益直接確認，並於綜合全面收益表內單獨呈列。

##### (d) 金融資產減值

本集團就按攤銷成本計量之金融資產(包括現金及現金等價物、已抵押銀行存款及貿易、票據及其他應收款項)就預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損之金額於各報告日期更新，以反映信貸風險自初始確認以來之變化。

##### 計量預期信貸虧損

預期信貸虧損乃信貸虧損之概率加權估計。信貸虧損按所有預期現金差額(即本集團根據合約應得之現金流與本集團預期收取之現金流之間的差額)之現值計量。

就定息金融資產、貿易及其他應收款項及合約資產而言，倘貼現影響重大，則預期現金差額將採用初步確認時釐定的實際利率或其近似值貼現。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.3 Financial instruments (continued)

##### Financial assets (continued)

##### (d) Impairment of financial assets (continued)

##### Measurement of ECLs (continued)

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

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

ECLs are measured on either of the following bases:

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

For trade receivables, the Group has measured the loss allowance at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For bills and other receivables, cash and cash equivalents and pledged bank deposits, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.3 金融工具(續)

##### 金融資產(續)

##### (d) 金融資產減值(續)

##### 計量預期信貸虧損(續)

於估計預期信貸虧損時考慮之最長期間為本集團承受信貸風險之最長合約期間。

於計量預期信貸虧損時，本集團考慮合理及有證據而毋須付出不必要成本或資源即可獲得之資料。該等資料包括過往事件、當前狀況及未來經濟狀況預測。

預期信貸虧損將採用以下基準計量：

- 12個月預期信貸虧損：指報告日期後12個月內可能發生的違約事件而導致的預期虧損；及
- 整個有效期的預期信貸虧損：指預期信貸虧損模式適用項目之預期年期內所有可能違約事件而導致的預期虧損。

就應收貿易款項而言，本集團按等同於整個有效期的預期信貸虧損的金額計量虧損撥備。於報告日期，該等金融資產之預期信貸虧損乃根據本集團的過往信貸虧損經驗使用提列矩陣進行評估，並根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

就票據及其他應收款項、現金及現金等價物及已抵押銀行存款而言，本集團確認與12個月預期信貸虧損相等之虧損撥備。倘自初步確認後金融工具之信貸風險大幅上升，虧損撥備則相等於整個有效期的預期信貸虧損金額計量。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.3 Financial instruments (continued)

##### Financial assets (continued)

##### (d) Impairment of financial assets (continued)

Significant increases in credit risk

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

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

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

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

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

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.3 金融工具(續)

##### 金融資產(續)

##### (d) 金融資產減值(續)

信貸風險大幅上升

於評估金融資產的信貸風險自初步確認以來有否大幅上升時，本集團會比較於報告期末及於初步確認日期評估的金融資產發生違約的風險。作出重新評估時，本集團認為，倘借款人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務，則構成違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

具體而言，評估信貸風險自初步確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；
- 金融工具外部或內部信貸評級的實際或預期顯著惡化(倘適用)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對本集團責任的能力有重大不利影響。

視乎金融工具的性質，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

預期信貸虧損於各報告日期進行重新計量以反映金融工具自初步確認以來的信貸風險變動。預期信貸虧損金額的任何變動均於損益中確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對彼等之賬面值作出相應調整。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.3 Financial instruments (continued)

##### Financial assets (continued)

##### (d) Impairment of financial assets (continued)

##### Definition of default

The Group considers that default has occurred when the instrument is more than 90 days past due or the Group ceases business with those debtors unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

##### Credit-impaired financial assets

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

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

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

##### Write-off policy

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

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

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.3 金融工具(續)

##### 金融資產(續)

##### (d) 金融資產減值(續)

##### 違約之定義

本集團認為，倘工具逾期超過90日或本集團不再與該等債務人進行業務時，則屬已發生違約，除非本集團有合理有據的資料說明更滯後的違約準則更為適合，則另作別論。

##### 信貸減值金融資產

於各報告日期，本集團評估金融資產是否存在信貸減值。當發生對金融資產之估計未來現金流量造成不利影響之一項或多項事件時，即代表金融資產出現信貸減值。

金融資產出現信貸減值之證據包括以下可觀察事件：

- 債務人之重大財政困難；
- 違反合約，例如違約或逾期支付事件；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人出現財務困難，證券活躍市場消失。

##### 撇銷政策

若日後實際上不可回收款項，本集團則會撇銷(部分或全部)金融資產的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源以償還應撇銷的金額。

隨後收回先前撇銷之資產於回收期間在損益中確認為減值撥回。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.3 Financial instruments (continued)

##### Financial liabilities

The Group's financial liabilities include trade and bills payables, accruals and other payables, lease liabilities, bank borrowings and other borrowings. Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially recognised at fair value, net of transactions costs incurred and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled, or expired.

#### 4.4 Impairment of non-financial assets

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

An impairment loss is recognised in the consolidated statement of comprehensive income whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of the impairment loss is limited to the assets carrying amount that would have been determined had no impairment loss been recognised in prior years. The reversal of the impairment loss is credited to the consolidated statement of comprehensive income in the year in which it arises.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.3 金融工具(續)

##### 金融負債

本集團之金融負債包括貿易及票據應付款項、應計費用及其他應付款項、租賃負債、銀行借款及其他借款。金融負債於本集團成為工具合約條文訂約方時確認。金融負債初步經扣除所產生之交易成本按公平值確認，其後使用實際利率法按攤銷成本計量。

金融負債於合約指定責任獲履行、註銷或屆滿時取消確認。

#### 4.4 非金融資產減值

倘存在減值跡象(存貨除外)，則會估計資產之可收回金額。資產之可收回金額為資產或其所屬現金產生單位之使用價值與其公平值減銷售成本間之較高值，並就個別資產釐定，除非該資產不會產生大致獨立於其他資產或資產組別之現金流入，在此情況下，就資產所屬之現金產生單位釐定可收回金額。

倘資產或其所屬現金產生單位之賬面值超過其可收回金額，則於綜合全面收益表內確認減值虧損。倘用於釐定可收回金額之估計出現有利變動，則減值虧損會予以撥回。減值虧損撥回受限於倘於過往年度並無確認減值虧損而釐定的資產賬面值。減值虧損撥回於其產生年度計入綜合全面收益表。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.5 Leased assets

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

##### (i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the commencement date of a lease, the Group, as a lessee recognises a right-of-use asset and a lease liability, except for short-term leases and leases of low-value assets which are primarily laptops and office furniture. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

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

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.5 租賃資產

訂立合約時，本集團評估合約是否為租賃或包含租賃。倘合約有權在一段時間控制已識別資產的用途以換取代價，則合約為租賃或包含租賃。當客戶有權指示已識別資產的用途，亦有權取得該用途的絕大部分經濟利益時，便表示擁有控制權。

##### (i) 作為承租人

倘合約包含租賃組成部分及非租賃組成部分，則本集團選擇不將非租賃組成部分分開，並將所有租賃的各租賃組成部分及任何相關非租賃組成部分列賬為單一租賃組成部分。

於租賃開始日期，本集團(作為承租人)確認使用權資產及租賃負債，但短期租賃及低價值資產(主要為筆記本電腦及辦公室傢俬)租賃除外。與該等未資本化的租賃相關的租賃款項在租賃期內有系統地確認為開支。

倘有關租賃撥充資本，則有關租賃負債於租期內按應付但於租賃開始日期尚未支付的租賃款項現值初步確認，並使用租賃內含利率或(如該利率無法輕易釐定)使用相關增量借款利率貼現。初步確認後，租賃負債按攤銷成本計量，利息開支則使用實際利息法計算。計量租賃負債時並不計及不會依賴指數或利率的可變租賃付款，故有關付款在產生的會計期間於損益中扣除。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.5 Leased assets (continued)

##### (i) As a lessee (continued)

All the commencement date of a lease, the lease payments included in the measurement of the lease liability comprise the following payments during the lease term:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (Note 4.4) and adjusted for any remeasurement of the lease liability.

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

The Group presents right-of-use assets and lease liabilities separately in the consolidated statement of financial position.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.5 租賃資產(續)

##### (i) 作為承租人(續)

於所有租賃開始日期，在租賃期內計入租賃負債的租賃款項包括以下款項：

- 固定款項(包括實質固定款項)減任何應收租賃激勵；
- 按指數或利率計算的可變租賃款項，在開始日期使用該指數或利率進行初始計量；
- 預計本集團在剩餘價值擔保下的應付金額；
- 倘本集團合理確定會行使購買權，則該購買權的行使價；及
- 支付終止租賃的罰款(倘租賃條款反映本集團行使權利終止租約)。

當租賃資本化時，所確認使用權資產初步按成本計量，包括租賃負債之初始金額加上開始日期或之前之任何租賃付款與產生之任何初始直接成本。在適用的情況下，使用權資產之成本亦包括拆除及移除相關資產，或恢復相關資產或恢復相關資產所在地之成本估算，貼現至現值並扣減任何所收租賃優惠。使用權資產其後按成本減累計折舊及減值虧損(附註4.4)列賬，並根據租賃負債的任何重新計量進行調整。

當指數或利率變動引致未來租賃付款變動，或本集團根據剩餘價值擔保預期應付款項之估計有變，或當重新評估本集團是否將合理確定行使購買、延期或終止選擇權而產生變動，則會重新計量租賃負債。當租賃負債以此方式重新計量，就使用權資產之賬面值作出相應調整，倘使用權資產之賬面值減至零，則於損益入賬。

本集團在綜合財務狀況表中分別列示使用權資產及租賃負債。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.5 Leased assets (continued)

##### (ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with Note 4.8.

#### 4.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using weighted average cost basis and includes all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.5 租賃資產(續)

##### (ii) 作為出租人

倘本集團為出租人，其在租賃開始時確定每項租賃為融資租賃還是經營租賃。倘租賃將與有關資產所有權有關的絕大部分風險及報酬轉移給承租人，則分類為融資租賃。若非如此，則將租賃分類為經營租賃。

倘合約包含租賃及非租賃組成部分，本集團按相對獨立的銷售價格將合約中的代價分配給每個組成部分。經營租賃的租金收入按附註4.8確認。

#### 4.6 存貨

存貨乃按成本與可變現淨值兩者之較低者入賬。成本按加權平均成本基準釐定，並包括一切採購成本、轉變成本及將存貨移至現址及達致現況而產生之其他成本。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.7 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, and short-term highly liquid investments which are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired.

#### 4.8 Revenue recognition

##### **Revenue from sales fine industrial chemical products as hardware and building materials and automotive maintenance**

Timing of recognition: The Group manufactures and sells fine industrial chemical products as hardware and building materials and automotive maintenance. Sales are recognised when control of the products has transferred to customers, being when the products are delivered to the customers, the customer has full discretion over channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been transported to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. The Group offers the right to return defective products within one month. A contract liability is recorded as advances from customers for the cash received from the customers before the delivery of goods.

Sales discounts are offered to the customers when the customers meet the predetermined annual sales target. Accumulated experience is used to estimate and provide for the sales discounts, using the expected value method. The sales discounts are recognised and net off against the sales amount when sales are recognised. The customers can utilise these sales discounts by future purchases from the Group.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.7 現金及現金等價物

現金及現金等價物包括現金及銀行結餘，以及可隨時轉換為已知數額現金、價值變動風險並不重大且一般於購入後三個月內到期之短期高流通量投資。

#### 4.8 收益確認

##### **銷售精細化工產品(如五金建材)及汽車修護之收益**

確認時間：本集團製造及銷售精細化工產品(如五金建材)及汽車修護。銷售於產品之控制權獲轉移至客戶時確認，即產品已交付予客戶、客戶對銷售產品之渠道及價格具全權酌情權及並無可影響客戶接納產品之未履行責任。產品於已運送至指定地點、陳舊及遺失之風險已轉移予客戶，以及客戶已根據銷售合約接納該等產品時、接納條文已失效或本集團有客觀證據證明接納之所有條件已獲達成時交付。本集團提供於一個月退回有瑕疵產品之權利。合約責任記錄為於貨物交付前自客戶收到之現金預付款。

銷售折扣於客戶達到預定年度銷售目標時提供予客戶。我們根據過往累積經驗，使用期望值方式為銷售折扣作出估計及撥備。銷售折扣於銷售獲確認時予以確認並自銷售金額扣除。客戶可於未來向本集團進行購買時動用該等銷售折扣。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.8 Revenue recognition (continued)

##### **Revenue from sales fine industrial chemical products as hardware and building materials and automotive maintenance (continued)**

Measurement of revenue: Revenue from sales is based on the price specified in the sales contracts and is shown net of value-added tax, sales discounts, sales return and after eliminating sales within the Group. No element of financing is deemed present as the sales are made with a credit term up to 30 to 180 days. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Accumulated experience is used to estimate the likelihood and provide for sales discounts and sales return for the goods sold at the time of sale.

#### 4.9 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated statement of comprehensive income over the expected useful life of the relevant asset by equal annual instalments.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.8 收益確認(續)

##### **銷售精細化工產品(如五金建材)及汽車修護之收益(續)**

收益計量：銷售收益以銷售合約訂明之價格為準，並於扣除增值稅、銷售折扣、銷售退貨及經扣減集團內銷售後呈示。由於銷售按最多30至180天之信貸期進行，故並不存在融資因素。應收款項於貨品交付時確認，原因為此乃代價成為無條件之時間點，僅需隨著時間推移即可收款。

於銷售時就已售貨物估計銷售折扣及銷售退貨時使用所累計經驗。

#### 4.9 政府補助

政府補助於可合理確定將可收取補助並且符合所有附帶條件時，按公平值確認。該項補助如與開支項目有關，則有系統地將該項補助於擬補貼成本支銷期間確認為收入。

該項補助如與資產有關，則其公平值計入遞延收入賬項，並以等額分期方式每年按有關資產之預計可使用年期計入綜合全面收益表。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.10 Income taxes

Income tax represents the sum of current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the company operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investment in a subsidiary, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.10 所得稅

所得稅包括當期稅項及遞延稅項。與在損益外確認之項目有關之所得稅，在損益外之其他全面收益或直接在權益中確認。

當期稅項資產及負債，以報告期末已執行或實質上已執行之稅率(及稅法)為基礎，根據公司經營所在國家之現行詮釋及慣例，按預期從稅務機關返還或支付予稅務機關之金額計量。

於報告期末資產及負債之稅基與其在財務報表之賬面值之間之所有暫時性差額，須按負債法計提遞延稅項。

所有應課稅暫時性差額均會確認為遞延稅項負債，除非：

- 遞延稅項負債乃因商譽或資產或負債在一宗不屬業務合併之交易中獲初始確認而產生，並且於交易時對會計溢利或應課稅損益均無影響；及
- 對於涉及附屬公司之投資的應課稅暫時性差額，若撥回暫時性差額之時間可以控制，並且暫時性差額不太可能在可預見未來撥回。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.10 Income taxes (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investment in a subsidiary, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax is calculated, without discounting, at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset 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.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.10 所得稅(續)

所有可扣減之暫時性差額、承前未用稅項抵免及任何未用稅務虧損均會確認為遞延稅項資產。遞延稅項資產之確認以日後有可能以應課稅溢利抵扣該等可扣減之暫時性差額、承前未用稅項抵免及未用稅務虧損之金額為限，除非：

- 有關可扣減暫時性差額之遞延稅項資產乃因資產或負債在一宗不屬業務合併之交易中獲初始確認而產生，並且於交易時對會計溢利或應課稅損益均無影響；及
- 對於涉及附屬公司之投資的可扣減暫時性差額，遞延稅項資產僅於暫時性差額有可能在可預見未來撥回並且將會出現可利用該等暫時性差額予以抵扣之應課稅溢利時，方會確認。

遞延稅項資產之賬面值於各報告期末進行檢討，當預期不再可能出現足夠之應課稅溢利以動用全部或部分遞延稅項資產時予以相應調低。尚未確認之遞延稅項資產於各報告期末重新評估，當可能有足夠之應課稅溢利以收回全部或部分遞延稅項資產時予以確認。

遞延稅項乃以報告期末前已執行之或實質上已執行之稅率(及稅法)為基礎，按預期在變現資產或償還負債期間應用之稅率計算(並無貼現)。

倘遞延稅項資產及負債與同一稅務機關徵收之所得稅有關且本集團擬按淨額基準結算其當期稅項資產及負債，則遞延稅項資產與負債將互相抵銷。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.11 Foreign currency translation

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The consolidated financial statements are presented in RMB, while the functional currency of the Company is Hong Kong Dollar ("HK\$"). As the Group mainly operates in the PRC, RMB is used as the presentation currency of the consolidated financial statements.

Foreign currency transactions are initially recorded using the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of comprehensive income with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item. The functional currencies of certain subsidiaries are currencies other than the presentation currency. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Group at the exchange rates ruling at the end of the reporting period, and their income and expense items are translated into the presentation currency at the weighted average exchange rates for the year.

The resulting exchange differences are recorded in other comprehensive income and the cumulative balance is included in translation reserve in the consolidated statement of changes in equity. On disposal of a foreign operation, the deferred cumulative amount recognised in translation reserve relating to that particular foreign operation is recognised in the consolidated statement of comprehensive income. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.11 外幣換算

本集團各實體自行決定其功能貨幣，而列於各實體財務報表之項目均以該功能貨幣計量。綜合財務報表按人民幣呈列，而本公司之功能貨幣為港元（「港元」）。由於本集團主要於中國營運，人民幣乃用作為綜合財務報表之呈列貨幣。

外幣交易初步按交易日之現行功能貨幣匯率入賬。以外幣計值之貨幣資產及負債按報告期末之現行功能貨幣匯率重新換算。因結算或換算貨幣項目而產生之差額於綜合全面收益表中確認，惟指定作為本集團海外業務投資淨額對沖之一部分之貨幣項目除外。以外幣歷史成本計量之非貨幣項目按初步交易日之匯率換算。以外幣計算公平值之非貨幣項目按釐定公平值當日之匯率換算。換算按公平值計量之非貨幣項目產生之盈虧按與確認該項目公平值變動之盈虧一致之方式處理。若干附屬公司以呈列貨幣以外之貨幣為功能貨幣。於報告期末，該等實體的資產及負債按於報告期末之現行匯率換算為本集團之呈列貨幣，而彼等之收益及開支項目則按年內加權平均匯率換算為呈列貨幣。

所產生之匯兌差額均於其他全面收益確認，而累計結餘計入綜合權益變動表之匯兌儲備。於出售海外業務時，與該特定海外業務有關的匯兌儲備確認之遞延累計金額於綜合全面收益表確認。因收購海外業務而產生之任何商譽，以及對收購所產生的資產及負債之賬面值進行之任何公平值調整，則列作海外業務的資產及負債，並按收市匯率換算。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.11 Foreign currency translation (continued)

For the purpose of the consolidated statement of cash flows, the cash flows of the Company and certain subsidiaries are translated into the presentation currency at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the Company and these subsidiaries which arise throughout the year are translated into the presentation currency at the weighted average exchange rates for the year.

#### 4.12 Employee benefits

##### (i) Short-term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

##### (ii) Defined contribution retirement plan obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated statement of comprehensive income as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund.

The employees of the subsidiaries within the Group which operate in the PRC are required to participate in the central pension scheme operated by the local municipal government. These PRC subsidiaries are required to contribute a percentage of their payroll costs to the central pension scheme as specified by the local municipal government. The contributions are charged to the consolidated statement of comprehensive income as they become payable in accordance with the rules of the central pension scheme.

There were no forfeited contributions utilised by the Group to reduce existing level of contributions for each of the years.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.11 外幣換算(續)

就綜合現金流量表而言，由本公司及若干附屬公司之現金流量乃按產生現金流量當日適用之匯率換算為呈列貨幣。本公司及該等附屬公司於整個年度頻繁重複發生之現金流量按年內之加權平均匯率換算為呈列貨幣。

#### 4.12 僱員福利

##### (i) 短期僱員福利

薪金、年度花紅、帶薪年假及非金錢福利費用於僱員提供相關服務之年度累計。

##### (ii) 界定供款退休計劃責任

本集團根據強制性公積金計劃條例為其所有香港僱員營運界定供款強制性公積金退休福利計劃(「強積金計劃」)。供款額按僱員基本薪金之某個百分比計算，並於供款按強積金計劃規則規定應付時自綜合全面收益表扣除。強積金計劃資產與本集團的資產分開由獨立管理基金持有。

本集團於中國經營之附屬公司之僱員須參與當地市政府籌辦之中央退休金計劃。該等中國附屬公司須作出當地市政府指定之薪金成本百分比作為中央退休金計劃供款。該等供款於根據中央退休金計劃規則規定應付時自綜合全面收益表扣除。

於各年度，本集團並無動用已沒收供款以減低現有供款水平。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.13 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

When it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

#### 4.14 Finance costs

Finance costs comprise borrowing costs, which are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.13 撥備及或然負債

當本集團因過去事件須承擔法定或推定責任，而履行該責任可能需要經濟利益流出及有可靠之估計時，會就未確定時間或金額之負債確認為撥備。

當不可能需要付出經濟效益，或其數額未能可靠地估計，除非經濟利益流出之可能性極小，則須披露該責任為或然負債。潛在責任，其存在僅能以一個或數個未來事件是否發生來證實，除非其經濟利益流出可能性極小，亦同時披露為或然負債。

#### 4.14 融資成本

融資成本包括收購、建造或生產需要一段較長時間方可作擬定用途或出售的資產直接相關之借款成本(資本化為該資產之部分成本)。其他借款成本於產生期間列支。

屬於合資格資產成本一部分之借款成本在資產產生開支、借款成本產生及使資產投入擬定用途或銷售所必須之準備工作進行期間開始資本化。在使合資格資產投入擬定用途或銷售所必須之絕大部分準備工作中斷或完成時，借款成本便會暫停或停止資本化。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.15 Related parties

- (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 key management personnel of the Group or the parent of the Company;
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
  - (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;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Company.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.15 關連方

- (a) 倘屬以下人士，即該人士或該人士之近親家庭成員與本集團有關連：
- (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本公司母公司之主要管理層成員；
- (b) 倘符合下列任何條件，即該實體與本集團有關連：
- (i) 該實體及本集團為同一集團之成員公司；
  - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）；
  - (iii) 兩間實體均為同一第三方之合營企業；
  - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
  - (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃；
  - (vi) 該實體受(a)所指之人士控制或共同控制；
  - (vii) 於(a)(i)所指之人士對該實體有重大影響或屬該實體（或該實體之母公司）主要管理層成員；及
  - (viii) 實體或實體作為集團任何成員公司其中一部分向本集團或本公司之母公司提供主要管理人員服務。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 4.15 Related parties (continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that persons spouse or domestic partner.

#### 4.16 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors of the Company, who are the chief operating decision makers ("CODM"), for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the CODM are determined following the Group's major operations.

The measurement policies the Group uses for reporting segment results under IFRS 8 Operating Segments are the same as those used in its financial statements prepared under IFRSs.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 4. 重大會計政策資料(續)

#### 4.15 關連方(續)

某一人士之緊密家族成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響之有關家族成員，且包括：

- (i) 該人士之子女及配偶或家庭伴侶；
- (ii) 該人士配偶或家庭伴侶之子女；及
- (iii) 該人士或該人士配偶或家庭伴侶贍養之人士。

#### 4.16 分部報告

本集團根據向本公司執行董事(即主要營運決策者，「主要營運決策者」)所匯報用作決定有關本集團業務單位的資源分配及檢討該等單位之表現之定期內部財務資料，而識別其業務分部及編製分部資料。在向主要營運決策者匯報之內部財務資料內之業務單位乃根據本集團主要業務釐定。

本集團根據國際財務報告準則第8號「經營分部」就申報分部業績所用之計量政策與其根據國際財務報告準則編製財務報表所使用者相同。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following items are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Estimated impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that non-financial assets with definite lives may be impaired. If any such indication exists, the Group estimates the recoverable amount of the assets in accordance with the accounting policy stated in Note 4.4. In assessing whether there is any indication that non-financial assets may be impaired, the Group considers indications from both internal and external sources of information such as evidence of obsolescence or decline in economic performance of the assets, changes in market conditions and economic environment. These assessments are subjective and require managements judgements and estimations.

#### Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account their estimated residual values. The Group reviews the estimated useful lives of the assets regularly. The estimated useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation expenses for future periods are adjusted if there are significant changes from previous estimates.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 5. 主要會計判斷及估計

本公司董事需在編製綜合財務資料時作出判斷、估計及假設。該等判斷、估計及假設會影響政策之應用和資產、負債、收入與開支之呈報數額。該等估計及相關假設是根據過往經驗及在當時情況下認為合理之多項其他因素作出，其結果構成就無法從其他途徑實時得知的資產與負債賬面值所作判斷之基礎。實際結果可能有別於該等估計。

該等估計及相關假設乃按持續經營基準審閱。會計估計之修訂於倘修訂僅對當期產生影響時於估計作出修訂之期間確認，或倘修訂對當期或以後期間均產生影響時，於修訂當期及以後期間均確認。

以下項目為極有可能導致於下個財政年度的資產及負債賬面值發生重大調整之有關未來之主要估計，以及於報告期末之估計不確定因素其他主要來源。

#### 非金融資產之估計減值

本集團會於每個報告日評估有限期非金融資產是否存在任何減值跡象。倘存在任何該等跡象，本集團會根據附註4.4所述之會計政策估計資產之可收回金額。評估非金融資產有否出現減值跡象時，本集團考慮來自內部及外部資料來源之跡象，例如資產廢棄或經濟效益下滑之證據以及市場情況及經濟環境之轉變。該等評估屬主觀性質，須管理層作出判斷及估計。

#### 物業、廠房及設備折舊

物業、廠房及設備之折舊經考慮估計剩餘價值後，在資產之估計可使用年期以直線法計算。本集團定期覆核資產之估計可使用年期。估計可使用年期乃根據本集團對類似資產之過往經驗並計及預期技術變動決定。如過往之估計有重大改變，未來期間之折舊開支會作出調整。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

#### Provision for impairment loss on trade and other receivables

The Group determines the provision for impairment loss on trade and other receivables resulting from the inability of the customers/debtors to make the required payments. A significant amount of estimate and judgement is required in assessing the ultimate realisation of these receivables. The estimated ECL loss rates are estimated based on the Group's estimates of the market borrowing rates for each of the groupings, less risk-free rate, which reflect the credit risk of the debtors, over the expected life of the debtors and are adjusted forward-looking information that is available without undue cost or effort. If the financial conditions of customers/debtors deteriorate, additional provision for expected credit loss may be required.

#### Net realisable value of inventories

The Group recognises write-down on inventories based on an assessment of the net realisable value of the inventories. Write-down is applied to the inventories where events or changes in circumstances indicate that the net realisable value is less than cost. The determination of net realisable value requires the use of judgement and estimates. Where the expectation is different from the original estimates, such difference will impact carrying value of the inventories and write-down on inventories charged to profit or loss in the period in which such estimate has been changed.

#### Provision for income taxes

The Group is subject to income taxes in jurisdictions in which the Group operates. Significant judgement is required in determining the tax liabilities to be recognised. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises provisions for tax based on estimates of the taxes that are likely to become due. The Group believes that its provision for tax is adequate for the year based on its assessment of many factors including past experience and interpretations of tax law. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred tax provisions in the period in which such determination is made.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 5. 主要會計判斷及估計(續)

#### 貿易及其他應收款項之減值虧損撥備

本集團會就因客戶／債務人未能按規定付款而產生之貿易及其他應收款項之減值虧損釐定撥備。評估該等應收款項之最終變現情況須作出大量估計及判斷。估計預期信貸虧損率乃按本集團對各組別之市場借款率之估算減無風險利率(反映債務人之信貸風險)，除以債務人之預期年期進行估計，並就毋須付出過多成本或努力即可取得之前瞻性資料作出調整。倘客戶／債務人之財務狀況惡化，可能須就預期信貸虧損額外計提撥備。

#### 存貨之可變現淨值

本集團根據對存貨之可變現淨值之評估確認存貨撇減。當事件或情況變化表明可變現淨值小於成本時，則對存貨作出撇減。釐定可變現淨值需要使用判斷及估計。如預期與原始估計出現差異，則該差額將影響更改估計期間存貨之賬面值及計入損益之存貨撇減。

#### 所得稅撥備

本集團須繳納其經營所在司法權區之所得稅，而於釐定將予確認之稅項負債時須作出重大判斷。多項交易及計算之最終稅務釐定並不確定。本集團根據可能到期的稅項之估計確認稅項撥備。本集團基於過往經驗及對稅法之詮釋等多項因素評估，認為年內之稅項撥備充足。倘最終稅項結果與初步入賬之金額不同，則有關差額會影響作出有關釐定期間之即期所得稅及遞延稅項撥備。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 6. SEGMENT REPORTING

The Group has three reportable segments which are the Group's strategic business units, as follows:

- |                            |   |  |
|----------------------------|---|--|
| Aerosols                   | - | Sales of spray paints and automotive care products, including spray paint, carburetor cleaner, spray wax, anti-rust spray lubricant, polyurethane foam, cleaning spray and spray refrigerant for automobile air-conditioners |
| Organic silicone adhesives | - | Sales of product series, which are all silicone-based adhesives  |
| Synthetic adhesive         | - | Sales of several product series, which are all multi-purpose contact adhesives   |

Information about strategic business units of other operating segments that are not reportable in accordance with IFRS 8 Operating Segments are consolidated and disclosed in All other segments.

These strategic business units offer different products, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the chairman of the Company, who is the CODM of the Group during the year, reviews internal management reports on a monthly basis. There was no aggregation of operating segments in arriving at the reportable segments of the Group.

#### (a) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitors the results attributable to each reportable segment on the following basis:

Segment profit represents the gross profit earned by each segment without allocation of central administration expenses (including emoluments of directors and senior management), selling and distribution expenses, other income and gains and finance costs. This is the measure reported to the Group's CODM for the purposes of resource allocation.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 6. 分部報告

本集團有三個可呈報分部，均為本集團策略業務單位，載列如下：

- |        |   |   |
|--------|---|---|
| 氣霧劑    | — | 銷售噴漆及汽車護理產品，包括噴漆、化油器清洗劑、噴蠟、抗銹噴霧潤滑劑、發泡劑、清潔噴霧及汽車空調專用噴霧製冷劑 |
| 有機矽膠粘劑 | — | 銷售產品系列，均為矽膠粘劑   |
| 合成膠粘劑  | — | 銷售數個產品系列，均為多用途膠粘劑                                       |

根據國際財務報告準則第8號「經營分部」並不屬可呈報分部之其他營運分部之策略業務單位相關資料已綜合入賬及於「所有其他分部」中披露。

該等策略業務單位提供不同產品，並單獨管理，原因為該等單位需要不同技術及市場推廣策略。就各項策略業務單位而言，本公司主席於年內身兼本集團主要營運決策者，每月審閱內部管理報告。於達致本集團之可呈報分部時，並無合併計算經營分部。

#### (a) 分部業績

在評估分部表現及分配分部間資源時，主要營運決策者按以下基準監察各個可呈報分部應佔業績：

分部溢利指在並無分配中央管理成本（包括董事及高層管理人員酬金）、銷售及經銷開支、其他收入及收益以及融資成本之情況下各分部賺取之毛利。此乃就資源分配而向本集團主要營運決策者呈報之計量方法。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 6. SEGMENT REPORTING (CONTINUED)

#### (a) Segment results (continued)

The CODM reviews the Group's assets and liabilities as a whole without allocation to each segment. In his opinion, all strategic business units consume similar materials and their products are produced by same machinery and equipment and then they are sold to same customers. As a result, it is not necessary to monitor the assets and liabilities under different segments. No segment information on assets and liabilities is presented accordingly.

During the years ended 31 December 2023 and 2022, the Group generated revenue primarily from the sale of three categories of products under these segments. The following table sets out the breakdown of the revenue and segment profit by reportable segment:

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 6. 分部報告(續)

#### (a) 分部業績(續)

主要營運決策者審閱本集團整體的資產及負債，而並無將資產及負債分配至每一個分部。由於彼認為所有策略業務單位耗用類似材料及其產品由相同機器及設備生產及出售予相同客戶，故此毋須監察不同分部下的資產及負債，因而並無呈列資產及負債之分部資料。

於截至二零二三年及二零二二年十二月三十一日止年度，本集團主要在該等分部下銷售三類產品產生收益。下表載列按可呈報分部劃分之收益及分部溢利明細：

		Aerosols 氣霧劑	Organic silicone adhesives 有機矽膠粘劑	Synthetic adhesive 合成膠粘劑	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>For the year ended 31 December 2023</b>	<b>截至二零二三年十二月三十一日止年度</b>				
Revenue from external customers and reportable segment revenue	來自外部客戶之收益及可呈報分部收益				
- Point in time	一時點	701,680	181,448	62,103	945,231
Reportable segment profit	可呈報分部溢利	222,461	43,765	18,507	284,733
<b>For the year ended 31 December 2022</b>	<b>截至二零二二年十二月三十一日止年度</b>				
Revenue from external customers and reportable segment revenue	來自外部客戶之收益及可呈報分部收益				
- Point in time	一時點	563,415	190,934	56,359	810,708
Reportable segment profit	可呈報分部溢利	185,365	37,356	13,848	236,569

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 6. SEGMENT REPORTING (CONTINUED)

#### (b) Reconciliations of reportable segment revenue and consolidated profit before income tax

A reconciliation of segment revenue to consolidated revenue is presented as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Total reportable segment revenue	可呈報分部收益總額	945,231	810,708
All other segments revenue (Note)	所有其他分部收益(附註)	131,558	137,142
Consolidated revenue	綜合收益	1,076,789	947,850

A reconciliation of segment results to consolidated profit before income tax is presented as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Total of reportable segments profit	可呈報分部溢利總額	284,733	236,569
All other segments profit (Note)	所有其他分部溢利(附註)	27,204	24,420
Other income and gains	其他收入及收益	8,503	6,079
Selling and distribution expenses	銷售及經銷開支	(150,542)	(131,810)
Administrative expenses	行政開支	(143,140)	(119,035)
Share-based payment expenses	以股份為基礎之付款開支	(5,711)	-
(Provision for)/reversal of impairment losses	貿易應收款項減值虧損(撥備)/撥回	(682)	837
Finance costs	融資成本	(8,835)	(7,993)
Consolidated profit before income tax	除所得稅前綜合溢利	11,530	9,067

Note: Segment revenue and segment profit from other segments represent the sales of architectural coatings, oil products, wood paints and others.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 6. 分部報告(續)

#### (b) 可呈報分部收益與除所得稅前綜合溢利之對賬

分部收益與綜合收益之對賬呈列如下:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Total reportable segment revenue	可呈報分部收益總額	945,231	810,708
All other segments revenue (Note)	所有其他分部收益(附註)	131,558	137,142
Consolidated revenue	綜合收益	1,076,789	947,850

分部業績與除所得稅前綜合溢利之對賬呈列如下:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Total of reportable segments profit	可呈報分部溢利總額	284,733	236,569
All other segments profit (Note)	所有其他分部溢利(附註)	27,204	24,420
Other income and gains	其他收入及收益	8,503	6,079
Selling and distribution expenses	銷售及經銷開支	(150,542)	(131,810)
Administrative expenses	行政開支	(143,140)	(119,035)
Share-based payment expenses	以股份為基礎之付款開支	(5,711)	-
(Provision for)/reversal of impairment losses	貿易應收款項減值虧損(撥備)/撥回	(682)	837
Finance costs	融資成本	(8,835)	(7,993)
Consolidated profit before income tax	除所得稅前綜合溢利	11,530	9,067

附註：其他分部之分部收益及分部溢利指銷售建築塗料、油品、木器漆及其他。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 6. SEGMENT REPORTING (CONTINUED)

#### (c) Geographical information

The Company is an investment holding company. As the principal place of the Group's operation is in the PRC, which is considered as the Group's country of domicile for the disclosure purpose of IFRS 8. Substantial of the Group's non-current assets are located in the PRC as at 31 December 2023 and 2022. The following table provides an analysis of the Group's revenue generated from external customers by geographical market.

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
The PRC	中國	1,043,664	920,412
Australia	澳洲	31,055	25,315
Others	其他	2,070	2,123
		1,076,789	947,850

#### (d) Information about major customers

No revenue from a single external customer accounted for 10% or more of the Group's revenue for the years ended 31 December 2023 and 2022.

### 7. REVENUE AND OTHER INCOME AND GAINS

Revenue from the Group's principal activities, represents revenue derived from the sales of fine industrial chemical products as hardware and building materials and automotive maintenance. Revenue and other income and gains recognised during the years ended 31 December 2023 and 2022 are as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue (Note (i))	收益(附註(i))	1,076,789	947,850
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	1,121	1,273
Net exchange gain	匯兌收益淨額	248	37
Rental income	租金收入	338	756
Government subsidies (Note (ii))	政府補助(附註(ii))	6,276	3,436
Sundry income	雜項收入	520	577
		8,503	6,079

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 6. 分部報告(續)

#### (c) 地理資料

本公司為投資控股公司。由於本集團之主要營業地點為中國，就國際財務報告準則第8號之披露要求而言，中國被視為本集團註冊地。於二零二三年及二零二二年十二月三十一日，本集團大部分非流動資產位於中國。下表提供本集團按地區市場劃分自外部客戶產生之收益分析。

#### (d) 有關主要客戶的資料

截至二零二三年及二零二二年十二月三十一日止年度，概無來自單一外部客戶之收益佔本集團收入的10%或以上。

### 7. 收益以及其他收入及收益

本集團主要業務之收益指銷售精細化工產品(如五金建材)及汽車修護所得收益。截至二零二三年及二零二二年十二月三十一日止年度已確認之收益以及其他收入及收益如下:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 7. REVENUE AND OTHER INCOME AND GAINS (CONTINUED)

Notes:

- (i) Disaggregation of revenue from contracts with customers by major categories of products is disclosed in Note 6.

All sales contracts are for period of one year or less. The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its sales contracts such that the information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of products that have an original expected duration of one year or less is not disclosed.

- (ii) The Group received unconditional subsidies of approximately RMB6,276,000 (2022: RMB3,436,000) from the PRC government during the year as a recognition of the Group's contribution to the development of the local economy.

During the year ended 31 December 2022, the Group also received government grants of approximately RMB103,000 from the Employment Support Scheme under the Anti-epidemic Fund of the Government of the Hong Kong Special Administrative Region which aims to retain employment and combat COVID-19 epidemic.

There are no unfulfilled conditions or contingencies attaching to the aforesaid grants.

### 8. FINANCE COSTS

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on bank borrowings	銀行借款利息	9,505	10,661
Interest on other borrowings (Note(i)) (Note(23))	其他借款利息(附註(i))(附註(23))	2,467	1,122
Interest on lease liabilities	租賃負債利息	707	1,394
Less: interest capitalised into property, plant and equipment (Note (ii))	減：已於物業、廠房及設備資本化之利息(附註ii)	(3,844)	(5,184)
		<b>8,835</b>	<b>7,993</b>

Note:

- (i) Included was finance costs of approximately RMB133,000 related to new other borrowings obtained during the year ended 31 December 2023.
- (ii) During the year, the finance costs have been capitalised at an effective interest rate of 4.01% (2022: 5.39%) per annum.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 7. 收益以及其他收入及收益(續)

附註：

- (i) 按主要產品分類劃分之來自客戶合約收益之拆細於附註6披露。

所有銷售合約為期一年或以內。本集團已對其銷售合約應用國際財務報告準則第15號第121段之實際權宜方法，故並無披露有關本集團於其履行產品銷售合約(原先預期年期為一年或以內)項下餘下履約責任時，將可收取收益之相關資料。

- (ii) 本集團於年內自中國政府取得無條件補貼約人民幣6,276,000元(二零二二年：人民幣3,436,000元)，作為本集團向地方經濟發展作出貢獻之認可。

於截至二零二二年十二月三十一日止年度，本集團亦自香港特別行政區政府防疫抗疫基金項下之「保就業」計劃收取政府補助約人民幣103,000元。有關計劃旨在保障就業及對抗COVID-19疫情。

上述補助並無附帶尚未達成之條件或或然事項。

### 8. 融資成本

附註：

- (i) 包括與截至二零二三年十二月三十一日止年度獲得的新其他借款有關的融資成本約人民幣133,000元。
- (ii) 於年內，融資成本已按實際年利率4.01%(二零二二年：5.39%)資本化。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 9. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

## 9. 除所得稅前溢利

除所得稅前溢利乃於扣除/(計入)以下各項後達致:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Auditors remuneration	核數師酬金	1,305	1,185
Cost of inventories recognised as expenses	確認為開支之存貨成本	764,852	686,861
Depreciation of property, plant and equipment (Note 14)	物業、廠房及設備折舊(附註14)	10,736	9,729
Depreciation of right-of-use assets (Note 15)	使用權資產折舊(附註15)	3,870	4,416
Provision for/(reversal of) impairment losses on trade receivables (Note 32(b))	貿易應收款項減值虧損撥備/(撥回)淨額(附註32(b))	682	(837)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	541	38
Expenses relating to short-term leases	短期租賃相關開支	654	1,652
Employee benefit expenses (including directors emoluments (Note 10) and salaries in research and development expenses) (Notes (i) and (ii))	僱員福利開支(包括董事酬金(附註10)及研發開支中之薪金)(附註(i)及(ii))		
– Salaries, allowances and benefits in kind	– 薪金、津貼及實物福利	140,491	114,755
– Discretionary bonus	– 酌情花紅	8,397	9,146
– Retirement benefit scheme contributions	– 退休福利計劃供款	9,509	8,020
– Share-based payment expenses	– 以股份為基礎之付款開支	5,711	–
		164,108	131,921
Research and development expenses (Note (iii))	研發開支(附註(ii))		
Materials consumption	– 材料耗量	26,710	20,606
Employee benefit expenses	– 僱員福利開支	21,726	17,679
Others	– 其他	3,195	3,890
		51,631	42,175

Notes:

- (i) Employee benefit expenses are included in cost of sales, selling and distribution expenses and administrative expenses.
- (ii) No forfeited contribution available for offset against existing contributions to pension costs defined contribution plans and social security costs during the year (2022: nil).
- (iii) Research and development expenses are included in administrative expenses.

附註:

- (i) 僱員福利開支已計入銷售成本、銷售及經銷開支以及行政開支。
- (ii) 年內並無沒收供款可供抵銷現有退休金成本、界定供款計劃及社會保障成本供款(二零二二年: 無)。
- (iii) 研發開支已計入行政開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

## 9. PROFIT BEFORE INCOME TAX (CONTINUED)

Notes: (continued)

(iv) Hong Kong employees that have been employed continuously for at least five years are entitled to long service payments in accordance with the Hong Kong Employment Ordinance under certain circumstances. These circumstances include where an employee is dismissed for reasons other than serious misconduct or redundancy, that employee resigns at the age of 65 or above, or the employment contract is of fixed term and expires without renewal. The amount of LSP payable is determined with reference to the employee's final salary (capped at HK\$22,500) and the years of service, reduced by the amount of any accrued benefits derived from the Group's contributions to MPF scheme, with an overall cap of HK\$390,000 per employee. Currently, the Group does not have any separate funding arrangement in place to meet its LSP obligation.

In June 2022, the Government gazetted the Amendment Ordinance, which will eventually abolish the statutory right of an employer to reduce its LSP payable to a Hong Kong employee by drawing on its mandatory contributions to the MPF scheme. The Government has subsequently announced that the Amendment Ordinance will come into effect from the Transition Date. Separately, the Government is also expected to introduce a subsidy scheme to assist employers after the abolition.

Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory MPF contributions (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP in respect of an employee's service from the Transition Date. However, where an employee's employment commenced before the Transition Date, the employer can continue to use the above accrued benefits to reduce the LSP in respect of the employee's service up to that date; in addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

The Group has determined that the Amendment Ordinance cause immaterial impacts to the Group's LSP liability with respect to Hong Kong employees.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 9. 除所得稅前溢利(續)

附註：(續)

(iv) 根據香港僱傭條例，連續受僱至少五年的香港僱員在若干情況下有權享有長期服務金。該等情況包括僱員因嚴重不當行為或裁員以外的原因而被解僱、該僱員於65歲或以上的年齡辭任、或僱傭合約有固定年期且屆滿後不予重續。長期服務金計劃應付款項的金額乃參考僱員的最終薪金(上限為22,500港元)及服務年期釐定，減去本集團向強積金計劃供款產生的任何應計福利金額，整體上限為每名僱員390,000港元。目前，本集團並無任何獨立的資金安排以履行其長期服務金責任。

於二零二二年六月，政府在憲報刊登修訂條例，最終廢除僱主的法定權利，透過提取對強積金計劃的強制性供款，減少其應付香港僱員的長期服務金。政府隨後宣佈修訂條例將自過渡日期起生效。另外，預期政府亦將於廢除後推出補貼計劃以協助僱主。

其中，一旦取消抵銷機制生效，僱主自過渡日期起不得再使用其強制性強積金計劃供款所產生的任何應計利益(不論於過渡日期之前、當日或之後作出的供款)以減少有關僱員服務的長期服務金。然而，倘僱員於過渡日期前開始受僱，則僱主可繼續使用上述應計福利以減少截至該日有關僱員服務的長期服務金；此外，於過渡日期前有關服務的長期服務金將根據緊接過渡日期前僱員的月薪及截至該日的服務年期計算。

本集團已釐定修訂條例對本集團有關香港僱員的長期服務金責任並無重大影響。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 10. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE, FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT

#### (a) Directors and chief executive's emoluments

Pursuant to the Listing Rules, Section 383(1)(a), (b), (c) and (f) of the Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, details of emoluments paid by the companies comprising the Group to the directors of the Company are as follows:

		Directors fees 董事袍金	Salaries, allowances and benefits in kind 薪金、津貼及實物福利	Discretionary bonus 酌情花紅	Retirement benefit scheme contributions 退休福利計劃供款	Share-based payment 以股份為基礎之付款	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Year ended 31 December 2023</b>	<b>截至二零二三年十二月三十一日止年度</b>						
Executive directors 執行董事							
Mr. Ernest Chen (Note (i)) 陳炳強先生(附註(i))		864	213	72	32	-	1,181
Mr. Chen Bingyao ("Mr. Leo Chen") (Note (ii)) 陳炳耀先生(「陳炳耀先生」) (附註(ii))		504	-	-	9	-	513
Mr. Ng Cheuk Lun 吳卓倫先生		864	-	72	16	1,094	2,046
		2,232	213	144	57	1,094	3,740
Independent non-executive directors 獨立非執行董事							
Ir. Daniel Lai 賴錫璋工程師		135	-	-	-	-	135
Mr. Yeung Chun Yue, David 楊振宇先生		135	-	-	-	-	135
Mr. Xu Kai 許凱先生		135	-	-	-	-	135
		405	-	-	-	-	405
		2,637	213	144	57	1,094	4,145
<b>Year ended 31 December 2022</b>	<b>截至二零二二年十二月三十一日止年度</b>						
Executive directors 執行董事							
Mr. Ernest Chen (Note (i)) 陳炳強先生(附註(i))		962	214	137	31	-	1,344
Mr. Leo Chen 陳炳耀先生		962	174	439	24	-	1,599
Mr. Ng Cheuk Lun 吳卓倫先生		962	-	137	15	-	1,114
		2,886	388	713	70	-	4,057
Independent non-executive directors 獨立非執行董事							
Ir. Daniel Lai 賴錫璋工程師		129	-	-	-	-	129
Mr. Yeung Chun Yue, David 楊振宇先生		129	-	-	-	-	129
Mr. Xu Kai 許凱先生		129	-	-	-	-	129
		387	-	-	-	-	387
		3,273	388	713	70	-	4,444

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 10. 董事、最高行政人員、五名最高薪酬人士及高層管理人員酬金

#### (a) 董事及最高行政人員酬金

根據上市規則、公司條例第383(1)(a)、(b)、(c)及(f)條以及公司(披露董事利益資料)規例第2部，本集團旗下之公司向本公司董事支付之酬金詳情如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 10. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE, FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT (CONTINUED)

#### (a) Directors' and chief executive's emoluments (continued)

Note:

- (i) Mr. Ernest Chen is also the chief executive of the Company.
- (ii) Mr. Leo Chen resigned as an executive director with effect from 21 July 2023.

Salaries, allowances and benefits in kind paid to or for the executive directors of the Company are generally emoluments paid or payable in respect of those persons other services in connection with the management of the affairs of the Company and its subsidiaries.

The independent non-executive directors' emoluments show above were for their services as directors of the Company.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2022: Nil).

During the year, no emoluments were paid by the Group to the directors as inducement to join or upon joining the Group, or as compensation for loss of office (2022: Nil).

#### (b) Five highest paid individuals' emoluments

The emoluments of the five highest paid individuals for the year, include three (2022: three) directors of the Company, whose emoluments are reflected in the analysis presented above. Details of emoluments paid to the remaining two (2022: two) highest paid individuals of the Group are as follows:

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 10. 董事、最高行政人員、五名最高薪酬人士及高層管理人員酬金(續)

#### (a) 董事及最高行政人員酬金(續)

附註：

- (i) 陳炳強先生亦為本公司之最高行政人員。
- (ii) 陳炳耀先生已於二零二三年七月二十一日辭任執行董事。

已付或應付本公司執行董事之薪金、津貼及實物福利通常為就該等人士就管理本公司及其附屬公司事務之其他服務而已付或應付的酬金。

上述獨立非執行董事之酬金乃就彼等擔任本公司董事之服務酬金。

年內，概無董事放棄或同意放棄任何酬金之安排(二零二二年：無)。

年內，本集團概無向董事支付酬金作為彼等加入本集團或於加入本集團時之獎勵或作為離職補償(二零二二年：無)。

#### (b) 五名最高薪酬人士酬金

年內之五名最高薪酬人士包括本公司之三名(二零二二年：三名)董事(彼等之酬金於上文呈列之分析中反映)。已付予本集團餘下兩名(二零二二年：兩名)最高薪酬人士之酬金詳情如下：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,410	495
Discretionary bonus	酌情花紅	-	194
Retirement benefit scheme contributions	退休福利計劃供款	36	19
Share-based payment	以股份為基礎之付款	49	-
		1,495	708

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 10. EMOLUMENTS OF DIRECTORS, CHIEF EXECUTIVE, FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT (CONTINUED)

#### (b) Five highest paid individuals' emoluments (continued)

The emoluments of the non-director highest paid individuals are within the following band:

		2023 二零二三年	2022 二零二二年
Nil to HK\$1,000,000	零至1,000,000港元	2	2

During the year, no emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office (2022: Nil).

#### (c) Senior managements emoluments

The number of senior management (excluding the directors of the Company) whose remuneration fell within the following bands is as follows:

		2023 二零二三年	2022 二零二二年
Nil to HK\$1,000,000	零至1,000,000港元	9	6

### 11. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax under these jurisdictions during the year (2022: Nil).

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 10. 董事、最高行政人員、五名最高薪酬人士及高層管理人員酬金(續)

#### (b) 五名最高薪酬人士酬金(續)

非董事之最高薪酬人士酬金介乎以下範圍：

		2023 二零二三年	2022 二零二二年
Nil to HK\$1,000,000	零至1,000,000港元	2	2

年內，本集團概無向任何該等五名最高薪酬人士支付酬金作為加入本集團或於加入本集團時之獎勵，或作為離職補償(二零二二年：無)。

#### (c) 高層管理人員酬金

酬金介乎以下範圍之高層管理人員(不包括本公司董事)之人數如下：

		2023 二零二三年	2022 二零二二年
Nil to HK\$1,000,000	零至1,000,000港元	9	6

### 11. 所得稅開支

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Current tax expense</b>	<b>當期稅務開支</b>		
- PRC Enterprise Income Tax ("EIT")	- 中國企業所得稅(「企業所得稅」)	5,441	4,643
<b>Deferred tax credit</b>	<b>遞延稅項抵免</b>		
- The origination and reversal of temporary differences	- 產生及撥回暫時差額	(168)	(68)
<b>Income tax expense</b>	<b>所得稅開支</b>	<b>5,273</b>	<b>4,575</b>

本集團須就本集團成員公司所處及經營所在司法權區產生或賺取之溢利，按實體基準繳納所得稅。

根據開曼群島及英屬處女群島規則及規例，本集團於年內毋須繳納該等司法權區之任何所得稅(二零二二年：無)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

## 11. INCOME TAX EXPENSE (CONTINUED)

No provision for income tax has been made for the subsidiaries incorporated in Hong Kong as the subsidiaries did not have any estimated assessable profits subject to Hong Kong Profits Tax during the year (2022: Nil).

Under the Enterprise Income Tax Law of the PRC (the "EIT Law") and the Implementation Regulation of the EIT Law, the subsidiaries operating in the PRC are subject to the tax rate of 25% (2022: 25%) on the estimated assessable profits during the year except for four (2022: four) of the subsidiaries operating in the PRC which were approved to be high and new technology enterprises ("HNTE"). Enterprise approved to be HNTE are entitled to enjoy a reduced enterprise income tax rate of 15% (2022: 15%) and additional 50% (2022: 50%) tax reduction (Tax Reduction) based on the eligible research and development expenses with a validity period of three years. The HNTE certificate needs to be renewed every three years so as to enable the respective subsidiaries to enjoy the reduced tax rate.

Income tax expense can be reconciled to the profit before income tax as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	11,530	9,067
Tax calculated at the rates applicable to profit in the tax jurisdiction concerned	按所屬稅務司法權區適用之所得稅率計算之稅項	3,954	3,469
Tax effect of concessionary tax rate	優惠稅率之稅務影響	(3,140)	(3,089)
Tax effect of non-deductible expenses	不可扣除開支之稅務影響	2,895	2,122
Tax reduction for research and development expenses	研發開支之稅務減免	(5,184)	(6,359)
Tax effect of tax losses not recognized	未確認稅務虧損之稅務影響	7,989	8,432
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(1,241)	-
Income tax expense	所得稅開支	5,273	4,575

The Group also has tax losses arising in the PRC of approximately RMB73,918,000 (2022: RMB79,722,000) that will expire in one to five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as it is not considered probable that taxable profits will be available against which these tax losses can be utilised.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 11. 所得稅開支(續)

於年內，由於香港註冊成立之附屬公司並無任何須繳納香港利得稅之估計應課稅溢利，故概無就該等附屬公司作出所得稅撥備(二零二二年：無)。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施規則，於年內，於中國營運之附屬公司須就估計應課稅溢利按25%之稅率繳稅(二零二二年：25%)，惟年內獲評定為高新技術企業(「高新技術企業」)之其中四間(二零二二年：四間)於中國營運之附屬公司則除外。獲評定為高新技術企業之企業有權享有減免企業所得稅率15%(二零二二年：15%)，並根據合資格研發開支享有額外50%(二零二二年：50%)之稅項減免(「稅項減免」)，有效期為三年。高新技術企業證書須每三年重續，以令有關附屬公司可享有減免稅率。

所得稅開支可與除所得稅前溢利作出對賬：

本集團亦於中國產生約人民幣73,918,000元(二零二二年：人民幣79,722,000元)之稅項虧損，有關稅項虧損可用於抵銷未來應課稅溢利，且將於一至五年內屆滿。由於認為很可能無法產生應課稅溢利以抵銷該等稅項虧損，本集團並未就此等虧損確認遞延稅項資產。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 12. DIVIDENDS

(a) Dividends payable to the owners of the Company attributable to the year

	2023 二零二三年	2022 二零二二年
	RMB'000 人民幣千元	RMB'000 人民幣千元
No final dividend proposed after the end of the reporting period (2022: Nil)	-	-

(b) Dividends payable to the owners of the Company attributable to previous financial year, approved and paid during the year

	2023 二零二三年	2022 二零二二年
	RMB'000 人民幣千元	RMB'000 人民幣千元
No final dividend in respect of the previous financial year, was approved and paid during the year (2022: HK3.0 cents per ordinary share)	-	10,955

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 12. 股息

(a) 應派付予本公司擁有人之本年度股息

	2023 二零二三年	2022 二零二二年
	RMB'000 人民幣千元	RMB'000 人民幣千元
No final dividend proposed after the end of the reporting period (2022: Nil)	-	-

(b) 應派付予本公司擁有人之上一財政年度股息，於年內批准並派付

	2023 二零二三年	2022 二零二二年
	RMB'000 人民幣千元	RMB'000 人民幣千元
No final dividend in respect of the previous financial year, was approved and paid during the year (2022: HK3.0 cents per ordinary share)	-	10,955

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 13. EARNINGS PER SHARE

## 13. 每股盈利

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Profit attributable to the owners of the Company (RMB'000)	本公司擁有人應佔溢利(人民幣千元)	6,214	4,492
Adjusted weighted average number of ordinary shares for the purpose of basic earnings per share (in '000)	用以計算每股基本盈利的經調整普通股加權平均數(以千計)	470,250	470,250
Effect of dilutive potential ordinary shares	潛在攤薄普通股的影響		
– share options (in'000)	— 購股權(以千計)	570	–
– share awards (in'000)	— 股份獎勵(以千計)	2,184	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share (in '000)	用於計算每股攤薄盈利的普通股加權平均數(以千計)	473,004	427,500

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the adjusted weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by adjusting the adjusted weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 31 December 2023, the dilutive potential ordinary shares of the Company are share options and share awards (2022: Nil) (Note 30). The calculations of share options is determined by the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options and share awards.

每股基本盈利按本公司擁有人應佔溢利除以年內已發行普通股經調整加權平均數計算。

每股攤薄盈利乃通過調整發行在外普通股經調整加權平均數以假設轉換所有潛在攤薄普通股計算。於二零二三年十二月三十一日，本公司的潛在攤薄普通股為購股權及股份獎勵(二零二二年：無)(附註30)。購股權的計算乃根據未行使購股權所附認購權的貨幣價值，按可按公平值(按本公司股份的平均年度市場股價釐定)收購的股份數目釐定。按上述方式計算的股份數目將與假設購股權及股份獎勵獲行使而應已發行的股份數目進行比較。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 14. PROPERTY, PLANT AND EQUIPMENT

## 14. 物業、廠房及設備

		Buildings	Plant and machinery	Furniture, fixtures and office equipment 傢俬、裝置及辦公室設備	Motor vehicles 汽車	Leasehold improvements 租賃物業裝修	Construction in progress 在建工程	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>							
At 1 January 2022	於二零二二年一月一日	55,837	52,178	13,802	6,626	1,630	181,061	311,134
Additions	添置	454	972	2,923	417	77	40,753	45,596
Transfer	轉撥	364	6,962	182	-	-	(7,508)	-
Disposal	出售	(22)	(330)	(2)	-	-	-	(354)
<b>At 31 December 2022 and 1 January 2023</b>	<b>於二零二二年十二月三十一日及二零二三年一月一日</b>	<b>56,633</b>	<b>59,782</b>	<b>16,905</b>	<b>7,043</b>	<b>1,707</b>	<b>214,306</b>	<b>356,376</b>
Additions	添置	38	4,748	1,246	1,185	-	61,949	69,166
Transfer	轉撥	359	3,445	387	108	-	(4,299)	-
Disposal	出售	-	(332)	(23)	-	-	(348)	(703)
Exchange alignment	匯兌調整	-	-	-	-	1	-	1
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>57,030</b>	<b>67,643</b>	<b>18,515</b>	<b>8,336</b>	<b>1,708</b>	<b>271,608</b>	<b>424,840</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>							
At 1 January 2022	於二零二二年一月一日	18,638	21,940	4,091	4,160	273	-	49,102
Charge for the year	年內支出	2,391	4,769	1,891	604	74	-	9,729
Elimination on disposal	出售時對銷	(4)	(45)	(2)	-	-	-	(51)
<b>At 31 December 2022 and 1 January 2023</b>	<b>於二零二二年十二月三十一日及二零二三年一月一日</b>	<b>21,025</b>	<b>26,664</b>	<b>5,980</b>	<b>4,764</b>	<b>347</b>	<b>-</b>	<b>58,780</b>
Charge for the year	年內支出	2,327	6,194	1,557	566	92	-	10,736
Elimination on disposal	出售時對銷	-	(95)	(20)	-	-	-	(115)
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>23,352</b>	<b>32,763</b>	<b>7,517</b>	<b>5,330</b>	<b>439</b>	<b>-</b>	<b>69,401</b>
<b>Net carrying amount</b>	<b>賬面淨值</b>							
At 31 December 2023	於二零二三年十二月三十一日	33,678	34,880	10,998	3,006	1,269	271,608	355,439
At 31 December 2022	於二零二二年十二月三十一日	35,608	33,118	10,925	2,279	1,360	214,306	297,596

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2023, the Group's property, plant and equipment with net carrying amount of approximately RMB29,132,000 (2022: RMB30,803,000) and RMB16,833,000 (2022: RMB2,861,000) were pledged for bank borrowings and other borrowings, respectively (Notes 22 and 23).

The Group does not have the title certificates for certain items of buildings with an aggregate net carrying amount of approximately RMB9,173,000 as at 31 December 2023 (2022: RMB9,696,000). The directors of the Company are of the opinion that the Group is entitled to lawfully and validly occupy and use the above mentioned properties and therefore the aforesaid matter does not affect the ownership rights of the Group over these assets and hence did not have any significant impact on the Group's consolidated financial position as at 31 December 2023.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 14. 物業、廠房及設備(續)

於二零二三年十二月三十一日，本集團賬面淨值約人民幣29,132,000元(二零二二年：人民幣30,803,000元)及人民幣16,833,000元(二零二二年：人民幣2,861,000元)的物業、廠房及設備已分別就銀行借款及其他借款作抵押(附註22及23)。

本集團並無持有若干樓宇項目之業權證，該等項目於二零二三年十二月三十一日之賬面淨值總額約為人民幣9,173,000元(二零二二年：人民幣9,696,000元)。本公司董事認為本集團有權合法及有效佔用及使用上述物業，故上述事宜並不影響本集團對該等資產之擁有權，因此對本集團於二零二三年十二月三十一日之綜合財務狀況並無任何重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 15. RIGHT-OF-USE ASSETS

## 15. 使用權資產

		Properties and leasehold lands in the PRC 於中國之物業及租賃土地	Machinery 機器	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Cost</b>	<b>成本</b>			
At 1 January 2022	於二零二二年一月一日	159,567	23,806	183,373
Additions	添置	344	-	344
Exchange alignment	匯兌調整	31	-	31
Expiry of lease term	租期屆滿	(362)	-	(362)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	<b>159,580</b>	<b>23,806</b>	<b>183,386</b>
Additions	添置	<b>1,822</b>	-	<b>1,822</b>
Transfer (Note)	轉撥(附註)	-	<b>(23,806)</b>	<b>(23,806)</b>
Exchange alignment	匯兌調整	<b>6</b>	-	<b>6</b>
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>161,408</b>	<b>-</b>	<b>161,408</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>			
At 1 January 2022	於二零二二年一月一日	10,787	-	10,787
Depreciation for the year	年內折舊	4,416	-	4,416
Exchange alignment	匯兌調整	20	-	20
Elimination on expiry of lease term	租期屆滿時對銷	(362)	-	(362)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	<b>14,861</b>	<b>-</b>	<b>14,861</b>
Depreciation for the year	年內折舊	<b>3,870</b>	-	<b>3,870</b>
Exchange alignment	匯兌調整	<b>12</b>	-	<b>12</b>
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>18,743</b>	<b>-</b>	<b>18,743</b>
<b>Net carrying amount</b>	<b>賬面淨值</b>			
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>142,665</b>	<b>-</b>	<b>142,665</b>
At 31 December 2022	於二零二二年十二月三十一日	144,719	23,806	168,525

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 15. RIGHT-OF-USE ASSETS (CONTINUED)

As at 31 December 2023 and 2022, the recognised right-of-use assets relate to the following types of assets:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Leasehold lands in the PRC	於中國之租賃土地	135,750	138,060
Properties	物業	6,915	6,659
Machinery	機器	-	23,806
Net carrying amount	賬面淨值	142,665	168,525

As at 31 December 2023, the Group's right-of-use assets with net carrying amount of approximately RMB80,273,000 (2022: RMB81,733,000) were pledged for bank borrowings (Note 22).

The leasehold lands in the PRC will be expired on 8 August 2044, 30 June 2052, 24 December 2064, 7 June 2068 and 30 July 2071 (2022: same), respectively.

Note: During the year ended 31 December 2023, machinery of RMB23,806,000 (2022: Nil) was transferred to property, plant and equipment.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 15. 使用權資產(續)

於二零二三年及二零二二年十二月三十一日，已確認使用權資產與以下類別的資產有關：

於二零二三年十二月三十一日，本集團賬面淨值約人民幣80,273,000元(二零二二年：人民幣81,733,000元)之使用權資產就銀行借款作為抵押(附註22)。

本集團於中國持有之租賃土地將分別於二零四四年八月八日、二零五二年六月三十日、二零六四年十二月二十四日、二零六八年六月七日及二零七一年七月三十日(二零二二年：相同日期)到期。

附註：截至二零二三年十二月三十一日止年度，人民幣23,806,000元(二零二二年：無)之機器已轉撥至物業、廠房及設備。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 16. INVESTMENT IN SUBSIDIARIES – THE COMPANY

As at 31 December 2023 and 2022, the Company has direct and indirect interests in the following principal subsidiaries, all of which are companies with limited liability. The particulars of which are set out as follows:

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 16. 於附屬公司之投資 — 本公司

於二零二三年及二零二二年十二月三十一日，本公司於下列主要附屬公司(均為有限公司)擁有直接及間接權益，當中詳情載列如下：

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/establishment 註冊成立／成立地點及日期	Particulars of issued and fully paid-up share capital/registered capital 已發行／註冊股本詳情	Attributable equity interest of the Group 本集團應佔股權		Principal activities and place of operation 主要業務及營業地點
			2023 二零二三年	2022 二零二二年	
<b>Directly held:</b> 直接持有：					
Olive Woods Investments Limited	The BVI 12 December 2017, 英屬處女群島 二零一七年十二月十二日	US\$1 1美元	100%	100%	Investment holding 投資控股
Integrity Knights Group Limited 守正集團有限公司	The BVI, 25 April 2018 英屬處女群島 二零一八年四月二十五日	US\$100 100美元	100%	100%	Investment holding 投資控股
<b>Indirectly held:</b> 間接持有：					
Guangdong Sanvo Chemical Industry Technology Limited* ("Guangdong Sanvo") (Note (b)) 廣東三和化工科技有限公司 (「廣東三和」)(附註(b))	The PRC, 9 April 2002 中國，二零零二年四月九日	RMB10,300,000 人民幣10,300,000元	100%	100%	Researching, developing, manufacturing and sales of chemical products in the PRC 於中國研究、開發、製造及銷售化學產品
Guangdong Fuvo Industrial Co., Limited* (Note (a)) 廣東卓和實業有限公司(附註(a))	The PRC, 28 October 2001 中國，二零零一年十月二十八日	RMB1,380,000 人民幣1,380,000元	100%	100%	Researching, developing, manufacturing and sales of chemical products in the PRC 於中國研究、開發、製造及銷售化學產品
Guangdong Shunde Sanvo Chemical Industry Technology Limited*(Note (b)) 廣東順德三和化工有限公司(附註(b))	The PRC, 20 March 2003 中國，二零零三年三月二十日	RMB10,380,000 人民幣10,380,000元	100%	100%	Researching, developing, manufacturing and sales of chemical products in the PRC 於中國研究、開發、製造及銷售化學產品

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 16. INVESTMENT IN SUBSIDIARIES – THE COMPANY (CONTINUED)

## 16. 於附屬公司之投資 — 本公司(續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/establishment 註冊成立/成立地點及日期	Particulars of issued and fully paid-up share capital/ registered capital 已發行/註冊股本詳情	Attributable equity interest of the Group 本集團應佔股權		Principal activities and place of operation 主要業務及營業地點
			2023 二零二三年	2022 二零二二年	
Zhongshan Minhe Chemical Industry Technology Limited* (Note (a)) 中山珉和化工科技有限公司(附註(a))	The PRC, 24 January 2013 中國, 二零一三年一月二十四日	RMB48,830,000 人民幣48,830,000元	100%	100%	Manufacturing and sales of chemical products in the PRC 於中國製造及銷售化學產品
Guangdong Sanvo Holdings Co., Limited* (Note (b)) 廣東三和控股有限公司(附註(b))	The PRC, 2 June 2000 中國, 二零零零年六月二日	RMB22,864,000 人民幣22,864,000元	100%	100%	Researching, developing, manufacturing and sales of chemical products in the PRC 於中國研究、開發、製造及銷售化學產品
Dechem Chemicals (Henan) Limited* ("Dechem Henan") (Note (a)) 德謙化工(河南)有限公司 (「德謙河南」)(附註(a))	The PRC, 27 December 2019 中國, 二零一九年十二月二十七日	RMB13,890,000 (2022: RMB7,890,000) 人民幣13,890,000元 (二零二二年: 人民幣7,890,000元)	100%	100%	Researching, developing, manufacturing and sales of chemical products in the PRC 於中國研究、開發、製造及銷售化學產品
American Sanvo Chemical Technology Holdings Limited 美國三和化工科技集團有限公司	Hong Kong, 25 May 2018 香港, 二零一八年五月二十五日	HK\$10,000 10,000港元	100%	100%	Investment holding and trading of chemical products in Hong Kong 於香港從事投資控股及化工產品貿易

Notes:

- (a) These entities are wholly-owned foreign enterprises established in the PRC.
- (b) These entities are limited liability companies established in the PRC.
- \* The English names of the companies established in the PRC represent managements translation of the Chinese names of such companies as no English names have been registered.

附註:

- (a) 該等實體為於中國成立的外商獨資企業。
- (b) 該等實體為於中國成立的有限責任公司。
- \* 由於該等於中國成立的公司並無註冊英文名稱, 該等公司的英文名稱乃由管理層根據其中文名稱翻譯所得。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 17. TRADE AND BILLS RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

## 17. 貿易及票據應收款項、其他應收款項及預付款項

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Non-current portion</b>	<b>非流動部分</b>		
Prepayments for acquisition of property, plant and equipment (Note (i))	收購物業、廠房及設備之預付款項(附註(i))	4,801	8,271
<b>Current portion</b>	<b>流動部分</b>		
Trade receivables	貿易應收款項	70,678	50,546
Less: impairment loss	減: 減值虧損	(3,518)	(2,836)
		67,160	47,710
Bills receivables	票據應收款項	3,970	6,512
Trade and bills receivables, net	貿易及票據應收款項淨額	71,130	54,222
Other receivables (Note (ii))	其他應收款項(附註(ii))	11,200	28,529
Prepayments (Note (iii))	預付款項(附註(iii))	8,420	21,170
		90,750	103,921

Notes:

- (i) It represents the amount prepaid to vendors for acquisition of property, plant and equipment which was not yet delivered as at the end of each reporting date.
- (ii) As at 31 December 2023, other receivables were mainly represented by (a) receivable of government subsidy of approximately RMB3,885,000 (2022: RMB3,885,000); (b) deposits paid to financial institutions related to other borrowings of approximately RMB1,300,000 (2022: RMB2,704,000); (c) payments to local authorities on the staffs' behalf relation to the housing allowance and social insurance of approximately RMB724,000 (2022: RMB915,000); and (d) deposits paid for business operations such as internet sales platform amounted to approximately RMB1,297,000 (2022: 4,878,000). The remaining amount of approximately RMB3,994,000 mainly represented deposits paid for services to support the Group's ordinary business.
- (iii) As at 31 December 2023, prepayments were mainly represented by the amounts prepaid to suppliers for purchase of raw materials and was amounted to approximately RMB5,185,000 (2022: RMB7,995,000). The remaining amount of approximately RMB3,235,000 mainly represented deposits and advances payments for consumable goods and equipment to support the Group ordinary business.

附註:

- (i) 其指於各報告日結束時就收購未交付物業、廠房及設備向賣方預付之金額。
- (ii) 於二零二三年十二月三十一日，其他應收款項主要指(a)應收政府補貼約人民幣3,885,000元(二零二二年：人民幣3,885,000元)；(b)就其他借款向金融機構支付的按金約人民幣1,300,000元(二零二二年：人民幣2,704,000元)；(c)代員工就住房津貼及社會保險向地方機關支付約人民幣724,000元(二零二二年：人民幣915,000元)；及(d)就業務營運(如互聯網銷售平台)支付的按金約為人民幣1,297,000元(二零二二年：人民幣4,878,000元)。餘額約人民幣3,994,000元主要指就支持本集團日常業務的服務支付款項。
- (iii) 於二零二三年十二月三十一日，預付款項主要指就購買原材料向供應商預付的金額，金額約為人民幣5,185,000元(二零二二年：人民幣7,995,000元)。餘額約人民幣3,235,000元主要指用於支持本集團日常業務的消耗品及設備的按金及預付款項。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 17. TRADE AND BILLS RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

All of the trade and bills receivables and current portion of prepayments and other receivables are expected to be recovered or recognised as expense within one year.

The credit period for trade receivables is normally 180 days (2022: same) from the date of billing for the year. The ageing analysis of trade and bills receivables based on due date and net of allowance for impairment loss, is as follows:

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Not yet past due	未逾期	61,634	52,870
Within 1 month past due	逾期一個月內	9,496	310
Over 1 month but within 3 months past due	逾期超過一個月但少於三個月	-	47
Over 3 months but within 1 year past due	逾期超過三個月但少於一年	-	299
Over 1 year past due	逾期超過一年	-	696
		71,130	54,222

Details of impairment assessment of trade receivables for the year are set out in Note 32(b).

### 18. INVENTORIES

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原料	32,581	38,067
Work in progress	在製品	8,472	8,979
Finished goods	製成品	44,647	41,652
		85,700	88,698

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 17. 貿易及票據應收款項、其他應收款項及預付款項(續)

所有貿易及票據應收款項以及預付款項及其他應收款項流動部分預期將於一年內收回或確認為開支。

於本年度，貿易應收款項之信貸期一般為發票日期起計180日(二零二二年：相同日數)。下表載列有關本集團基於到期日及扣除減值虧損撥備後之貿易及票據應收款項賬齡分析：

年內就貿易應收款項進行之減值評估之詳情載於附註32(b)。

### 18. 存貨

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 19. PLEDGED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

Cash and cash equivalents represents cash at banks and cash on hand.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

As at 31 December 2023, the Group's cash and cash equivalents amounting to approximately RMB37,214,000 (2022: RMB87,975,000) were denominated in RMB and were kept in the PRC. RMB is not freely convertible into other currencies and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC Government.

As at 31 December 2023, the Group's bank deposits of approximately RMB52,550,000 (2022: RMB29,049,000) were pledged for the issue of bills payables for the Group's purchases of raw materials (Note 20).

The pledged bank deposits and bank balances carry interests at market rates ranging as follows per annum:

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 19. 已抵押銀行存款以及現金及現金等價物

現金及現金等價物指銀行結餘及手頭現金。

銀行現金根據每日銀行存款利率計算之浮動利率賺取利息。銀行結餘存於信譽良好且近期無違約記錄之銀行。

於二零二三年十二月三十一日，本集團以人民幣計值分別約為人民幣37,214,000元(二零二二年：人民幣87,975,000元)之現金及現金等價物均存放於中國。人民幣無法自由兌為其他貨幣，而從中國匯出資金須受中國政府實施之外匯管制所規限。

於二零二三年十二月三十一日，本集團約人民幣52,550,000元(二零二二年：人民幣29,049,000元)之銀行存款已就本集團購買原材料發出之應付票據作抵押(附註20)。

已抵押銀行存款及銀行結餘按市場利率計息，年利率如下：

		2023	2022
		二零二三年	二零二二年
Pledged bank deposits	已抵押銀行存款	1.35%	1.35%
Bank balances	銀行結餘	0.00% to 0.30%	0.00% to 0.30%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 20. TRADE AND BILLS PAYABLES, ACCRUALS, CONTRACT LIABILITIES AND OTHER PAYABLES

### 20. 貿易及票據應付款項、應計費用、合約負債及其他應付款項

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables (Note (i))	貿易應付款項(附註(i))	137,665	118,944
Bills payables (Note (ii))	票據應付款項(附註(ii))	69,318	63,539
Accrued expenses	應計開支	2,457	1,577
Accrued employee benefit expenses	應計僱員福利開支	25,825	22,688
Deferred income – current portion (Note 24)	遞延收入 – 流動部分(附註24)	38	38
Contract liabilities (Note (iii))	合約負債(附註(iii))	9,604	43,459
Other payables (Note (iv))	其他應付款項(附註(iv))	39,575	53,927
Provision of sales discounts (Note (v))	計提銷售折扣(附註(v))	12,045	8,315
		<b>296,527</b>	<b>312,487</b>

Notes:

- (i) The credit period granted from suppliers of the Group is ranging from 30 to 90 days (2022: 30 to 90 days) for the year. The ageing analysis of trade payables based on invoice date is as follows:

附註：

- (i) 年內本集團供應商所授出之信貸期介乎30至90日(二零二二年：30至90日)。按發票日期之貿易應付款項賬齡分析如下：

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 month	一個月內	125,467	109,874
Over 1 month but less than 3 months	超過一個月但少於三個月	8,175	3,998
Over 3 months but less than 1 year	超過三個月但少於一年	1,732	1,818
Over 1 year	超過一年	2,291	3,254
		<b>137,665</b>	<b>118,944</b>

- (ii) At 31 December 2023, bills payables of approximately RMB69,318,000 (2022: RMB63,539,000) were secured by pledged bank deposits (Note 19).

- (ii) 於二零二三年十二月三十一日，約人民幣69,318,000元之票據應付款項(二零二二年：人民幣63,539,000元)由已抵押銀行存款作為抵押(附註19)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 20. TRADE AND BILLS PAYABLES, ACCRUALS, CONTRACT LIABILITIES AND OTHER PAYABLES (CONTINUED)

Notes: (continued)

- (iii) Contract liabilities represent billings in advance of performance relating to the sales of fine industrial chemical products.

When the Group receives a deposit before the products are delivered to the customers, this will give rise to contract liabilities at the start of a contract, until revenue recognised exceeds the amount of the deposit. Except for major customers such as regional distributors, the Group typically receives full deposits on acceptance of orders from all other customers, including new customers. The amount of the deposit, if any, is negotiated on a case by case basis.

The following table shows the opening and closing balances of contract liabilities for each reporting period and how much of the revenue recognised during each reporting period relates to carried-forward contract liabilities:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
At the beginning of the year	於年初	43,459	11,682
At the end of the year	於年末	9,604	43,459
Revenue recognised that was included in the contract liability balance at the beginning of the year	計入年初合約負債結餘之已確認收益	43,459	10,573

As at 31 December 2023, contract liabilities have decreased by approximately RMB33,856,000 (2022: increased by RMB31,778,000) which was due to the decrease in customers' deposits.

- (iv) As at 31 December 2023, balance of other payables was mainly represented by (a) approximately RMB9,868,000 payables for transportation and advertising services; (b) approximately RMB4,441,000 payables for acquisitions of property, plant and equipment; and (c) approximately RMB7,267,000 of value-added tax payable in the PRC.

As at 31 December 2022, balance of approximately RMB5,000,000, included in other payables, represented the amount due to a director, Mr. Ernest Chen. The amount was non-trade in nature, interest-free, unsecured, and repayable on demand. The amount was fully repaid during the year.

- (v) Sales discounts are offered to the customers when the customers meet the predetermined annual sales target. The customers can utilise these sales discounts from future purchases from the Group.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 20. 貿易及票據應付款項、應計費用、合約負債及其他應付款項(續)

附註：(續)

- (iii) 合約負債指就銷售精細化工產品於履約前預先收取之款項。

當本集團於產品交付予客戶前收取按金時，此舉將會於合約開始時產生合約負債，直至已確認收益超過按金金額。除區域分銷商等主要客戶之外，本集團一般就接受所有客戶之訂單收取全額按金。按金金額(如有)乃按個別基準經磋商後釐定。

下表列示於各報告期合約負債之期初及期末結餘以及於各報告期已確認收益與轉入合約負債之相關程度：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
At the beginning of the year	於年初	43,459	11,682
At the end of the year	於年末	9,604	43,459
Revenue recognised that was included in the contract liability balance at the beginning of the year	計入年初合約負債結餘之已確認收益	43,459	10,573

於二零二三年十二月三十一日，合約負債減少約人民幣33,856,000元(二零二二年：增加人民幣31,778,000元)，乃由於客戶按金減少。

- (iv) 於二零二三年十二月三十一日，其他應付款項結餘主要指(a)運輸及廣告服務應付款項約人民幣9,868,000元；(b)收購物業、廠房及設備的應付款項約人民幣4,441,000元；及(c)於中國應付增值稅約人民幣7,267,000元。

於二零二二年十二月三十一日，計入其他應付款項的結餘約人民幣5,000,000元指應付董事陳炳強先生之款項。該款項為非貿易性質、免息、無抵押及須按要求償還。該筆款項已經悉數償還。

- (v) 當客戶達到預定年度銷售目標時，則會向客戶提供銷售折扣。客戶可於未來向本集團進行購買時動用該等銷售折扣。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 21. LEASE LIABILITIES

The following table shows the remaining contractual matures of the Group's lease liabilities at the end of current and prior years:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Total minimum lease payments	最低租賃款項總額		
Within one year	一年內	2,160	8,260
Within a period of over one year but within two years	超過一年但不多於兩年期間內	1,633	2,429
Within a period of over two years but within five years	超過兩年但不多於五年期間內	3,479	3,452
Within a period of over five years	多於五年期間內	11,681	12,861
		18,953	27,002
Less: total future interest expenses	減：未來利息總開支	(8,341)	(9,201)
Present value of lease liabilities	租賃負債現值	10,612	17,801
Less: portion classified as current liabilities	減：分類為流動負債之部分	(1,597)	(7,369)
Non-current liabilities	非流動負債	9,015	10,432

The following amounts relating to leases were recognised in the consolidated profit or loss during the year:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Depreciation charge of right-of-use assets (Note 15)	使用權資產之折舊開支(附註15)	3,870	4,416
Interest expenses included in finance costs (Note 8)	計入融資成本之利息開支(附註8)	707	1,394
Expense relating to short-term leases (included in administrative expenses)	短期租賃相關開支(計入行政開支)	654	1,652
		5,231	7,462

The total financing cash outflow for right-of-use assets during the year was approximately RMB17,488,000 (2022: RMB10,298,000).

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 21. 租賃負債

下表顯示本集團租賃負債於本年度及過往年度末之剩餘合約年期：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Total minimum lease payments	最低租賃款項總額		
Within one year	一年內	2,160	8,260
Within a period of over one year but within two years	超過一年但不多於兩年期間內	1,633	2,429
Within a period of over two years but within five years	超過兩年但不多於五年期間內	3,479	3,452
Within a period of over five years	多於五年期間內	11,681	12,861
		18,953	27,002
Less: total future interest expenses	減：未來利息總開支	(8,341)	(9,201)
Present value of lease liabilities	租賃負債現值	10,612	17,801
Less: portion classified as current liabilities	減：分類為流動負債之部分	(1,597)	(7,369)
Non-current liabilities	非流動負債	9,015	10,432

於年內，以下有關租賃之款項已於綜合損益表確認：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Depreciation charge of right-of-use assets (Note 15)	使用權資產之折舊開支(附註15)	3,870	4,416
Interest expenses included in finance costs (Note 8)	計入融資成本之利息開支(附註8)	707	1,394
Expense relating to short-term leases (included in administrative expenses)	短期租賃相關開支(計入行政開支)	654	1,652
		5,231	7,462

年內之使用權資產之融資現金流出總額約為人民幣17,488,000元(二零二二年：人民幣10,298,000元)。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 22. BANK BORROWINGS

## 22. 銀行借款

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Current</b>	<b>流動</b>		
bank borrowings – secured (Note)	銀行借款 — 有抵押(附註)	75,695	109,772
bank borrowings – unsecured (Note)	銀行借款 — 無抵押(附註)	34,900	31,600
		110,595	141,372
<b>Non-current</b>	<b>非流動</b>		
bank borrowings – secured (Note)	銀行借款 — 有抵押(附註)	81,423	64,517
bank borrowings – unsecured (Note)	銀行借款 — 無抵押(附註)	-	16,600
		81,423	81,117
		192,018	222,489

Note: As at 31 December 2023, interests were charged in the range of 3.70% to 5.50% (2022: 3.80% to 6.32%) per annum.

附註：於二零二三年十二月三十一日，年利率介乎3.70%至5.50%（二零二二年：3.80%至6.32%）。

At 31 December 2023 and 2022, total current and non-current bank borrowings were scheduled to be repaid as follows:

於二零二三年及二零二二年十二月三十一日，流動及非流動銀行借款總額之還款期如下：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within one year	一年內	110,595	141,372
Within a period of over one year but within two years	多於一年但不多於兩年期間內	8,908	25,508
Within a period of over two years but within five years	多於兩年但不多於五年期間內	52,555	26,723
Within a period of over five years	多於五年期間內	19,960	28,886
		192,018	222,489

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 22. BANK BORROWINGS (CONTINUED)

At the end of each reporting period, the Group's bank borrowings were secured by the following assets:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment (Note 14)	物業、廠房及設備(附註14)	29,132	30,803
Right-of-use assets (Note 15)	使用權資產(附註15)	80,273	81,733

As at 31 December 2023 and 2022, all the Group's bank borrowings were also guaranteed by certain subsidiaries of the Company.

### 23. OTHER BORROWINGS

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Current</b>	<b>即期</b>		
Other borrowings – secured (Note)	其他借款 — 有抵押(附註)	12,767	3,583
<b>Non-current</b>	<b>非即期</b>		
Other borrowings – secured (Note)	其他借款 — 有抵押(附註)	15,403	–
		<b>28,170</b>	<b>3,583</b>

Note: As at 31 December 2023, interest is charged at 6.44% (2022: 6.45%) per annum.

In September 2020, the Group entered into two agreements with an independent financing company, pursuant to which Group had agreed to transfer the ownerships of certain machineries (the "Machineries") to the financing company as disclosed in Note 14, at an aggregated consideration of approximately RMB38,331,000 and lease back the Machineries for a period of 3 years, subject to the terms and conditions of the agreements. The financing company would return the ownerships of the Machineries to the Group upon completion of the transactions. In the opinion of the directors of the Company, despite the agreements involved the legal form of leases, the transfer of legal title of the Machineries did not satisfy the requirement of IFRS 15 to be accounted for as a sale of the Machineries and hence, the Group accounted for the proceeds received as collateralised loans. The relevant loans were fully repaid during the current year.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 22. 銀行借款(續)

於各報告期末，本集團之銀行借款由下列資產作為抵押：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment (Note 14)	物業、廠房及設備(附註14)	29,132	30,803
Right-of-use assets (Note 15)	使用權資產(附註15)	80,273	81,733

於二零二三年及二零二二年十二月三十一日，本集團之銀行借款亦由本公司之若干附屬公司作出擔保。

### 23. 其他借款

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Current</b>	<b>即期</b>		
Other borrowings – secured (Note)	其他借款 — 有抵押(附註)	12,767	3,583
<b>Non-current</b>	<b>非即期</b>		
Other borrowings – secured (Note)	其他借款 — 有抵押(附註)	15,403	–
		<b>28,170</b>	<b>3,583</b>

附註：於二零二三年十二月三十一日，按年利率為6.44%（二零二二年：6.45%）計息。

於二零二零年九月，本集團與獨立財務公司訂立兩項新協議，據此，誠如附註14所披露，本集團已同意將若干機器（「該等機器」）之擁有權轉讓予該等財務公司，總代價約為人民幣38,331,000元，其後租回該等機器，為期3年，惟受該等協議之條款及條件所限。該等財務公司將於該等交易完成後向本集團交回該等機器之擁有權。本公司董事認為，儘管該等協議涉及法定形式之租賃，惟轉讓該等機器之法律擁有權並不符合國際財務報告準則第15號之規定以入賬列作銷售該等機器，因此，本集團將所收取之所得款項入賬列作抵押貸款。相關貸款已於本年度悉數償還。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 23. OTHER BORROWINGS (CONTINUED)

In January 2023, the Group has entered into two new agreements with the same independent financing company for aggregated loans of RMB38,300,000. Terms of the agreement are similar to the previous agreements whereby the Group has agreed to transfer the ownership of certain machineries to the financing company as disclosed in Note 14, and lease back these machineries for a period of 3 years, subject to the terms and conditions of the agreements. The related finance costs for arranging the loans amounted to RMB480,000 was accounted for as non-current and be amortised to profit or loss for a period of 3 years to in line with the terms of the loans. For the year ended 31 December 2023, finance costs of approximately RMB133,000 was charged to profit or loss and included under interest on other borrowings (Note 8).

At 31 December 2023, total current and non-current other borrowings were scheduled to be repaid as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within one year	一年內	12,767	3,583
Within a period of over one year but within two years	超過一年但不多於兩年期間內	12,767	-
More than two years, but not exceeding five years	超過兩年但不超過五年	2,636	-
		<b>28,170</b>	<b>3,583</b>

At the end of each reporting period, the Group's other borrowings were secured by the following assets:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment (Note 14)	物業、廠房及設備(附註14)	16,833	2,861

As at 31 December 2023, all the Group's other borrowings were guaranteed by certain subsidiaries of the Company.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 23. 其他借款(續)

於二零二三年一月，本集團與同一獨立財務公司訂立兩份新協議，貸款總額為人民幣38,300,000元。該協議的條款與過往協議類似，據此，本集團已同意將若干機器的所有權轉讓予財務公司(如附註14所披露)，並租回該等機器，為期三年，惟須受該等協議的條款及條件所規限。安排貸款的相關融資成本人民幣480,000元入賬列作非流動，並根據貸款條款於3年內攤銷至損益。截至二零二三年十二月三十一日止年度，融資成本約人民幣133,000元已於損益扣除，並計入其他借款利息(附註8)。

於二零二三年十二月三十一日，流動及非流動其他借款總額之還款期如下：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within one year	一年內	12,767	3,583
Within a period of over one year but within two years	超過一年但不多於兩年期間內	12,767	-
More than two years, but not exceeding five years	超過兩年但不超過五年	2,636	-
		<b>28,170</b>	<b>3,583</b>

於各報告期末，本集團之其他借款由下列資產作為抵押：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment (Note 14)	物業、廠房及設備(附註14)	16,833	2,861

於二零二三年十二月三十一日，本集團之其他借款由本公司之若干附屬公司作出擔保。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 24. DEFERRED INCOME

## 24. 遞延收入

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Government subsidy arising from the acquisition of leasehold lands in the PRC	產生自收購中國租賃土地的政府補貼	5,494	5,532
<b>Represented by:</b>	<b>代表：</b>		
Current portion (Note 20)	流動部分(附註 20)	38	38
Non-current portion	非流動部分	5,456	5,494
		<b>5,494</b>	<b>5,532</b>

The Group has land use right in respect of a piece of leasehold land in the PRC, included in right-of-use assets, for building a new factory in Zhongshan City. Zhongshan City government provided subsidy as a reward when Zhongshan Minhe Chemical Industry Technology Limited, a subsidiary of the Company, completed the filling work on the land within 12 months after the commencement date of the lease. The filling work was completed as scheduled and the Group received the subsidy of approximately RMB1,914,000 in prior years.

During the year ended 31 December 2021, the Group also acquired land use right in respect of a piece of leasehold land in the PRC, included in right-of-use assets, for building a new factory in Puyang City, through acquisition of subsidiaries. Puyang City government provided subsidy as a reward when the piece of leasehold land was fully paid. The payment of the leasehold land was settled as scheduled and the Group included the subsidy receivable of approximately RMB3,885,000 in other receivables as at 31 December 2021.

Deferred income is amortised and recognised in the consolidated profit or loss over the lease terms of the above leasehold lands.

本集團於中國一塊租賃土地擁有土地使用權(計入使用權資產當中)，以在中山市建設新廠房。本公司之附屬公司中山市珉和化工科技有限公司於收購後12個月內完成該土地上之平整工程時，中山市政府提供補助作獎勵。該平整工程如期完成，本集團於過往年度已收取約人民幣1,914,000元之補助。

於截至二零二一年十二月三十一日止年度，本集團亦透過收購附屬公司收購中國一塊租賃土地之土地使用權(計入使用權資產)，以在濮陽市建設新廠房。於租賃土地款項獲悉數支付後，濮陽市政府提供補貼作為獎勵。租賃土地款項已按計劃結清，本集團於二零二一年十二月三十一日將該筆應收補貼約人民幣3,885,000元計入其他應收款項。

遞延收入於上述租賃土地之租賃期內攤銷，並於綜合損益內確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 25. DEFERRED TAX ASSETS/(LIABILITIES)

Details of the deferred tax assets/(liabilities) recognised and movements during the year are as follows:

#### Deferred tax assets

		Credit loss allowance 信貸虧損撥備
		RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	551
Debited to consolidated profit or loss for the year (Note 11)	於年內綜合損益扣除(附註11)	(49)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	<b>502</b>
Credited to consolidated profit or loss for the year (Note 11)	計入年內綜合損益(附註11)	<b>102</b>
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>604</b>

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 25. 遞延稅項資產/(負債)

年內已確認遞延稅項資產/(負債)及變動之詳情如下:

#### 遞延稅項資產

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 25. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

#### Deferred tax liabilities

		Revaluation surplus arising from business combinations 自業務合併產生之重估盈餘	Accelerated tax depreciation 加速稅項折舊	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	(2,467)	(306)	(2,773)
Credited to consolidated profit or loss for the year (Note 11)	計入年內綜合損益(附註11)	107	10	117
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	(2,360)	(296)	(2,656)
Credited to consolidated profit or loss for the year (Note 11)	計入年內綜合損益(附註11)	55	11	66
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>(2,305)</b>	<b>(285)</b>	<b>(2,590)</b>

Pursuant to the EIT Law, 10% withholding tax is imposed on dividends declared in respect of profits earned from 1 January 2008 onwards to non-PRC tax resident investors for the companies established in the PRC. As at 31 December 2023 and 2022, all the PRC subsidiaries are directly or indirectly held by non-PRC tax resident investors. As such, temporary withholding tax differences relating to the undistributed profits of the PRC subsidiaries amounted to approximately RMB210,997,000 (2022: RMB213,700,000) as at 31 December 2023.

As at 31 December 2023, deferred tax liabilities of approximately RMB21,100,000 (2022: RMB21,370,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained earnings, as the Company is in a position to control the dividend policy of the PRC subsidiaries and it has been determined that it is probable that undistributed profits of the PRC subsidiaries will not be distributed in the foreseeable future.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 25. 遞延稅項資產/(負債)(續)

#### 遞延稅項負債

		Revaluation surplus arising from business combinations 自業務合併產生之重估盈餘	Accelerated tax depreciation 加速稅項折舊	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	(2,467)	(306)	(2,773)
Credited to consolidated profit or loss for the year (Note 11)	計入年內綜合損益(附註11)	107	10	117
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	(2,360)	(296)	(2,656)
Credited to consolidated profit or loss for the year (Note 11)	計入年內綜合損益(附註11)	55	11	66
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>(2,305)</b>	<b>(285)</b>	<b>(2,590)</b>

根據企業所得稅法，自二零零八年一月一日起，就於中國成立之公司賺取溢利向非中國稅務居民宣派之股息須繳納10%預扣稅。於二零二三年及二零二二年十二月三十一日，所有中國附屬公司均由非中國稅務居民投資者直接或間接持有。因此，於二零二三年十二月三十一日，有關中國附屬公司未分派溢利之暫時預扣稅差額約為人民幣210,997,000元(二零二二年：人民幣213,700,000元)。

於二零二三年十二月三十一日，遞延稅項負債約人民幣21,100,000元(二零二二年：人民幣21,370,000元)尚未就分派該等保留盈利而須繳付之稅項確認，原因為本公司能夠控制中國附屬公司之股息政策，且已認定於可見將來分派中國附屬公司之未分派溢利之可能性不大。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 26. SHARE CAPITAL

## 26. 股本

		Number of shares 股份數目	Share capital 股本
			RMB'000 人民幣千元
Ordinary shares of HK\$0.01 each	每股普通股0.01港元		
Authorised:	法定：		
At 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	於二零二二年一月一日、二零二二年十二月三十一日、二零二三年一月一日及二零二三年十二月三十一日	1,500,000,000	13,387
Issued and fully paid:	已發行及繳足：		
At 1 January 2022, 31 December 2022, 1 January 2023	於二零二二年一月一日、二零二二年十二月三十一日、二零二三年一月一日	427,500,000	3,792
Issue of shares upon bonus issue	發行紅股後發行股份	42,750,000	392
<b>At 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>	<b>470,250,000</b>	<b>4,184</b>

On 30 June 2023, a bonus issue on the basis of one (1) bonus share for every ten (10) existing shares held by the Shareholders whose names appeared on the register of members of the Company on 11 July 2023 (the "Bonus Issue") was approved by passing a resolution by the Shareholders at annual general meeting of the Company, and 42,750,000 bonus shares were allotted and issued pursuant to the Bonus Issue on 18 July 2023.

All the shares issued during the year ended 31 December 2023 rank pari passu with the then existing shares in all respects.

於二零二三年六月三十日，股東於本公司股東週年大會上通過決議案批准按於二零二三年七月十一日名列本公司股東名冊之股東每持有十(10)股股份獲發一(1)股紅股之基準進行紅股發行(「紅股發行」)，並於二零二三年七月十八日根據紅股發行配發及發行42,750,000股紅股。

截至二零二三年十二月三十一日止年度發行的所有股份在所有方面與當時現有股份享有同等地位。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

## 27. RESERVES

Details of the movements on the Group's reserves are as set out in the consolidated statement of changes in equity. Details of the movements on the Company's reserves are set out as below:

		Share premium	Capital reserve	Translation reserve	Share option and share award reserve	Accumulated losses	Total
		股份溢價	資本儲備	匯兌儲備	購股權及股份獎勵儲備	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
Balance at 1 January 2022	於二零二二年一月一日之結餘	75,932	33,184	(6,772)	-	(32,824)	69,520
Loss for the year	年內虧損	-	-	-	-	(7,163)	(7,163)
Other comprehensive income:	其他全面收益：						
Exchange differences arising on translation	換算產生之匯兌差額	-	-	5,679	-	-	5,679
Total comprehensive loss for the year	年內全面虧損總額	-	-	5,679	-	(7,163)	(1,484)
2021 final dividends (Note 12)	二零二一年末期股息(附註12)	(10,955)	-	-	-	-	(10,955)
Balance at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日之結餘	64,977	33,184	(1,093)	-	(39,987)	57,081
Loss for the year	年內虧損	-	-	-	-	(12,544)	(12,544)
Other comprehensive income:	其他全面收益：						
Exchange differences arising on translation	換算產生之匯兌差額	-	-	787	-	-	787
Total comprehensive loss for the year	年內全面虧損總額	-	-	787	-	(12,544)	(11,757)
Issue of shares upon bonus issue (Note 26)	發行紅股後發行股份(附註26)	(392)	-	-	-	-	(392)
Recognition of equity-settled share-based payments in relation to share option (Note 30(a))	就購股權確認以股權結算以股份為基礎的付款(附註30(a))	-	-	-	5,383	-	5,383
Recognition of equity-settled share-based payments in relation to share award (Note 30(b))	就股份獎勵確認以股權結算以股份為基礎的付款(附註30(b))	-	-	-	328	-	328
<b>Balance at 31 December 2023</b>	於二零二三年十二月三十一日之結餘	<b>64,585</b>	<b>33,184</b>	<b>(306)</b>	<b>5,711</b>	<b>(52,531)</b>	<b>50,643</b>

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 27. 儲備

有關本集團儲備變動之詳情載於綜合權益變動表。有關本公司儲備變動之詳情載列如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 27. RESERVES (CONTINUED)

#### Share premium

The share premium account of the Group and the Company includes the premium arising from the issue of new shares pursuant to the Listing.

#### Capital reserve

The capital reserve represents contribution by Mr. Ernest Chen by capitalised his amount due from the Group in prior year.

#### Translation reserve

Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of the Company and certain subsidiaries whose functional currencies are different from the presentation currency of the consolidated financial statements.

#### Share option and share award reserves

##### (a) Share option reserve

Cumulative expenses recognised on the granting of share options over the vesting period.

##### (b) Share award reserve

Cumulative expenses recognised on the share award over the vesting period.

#### Other reserves

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 27. 儲備(續)

#### 股份溢價

本集團及本公司之股份溢價賬包括根據上市發行新股份所產生之溢價。

#### 資本儲備

資本儲備為陳炳強先生於過往年度將其應收本集團的款項資本化的注資。

#### 匯兌儲備

匯兌儲備包括因功能貨幣與綜合財務報表之呈列貨幣不同而換算本公司及若干附屬公司之財務報表所產生之所有外匯差額。

#### 購股權及股份獎勵儲備

##### (a) 購股權儲備

於歸屬期內就授出購股權確認的累計開支。

##### (b) 股份獎勵儲備

於歸屬期內就股份獎勵確認的累計開支。

#### 其他儲備

		Statutory surplus reserve 法定盈餘儲備	Safety reserve 安全儲備	Total 總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January 2022	於二零二二年一月一日之結餘	10,129	27,942	38,071
Appropriation to safety reserve	轉撥至安全儲備	-	12,165	12,165
Utilisation of safety reserve	動用安全儲備	-	(2,895)	(2,895)
Appropriation to statutory surplus reserve*	轉撥至法定盈餘儲備*	-	-	-
Balance at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日之結餘	10,129	37,212	47,341
Appropriation to statutory reserve	轉撥至法定儲備	4,756	-	4,756
Appropriation to safety reserve	轉撥至安全儲備	-	13,129	13,129
Utilisation of safety reserve	動用安全儲備	-	(3,477)	(3,477)
Appropriation to statutory surplus reserve*	轉撥至法定盈餘儲備*	-	-	-
<b>Balance at 31 December 2023</b>	<b>於二零二三年十二月三十一日之結餘</b>	<b>14,885</b>	<b>46,864</b>	<b>61,749</b>

\* Certain subsidiaries of the Group registered in the PRC have appropriated the statutory surplus reserve which reached 50% of the respective registered capital already.

\* 本集團於中國註冊的若干附屬公司已將法定盈餘儲備轉撥，達到各自註冊資本的50%。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 27. RESERVES (CONTINUED)

#### Statutory surplus reserve

In accordance with the Company Law of the PRC, the Company's subsidiaries registered in the PRC are required to appropriate 10% of the annual statutory profit after tax (after offsetting any prior years' losses) determined in accordance with generally accepted accounting principles in the PRC to the statutory surplus reserve until the balance of the reserve fund reaches 50% of the entity's registered capital. The statutory surplus reserve can be utilised to offset prior years' losses and may be capitalised as registered capital, provided that the remaining balance of the statutory surplus reserve fund after such issue is no less than 25% of registered capital.

#### Safety reserve

Pursuant to certain regulations issued by the Ministry of Finance and the State Administration of Work Safety, certain subsidiaries are required to set aside an amount to a safety reserve at different rates ranging from 0.5% to 4% per annum of the total revenue recognised during the year. The reserve can be utilised for improvements of safety on production.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 27. 儲備(續)

#### 法定盈餘儲備

根據中國公司法，本公司於中國註冊之附屬公司須將按中國公認會計原則釐定之稅後年度法定溢利(經抵銷任何過往年度虧損後)之10%撥入法定盈餘儲備，直至儲備資金結餘達到實體註冊資本50%為止。法定盈餘儲備可用於抵銷過往年度虧損或增加資本，惟法定盈餘儲備餘額不得低於註冊資本之25%。

#### 安全儲備

根據財政部和國家安全生產監督管理總局頒佈之若干規定，若干附屬公司須每年按介乎年內已確認總收益之0.5%至4%之比率提取一筆金額作為安全儲備。該儲備可用於改善生產安全。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 28. COMMITMENTS

#### (a) Capital Commitments

- i) Capital expenditures contracted for but not yet incurred at the end of each reporting period are as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	152,068	69,399

As at 31 December 2023, the capital commitments as disclosed above were mainly represented by the construction contracts entered into by the Group for several of its projects under construction in progress.

- ii) As at 31 December 2023, the Group has commitment in respect of an agreement entered into in the prior years with the PRC government authority, whereas the Group was committed to complete the construction work of a factory within the scheduled time table for the leasehold land located in Zhongshan City, Guangdong Province (the "Zhongshan Project"). The Group would be subject to penalty if it failed to fulfill the scheduled deadline. According to the terms of the agreement, the Group is committed to invest property, plant and equipment of RMB220,000,000 in total in the Zhongshan Project. As at 31 December 2023, the remaining capital commitment for this agreement amounted to approximately RMB177,802,000 (2022: RMB182,272,000), within which, approximately RMB13,758,000 has already contracted for and included in capital commitments as shown in note (i) above.

Due to the dispute with the main contractor for the construction works in the Zhongshan Project and the subsequent litigations thereof as disclosed in Note 35, the Group has decided to suspend the progress of its construction until the fully settlement of all litigations with the main contractor.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 28. 承擔

#### (a) 資本承擔

- i) 於各報告期末已訂約但未產生的資本支出如下：

於二零二三年十二月三十一日，上文所披露的資本承擔主要指本集團就其若干在建項目訂立的建築合約。

- ii) 於二零二三年十二月三十一日，本集團就過往年度與中國政府機關訂立的協議作出承諾，而本集團承諾於預定時間表內完成位於廣東省中山市的租賃土地（「中山項目」）的工廠建設工程。如本集團未能履行預定截止時間，則其須受懲處。根據協議條款，本集團承諾於中山項目投資物業、廠房及設備合共人民幣220,000,000元。於二零二三年十二月三十一日，該協議的剩餘資本承擔約為人民幣177,802,000元（二零二二年：人民幣182,272,000元），其中約人民幣13,758,000元已訂約並計入上文附註(i)所示的資本承擔。

誠如附註35所披露，由於就中山項目的建設工程與總承建商發生糾紛及其後續訴訟，本集團已決定暫停其建設進度，直至與總承建商悉數解決所有訴訟為止。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 28. COMMITMENTS (CONTINUED)

#### (b) Lease commitments

##### The Group as the lessee

At 31 December 2023, the Group had commitment for short-term lease in respect of properties which fall due as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within 1 year	一年內	283	491

The Group leases leasehold land, motor vehicles and properties for an initial period of one year, without option to renew the lease term at expiry date. The corresponding lease commitment, which was not recognized as lease liabilities was set out above. None of the above lease include variable lease payments.

### 29. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the consolidated financial statements, the Group has the following transactions with its related parties in the normal course of its business and mutually agreed between both parties:

#### (a) Recurring transactions

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Rent paid to Mr. Ernest Chen (Note (i))	已向陳炳強先生支付之租金(附註(i))	1,920	1,920
Purchase of red wine from a related company (Note (ii))	向一間關聯公司購買紅酒(附註(ii))	500	797

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 28. 承擔(續)

#### (b) 租賃承擔

##### 本集團作為承租人

於二零二三年十二月三十一日，本集團有關短期物業租賃之承擔到期情況如下：

本集團租用租賃土地、汽車及物業，初步為期一年，於屆滿日期並無續租選擇權。未確認為租賃負債之相應租賃承擔載於上文。上述租賃概不包括可變租賃付款。

### 29. 關連方交易

除綜合財務報表其他部分所披露者外，本集團於其一般業務過程中與其關連方訂有以下共同協定之交易：

#### (a) 經常性交易



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 29. RELATED PARTY TRANSACTIONS (CONTINUED)

#### (a) Recurring transactions (Continued)

(i) The Group rents two (2022: two) properties from Mr. Ernest Chen with a lease term of 2 to 10 years (2022: 1 to 10 years) with annual rent payment of RMB1,920,000 (2022: RMB1,920,000). One of the leased property with a lease term of 10 years (2022: 10 years) are recognised as right-of-use assets with net carrying amount of RMB5,579,000 (2022: RMB6,323,000), with respective lease liabilities of RMB5,931,000 (2022: RMB6,558,000) as at 31 December 2023. Another leased property with a lease term of 2 years (signed on June 1 2023) are recognised as right-of-use assets with net carrying amount of RMB1,291,000, with respective lease liabilities of RMB1,386,000 as at 31 December 2023.

(ii) Mr. Ernest Chen and Mr. Leo Chen, executive directors of the Company, are the beneficiary owners of this related company.

#### (b) Key management personnel remuneration

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the directors of the Company. Key management personnel remuneration is as follows:

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 29. 關連方交易(續)

#### (a) 經常性交易(續)

(i) 本集團向陳炳強先生租用兩項(二零二二年: 兩項)物業, 租期為2至10年(二零二二年: 1至10年), 年租為人民幣1,920,000元(二零二二年: 人民幣1,920,000元)。其中一項租期為10年(二零二二年: 10年)的租用物業確認為使用權資產, 賬面淨值為人民幣5,579,000元(二零二二年: 人民幣6,323,000元), 於二零二三年十二月三十一日的相關租用負債為人民幣5,931,000元(二零二二年: 人民幣6,558,000元)。另一項租期為2年(於二零二三年六月一日簽訂)的租用物業確認為使用權資產, 賬面淨值為人民幣1,291,000元, 於二零二三年十二月三十一日的相關租用負債為人民幣1,386,000元。

(ii) 本公司執行董事陳炳強先生及陳炳耀先生為該關聯公司之實益擁有人。

#### (b) 主要管理人員薪酬

主要管理人員指擔任有權力及負責直接或間接計劃、指導及控制本集團活動之職位之該等人士, 包括本公司董事。主要管理人員之酬金如下:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Fees, salaries, allowances and benefits in kind	薪金、津貼及實物福利	4,699	4,915
Discretionary bonus	酌情花紅	144	713
Retirement benefit scheme contributions	退休福利計劃供款	138	118
Share-based payment	以股份為基礎之付款	1,492	—
		<b>6,473</b>	<b>5,746</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 30. EQUITY-SETTLED SHARE-BASED PAYMENTS

#### (a) Share option scheme

Pursuant to a resolution passed by the Company's shareholders at annual general meeting held on 13 December 2019, the Company adopted a share option scheme and, in order to align with the amendments to Chapter 17 of the Listing Rules taking effect from 1 January 2023, amended its terms on 30 June 2023 (the "**Amended 2019 Share Option Scheme**").

Particulars of the Amended 2019 Share Option Scheme are set out bellows:

#### **Purpose**

The Amended 2019 Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions of the Eligible Participants (as defined in the below paragraph) to the Group. The Amended 2019 Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) motivating the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attracting or retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 30. 以權益結算以股份為基礎之付款

#### (a) 購股權計劃

根據本公司股東於二零一九年十二月十三日舉行的股東週年大會上通過的決議案，本公司採納一項購股權計劃，並為配合自二零二三年一月一日起生效的上市規則第17章的修訂，於二零二三年六月三十日修訂其條款（「**經修訂二零一九年購股權計劃**」）。

經修訂二零一九年購股權計劃的詳情載列如下：

#### **目的**

經修訂二零一九年購股權計劃為認可及承認合資格參與者（定義見下段）對本集團之貢獻而設立之一項股份獎勵計劃。經修訂二零一九年購股權計劃將為合資格參與者提供於本公司擁有個人權益之機會，並旨在達成下列目標：

- (i) 鼓勵合資格參與者以本集團利益作出彼等之最佳表現及效率；及
- (ii) 吸納或挽留作出對本集團長遠發展有所裨益或將會有所裨益之貢獻之合資格參與者或以其他方式維持與其持續之業務關係。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 30. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

#### (a) Share option scheme (Continued)

##### Purpose (Continued)

Subject to earlier termination by the Company in general meeting, the Amendment 2019 Share Option Scheme shall be valid and effective for a period of ten (10) years from the date of adoption of the 2019 Share Option Scheme (i.e. 13 December 2019).

##### Eligible Participants

The Board of Directors (the "Board") may, at its discretion, from time to time, taking into account their (i) contribution to the development and performance of the Group; (ii) quality of work performed for the Group; (iii) initiative and commitment in performing his/her duties; and (v) length of service or contribution of the Group, offer to grant an option to subscribe for such number on new Shares as the Board may determine at an exercise price determined in accordance with the below paragraph to the following persons ("Eligible Participants"):

- (i) and any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries (including persons who are granted share options under the Amended 2019 Share Option Scheme as an inducement to enter into employment contracts with the Group); and
- (ii) any Director (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries.

Upon the Amended 2019 Share Option Scheme becoming effective, the Eligible Participants will no longer include (1) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and (2) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group as mentioned in the 2019 Share Option Scheme.

##### Acceptance of an offer of options

A consideration of HK\$1 (approximately RMB0.92) is payable on acceptance of the offer of grant of an option where the grantee should accept or decline the offer of grant of an option within the date as specified in the offer letter issued by the Company, being a date no later than 21 business days from the date upon which it is made.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 30. 以權益結算以股份為基礎之付款(續)

#### (a) 購股權計劃(續)

##### 目的(續)

除非本公司於股東大會上提早終止，否則經修訂二零一九年購股權計劃將自採納二零一九年購股權計劃日期(即二零一九年十二月十三日)起計十(10)年期間有效及生效。

##### 合資格參與者

董事會(「董事會」)經考慮彼等(i)對本集團發展及表現的貢獻；(ii)為本集團履行工作的質素；(iii)履行其職責的主動性及承擔；及(iv)服務年期或對本集團的貢獻，可不時酌情向下列人士(「合資格參與者」)提呈授出購股權以按下文段落釐定之行使價認購董事會可能釐定之該等數目新股份：

- (i) 本公司或其任何附屬公司全職或兼職工作之任何僱員、行政人員或高級人員(包括根據經修訂二零一九年購股權計劃獲授購股權作為與本集團訂立僱傭合約的獎勵的人士)；及
- (ii) 本公司或其任何附屬公司之任何董事(包括非執行董事及獨立非執行董事)。

於經修訂二零一九年購股權計劃生效後，合資格參與者將不再包括(1)本公司或其任何附屬公司的任何顧問、諮詢人、供應商、客戶及代理；及(2)二零一九年購股權計劃所述董事會全權認為將會或已經對本集團作出貢獻的其他人士。

##### 接納購股權要約

接納授出購股權的要約時須支付代價1港元(約人民幣0.92元)，而承授人須於本公司發出的要約函件所訂明的日期(即不遲於作出要約日期起計21個營業日的日期)內接納或拒絕授出購股權的要約。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 30. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

#### (a) Share option scheme (Continued)

##### **Scheme limit**

The maximum number of Shares which may be allotted and issued in respect of the Amended 2019 Share Option Scheme shall not in aggregate exceed 42,750,000 Shares, being 10% of the Shares in issue as at the date approving the Proposed Share Scheme Amendments. Unless expressly approved by the Shareholders at general meeting and expressly allowed by the Stock Exchange, no options or awards may be granted under any share schemes of the Company if the grant of such options or awards would result in the Scheme Limit being exceeded.

##### **Maximum number of options to any one individual**

The maximum entitlement of share options of each Eligible Participant under the Amended 2019 Share Option Scheme shall not exceed 1% of the Shares of the Company.

##### **Granting options to connected persons**

Subject to the terms in the Amended 2019 Share Option Scheme, each grant of share options to a Director, chief executive or substantial Shareholder, or any of their respective associates under the Amended 2019 Share Option Scheme shall comply with the requirements of Rule 17.04 of the Listing Rules and shall be subject to approval of the independent non-executive Directors (excluding independent non-executive Director who is a grantee).

##### **Exercise period**

Subject to any restrictions applicable under the Listing Rules, a share option may be exercised by the grantee at any time during the exercise period to be determined by the Board and notified to the grantee in the notice of grant, in accordance with the terms of the Amended 2019 Share Option Scheme and the terms on which the share option was granted, which shall expire no later than 10 years from the date of grant.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 30. 以權益結算以股份為基礎之付款(續)

#### (a) 購股權計劃(續)

##### **計劃上限**

就經修訂二零一九年購股權計劃可能配發及發行的最高股份數目，合共不得超過42,750,000股股份，即於批准建議股份計劃修訂日期已發行股份的10%。除非股東於股東大會上明確批准及聯交所明確允許，否則倘授出任何購股權或獎勵將導致超出計劃限額，則不可根據本公司任何股份計劃授出該等購股權或獎勵。

##### **向任何個別人士授出購股權的數目上限**

每名合資格參與者根據經修訂二零一九年購股權計劃獲授的購股權上限不得超過本公司股份的1%。

##### **向關連人士授出購股權**

根據經修訂二零一九年購股權計劃的條款，每次根據經修訂二零一九年購股權計劃向董事、最高行政人員或主要股東或彼等各自的任何聯繫人授出的購股權，須遵守上市規則第17.04條的規定，並須經獨立非執行董事(不包括身為承授人的獨立非執行董事)批准。

##### **行使期**

在上市規則任何適用限制的規限下，承授人可於董事會釐定並於授出通知中知會承授人的行使期內，根據經修訂二零一九年購股權計劃的條款及授出購股權的條款隨時行使購股權，有關行使期將於授出日期起計10年內屆滿。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 30. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

#### (a) Share option scheme (Continued)

##### Vesting period of the Amended 2019 Share Option Scheme

Vesting period of share options shall be no less than 12 months. Share options granted to Eligible Participants may be subject to a shorter vesting period under the following circumstances:

- (i) grants to an Eligible Participant whose employment is terminated due to death or disability or event of force majeure;
- (ii) grants of share options with performance-based vesting conditions provided in the scheme document, in lieu of time-based vesting criteria; and
- (iii) grants of share options with a mixed or accelerated vesting schedule such that the share options may vest evenly over a period of 12 months.

##### Price of shares

The exercise price in respect of any particular share option granted under the Amended 2019 Share Option Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant share options (and shall be stated in the letter containing the offer of the grant of the share option) but the exercise price shall not be less than the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of the Share.

##### Grant of share options

On 29 March 2023 (the "**Date of Grant**"), the Company granted a total of 19,680,000 share options (the "**Share Options**") to an executive Director and certain employees of the Group (collectively the "**Grantees**") to subscribe for 19,680,000 ordinary shares of HK\$0.01 each in the share capital of the Company pursuant to the share option scheme of the Company.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 30. 以權益結算以股份為基礎之付款(續)

#### (a) 購股權計劃(續)

##### 經修訂二零一九年購股權計劃的歸屬期間

購股權的歸屬期不得少於12個月。在下列情況下，授予合資格參與者的購股權可能受較短歸屬期限制：

- (i) 向因身故或殘疾或不可抗力事件而終止僱傭的合資格參與者授出購股權；
- (ii) 根據計劃文件規定的績效歸屬條件授出購股權，以代替基於時間的歸屬標準；及
- (iii) 授出混合或加速歸屬時間表的購股權，使購股權可於12個月期間內平均歸屬。

##### 股份價格

根據經修訂二零一九年購股權計劃授出的任何特定購股權的行使價須為董事會於授出相關購股權時全權酌情釐定的價格(並須於載有授出購股權要約的函件中列明)，惟行使價不得低於下列最高者：

- (i) 股份於授出日期(必須為營業日)在聯交所每日報價表所列的收市價；
- (ii) 緊接授出日期前五個營業日，聯交所每日報價表所列股份的平均收市價；及
- (iii) 股份面值。

##### 授出購股權

於二零二三年三月二十九日(「授出日期」)，本公司根據本公司的購股權計劃向一名執行董事及本集團若干僱員(統稱「承授人」)授出合共19,680,000份購股權(「購股權」)，以認購本公司股本中19,680,000股每股面值0.01港元的普通股。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 30. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

#### (a) Share option scheme (Continued)

##### Grant of share options (Continued)

The Share Options granted shall be valid and effective for a period of 10 years from the Date of Grant until 28 March 2033. 50% of Share Options granted (9,840,000 Share Options) shall be vested to the Grantees on 29 March 2024 and are exercisable from 29 March 2024 to 28 March 2033 ("First Tranche"). The remaining 50% of Share Options Granted (9,840,000 Share Options) shall be vested to the Grantees on 29 March 2025 and are exercisable from 29 March 2025 to 28 March 2033 ("Second Tranche"). Pursuant to the Amended 2019 Share Option Scheme, if any of the Grantee ceases to be an Eligible Participant by any reason, the Grantee may exercise the option up to the entitlement of the Grantee as at the date of cessation in whole or in part within a period of one month from such cessation.

The closing price of the shares on the date of Share Options grant is HK\$1.230 per share.

Details of Share Options granted are as follows:

#### For the year ended 31 December 2023

Grant date	Exercise price per share option HK\$	Equivalent	AS at 1 January 2019	Number of Share Options			As at 31 December 2023
				Granted during the year	Exercised during the year	Lapsed/ forfeited during the year	
授出日期	每份購股權行使價港元	相當於	於二零一九年一月一日	於本年度授出	於本年度行使	於本年度失效/充公	於二零二三年十二月三十一日
29 March 2023							
- Directors	1.234	1.11	-	4,000,000	-	-	4,000,000
- Employees	1.234	1.11	-	15,680,000	-	-	15,680,000
			-	19,680,000	-	-	19,680,000

As of the date of this report, no share options were exercised.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 30. 以權益結算以股份為基礎之付款(續)

#### (a) 購股權計劃(續)

##### 授出購股權(續)

所授出的購股權自授出日期起至二零三三年三月二十八日止十年期間內有效及生效。所授出購股權之50%(9,840,000份購股權)將於二零二四年三月二十九日歸屬予承授人，並可於二零二四年三月二十九日至二零三三年三月二十八日期間行使(「第一批」)。已授出購股權之餘下50%(9,840,000份購股權須將於二零二五年三月二十九日歸屬予承授人，並可於二零二五年三月二十九日至二零三三年三月二十八日期間行使(「第二批」)。根據經修訂二零一九年購股權計劃，倘任何承授人因任何原因不再為合資格參與者，則承授人可自終止當日起計一個月內全部或部分行使承授人於終止當日有權行使的購股權。

股份於購股權授出日期之收市價為每股1.230港元。

授出的購股權詳情如下：

#### 截至二零二三年十二月三十一日止年度

截至本報告日期，概無購股權獲行使。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 30. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

#### (a) Share option scheme (Continued)

##### Grant of share options (Continued)

The fair values of employee services received in return for share options granted are measured by reference to the fair value of share options granted.

For the fair value of services measured indirectly by reference to the fair value of the share options granted, the fair value is determined by the directors of the Company with reference to the valuation performed by an independent valuer, LCH (Asia-Pacific) Surveyors Limited using the Binomial Option Pricing Model and significant inputs into the model were as follows:

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 30. 以權益結算以股份為基礎之付款(續)

#### (a) 購股權計劃(續)

##### 授出購股權(續)

僱員為換取所授出購股權而提供服務的公平值乃參考所授出購股權的公平值計量。

就參考所授出購股權之公平值間接計量之服務之公平值而言，公平值乃由本公司董事參考獨立估值師利駿行測量師有限公司使用二項式期權定價模式進行之估值釐定，該模式之重大輸入數據如下：

Share options  
granted on  
29 March  
2023  
於二零二三年  
三月二十九日  
授出的購股權

Expected volatility	預期波幅	37.16%
Expected option life	預期購股權年期	10 years
Expected dividend yield	預期股息收益率	0.00%
Risk-free interest rate	無風險利率	3.10%
Fair value	公平值	10,548,000
Fair value – First tranche	公平值 – 第一批	0.531
– Second tranche	– 第二批	0.541

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 30. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

#### (a) Share option scheme (Continued)

The expected volatility reflects the assumption that the historical volatility of future trends, adjusted for any expected changes to future volatility based on publicly available information, which may also not necessarily be the actual outcome. No other feature of the options was incorporated into the measurement of the fair value.

The variables and assumptions used in estimating the fair value of the share options were the directors' best estimates. Change in subjective input assumptions can materially affect the fair value.

During the year ended 31 December 2023, share-based payment expense of approximately RMB5,383,000 (2022: Nil) for the share option scheme was recognised in the consolidated profit or loss with a corresponding credit in share option reserve.

None of the share options were exercised during the years ended 30 December 2023 and 2022. At the time when the share options are subsequently exercised, the amount previously recognised in share option reserve will be transferred to share capital and share premium.

#### (b) Share award scheme

The Share Award Scheme of the Company was adopted on 15 November 2023. The Company granted an aggregate of 2,184,246 Awarded Shares to 201 grantees, who are the employees of the Group ("Selected Employees") pursuant to the terms of the Share Award Scheme at HK\$1.00 consideration. The objectives of the 2023 Share Award Scheme are to (i) recognise, including but not limited to, the incredible contribution made towards the listing of the Company on the Stock Exchange and the continuous contribution made towards the development of the Group by the employees of the Group during the COVID-19 epidemic and global economic downturn; and (ii) to provide Selected Employees with incentives for their contribution or potential contribution to the development and long-term growth of the Group. The details are set out in the announcement of the Company dated 15 November 2023.

None of the Selected Employees is a director, chief executive or substantial shareholder of Company or their respective associates or otherwise a connected person of the Company. The grant of Awarded Shares would not result in the Awarded Shares issued and to be issued to each individual Selected Employee in respect of all awards granted to such person in the 12-month period up to and including the date of grant in aggregate to exceed 1% of the shares in issue.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 30. 以權益結算以股份為基礎之付款(續)

#### (a) 購股權計劃(續)

預期波幅反映未來趨勢的歷史波幅的假設，並根據公開可得資料就未來波幅的任何預期變動作出調整，其亦未必為實際結果。於計量公平值時並無納入購股權的其他特點。

用於估計購股權公平值的變量及假設為董事的最佳估計。主觀輸入假設的變動可能對公平值產生重大影響。

截至二零二三年十二月三十一日止年度，購股權計劃的以股份為基礎的付款開支約人民幣5,383,000元(二零二二年：無)已於綜合損益確認，並相應計入購股權儲備。

截至二零二三年及二零二二年十二月三十日止年度，概無購股權獲行使。於其後行使購股權時，先前於購股權儲備確認的金額將轉撥至股本及股份溢價。

#### (b) 股份獎勵計劃

本公司的股份獎勵計劃於二零二三年十一月十五日獲採納。本公司根據股份獎勵計劃的條款以1.00港元的代價向201名身為本集團僱員的承授人(「選定僱員」)授出合共2,184,246股獎勵股份。二零二三年股份獎勵計劃的目標為(i)表彰本集團僱員(包括但不限於)對本公司於聯交所上市所作出的傑出貢獻，以及於新型冠狀病毒疫情及全球經濟衰退期間對本集團發展所作出的持續貢獻；及(ii)向選定僱員就彼等對本集團發展及長期增長作出的貢獻或可能作出的貢獻提供獎勵。有關詳情載於本公司日期為二零二三年十一月十五日之公告

概無選定僱員為本公司董事、主要行政人員或主要股東或彼等各自的聯繫人或本公司的關連人士。授出獎勵股份將不會導致於截至授出日期(包括該日)止12個月期間內就授予各個別選定僱員之所有獎勵而向彼等發行及將予發行之獎勵股份合共超過已發行股份之1%。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 30. EQUITY-SETTLED SHARE-BASED PAYMENTS (CONTINUED)

#### (b) Share award scheme (Continued)

Under the Share Award Scheme, the Selected Employees are required to be continuously employed by the Group during the one-year vesting period and there is no performance target attached to the Awards granted to the Selected Participants. During the year ended 31 December 2023, no share award has been vested, lapsed and cancelled (2022: Nil).

Particulars and movements of the Awarded Shares under the Share Award Scheme:

For the year ended 31 December 2023

Type of grantee	Grant date	Vesting date	Fair value per Award Share HK\$ 每股股份獎勵之公平值 港元	Equivalent to RMB 相當於 人民幣	Outstanding number of Shares Awarded 尚未行使股份獎勵數目			
					As at 1 January 2023	Granted during the year	Lapsed/ forfeited during the year	As at 31 December
承授人類型	授出日期	歸屬日期			於二零二三年一月一日	於本年度授出	於本年度失效/充公	於十二月三十一日
Employees - in aggregate	15 November 2023 二零二三年十一月十五日	15 November 2024 二零二四年十一月十五日	1.30	1.17	-	2,184,246	-	2,184,246

The fair value of the shares award granted was calculated based on the market prices of the Company's shares at the grant date. No dividend was considered in the calculation. The fair value of the shares award granted were calculated as HK\$1.30 (equivalent to approximately RMB1.17) per share at the grant date, respectively. During the year, the Group recognised a net expense relating to the Share Award Scheme of approximately RMB328,000 (2022: Nil) in the consolidated profit or loss.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 30. 以權益結算以股份為基礎之付款(續)

#### (b) 股份獎勵計劃(續)

根據股份獎勵計劃，選定僱員須於一年歸屬期內繼續受僱於本集團，且授予選定參與者的獎勵並無附帶績效目標。截至二零二三年十二月三十一日止年度，概無股份獎勵獲歸屬、失效及註銷(二零二二年：無)。

股份獎勵計劃項下獎勵股份的詳情及變動：

截至二零二三年十二月三十一日止年度

已授出股份獎勵的公平值乃根據本公司股份於授出日期的市價計算。於計算中並無考慮任何股息。已授出股份獎勵的公平值於授出日期分別計算為每股1.30港元(相當於約人民幣1.17元)。年內，本集團於綜合損益中確認與股份獎勵計劃有關的淨開支約人民幣328,000元(二零二二年：無)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 31. FINANCIAL INSTRUMENTS BY CATEGORY

## 31. 按類別劃分之金融工具

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at amortised cost	按攤銷成本計量之金融資產		
— Trade and bills receivables and other receivables	— 貿易及票據應收款項以及其他應收款項	82,330	71,633
— Pledged bank deposits	— 已抵押銀行存款	54,850	31,349
— Cash and cash equivalents	— 現金及現金等價物	38,178	90,500
		<b>175,358</b>	<b>193,482</b>
<b>Financial liabilities</b>	<b>金融負債</b>		
Financial liabilities at amortised cost	按攤銷成本計量之金融負債		
— Trade and bills payables, accruals and other payables	— 貿易及票據應付款項、應計費用及其他應付款項	274,840	242,249
— Lease liabilities	— 租賃負債	10,611	17,801
— Bank borrowings	— 銀行借款	192,018	222,489
— Other borrowings	— 其他借款	28,169	3,583
		<b>505,638</b>	<b>486,122</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 32. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group is exposed to a variety of risks including interest rate risk, credit risk and liquidity risk through its use of financial instruments in its ordinary course of operations.

The Group does not have any written risk management policies and guidelines. The directors of the Company monitor the financial risk management and take such measures as considered necessary from time to time to minimise such financial risks.

#### (a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk primarily arises from bank borrowings.

Bank borrowings obtained at variable rates expose the Group to the cash flow interest rate risk. Bank borrowings and other borrowings obtained at fixed rates expose the Group to fair value interest rate risk. In general, the Group raises long-term borrowings at floating rates as well as fixed rates, based upon the capital market conditions and the Group's internal requirements. As at 31 December 2023 and 2022, the Group's fixed rates borrowings and floating rates net borrowings are as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Fixed rate borrowings:	定息借款:		
Bank borrowings	銀行借款	67,587	65,906
Other borrowings	其他借款	28,170	3,583
Less: pledged bank deposits	減：已抵押銀行存款	(54,850)	(31,349)
		40,907	38,140
Floating rate borrowings:	浮息借款:		
Bank borrowings	銀行借款	124,431	156,583
Less: bank balances	減：銀行結餘	(38,178)	(90,500)
		86,253	66,083
		127,160	104,223

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 32. 財務風險管理及金融工具之公平值

本集團於其日常營運過程中透過使用金融工具須承受不同風險，包括利率風險、信貸風險及流動資金風險。

本集團並無任何書面風險管理政策及指引。本公司董事監察財務風險管理，並不時採取被認為屬必要之措施以減低有關財務風險。

#### (a) 利率風險

利率風險是指由於市場利率變化造成之金融工具公平值或未來現金流量波動之風險。本集團承受之利率風險主要來自銀行借款。

按可變利率取得之銀行借款使本集團面臨現金流量利率風險。按固定利率取得之銀行借款及其他借款使本集團面臨公平值利率風險。一般而言，本集團根據資本市場狀況及本集團之內部要求按浮動利率及固定利率取得長期借款。於二零二三年及二零二二年十二月三十一日，本集團之定息借款及浮息借款淨額如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 32. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

#### (a) Interest rate risk (Continued)

##### Sensitivity analysis

The following table illustrates the sensitivity of the Group's profit after income tax and retained earnings to a possible change in interest rates of +/-1%, with effect from the beginning of each reporting period. The calculations are based on the Group's bank balances and bank borrowings at floating rate held at the reporting date. All other variables are held constant. A positive/(negative) number below indicates an increase in profit after income tax and retained earnings where interest rates increased by 1%.

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Impact arising from bank balances	銀行結餘之影響	769	1,045
Impact arising from bank borrowings	銀行借款之影響	(1,015)	(1,280)

For a decrease in interest rate by 1%, there would be an equal but opposite impact on the profit after income tax and retained earnings.

The assumed changes in interest rates are considered to be reasonably possible based on observation of current market conditions and represents the managements assessment of a reasonably possible change in interest rate over the period until the next annual reporting date.

The sensitivity analysis included in the consolidated financial statements for the year ended 31 December 2021 had been prepared on the same basis.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 32. 財務風險管理及金融工具之公平值(續)

#### (a) 利率風險(續)

##### 敏感度分析

下表說明本集團之除所得稅後溢利及保留盈利對利率可能變動+/-1%(由各報告期初開始生效)之敏感度。有關計算乃根據本集團於報告日所持有之銀行結餘、按浮動利率銀行借款作出。所有其他可變因素維持不變。下文之正/(負)數字表示當利率增加1%時,除所得稅後溢利及保留盈利之增長。

倘利率下降1%,對除所得稅後溢利及保留盈利帶來等額但相反之影響。

利率之假設變動乃經觀察現行市場狀況後被視為合理可能出現之變動,並為管理層對直至下一個年度報告日期間利率之合理可能變動之評估。

截至二零二一年十二月三十一日止年度之綜合財務資料所載之敏感度分析乃按相同基準編製。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 32. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from bank balances, pledged bank deposits and bills receivable is limited because the counterparties are banks, for which the Group considers to have low credit risk. Other receivables are due to various group of debtors and the directors of the Company consider the credit risk of these parties is low.

#### Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at 31 December 2023, the Group has a concentration of credit risk as approximately 14% (2022: 24%) and 14% (2022: 14%) of its gross trade receivables was due from the Group's largest and second largest customers, respectively. The largest customer is a listed chemical products manufacturer and the second largest customer is an international trading company. Both of them have good past credit repayment history and records with the Group.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customers past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 180 days from the date of billing. Debtors with balances that are more than 6 months past due are requested to settle all outstanding balances. Normally, the Group does not obtain collateral from customers.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 32. 財務風險管理及金融工具之公平值(續)

#### (b) 信貸風險

信貸風險指交易對手未履行其合約責任而導致本集團產生財務虧損之風險。本集團的信貸風險主要來自貿易應收款項。由於交易對手為本集團認為信貸風險偏低的銀行，本集團面臨銀行結餘、已抵押銀行存款及應收票據引起的信貸風險有限。其他應收款項為應收不同組別債務人的款項，而本公司董事認為該等人士的信貸風險偏低。

#### 貿易應收款項

本集團面臨之信貸風險主要受各客戶之個別特徵影響，而非受客戶經營所在行業或國家影響，因此，重大信貸集中風險主要於本集團就個別客戶而承受重大信貸風險時產生。於二零二三年十二月三十一日，應收本集團最大及第二大客戶之款項分別佔貿易應收款項總額約14% (二零二二年：24%) 及14% (二零二二年：14%)，故本集團存在信貸集中風險。最大客戶為一間上市化工產品製造商而第二大客戶為一間國際貿易公司。二者對本集團而言具有良好信貸還款歷史及記錄。

本集團對所有要求給予超過一定金額之信貸的客戶進行個別信貸評估。該等評估集中於客戶過往支付到期款項之記錄及現時之付款能力，並考慮客戶之特定資料以及與客戶經營所在經濟環境有關之資料。貿易應收款項自發票日期起計180日內到期。結餘逾期超過六個月的債務人需要清償所有未償還結餘。一般而言，本集團並不會向客戶收取抵押品。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 32. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Credit risk (Continued)

##### Trade receivables (Continued)

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As part of the Group's credit risk management, the Group use debtors ageing to assess impairment for its customers because these customers consists of a large number of customers which share common risk characteristics that are representative of the customers' ability to pay all amounts due in accordance with the contractual terms. The estimated ECL loss rates are estimated based on the Group's estimates of the market borrowing rates for each of the groupings, less risk-free rate, which reflect the credit risk of the debtors, over the expected life of the debtors and are adjusted forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

Ageing based on the invoice date		Weighted average expected loss rate	Gross carrying amount	Loss allowance	Net carrying amount
根據發票日期的賬齡		加權平均預期虧損率	總賬面值	虧損撥備	賬面淨值
		%	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At 31 December 2023</b>	於二零二三年十二月三十一日				
Within 1 month	一個月內	0.27	46,904	(128)	46,776
Over 1 month but within 3 months	超過一個月但少於三個月	0.96	10,994	(106)	10,888
Over 3 months but within 1 year	超過三個月但少於一年	6.73	10,181	(685)	9,496
Over 1 year	超過一年	100	2,599	(2,599)	-
			<b>70,678</b>	<b>(3,518)</b>	<b>67,160</b>
<b>At 31 December 2022</b>	於二零二二年十二月三十一日				
Within 1 month	一個月內	0.21	35,704	(75)	35,629
Over 1 month but within 3 months	超過一個月但少於三個月	0.99	9,757	(97)	9,660
Over 3 months but within 1 year	超過三個月但少於一年	3.79	1,768	(67)	1,701
Over 1 year	超過一年	78.3	3,317	(2,597)	720
			<b>50,546</b>	<b>(2,836)</b>	<b>47,710</b>

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 32. 財務風險管理及金融工具之公平值(續)

#### (b) 信貸風險(續)

##### 貿易應收款項(續)

本集團按與使用年期預期信貸虧損相同的金額(使用撥備矩陣計算得出)計量貿易應收款項虧損撥備。作為本集團信貸風險管理之一部分,本集團使用債務人之賬齡評估其客戶之減值,原因是該等客戶包括風險特徵相同之大量客戶,有關風險特徵代表客戶根據合約條款支付所有到期款項之能力。估計預期信貸虧損率根據本集團對各組別之市場借款率之估算減無風險利率(反映債務人之信貸風險),除以債務人之預期年期進行估計,並就毋須以過多成本或人力而取得之前瞻性資料作出調整。管理層定期審查組別,以確保有關特定債務人之相關資料為最新資料。

下表載列有關本集團面對的貿易應收款項信貸風險及預期信貸虧損的資料:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 32. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Credit risk (Continued)

##### Trade receivables (Continued)

Movements in the loss allowance account in respect of trade receivables during the year are as follows:

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January	於一月一日的結餘	2,836	3,673
Provision for/(reversal of) impairment losses recognised during the year (Note 9)	年內確認的減值虧損撥備/(撥回)(附註9)	682	(837)
Balance at 31 December	於十二月三十一日的結餘	3,518	2,836

#### (c) Liquidity risk

The Group has net current liabilities of approximately RMB158,136,000 as at 31 December 2023. Besides, the Group's total current bank borrowings and other borrowings as at 31 December 2023 amounted to approximately RMB123,362,000 in aggregate, while its cash and cash equivalents amounted to approximately RMB38,178,000 on the same date. Management closely monitors the Group's financial performance and liquidity position. A number of measures have been put in place by management to improve the financial position and alleviate the liquidity pressure. As at the date when these consolidated financial statements were authorised for issue, the Group had unutilised banking facilities of approximately RMB37,867,000 and obtained a letter of intent from a licensed financial institution to provide a line of credit of HK\$250,000,000 (equivalent to approximately RMB226,555,000) to the Group. Also, Mr. Ernest Chen, the controlling shareholder and an executive director, has undertaken to provide continuing financial support in order to maintain the Group as a going concern.

Taking into account the unutilised banking facilities and financial support provided by Mr. Ernest Chen and after assessing the Group's current and future cash flow position, the directors of the Company are satisfied the Group will be able to meet its financial obligation when they fall due.

Liquidity risk relates to the risk that the Group will not be able to meet obligations associated with its financial liabilities. The Group is exposed to liquidity risk in respect of settlement of trade and bills payables, accruals and other payables, other borrowings, lease liabilities, bank borrowings and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and longer term.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 32. 財務風險管理及金融工具之公平值(續)

#### (b) 信貸風險(續)

##### 貿易應收款項(續)

年內貿易應收款項虧損撥備賬變動如下：

		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at 1 January	於一月一日的結餘	2,836	3,673
Provision for/(reversal of) impairment losses recognised during the year (Note 9)	年內確認的減值虧損撥備/(撥回)(附註9)	682	(837)
Balance at 31 December	於十二月三十一日的結餘	3,518	2,836

#### (c) 流動資金風險

於二零二三年十二月三十一日，本集團之流動負債淨額約為人民幣158,136,000元。此外，本集團於二零二三年十二月三十一日的即期銀行借款及其他借款總額合共約為人民幣123,362,000元，而於同日的現金及現金等價物約為人民幣38,178,000元。管理層密切監控本集團之財務表現及流動資金狀況。管理層已採取多項措施以改善財務狀況及減輕流動資金壓力。於此等綜合財務報表獲授權刊發日期，本集團之未動用銀行融資約為人民幣37,867,000元並已取得一間持牌金融機構的意向書，可向本集團提供250,000,000港元(相當於約人民幣226,555,000元)的信貸額度。此外，控股股東及執行董事陳炳強先生已承諾提供持續財務支持，以維持本集團持續經營。

經考慮未動用銀行融資及陳炳強先生提供之財務支持，並在評估本集團當前及未來現金流量狀況後，本公司董事信納本集團將能夠履行其到期財務責任。

流動資金風險與本集團無法履行與其金融負債相關之責任之風險有關。本集團面臨結算貿易及票據應付款項、應計費用及其他應付款項、其他借款、租賃負債及銀行借款以及有關其現金流量管理之流動資金風險。本集團之目標為將流動資產及承諾信貸融資維持於合適水平，以應付其長短期流動資金需要。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 32. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

#### (c) Liquidity risk (Continued)

The maturity profile of the Group's non-derivative financial liabilities at each reporting period, based on the contracted undiscounted payments, is as follows:

		Total contractual undiscounted cash flow 賬面值	Within 1 year or on demand 一年內 或按要求	Over 1 year but within 2 years 超過一年 但少於兩年	Over 2 years but within 5 years 超過兩年 但少於五年	Over 5 years 超過五年
<b>As at 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>					
Trade and bills payables, accruals and payables	貿易及票據應付款項、應計費用及其他應付款項	274,840	274,840	274,840	-	-
Lease liabilities	租賃負債	10,611	18,953	2,160	1,633	3,479
Bank borrowings	銀行借款	192,018	211,687	117,304	12,991	59,073
Other borrowings	其他借款	28,169	30,312	14,249	13,401	2,662
		<b>505,638</b>	<b>535,792</b>	<b>408,553</b>	<b>28,025</b>	<b>65,214</b>
<b>As at 31 December 2022</b>	<b>於二零二二年十二月三十一日</b>					
Trade and bills payables, accruals and payables	貿易及票據應付款項、應計費用及其他應付款項	242,249	242,249	242,249	-	-
Lease liabilities	租賃負債	17,801	27,003	8,261	2,429	3,452
Bank borrowings	銀行借款	222,489	245,815	148,978	29,409	34,320
Other borrowings	其他借款	3,583	3,693	3,693	-	-
		<b>486,122</b>	<b>518,760</b>	<b>403,181</b>	<b>31,838</b>	<b>37,772</b>

#### (d) Fair values of financial instruments

Financial instruments are measured at amortised cost. The carrying amounts of these financial instruments are not materially different from their fair values as at 31 December 2023 and 2022.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 32. 財務風險管理及金融工具之公平值(續)

#### (c) 流動資金風險(續)

本集團於各報告期內之非衍生金融負債基於合約未貼現付款之到期情況如下:

		Total contractual undiscounted cash flow 賬面值	Within 1 year or on demand 一年內 或按要求	Over 1 year but within 2 years 超過一年 但少於兩年	Over 2 years but within 5 years 超過兩年 但少於五年	Over 5 years 超過五年
<b>As at 31 December 2023</b>	<b>於二零二三年十二月三十一日</b>					
Trade and bills payables, accruals and payables	貿易及票據應付款項、應計費用及其他應付款項	274,840	274,840	274,840	-	-
Lease liabilities	租賃負債	10,611	18,953	2,160	1,633	3,479
Bank borrowings	銀行借款	192,018	211,687	117,304	12,991	59,073
Other borrowings	其他借款	28,169	30,312	14,249	13,401	2,662
		<b>505,638</b>	<b>535,792</b>	<b>408,553</b>	<b>28,025</b>	<b>65,214</b>
<b>As at 31 December 2022</b>	<b>於二零二二年十二月三十一日</b>					
Trade and bills payables, accruals and payables	貿易及票據應付款項、應計費用及其他應付款項	242,249	242,249	242,249	-	-
Lease liabilities	租賃負債	17,801	27,003	8,261	2,429	3,452
Bank borrowings	銀行借款	222,489	245,815	148,978	29,409	34,320
Other borrowings	其他借款	3,583	3,693	3,693	-	-
		<b>486,122</b>	<b>518,760</b>	<b>403,181</b>	<b>31,838</b>	<b>37,772</b>

#### (d) 金融工具之公平值

金融工具按攤銷成本計量。於二零二三年及二零二二年十二月三十一日，該等金融工具之賬面值與其公平值並無重大差異。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 33. CAPITAL RISK MANAGEMENT

The Group's objectives of managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to the shareholders and benefits for other stakeholders to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debts. No changes in the objectives, policies or processes for managing capital were made during the year.

The capital structure of the Group consists of net debt, which included bank borrowings, other borrowings and net of cash and cash equivalents, as disclosed in Notes 22, 23 and 19 respectively, and equity attributable to owners of the Company, comprising share capital and reserves disclosed in the consolidated statement of financial position.

### 34. CASH FLOW INFORMATION

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities:

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 33. 資本風險管理

本集團管理資本旨在確保本集團能夠持續營運，從而為股東及其他持份者提供回報及利益，並維持最佳資本結構以減少資本成本。

為維持或調整資本結構，本集團可能調整支付予股東之股息金額、向股東退回資本、發行新股份或出售資產以減少債務。於年內管理資本之目標、政策或過程概無作出變動。

本集團的資本結構包括債項淨值，其包括分別於附註22、23及19所披露之銀行借款、其他借款(扣除現金及現金等價物)以及包括綜合財務狀況表所披露之股本及儲備之本公司擁有人應佔權益。

### 34. 現金流量資料

下表載列本集團融資活動產生之負債變動(包括現金及非現金變動)之詳情。融資活動產生之負債為現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動之現金流量的負債：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 34. CASH FLOW INFORMATION (CONTINUED)

## 34. 現金流量資料(續)

		Amount due to a director 應付一名 董事款項	Lease liabilities 租賃負債	Bank borrowings 銀行借款	Other borrowings 其他借款
		RMB'000 人民幣千元 (note 20(iv)) (附註20(iv))	RMB'000 人民幣千元 (note 21) (附註21)	RMB'000 人民幣千元 (note 22) (附註22)	RMB'000 人民幣千元 (note 23) (附註23)
Balance at 1 January 2022	於二零二二年一月一日之結餘	-	24,698	149,272	23,750
Changes from financing cash flows:	融資現金流量之變動：				
Proceeds from bank borrowings	銀行借款之所得款項	-	-	195,182	-
Repayment of bank borrowings	償還銀行借款	-	-	(121,965)	-
Repayment of other borrowings	償還其他借款	-	-	-	(20,167)
Advance from a director	一名董事之墊款	5,000	-	-	-
Interest paid on bank borrowings	已付銀行借款利息	-	-	(10,661)	-
Interest paid on other borrowings	已付其他借款利息	-	-	-	(1,122)
Capital element of lease rentals paid	已付租金之本金部分	-	(7,252)	-	-
Interest element of lease rentals paid	已付租金之利息部分	-	(1,394)	-	-
Net change from financing cash flows	融資現金流量之變動淨額	5,000	(8,646)	62,556	(21,289)
Other changes:	其他變動：				
Interest on bank borrowings	銀行借款之利息	-	-	10,661	-
Interest on other borrowings	其他借款利息	-	-	-	1,122
Additions to lease liabilities	租賃負債增加	-	344	-	-
Interest on lease liabilities	租賃負債利息	-	1,394	-	-
Exchange alignment	匯兌調整	-	11	-	-
Total other changes	其他變動總額	-	1,749	10,661	1,122
<b>Balance at 31 December 2022</b>	<b>於二零二三年十二月三十一日之結餘</b>	<b>5,000</b>	<b>17,801</b>	<b>222,489</b>	<b>3,583</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 34. CASH FLOW INFORMATION (CONTINUED)

## 34. 現金流量資料(續)

		Amount due to a director 應付一名董事款項	Lease liabilities 租賃負債	Bank borrowings 銀行借款	Other borrowings 其他借款
		RMB'000 人民幣千元 (note 20(iv)) (附註20(iv))	RMB'000 人民幣千元 (note 21) (附註21)	RMB'000 人民幣千元 (note 22) (附註22)	RMB'000 人民幣千元 (note 23) (附註23)
Balance at 1 January 2023	於二零二三年一月一日之結餘	5,000	17,801	222,489	3,583
Changes from financing cash flows:	融資現金流量之變動：				
Proceeds from bank borrowings	銀行借款之所得款項	-	-	166,626	-
Repayment of bank borrowings	償還銀行借款	-	-	(197,097)	-
Proceeds from other borrowings	其他借款之所得款項	-	-	-	38,300
Repayment of other borrowings	償還其他借款	-	-	-	(13,713)
Repayment to a director	向一名董事償還款項	(5,000)	-	-	-
Interest paid on bank borrowings	已付銀行借款利息	-	-	(9,505)	-
Interest paid on other borrowings	已付其他借款利息	-	-	-	(2,467)
Capital element of lease rentals paid	已付租金之本金部分	-	(9,013)	-	-
Interest element of lease rentals paid	已付租金之利息部分	-	(707)	-	-
Net change from financing cash flows	融資現金流量之變動淨額	(5,000)	(9,720)	(39,976)	22,120
Other changes:	其他變動：				
Interest on bank borrowings	銀行借款之利息	-	-	9,505	-
Interest on other borrowings	其他借款利息	-	-	-	2,467
Additions to lease liabilities	租賃負債增加	-	1,822	-	-
Interest on lease liabilities	租賃負債利息	-	707	-	-
Exchange alignment	匯兌調整	-	2	-	-
Total other changes	其他變動總額	-	2,531	9,505	2,467
Balance at 31 December 2023	於二零二三年十二月三十一日之結餘	-	10,612	192,018	28,170

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

### 35. CONTINGENT LIABILITIES

On 20 October 2022, 中山市鴻泰建築工程有限公司 filed a civil litigation claim against Guangdong Sanvo for the settlement of the expansion project sum of RMB20,087,816 (including project sum and damages) for the Zhongshan Project as mentioned in Note 28. During the construction period, Guangdong Sanvo was in the process of inspection and checkup, and discovered that there were various performance non-compliance issues in design and serious quality issues (including but not limited to steel bars, internal walls, external walls, structural walls, roads, etc.), and therefore filed a counter-lawsuit in the amount of RMB28,128,984 (including compensation, damages, operating losses, etc.) on the date of first trial on 21 November 2022.

A qualified independent third party institution, which was randomly assigned by the system on the qualified list of the court, conducted a quality appraisal and submitted a report (the "Inspection Report") to the court on 5 July 2023, which proved that the project did have serious quality issues. The court is currently evaluating the case and preparing for subsequent trial. Given that the Inspection Report confirmed that there are serious quality issues in the construction, therefore the Board is of the view that no provision is necessary at this stage, and the project does not affect the daily production and operation of the Group.

## 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

### 35. 或然負債

於二零二二年十月二十日中山市鴻泰建築工程有限公司就中山項目之擴改工程款結算向集團子公司廣東三和提出民事起訴索償，金額為人民幣20,087,816元(包括工程款及違約金)(如附註28所述)。於工程進行期間廣東三和正進行驗收及工程覆核，發現工程存在多處不符合設計和嚴重質量問題(包括但不限於鋼筋、內牆、外牆、結構牆、道路等)，故此於一審當天(即二零二二年十一月二十一日)同時提出反訴訟，金額為人民幣28,128,984元(包括賠償金、違約金及經營損失等)。

合資質獨立第三方機構進行了質量鑒定並於二零二三年七月五日提交報告給予法院(該機構為法院於其合資質清單上系統性隨機選派)(「鑒定報告」)證明該工程確實存在嚴重質量問題。法院現階段正在評估案情材料及準備後續審理。基於鑒定報告證明該工程確實存在嚴重質量問題，董事會認為現階段沒有債務撥備必要及該工程不影響本集團日常生產和運作。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2023

# 綜合財務報表附註(續)

截至二零二三年十二月三十一日止年度

## 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

## 36. 本公司之財務狀況表

		2023 二零二三年	2022 二零二二年
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>		
<b>Non-current assets</b>	<b>非流動資產</b>		
Investment in subsidiaries	於附屬公司之投資	3,449	3,449
Amounts due from subsidiaries	應收附屬公司款項	53,654	58,395
		<b>57,103</b>	61,844
<b>Current assets</b>	<b>流動資產</b>		
Other receivables and prepayments	其他應收款項及預付款項	141	136
Cash and cash equivalents	現金及現金等價物	169	700
		<b>310</b>	836
<b>Current liabilities</b>	<b>流動負債</b>		
Accruals	應計費用	2,018	1,247
Amount due to a director	應付一名董事之款項	568	560
		<b>2,586</b>	1,807
<b>Net current liabilities</b>	<b>流動負債淨值</b>	<b>(2,276)</b>	(971)
<b>Net assets</b>	<b>資產淨值</b>	<b>54,827</b>	60,873
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital	股本	4,184	3,792
Reserves	儲備	27	57,081
<b>Total equity</b>	<b>權益總額</b>	<b>54,827</b>	60,873

The statement of financial position of the Company were approved and authorised for issue by the Board of Directors of the Company on 28 March 2024 and are signed on its behalf by:

本公司財務狀況表已於二零二四年三月二十八日由本公司董事會批准並授權發佈，並由以下人士代表簽署：

**Mr. Chen Bingqiang**

陳炳強先生  
Director  
董事

**Mr. Ng Cheuk Lun**

吳卓倫先生  
Director  
董事

## 審計委員會

本公司已根據上市規則規定於二零一九年十二月十三日成立審計委員會（「**審計委員會**」）。審計委員會之主要職務為（其中包括）審計及監督財務申報過程及內部監控系統、提名及監察外部核數師以及就企業管治之相關事宜向董事會提供建議及意見。

本公司截至二零二三年十二月三十一日止年度之全年業績已由審計委員會審閱，而審計委員會認為本公司截至二零二三年十二月三十一日止年度之全年業績乃根據適用會計準則、規則及法規編製，並已妥為作出適當披露。

於本公告日期，審計委員會由三名獨立非執行董事組成，即楊振宇先生、賴錫璋工程師及許凱先生。目前，楊振宇先生擔任審計委員會主席。

## 刊發全年業績公告及年報

本公告分別於聯交所網站([www.hkexnews.hk](http://www.hkexnews.hk)) 及本公司網站([www.sanvo.com](http://www.sanvo.com)) 刊發。本公司截至二零二三年十二月三十一日止年度之年報將於適當時候寄發予股東及於上述網站刊發。

承董事會命  
三和精化集團有限公司  
主席  
陳炳強

香港，二零二四年三月二十八日

於本公告刊發日期，執行董事為陳炳強先生及吳卓倫先生，以及獨立非執行董事為賴錫璋工程師、許凱先生及楊振宇先生。