

香港交易及結算所有限公司及香港聯合交易所有限公司對本公佈的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本公佈全部或任何部份內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。



世紀陽光

世紀陽光集團控股有限公司
CENTURY SUNSHINE GROUP HOLDINGS LIMITED

(於開曼群島註冊成立之有限公司)

(股份代號：509)

2023年年度業績公告

本公司董事會（「**董事會**」）欣然公佈本公司及其附屬公司截至2023年12月31日止十二個月期間的經審核業績。本公佈載有本公司2023年年度報告全文，乃按香港聯合交易所有限公司證券上市規則中有關初步年度業績公佈的相關規定而編製。本公司2023年年度報告的印刷版本將於2024年4月30日寄發予本公司股東，並可於香港交易及結算所有限公司網站<http://www.hkex.com.hk>及本公司網站<http://www.centurysunshine.com.hk>閱覽。

承董事會命

世紀陽光集團控股有限公司

執行董事

池靜超

香港，2024年3月28日

於本公佈日期，董事為：

執行董事： 池文富先生及池靜超先生

獨立非執行董事： 張省本先生，盛洪先生及沈毅民先生

目錄 Contents

6	公司資料	Corporate Information
8	投資者資料	Information for Investors
10	主席報告書	Chairman's Statement
16	管理層討論及分析	Management Discussion and Analysis
32	董事及高級管理層簡歷	Directors and Senior Management Profile
35	企業管治報告	Corporate Governance Report
56	董事會報告	Directors' Report
68	獨立核數師報告	Independent Auditors' Report
76	綜合損益表	Consolidated Statement of Profit or Loss
77	綜合全面收益表	Consolidated Statement of Comprehensive Income
78	綜合財務狀況表	Consolidated Statement of Financial Position
80	綜合權益變動表	Consolidated Statement of Changes in Equity
82	綜合現金流量表	Consolidated Statement of Cash Flows
85	財務報表附註	Notes to the Financial Statements
228	五年財務概要	Five-Year Financial Summary

經營亮點 Operational Highlights

**Differentiated
Products Lead
the Market Segment**

差異化產品
領軍細分市場

**Sales Network Cover the
Whole Country**

銷售網絡
覆蓋全國

**Develop the
Green Industry by
Leveraging on
Brand Recognition**

發揮品牌優勢
深耕綠色產業



使命
Mission

**To Enhance Crop Productivity
and Soil Fertility**

讓作物更高產 讓土壤更肥沃

願景
Vision

**The Pioneer in the New Era of
Ecological Fertiliser Industry**

引領生態肥料行業發展新時代

公司資料

Corporate Information

董事會

執行董事

池文富(主席)
池靜超

獨立非執行董事

張省本
盛洪
沈毅民

公司秘書

陸世偉

委員會

審核委員會

張省本(委員會主席)
盛洪
沈毅民

提名委員會

池文富(委員會主席)
張省本
盛洪

薪酬委員會

張省本(委員會主席)
盛洪
沈毅民
池靜超

BOARD OF DIRECTORS

Executive Directors

Chi Wen Fu (Chairman)
Chi Jing Chao

Independent Non-executive Directors

Cheung Sound Poon
Sheng Hong
Shen Yi Min

Company Secretary

Luk Sai Wai, Simon

COMMITTEES

Audit Committee

Cheung Sound Poon (Committee Chairman)
Sheng Hong
Shen Yi Min

Nomination Committee

Chi Wen Fu (Committee Chairman)
Cheung Sound Poon
Sheng Hong

Remuneration Committee

Cheung Sound Poon (Committee Chairman)
Sheng Hong
Shen Yi Min
Chi Jing Chao

總辦事處

香港
九龍
尖沙咀
海港城
港威大廈第5座16樓
電話：(852) 2802 2165
傳真：(852) 2802 2697
電郵：ir@centurysunshine.com.hk
網址：www.centurysunshine.com.hk

核數師

上會柏誠會計師事務所有限公司
執業會計師
註冊公眾利益實體核數師
香港九龍
尖沙咀
天文臺道8號19樓
1903A-1905室

主要往來銀行

星展銀行(香港)有限公司
王道商業銀行股份有限公司

HEAD OFFICE

16th Floor, Tower 5, The Gateway
Harbour City
Tsim Sha Tsui
Kowloon
Hong Kong
Telephone : (852) 2802 2165
Fax : (852) 2802 2697
E-mail : ir@centurysunshine.com.hk
Website : www.centurysunshine.com.hk

AUDITORS

Prism Hong Kong and Shanghai Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
Unit 1903A-1905, 19/F.
8 Observatory Road
Tsim Sha Tsui
Hong Kong

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
O-Bank Co., Ltd.

投資者資料

Information for Investors

投資者資料
Information for Investors

上市資料

上市地點 : 香港聯合交易所有限公司
(「聯交所」) 主板

股票代號 : 509

股份資料

本公司每股面值 : 4,581,116,843股
0.02港元之
已發行股份
(「股/股份」)
(2023年
12月31日)

市值(2023年
12月31日) : 45,811,168港元

每手買賣單位 : 5,000股

2023年每股虧損

基本 : 5.17港仙
攤薄 : 7.46港仙

2023年每股股息

中期 : 零港元
末期(擬派) : 零港元

LISTING INFORMATION

Listing : Main Board of The Stock
Exchange of Hong Kong
Limited ("Stock Exchange")

Stock code : 509

SHARE INFORMATION

Company's shares of : 4,581,116,843 Shares
HK\$0.02 each
(the "Shares") in issue
(31 December 2023)

Market capitalisation : HK\$45,811,168
(31 December 2023)

Board lot size : 5,000 Shares

LOSS PER SHARE FOR 2023

Basic : HK5.17 cents
Diluted : HK7.46 cents

DIVIDEND PER SHARE FOR 2023

Interim : HK\$Nil
Final (proposed) : HK\$Nil

股份登記及過戶處

總處 :

Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman KY1-1110
Cayman Islands

香港分處 :

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

註冊辦事處

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

SHARE REGISTRAR AND TRANSFER OFFICES

Principal:

Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman KY1-1110
Cayman Islands

Hong Kong:

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

REGISTERED OFFICE

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

主席報告書 Chairman's Statement

主席報告書 Chairman's Statement

感謝大家長期以來對世紀陽光集團控股有限公司（「本公司」，連同其附屬公司，統稱「世紀陽光」或「本集團」）的信任與包容。本人謹代表本公司董事（「董事」）會（「董事會」），欣然提呈本集團截至2023年12月31日止年度（「年內」）之全年業績以供各位利益相關者審閱。

行業回顧

「複合肥行業產能過剩 需求疲軟」

近兩年，國際政治經濟環境複雜多變，能源和化肥價格依然不穩定。2023年中國複合肥市場產能利用率僅有40%，複合肥大省山東、江蘇地區較多複合肥企業退出產能。複合肥處於化肥產業鏈的後端，上游無規律的價格波動導致了季節性肥料生產備貨的節奏改變，產能利用率難以提高，客戶謹慎採購，市場需求下降。

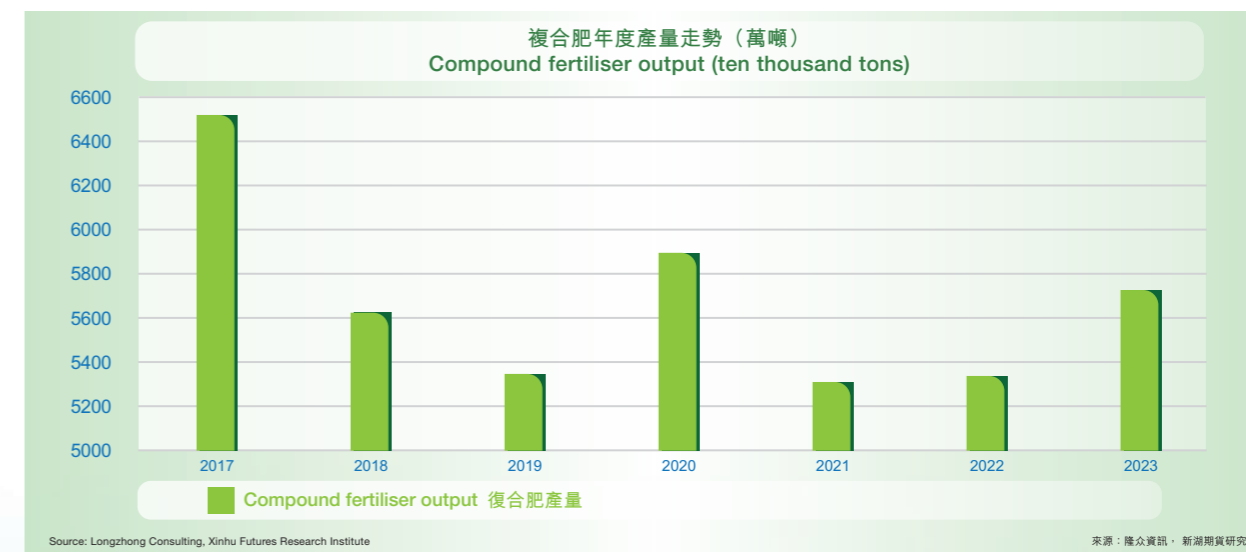


I would like to thank all for the unfailing support and total confidence in Century Sunshine Group Holdings Limited (the “Company” and together with its subsidiaries, “Century Sunshine” or the “Group”). On behalf of the board (the “Board”) of directors (the “Directors”) of the Company, I am pleased to present the annual results for the year ended 31 December 2023 (the “Year”) of the Group for the perusal of our stakeholders.

INDUSTRY REVIEW

“Overcapacity in the compound fertiliser industry, weak demand.”

In the past two years, the international political and economic environment has been complex and volatile, and energy and fertiliser prices have remained unstable. In 2023, the capacity utilisation rate of China’s compound fertiliser market was only 40%. Many compound fertiliser enterprises in major provinces such as Shandong and Jiangsu have withdrawn their production capacity. Compound fertilisers are located at the end of the fertiliser industry chain, and the irregular price fluctuations in the upstream sector have disrupted the seasonal production and stocking rhythm of fertilisers. As a result, the capacity utilisation rate is difficult to improve, customers are cautious in their purchases, and market demand has declined.



業務回顧

肥料業務處於一個內憂外困的局面，除了行業整體不景氣外，影響本集團經營業績的內在因素主要是因疫情影響和債務重組的原因造成的資金短缺、中國境內集團子公司（「境內公司」）債務重組不理想，企業運營極具挑戰。



於2023年6月15日，本公司境外債務重組提出的債權人計劃獲得了法定所需的多數計劃債權人的接納。並且，香港法院和新加坡法院分別於2023年7月26日以及2023年7月31日批准該計劃。該計劃於2023年8月31日生效。自此共同臨時清盤人向開曼群島大法院（「大法院」）申請撤銷開曼清盤呈請和解除共同臨時清盤人的任命。於2023年10月24日，大法院頒布命令，撤銷開曼清盤呈請，並無條件解除共同臨時清盤人作為本公司之共同臨時清盤人，本公司的臨時清盤狀態已正式獲得撤銷。

雖然集團境外債務重組順利完成，而巨額的債務重組專業費用完全依賴於境內公司的支持，則加重了境內公司生產經營的負擔。與此同時，受制於境外債務重組產生的影響，集團短期內無法獲得新的融資，加劇了集團流動資金的壓力。

本集團子公司山東紅日化工股份有限公司根據山東省政府有關「退城入園，自主開發」的規定全部廠房已拆遷多年，由於政府尚未出臺相應政策配套實施細則，雖然當地政府多次作出承諾，並表示積極推動，我們也全力配合，但至今依然沒有取得進展。

目前境內公司債務重組仍進行中，流動資金短缺疊加訴訟執行進一步加大境內公司債務重組的難度，也制約了企業正常生產經營。

除此之外，由於近幾年原材料價格波動較大，企業流動資金緊張，未能順勢採購原料備貨，為減少虧損風險，管理層決定壓縮產能，維持少量生產，最低限度保持企業的運營。由於長期開工率不足導致企業管理團隊不穩定亦影響了工作效率，生產經營困難重重。

BUSINESS REVIEW

The fertiliser business is in a situation of internal troubles and external difficulties. Apart from the overall downturn in the industry, the internal factors that have affected the performance of the Group's operations are mainly due to the impact of the pandemic and the resulting financial shortage caused by debt restructuring. Additionally, the debt restructuring of our domestic subsidiaries in China (the "Domestic Subsidiaries") has not yielded satisfactory results, making the operation of the company extremely challenging.



The schemes proposed by the Company was approved by the requisite statutory majorities of the scheme creditors on 15 June 2023. The schemes were subsequently approved by the Hong Kong Court on 26 July 2023, and the Singapore Court on 31 July 2023. The Schemes became effective on 31 August 2023. Since then, the Joint Provisional Liquidators had made the application to the Grand Court of Caymans Islands (the "Grand Court") for the withdrawal of the Cayman Petition and the discharge of the appointment of joint provisional liquidators. On 24 October 2023, the Grand Court granted an order that the Cayman Petition be dismissed and the joint provisional liquidators be unconditionally released as joint provisional liquidators of the Company. The provisional liquidations of the Company has been dismissed.

While the offshore debt restructuring of the Group has been successfully completed, the substantial professional fees associated with the debt restructuring have placed a heavy burden on the production and operation of the Domestic Subsidiaries, as they are fully reliant on their support. At the same time, due to the impact of the offshore debt restructuring, the Group is currently unable to obtain new financing in the meanwhile, intensifying the pressure on its working capital.

According to the regulations of the Shandong Provincial Government regarding "Recolation of Industries from City Urban Area to Industrial Parks and Independent Development", all the factory buildings of our subsidiary, Shandong Hongri Chemical Joint Stock Company Limited, have been demolished for several years. However, since the government has not yet issued corresponding policy implementation details, despite numerous promises and active efforts from the local government, and our full cooperation, no progress has been made so far.

Currently, the debt restructuring of our Domestic Subsidiaries is still ongoing. The shortage of working capital, combined with the escalation of litigation and enforcement. It has become more difficult to carry out the debt restructuring of our Domestic Subsidiaries, which also restrict its normal business operations.

In addition to the aforementioned challenges, the significant fluctuations in raw material prices in recent years have resulted in tight working capital for the Company. Unable to procure raw materials in line with market trends, the management has made the decision to reduce production capacity and maintain minimal production levels to minimise the risk of losses and sustain the Group's operations. The prolonged low capacity utilisation has also led to an unstable management team, impacting work efficiency and exacerbating the difficulties in production and operation.



本集團另一主營板塊鎂產品業務，是由本集團子公司——稀鎂科技集團有限公司（「稀鎂科技」）運營。鎂價持續下行，觸及三年來最低點，鎂企盈利空間受壓縮。同時，為響應中國政府生態環境部等職能部委《關於推進實施焦化行業超低排放的意見》以及中國國家發改委關於《產業結構調整指導目錄》的要求，稀鎂科技子公司新疆騰翔鎂製品有限公司（「新疆騰翔」）所在地新疆哈密當地政府要求指定行業的生產裝置必須進行升級改造，包括新疆騰翔在內主要採用蘭炭尾氣煉鎂的鎂生產企業。環保升級改造需要投入大量資金，必然進一步加劇企業經營負擔和資金短缺壓力，管理層正積極籌措融資，探討包括但不限於引進風險投資，股權融資，項目合作等多種融資方式，努力尋求最佳方案以解決資金需求。

展望

預計未來一年全球經濟可能面臨走弱的風險，可能導致大宗商品價格溫和震蕩下行，在這種情況下，管理層和經營班子應加強自身建設，補齊短板，以應對市場的變化。同時，管理層正在積極創造條件，以期充分發揮上市公司融資平台功能，拓寬融資渠道，努力爭取為旗下企業正常經營提供資金支持。本集團也非常重視人才的培養，無論是在本公司還是旗下企業經營團隊，我們都將繼續積極吸納人才，鞏固基礎，為集團的未來發展提供更廣闊的機會，促進集團在競爭激烈的市場環境中保持競爭力。總的來說，未來一年對於本集團充滿了挑戰和機遇。管理層將採取相應的措施應對市場變化，尋求融資渠道並重視人才培養，力爭在競爭激烈的環境中持續發展。

致謝

本人謹代表本集團對各股東、董事會成員、客戶、銀行及合作夥伴和全體同仁一直以來對本集團的大力支持致以衷心的感謝；境外債務重組順利落地，有賴於債權人的理解和體諒，本人表示由衷的感激；對集團全體員工的卓越表現致以誠摯的謝意。2024年本集團將盡最大努力解決企業在發展過程中產生的種種問題，克服困難，負重前行，厚積薄發！

池文富
主席

香港，2024年3月28日



Another main business sector of the Group is the magnesium product business, which is operated by our subsidiary, Rare Earth Magnesium Technology Group Holdings Limited ("REMT"). The price of magnesium has been continuously declining, reaching its lowest point in three years, which has squeezed the profit margins of magnesium enterprises. Meanwhile, in response to the requirements of the Chinese Government's Ministry of Ecology and Environment and other functional departments regarding the promotion of ultra-low emissions in the coking industry, as well as the guidelines for industrial restructuring issued by the National Development and Reform Commission, the local government in Hami, Xinjiang, where REMT's subsidiary Xinjiang Tengxiang Magnesium Products Co., Ltd. ("Xinjiang Tengxiang") is located, has mandated that designated industry production facilities must undergo upgrading and renovation. This includes major magnesium production enterprises like Xinjiang Tengxiang, which primarily utilise semi coke residual gas for magnesium refining. The environmental upgrade and renovation require a significant amount of capital investment. The management is actively seeking financing and exploring various financing methods, including but not limited to introducing venture capital, equity financing, project partnerships, and other financing options. They are making efforts to find the best possible solution to meet the funding requirements.

PROSPECT

It is anticipated that the global economy may face the risk of weakening in the coming year, which could result in a moderate downward fluctuation of commodity prices. In such circumstances, the management and executive team should enhance self-development, address any weaknesses, and adapt to market changes. Simultaneously, the management is actively creating conditions to fully leverage the financing platform of the listed company, broaden financing channels, and strive to provide financial support for the normal operations of its subsidiaries. The Group also places great importance on talent development. Whether within the Company or among its subsidiary's management teams, we will continue to actively attract talent, strengthen the foundation, and provide broader opportunities for the Group's future development, thus ensuring its competitiveness in a fiercely competitive market environment. Overall, the upcoming year presents both challenges and opportunities for the Group. The management will take appropriate measures to respond to market changes, explore financing channels, and prioritise talent development, aiming for sustained growth in a competitive environment.

ACKNOWLEDGMENTS

On behalf of the Group, I would like to express my heartfelt gratitude to all shareholders, members of the board of directors, clients, banks, partners, and all staff members for their unwavering support to the Group. The successful completion of the offshore debt restructuring would not have been possible without the understanding and support of the creditors, for which I am sincerely grateful. I extend sincere thanks to all employees of the Group for their outstanding performance. In 2024, the Group will make every effort to address various challenges that arise during the development process. We will overcome difficulties, carry the weight and advance, accumulate strength for future prosperity!

Chi Wen Fu
Chairman

Hong Kong, 28 March 2024

管理層討論及分析

Management Discussion and Analysis

業務回顧及分析

截至2023年12月31日止年度（「年內」），本集團整體收入約達315,582,000港元（2022年：約531,605,000港元），同比減少約40.6%。整體毛損率錄得25.5%（2022年：毛利率12.3%），稅後虧損約為475,136,000港元，比去年同期虧損約1,055,367,000港元減少約55.0%。其中，農業肥料業務年內收入約為52,061,000港元（2022年：約141,858,000港元），同比減少約63.3%。農業肥料業務的收入中，品牌授權收入約為6,614,000港元。品牌授權是在市場劇烈波動的大環境下，本集團為保持一定的市場佔有率、品牌滲透性及產生額外收入採取的業務戰略。

雖然本集團歷經三年的境外債務重組計劃，成功於2023年8月31日生效，然而巨額的債務重組專業費用完全依賴於中國境內集團子公司（「境內公司」）的支持，加重了其生產經營的負擔，與此同時，受制於境外債務重組產生的影響，集團短期內無法獲得新的融資，加劇了集團流動資金的壓力。

此外，最近幾年原材料價格波動較大，企業流動資金緊張，未能順勢採購原料備貨，為減少虧損風險，管理層決定壓縮產能，維持少量生產，最低限度保持企業的運營。由於長期開工率不足導致企業管理團隊不穩定亦影響了工作效率，生產經營困難重重。

BUSINESS REVIEW AND ANALYSIS

For the year ended 31 December 2023 (the “Year”), the overall revenue of the Group reached approximately HK\$315,582,000 (2022: approximately HK\$531,605,000), representing a decrease of approximately 40.6% compared to the previous year. The overall gross loss margin recorded 25.5% (2022: gross profit margin 12.3%), and the loss after tax amounted to approximately HK\$475,136,000, reflecting a decrease of approximately 55.0% compared to the same period last year, which incurred a loss of approximately HK\$1,055,367,000. Among them, revenue from the fertiliser business for the Year amounted to approximately HK\$52,061,000 (2022: approximately HK\$141,858,000), reflecting a decrease of approximately 63.3%. Within revenue of the fertiliser business, the brand licensing revenue accounted for approximately HK\$6,614,000. Brand licensing is a business strategy adopted by the Group to maintain a certain market share, brand penetration, and generate additional income in the face of severe market fluctuations.

Despite the successful implementation of the offshore debt restructuring scheme by the Group on 31 August 2023, after three years of efforts, the substantial professional fees associated with the debt restructuring have placed a heavy burden on the production and operation of our domestic subsidiaries in China (the “Domestic Subsidiaries”), as they are fully reliant on their support. At the same time, due to the impact of the offshore debt restructuring, the Group is currently unable to obtain new financing in the short term, intensifying the pressure on its working capital.

In addition to the aforementioned challenges, the significant fluctuations in raw material prices in recent years have resulted in tight working capital for the Company. Unable to procure raw materials in line with market trends, the management has made the decision to reduce production capacity and maintain minimal production levels to minimise the risk of losses and sustain the company’s operations. The prolonged low capacity utilisation has also led to an unstable management team, impacting work efficiency and exacerbating the difficulties in production and operation.

管理層討論及分析 Management Discussion and Analysis

本集團通過「稀鎂科技」持有之鎂產品業務，年內收入約為263,491,000港元（2022年：約383,899,000港元），同比減少約31.4%，毛損率約32.4%（2022年：毛利率12.1%）。稀鎂科技的銷售收入減少主要由於鎂價持續下行，觸及三年來最低點，鎂企盈利空間受壓縮。

The Group's magnesium product business, held through "REMT" generated revenue of approximately HK\$263,491,000 for the Year (2022: approximately HK\$383,899,000), reflecting a decrease of approximately 31.4% compared to the previous year. The gross loss margin was approximately 32.4% (2022: gross profit margin 12.1%). The decline in sales revenue of REMT was primarily attributed to the continuous downturn in magnesium prices, reaching the lowest point in three years, which has squeezed the profitability of magnesium enterprises.

重組進展

於2023年6月15日，在公司、債權人以及各方專業團隊的共同努力下，本公司提出的債權人計劃獲得了法定所需的多數計劃債權人的接納。並且，香港法院和新加坡法院分別於2023年7月26日以及2023年7月31日批准該計劃。該計劃於2023年8月31日生效。自此共同臨時清盤人向開曼群島大法院（「大法院」）申請撤銷開曼清盤呈請和解除共同臨時清盤人的任命。於2023年10月24日，大法院頒布命令，撤銷開曼清盤呈請，並無條件解除共同臨時清盤人作為本公司之共同臨時清盤人。

PROGRESS OF RESTRUCTURING

The schemes proposed by the Company was approved by the requisite statutory majorities of the scheme creditors on 15 June 2023. The schemes were subsequently approved by the Hong Kong Court on 26 July 2023, and the Singapore Court on 31 July 2023. The Schemes became effective on 31 August 2023. Since then, the Joint Provisional Liquidators had made the application to the Grand Court of Caymans Islands (the "Grand Court") for the withdrawal of the Cayman Petition and the discharge of the appointment of joint provisional liquidators. On 24 October 2023, the Grand Court granted an order that the Cayman Petition be dismissed and the joint provisional liquidators be unconditionally released.

本集團子公司山東紅日化工股份有限公司（「山東紅日」）根據山東省政府有關「退城入園，自主開發」（「項目」）的規定全部廠房已拆遷多年，由於政府尚未出臺相應政策配套實施細則，雖然當地政府多次作出承諾，並表示積極推動，我們也全力配合，但至今依然沒有取得進展。

According to the regulations of the Shandong Provincial Government regarding "Recolation of Industries from City Urban Area to Industrial Parks and Independent Development" ("the Plan"), all the factory buildings of our subsidiary, Shandong Hongri Chemical Joint Stock Company Limited ("Shangdong Hongri"), have been demolished for several years. However, since the government has not yet issued corresponding policy implementation details, despite numerous promises and active efforts from the local government, and our full cooperation, no progress has been made so far.

目前境內公司債務重組仍進行中，流動資金短缺疊加訴訟執行進一步加大境內公司債務重組的難度，也制約了企業正常生產經營。

Currently, the debt restructuring of our Domestic Subsidiaries is still ongoing. The shortage of working capital, combined with the escalation of litigation and enforcement. It has become more difficult to carry out the debt restructuring of our Domestic Subsidiaries, which also restrict its normal business operations.

管理層討論及分析

Management Discussion and Analysis

展望

2024年將是一個極具考驗的一年，管理層要積極應對當前經營所面臨的困境，採取積極的策略和措施來應對挑戰；管理層還需要妥善處理銀行借貸訴訟案件，尋求解決方案；並且將全力以赴繼續推進山東紅日土地的變現工作，以及充分發揮境外上市平台融資的有利條件，拓寬融資渠道，以期解決集團融資需求。與此同時，管理層還將積極吸納人才，為集團的可持續發展和經營團隊注入新鮮活力。總的來說，2024年對於本集團管理層來說是一個充滿挑戰的年份，我們將以積極的態度和務實行動來解決問題，推動集團的發展。

PROSPECT

2024 will be a highly challenging year, and the management team needs to actively respond to the current operational difficulties by implementing proactive strategies and measures to address the challenges. The management team also needs to handle bank loan litigation cases properly and seek solutions. The management team will exert maximum effort to continue advancing the monetisation of Shangdong Hongri land and fully leverage the advantageous conditions of offshore listing platforms for financing, aiming to broaden financing channels and meet the Group's financing needs. Meanwhile, the management team will actively attract talent, injecting fresh vitality into the sustainable development of the Group and its operational teams. Overall, 2024 poses significant challenges for the management team of the Group, and we will approach them with a positive attitude and pragmatic actions to resolve issues and drive the Group's development.

管理層討論及分析 Management Discussion and Analysis

主要營運數據

年內之未經審核主要營運數據與2022年同期數據比較如下。下表所列的主要業務超過本集團年內總營業額的99%。

(a) 主要產品之銷售量：

		2023	2022	增加／(減少)
		噸	噸	Increase/ (Decrease)
		Tonnes	Tonnes	%
農業肥料業務	Fertiliser business			
來自生產	From production	13,815	35,572	(61.2)
來自品牌授權	From brand licensing	37,812	106,029	(64.3)
		51,627	141,601	(63.5)
鎂產品業務	Magnesium product business	12,300	11,098	10.8

(b) 生產之主要產品平均售價：

		2023	2022	減少
		港元／噸	港元／噸	Decrease
		HK\$/Tonne	HK\$/Tonne	%
農業肥料業務	Fertiliser business	3,290	3,594	(8.5)
鎂產品業務	Magnesium product business	21,337	34,592	(38.3)

(c) 生產之主要產品毛(損)／利率：

		2023	2022	(減少)
		%	%	百分點 (Decrease) Percentage point
農業肥料業務	Fertiliser business	(3.0)	6.5	(9.5)
鎂產品業務	Magnesium product business	(32.4)	12.1	(44.5)
本集團之整體表現	The Group's overall performance	(25.5)	12.3	(37.8)

KEY OPERATIONAL DATA

Unaudited key operational data for the Year, together with the comparative figures for the corresponding period in 2022, are as follows. Main businesses listed below contributed over 99% of the Group's total revenue for the Year.

(a) Sales volume of major products:

(b) Average selling price of major products produced:

(c) Gross (loss)/profit margin of major products produced:

管理層討論及分析

Management Discussion and Analysis

財務回顧

營運收入及毛損

本集團今年錄得收益約315,582,000港元(2022年:約531,605,000港元),較去年減少40.6%。其中,本集團的雙核心業務:農業肥料業務及鎂產品業務分別佔約16.5%及83.5%(2022年:約26.7%及72.2%)。

農業肥料業務本年收入約52,061,000港元(2022年:約141,858,000港元),同比減少約63.3%。農業肥料業務整體毛利率約10.1%(2022年:約15.7%)。受制於境內外的債務重組致資金短缺,加之近兩年原材料價格波動較大,本集團一再壓縮生產規模以減少經營風險。本年之銷量約13,815噸(2022年:約35,572噸),同比下降約61.2%。受材料價格不穩及規模縮小而營運效率下降的影響,本年肥料銷售錄得毛損率約3.0%(2022年:毛利率約6.5%)。為增加收入及保持市場佔有率和品牌滲透性,本集自2022年起開拓了品牌授權,年內之品牌授權量約37,812噸(2022年:約106,029噸),貢獻收入約6,614,000港元(2022年:約14,012,000港元)。

FINANCIAL REVIEW

OPERATING INCOME AND GROSS LOSS

The Group recorded revenue of approximately HK\$315,582,000 during the Year (2022: approximately HK\$531,605,000), being a decrease of approximately 40.6% YoY. Of which, the Group's dual core businesses: fertiliser business and magnesium product business accounted for approximately 16.5% and 83.5% (2022: approximately 26.7% and 72.2%) respectively.

During the Year, revenue from fertiliser business was approximately HK\$52,061,000 (2022: approximately HK\$141,858,000), being a decrease of 63.3% YoY. Overall gross profit margin for fertiliser business was approximately 10.1% (2022: approximately 15.7%). Suffering from insufficient fund resulted from onshore and offshore debt restructuring and high volatility in raw material price in the past two years, the Group further compressed its production scale to reduce operational risk. Sale quantity for the Year is approximately 13,815 tonnes (2022: approximately 35,572 tonnes), being a decrease of 61.2% YoY. Impacted by instable material price and impaired operation efficiency from reduced scale, sale of fertiliser recorded a gross loss margin of approximately 3.0% for the Year (2022: gross profit margin of approximately 6.5%). To increase revenue and maintaining certain market share and brand penetration, the Group developed brand licensing since 2022. During the Year, 37,812 tonnes (2022: 106,029 tonnes) were licensed and contributing revenue of approximately HK\$6,614,000 (2022: approximately HK\$14,012,000).

管理層討論及分析 Management Discussion and Analysis

年內，鎂產品業務收入約為263,491,000港元（2022年：約383,899,000港元），同比減少約31.4%。2023年全球經濟放緩以及充滿挑戰的經濟環境，對全球各行業造成了影響。在中國，鎂錠的價格呈現整體下降趨勢。儘管年中有過短期回升，但第四季度開始持續下跌，導致了我們收入的減少。儘管集團鎂產品的銷售量輕微增加，從2022年的約11,098噸增至2023年的約12,300噸，但鎂產品的平均售價從2022年的每噸約34,592港元降至2023年的每噸港幣約21,337港元。顯著的價格下降是導致收入減少的主要原因。因此，鎂產品業務本年錄得毛損率約32.4%（2022年：毛利率約12.1%）。

其他收益或虧損淨額

本年之其他收益或虧損淨額為虧損約15,336,000港元（2022年：收益約16,595,000港元），同比減少約192.4%。這主要因為煉鋼熔劑業務廢料銷售同比減少約12,174,000港元。另外，鎂產品業務於年內出售了其長期閑置的原材料以套現資金，錄得原材料銷售虧損約13,701,000港元。

銷售及市場推廣費用

銷售及市場推廣費用約4,728,000港元（2022年：約7,839,000港元），主要包括市場業務費用、銷售人員工資及銷售運輸費用。銷售及市場推廣費用的下跌與收入的下跌一致。

During the Year, revenue from magnesium product business was approximately HK\$263,491,000 (2022: approximately HK\$383,899,000), decreased by approximately 31.4% YoY. The global economic slowdown in 2023, alongside a challenging economic environment, impacted industries worldwide. In the PRC, magnesium ingot prices followed a generally decreasing trend. Despite interim recoveries in the middle of the year, a persistent downturn commenced in the fourth quarter of 2023, significantly contributed to our revenue shortfall. Despite a slight increase in the Group's sales volume of magnesium products, from approximately 11,098 tonnes in 2022 to approximately 12,300 tonnes in 2023, the average selling price of the Group's magnesium products decreased from approximately HK\$34,592 per tonne in 2022 to approximately HK\$21,337 per tonne. This substantial price drop was the primary driver behind the revenue decline. Consequently, magnesium product business recorded a gross loss margin of 32.4% for the Year (2022: gross profit margin of approximately 12.1%)

OTHER GAINS OR LOSSES, NET

Other net gains or losses for the Year amounted to a net loss of approximately HK\$15,336,000 (2022: a net gain of approximately HK\$16,595,000), being a decrease of approximately 192.4% YoY. This was mainly due to the decrease in sale of scrap materials by metallurgical flux business by approximately HK\$12,174,000 YoY. Besides, magnesium product business also recorded a loss of approximately HK\$13,701,000 on sale of long-idle raw materials to realise cash during the Year.

SELLING AND MARKETING EXPENSES

Selling and marketing expenses were approximately HK\$4,728,000 (2022: approximately HK\$7,839,000), which mainly consisted of market operating expenses, sales staff salaries, and sales and distribution expenses. The decrease in selling and marketing expenses was in line with the decrease in revenue.

管理層討論及分析

Management Discussion and Analysis

行政開支

年內之行政開支約為264,683,000港元(2022年：約395,525,000港元)，同比減少約33.1%。行政開支主要包括員工薪酬、折舊及攤銷及專業費用。減少主要因為2022年確認了一次性費用共約111,276,000港元，包括山東紅日項目的安置補償金撥備約82,656,000港元及鎂產品業務的長期待攤前期付款約28,620,000港元。

債務重組之收益

本公司之債權人計劃已於2023年8月31日正式生效，因此年內確認債務重組收益約649,045,000港元(2022年：稀鎂科技債權人計劃已於2022年5月31日生效，因此本集團確認債務重組收益約140,076,000港元)。詳情可見財務報表附註10。

財務費用

財務費用約178,819,000港元(2022年：約191,776,000港元)，同比減少約6.8%。本公司之債權人計劃已於年內正式生效，因此消除了其與離岸債務有關的任何進一步違約利息的確認。

所得稅抵免

年內之所得稅抵免為8,537,000港元(2022年：約6,365,000港元)，同比增加約34.1%。隨著收入和利潤減少，本年之中國企業所得稅大幅減少，另本年還回撥了往前之超額撥備。

ADMINISTRATIVE EXPENSES

Administrative expenses during the Year amounted to approximately HK\$264,683,000 (2022: approximately HK\$395,525,000), representing a YoY decrease of approximately 33.1%. Administrative expenses mainly included staff compensation, depreciation and amortisation and professional expenses. The decrease mainly due to the one-off recognition of expenses in the aggregate amount of approximately HK\$111,276,000 in 2022, including the provision of approximately HK\$82,656,000 for the Resettlement Compensation for Shandong Hongri's Plan and provision for long outstanding prepayments of approximately HK\$28,620,000 for magnesium product business.

GAIN ON DEBT RESTRUCTURING

Gain on debt restructuring of approximately HK\$649,045,000 was recognised during the Year upon the effective of the Company's Creditors' Scheme on 31 August 2023 (2022: gain on debt restructuring of approximately HK\$140,076,000 was recognised by the Group upon the effective of REMT creditors' scheme on 31 May 2022). For details, please see Note 10 to the financial statements.

FINANCE COSTS

Finance costs were approximately HK\$178,819,000 (2022: approximately HK\$191,776,000), representing a decrease of approximately 6.8% YoY. The Company's has effective implemented its Creditors' Scheme, which eliminated the recognition of any further default interests in respect of its offshore debt.

INCOME TAX CREDIT

The income tax credit for the Year was approximately HK\$8,537,000 (2022: approximately HK\$6,365,000), representing a YoY increase of approximately 34.1%. Following the significant drop in revenue and profit, PRC Enterprises Income Tax also decreased, besides, there were also reversal of overprovision for previous years during the Year.

管理層討論及分析 Management Discussion and Analysis

引致年內虧損之重大項目

年內，本集團確認以下之資產減值及撥備合共 612,886,000 港元（2022 年：約 645,913,000 港元）：

1. 非流動資產減值

年內，本集團管理層檢討本集團因不利的市場環境、營運資金受制約及本集團債務重組而表現不佳且出現虧損的兩個現金產生單位，即農業肥料業務及煉鋼熔劑業務分部（「現金產生單位1」）以及鎂產品業務分部（「現金產生單位2」）。

於2023年12月31日，本集團委聘獨立估值師對本集團現金產生單位1及現金產生單位2進行估值。本年度，現金產生單位1及現金產生單位2已分別確認減值 246,257,000 港元（2022 年：348,965,000 港元）及 355,018,000 港元（2022 年：61,530,000 港元），合共 601,275,000 港元（2022 年：410,495,000 港元）。

詳情可見財務報表附註23。

MATERIAL ITEMS CONTRIBUTED TO LOSS FOR THE YEAR

During the Year, the Group recognised the following impairment and allowance on assets in aggregate of HK\$612,886,000 (2022: approximately HK\$645,913,000):

1. Impairment of non-current assets

During the Year, the management of the Group reviewed that two cash-generating unit of the Group, fertiliser business and metallurgical flux business segment (“CGU 1”) and magnesium product business segment (“CGU 2”) underperformed and incurred losses due to the unfavourable market conditions and constraints to working capital and debt restructuring of the Group.

The Group engaged independent valuer to perform the valuations of CGU 1 and CGU 2 of the Group as at 31 December 2023. Impairment of HK\$246,257,000 (2022: HK\$348,965,000) and HK\$355,018,000 (2022: HK\$61,530,000) have been recognised for CGU1 and CGU2 respectively, totally HK\$601,275,000 (2022: HK\$410,495,000) for the Year.

For details, please see Note 23 to the financial statements.

管理層討論及分析

Management Discussion and Analysis

2. 貿易應收款項、按金及其他應收款項之預期信貸虧損撥備

根據香港財務報告準則第9號，企業被要求入賬其預期於其發出發票當日發生之虧損並修訂其對於其獲得支付之前之虧損之估計。預期信貸虧損之概念指企業被要求檢討當前及未來之經濟狀況對虧損金額之影響。然而，這並非指該等虧損實際已經發生，亦非指在未來年度該等虧損會發生。反而，預期信貸虧損反應於報告日期可用之信息，並需在各財政年度作出評估。本集團委任獨立估值師評估截至2023年12月31日之貿易應收款項、按金及其他應收款項之預期信貸虧損。受到新冠疫情持續影響，本集團應收款項收款嚴重推遲。因此，本年度作出撥備約11,611,000港元（2022年：約235,418,000港元）。

詳情可見財務報表附註27及28。

利潤

年內，本集團的稅後虧損約475,136,000港元（2022年：約1,055,367,000港元），同比減少約55.0%。

若扣除非經常性之資產減值及撥備合共約612,886,000港元（2022年：約645,913,000港元），一次性之山東紅日項目的安置補償金撥備約零港元（2022年：82,656,000港元）及債務重組之收益約649,045,000港元（2022年：140,706,000港元），經調整年內經營性之稅後虧損約為511,295,000港元（2022年：約467,504,000港元），同比增加約9.4%。年內虧損增加主要因為鎂產品業務年內錄得嚴重虧損。

2. Allowance for expected credit losses on trade receivables, deposit and other receivables

Under HKFRS 9, companies are required to account for what they expect the loss to be on the day they issue the invoice and revise their estimate of that loss until the date they get paid. The concept of expected credit losses (ECLs) means that companies are required to look at how current and future economic conditions impact the amount of loss. However, it does not mean that such losses had actually occurred nor should happen in coming years. Instead, ECLs reflect information available at the reporting date and it should need to be assessed for each financial year. Independent valuers were engaged by the Group to assess the ECLs for the trade receivables, deposits and other receivables as at 31 December 2023. Affected by the ongoing COVID-19 epidemic, the Group's receivables collection was significantly delayed. Therefore, an allowance of approximately HK\$11,611,000 (2022: approximately HK\$235,418,000) was made for the Year.

For details, please see Notes 27 and 28 to financial statements.

MARGIN

During the Year, the Group's after-tax loss was approximately HK\$475,136,000 (2022: approximately HK\$1,055,367,000), representing a YoY decrease of approximately 55.0%.

If excluding the non-recurring impairment and allowance on assets in aggregate of approximately HK\$612,886,000 (2022: approximately HK\$645,913,000) and the recognition of a provision for the Resettlement Compensation of approximately HK\$Nil (2022: HK\$82,656,000) in relation to Shandong Hongri's Plan and the gain on debt restructuring of approximately HK\$649,045,000 (2022: HK\$140,706,000), the adjusted after-tax loss from operations for the Year was approximately HK\$511,295,000 (2022: HK\$467,504,000), being an increase of 9.4% YoY. The increase in adjusted loss was mainly due to the significant loss recorded by magnesium product business during the Year.

管理層討論及分析

Management Discussion and Analysis

本集團將繼續關注市場動態，也將會因應市場狀況等多重因素適時調整其業務策略，降低相應的價格波動風險，以期帶動業績回升。此外，董事會亦正在採取若干措施改善及加強本集團之運營管理。當中包括(i)內部資本及債務重組，以及尋求潛在投資者參與籌資計劃；及／或(ii)對資本投資及運營採取進一步之成本控制措施，以降低本集團之整體運營成本。

The Group will continue to monitor the market movements and will timely adjust its business strategies in response to various market conditions so as to minimise the associated price risk and for resumption of performance. In addition, the Board is also taking various measures to improve and strengthen the operation and management of the Group. These measures include (i) restructuring internal capital and debt, and seeking potential investors to participate in fundraising plans; and/or (ii) taking further cost control measures on capital investment and operation to reduce the overall operating costs of the Group.

本公司致力於繼續尋求債權人的積極反饋以支持該計劃，並將就重組計劃的任何重大進展作出進一步公告。

The Company is committed to continuing seeking positive feedbacks from creditors to support the plan and will make further announcements in respect of any substantial development of the restructuring plan.

末期股息

董事會並無建議派付截至2023年12月31日止年度末期股息(2022年：無)。

FINAL DIVIDEND

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

流動資金、負債及財務資源

本集團於2023年的流動資金主要來自年內經營業務所產生的現金。於2023年12月31日，本集團之銀行及現金結餘合共約為61,306,000港元(2022年：港元86,369,000港元)。

LIQUIDITY, LIABILITIES AND FINANCIAL RESOURCES

The Group's liquidity in 2023 was mainly derived from cash generated from business operations during the Year. As at 31 December 2023, total amount of bank and cash balances of the Group was approximately HK\$61,306,000 (2022: HK\$86,369,000).

於2023年12月31日，本集團之總借貸約為1,705,534,000港元，較2022年之約1,963,590,000港元減少約13.1%，主要因人民幣貶值及本公司之債權人計劃生效所致。本集團於2023年之負債比率(總借貸除資產總值)約為52.9%(2022年：45.0%)。

As at 31 December 2023, the Group's total borrowings was approximately HK\$1,705,534,000, decreased by approximately 13.1% as compared to that of 2022 of approximately HK\$1,963,590,000, which was mainly due to the depreciation of RMB and the effective of the Company's Creditor's Scheme. The Group's gearing ratio (calculated by total borrowings over total assets) was approximately 52.9% in 2023 (2022: 45.0%).

管理層討論及分析

Management Discussion and Analysis

補充資料

資產抵押

於2023年12月31日，本集團有抵押其資產，詳情於財務報表附註31及34披露。

資本承擔

於2023年12月31日，本集團並無任何重大資本承擔，惟於財務報表附註41所披露者除外。

或然負債

於2023年12月31日，本集團並無任何重大或然負債，惟於財務報表附註46所披露者除外。

資本結構

於2023年12月31日，本公司已發行股本為91,622,337港元，分為4,581,116,843股，每股面值0.02港元。

項目概覽

白雲石礦

本集團之白雲石礦，位於中國吉林省白山市。該礦場以露天開採方式操作，不涉及也不需要額外勘探工程，開發活動僅涉及露天開採時的簡易基建工程，並沒有涉及任何地下勘探以及結構工程。已開採之白雲石為本集團生產鎂產品業務之原材料。礦場的位置鄰近本集團生產基地，原料的運輸成本亦相對很低。

SUPPLEMENTARY INFORMATION

PLEDGE OF ASSETS

As at 31 December 2023, the Group had pledge of its assets, details of which are disclosed in Notes 31 and 34 to the financial statements.

CAPITAL COMMITMENTS

As at 31 December 2023, other than those disclosed in Note 41 to the financial statements, the Group did not have any material capital commitments.

CONTINGENT LIABILITIES

As at 31 December 2023, other than those disclosed in Note 46 to the financial statements, the Group did not have any significant contingent liabilities.

CAPITAL STRUCTURE

As at 31 December 2023, the issued share capital of the Company were HK\$91,622,337, divided into 4,581,116,843 shares of HK\$0.02 each.

PROJECT OVERVIEW

Dolomite Mine

The Group's dolomite mine is situated in Baishan City, Jilin Province, the PRC. The mine is operated by open-pit method, and therefore no additional exploration works are involved or required. Only simple infrastructure works for open-pit mining are involved in the development activities, and no underground exploration or structural works are involved. The dolomite mined is raw material for producing magnesium products of the Group. The transportation cost for raw material is relatively low due to the close proximity of the mine to the production base of the Group.

管理層討論及分析 Management Discussion and Analysis

本集團之白雲石礦乃按中國資源／儲量分類。截至2023年12月31日的估計資源量和儲量，按已開採量逐年核減，得出剩餘資源量及儲量。本集團與以往披露估算假設相比並無重大變更。該資源量及儲量由本集團之內部地質專家審核。截至2023年12月31日止年度，本集團完成出產白雲石39,277噸。與2022年12月31日相比，白雲石礦於本年度的估計資源量及礦石儲量並無重大變動。

The dolomite mine of the Group was reported under the Chinese resource/reserve categories. As at 31 December 2023, the anticipated resource and reserve volumes were determined based on the yearly reduction of quantity mined to calculate the remaining resource and reserve volumes. There is no material change in the assumptions of estimation by the Group as compared with those previously disclosed. The resource and reserve volumes was reviewed by the Group's internal geological experts. For the year ended 31 December 2023, the Group completed a dolomite output of 39,277 tonnes. As compared with that as at 31 December 2022, there was no material change in the resource estimate and ore reserve of the dolomite mine during the Year.

截至2023年12月31日止年度，白雲石礦開採活動，勘探活動及開發活動之支出皆為零港元。

The expenditure incurred in mining activities, exploration activities and development activities of dolomite for the year ended 31 December 2023 were HK\$Nil.

蛇紋石礦

本集團之蛇紋石礦，位於中國江蘇省東海縣。該礦場以露天開採方式操作，不涉及也不需要額外勘探工程，開發活動僅涉及露天開採時的簡易基建工程，並沒有涉及任何地下勘探以及結構工程。已開採之蛇紋石直接作為鋼鐵冶煉的輔助材料出售和作為本集團生產硅鎂肥之原材料。礦場的位置鄰近本集團生產基地，原料的運輸成本亦相對很低。

Serpentine Mine

The Group's serpentine mine is situated in Donghai County, Jiangsu Province, the PRC. The mine is operated by open-pit method, and therefore no additional exploration works are involved or required. Only simple infrastructure works for open-pit mining are involved in the development activities, and no underground exploration or structural works are involved. The serpentine mined is sold directly as metallurgical flux for iron and steel smelting and is raw material for producing silicon magnesium fertilisers of the Group. The transportation cost for raw material is relatively low due to the close proximity of the mine to the production base of the Group.

本集團之蛇紋石礦於2010年購入時，乃按JORC準則資源／儲量分類。截至2023年12月31日的估計資源量和儲量乃根據購入時的數量，按已開採量逐年核減，得出剩餘資源量及儲量。本集團與以往披露估算假設相比並無重大變更。該資源量及儲量由本集團之內部地質專家審核。截至2023年12月31日止年度，概無任何蛇紋石礦出量。與2022年12月31日相比，蛇紋石礦的估計資源量及礦石儲量並無重大變動。

The resource/reserve of the serpentine mine of the Group was reported under the JORC system when it was acquired in 2010. As at 31 December 2023, the anticipated resource and reserve volumes were determined based on the volume at the time of acquisition with the yearly reduction of quantity mined to calculate the remaining resource and reserve volumes. There is no material change in the assumptions of estimation by the Group as compared with those previously disclosed. The resource and reserve volumes was reviewed by the Group's internal geological experts. For the year ended 31 December 2023, there were no serpentine output. As compared with that as at 31 December 2022, there was no material change in the resource estimate and ore reserve of the serpentine mine.

管理層討論及分析

Management Discussion and Analysis

2023年度之開發活動開支主要為礦山安全生產風險監測預警系統工程的資本開支，並已予資本化並計入2023年度之綜合財務狀況表內。開採活動開支主要用於直接工資、材料、能源、運輸及折舊攤銷費用等，並已計入銷售成本於2023年度之綜合損益及其他全面收益表內扣除。

截至2023年12月31日止年度，蛇紋石礦開發及開採活動產生之支出分別約為14,949,000港元及7,299,000港元，而勘探活動之支出則為零港元。

主要風險及不明朗因素

本集團的財務狀況、營運業績及業務前景可能受到與本集團業務直接或間接相關的許多風險及不明朗因素的影響。以下為本集團知悉的主要風險及不明朗因素。除下文所列者外，或會存在本集團並未知悉或目前可能不重要但日後可能變得重要的其他風險及不明朗因素。

市場風險

市場風險乃因市場需求、產品價格、匯率及利率等的變動，而使盈利能力受損或影響達成業務目標的能力的風險。本集團管理層對該等風險持續密切監控，以確保能及時有效採取適當措施以應對。

匯率風險

本集團主要在中華人民共和國（「中國」）及香港經營業務，故此承受多種外匯風險，主要涉及人民幣、港元、新加坡元、美元及澳元。外匯風險源於未來商業交易、已確認資產及負債，以及外國經營的投資淨額。本集團現時並無對沖外匯風險。本集團定期檢討持有除港元以外之貨幣之流動資產及負債以評估外匯風險並於必要時考慮使用對沖工具。

The expenditures incurred for 2023 in development activities were mainly CAPEX in relation to production safety monitoring and alert system project of the mine. Such expenditures have been capitalised and included in the consolidated statement of financial position for 2023. The expenditures incurred in mining activities were mainly for direct wages, materials, energy, transportation, depreciation and amortisation, etc. Such expenditures have been included in cost of sales and charged to the consolidated statement of profit or loss and other comprehensive income for 2023.

The expenditures incurred in development and mining activities of serpentine for the year ended 31 December 2023 were approximately HK\$14,949,000 and HK\$7,299,000 respectively while the expenditures incurred in exploration activities were HK\$Nil.

KEY RISKS AND UNCERTAINTIES

Our Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to our Group's businesses. The followings are the key risks and uncertainties identified by our Group. There may be other risks and uncertainties in addition to those shown below which are not known to our Group or which may not be material now but could turn out to be material in the future.

Market risks

Market risk is the risk that deteriorates profitability or affects ability to meet business objectives arising from the movement in market demand, product prices, foreign exchange rates, and interest rates. The management of our Group keeps continually monitoring these exposures closely to ensure appropriate measures are implemented on a timely and effective manner against such risks.

Exchange rate risk

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong and is exposed to foreign exchange risk arising from primarily Renminbi, HK\$, Singapore dollars, US\$ and Australian dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The Group does not presently hedge the foreign exchange risks. The Group periodically reviews current assets and liabilities held in currencies other than HK\$ to evaluate its foreign exchange risk exposure and consider the usage of hedging instruments when necessary.

管理層討論及分析 Management Discussion and Analysis

利率風險

對於利息敏感型產品及投資，本集團以動態基準分析其利率風險，並考慮適當時透過各種手段以低成本方式管理該風險。

信貸風險

本集團一直以來十分重視我們客戶的信貸風險。本集團嚴格遵循於2004年建立的「客戶賬戶管理程式」。該程式要求並確保根據每一客戶先前的交易記錄和信貸往績，定期評估及追蹤所有客戶的賬戶。本集團就每名客戶的經營和資信狀況授予一系列信貸措施，例如：信貸比率、信貸期限、信貸評級、信貸條款及擔保。客戶賬戶管理程式可有效控制本集團之信貸風險。

營運風險

營運風險指因內部程序、人員或制度不足或缺失，或因外部事件導致之損失風險。管理營運風險之責任基本上由集團及附屬公司的職能部門負責監控和落實。本集團之主要功能是對營運程序、權限及匯報框架作出指引。管理層將會定期評估主要之營運風險及業務發展所帶來的影響，制定相應措施，完善內控制度，以及時有效應對和規避風險。

投資風險

投資風險乃界定為因各項外在因素轉變導致任何某項投資相對其預期回報期延長或投資項目發生虧損的可能性。本集團深明持續開拓業務類型和區域，對集團業務發展的重要性，並落實在年度重點工作任務中。項目投資的主要考慮因素為平衡各類投資之風險及回報，因而風險評估乃投資決策過程中的重要一環。本集團已設立適當的投資項目評估和盡職調查程序，並會於批准投資前進行詳細分析。本集團之投資項目進度會定期更新，並向董事會匯報。

Interest rate risk

For interest-sensitive products and investments, our Group analyses its interest rate exposure on a dynamic basis and considers managing this risk in a cost-effective manner through variety of means when appropriate.

Credit risk

The Group has always been aware of the credit risk exposure of our customers. The Group strictly followed the “client account management procedures” established in 2004. The procedures required and ensured that all clients were regularly assessed and be kept track of their accounts based on their transaction records and credit history. The Group specified and assigned to each customer, as according to their operation and credit status, a series of credit measures such as credit ratio, credit period, credit rating, credit terms and guarantee. The client account management procedures were effective to control the credit risk of the Group.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Responsibility for managing operational risks basically rests with functional departments of the Group and its subsidiaries. Key functions of the Group is to guide their standard operating procedures, limits of authority and reporting framework. Our management will assess key operational exposures and impacts brought by our business development regularly, implement relevant measures and improve the internal control so that risk can be addressed and mitigated on a timely and effective manner.

Investment risk

Investment risk can be defined as the likelihood of extension of its return period relative to the expected return or occurrence of losses on any particular investment attributable to changes of external factors. The Group is well aware of the importance of exploring various business opportunities and territories on a continual basis to the development of our businesses, which shall be implemented as the top agenda of the year. Key concern of investment projects will be balancing risk and return across different investments, and thus risk assessment is a core aspect of the investment decision-making process. Proper investment assessment and due diligence procedures have been set up and detailed analysis will be made before approving investments. Regular updates on the progress of the investments of our Group would be submitted to the Board.

管理層討論及分析

Management Discussion and Analysis

人力供應及留聘人才之風險

人力資源管理風險主要指由於本集團業務發展迅速，對人才需求迫切，也面對行業對人才的激烈競爭以及人員的流動性，本集團可能面臨或存在着未能有效引進及挽留具備適當及所需技能、經驗及才能之主要人員及人才以配合業務發展的風險，這些主要人員及人才均是達致本集團業務目標所需之因素。本集團將會對薪酬體系和激勵機制進行全面分析，優化薪酬結構以確保員工薪酬處於市場合理水平，並具有競爭力。同時，開拓招聘渠道，不斷充實高級管理層後備人才，並加強對員工的系統化培訓，提供員工升職機會及拓寬事業前途，弘揚良好的企業文化。

環境政策及表現

環境政策及表現主要指中國政府對環保法規政策的重視程度和愈加嚴格的規管要求，本集團之附屬公司及新併購企業由於建成投運已久，可能或將會存在與國家陸續出台的環境與責任要求有某種不足或差距的情況。本集團密切關注環保政策及外在因素的變動對集團業務發展所帶來的影響，本集團以對環境負責和履行社會責任的行動，致力於改善及保持其經營場所所在地環境及社區之長期可持續性，盡力遵守有關環保之法律及法規，並採取有效措施達致資源有效利用、能源節約及廢物減少。本集團日常營運已採納綠色倡議及措施。該等倡議包括資源回收、節約能源措施及節約用水等行動。

Manpower and retention risk

Manpower risk means huge demand for talents because of the Group's rapid business development while at the same time facing severe competition over specialists from the industry and turnover of manpower. Our Group may face the risk of not being able to recruit and retain key personnel and talents with appropriate and required skills, experience and competence to cope with the expansion of business which would meet the business objectives of our Group. Our Group will conduct a thorough analysis over its remuneration system, as well as incentive mechanism and optimise the compensation structure so as to ensure remuneration packages can align reasonably with market standard and maintain its competitiveness. Meanwhile, recruitment channels are broadened and the talent pool of senior management are strengthened, so as to further enhance the promotion opportunities and career path of employees. Systematic staff training are also being further enhanced to increase the overall effectiveness of training and the dissemination of good corporate cultures.

ENVIRONMENTAL POLICIES AND PERFORMANCE

Environmental policies and performance mainly means increasing attention of PRC government paid to environmental rules and policies and more strict regulatory requirements. As subsidiaries and newly acquired enterprises have been put into operation for a long while and may lag behind certain environmental and duty requirements promulgated by PRC government. The Group monitors impact on our business development closely arising from changes in environmental policy and external factors. Acting in an environmentally responsible manner and performing social responsibilities, the Group is committed to improving and maintaining the long term sustainability of the communities in which it operates. The Group endeavours to comply with laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources, energy saving and waste reduction. Green initiatives and measures have been adopted in daily operation of the Group. Such initiatives include recycling of resources, energy saving measures and water saving practices.

管理層討論及分析 Management Discussion and Analysis

遵守法律及規則

本集團的業務主要由本公司於中國內地的附屬公司進行，而本公司於聯交所上市。因此，本集團營運須遵守中國內地及香港的有關法律及法規。截至2023年12月31日止年度及直至本報告日期，盡我們所知，本集團於所有重大方面已遵守對本集團業務有重大影響的相關法律及法規。

與員工及主要持份者之關係

於2023年12月31日，本集團所僱用之員工數目為572名(2022年：674名)。本集團根據員工之表現、工作經驗和現時市場情況訂定彼等之薪酬。員工福利包括醫療保險、定額供款公積金計劃、酌情花紅和僱員購股權計劃。本集團並無發生任何導致正常業務運作受影響之勞資糾紛或僱員數目重大改變。董事認為本集團與僱員關係良好。

本集團明白與商業夥伴、股東、投資者及銀行保持良好關係，是我們達成長遠目標的要素。為了與我們的持份者維持密切的關係，本集團已制定相應的投資者關係計劃，並不定期為不同持份者舉辦合適的參與活動，包括週年／特別股東大會、現場考察、研討會和路演等等。故此，高級管理層會在適當情況下與彼等進行良好溝通、適時交流想法及共享集團發展最新動向。除本年報內所披露外，年內，本集團與商業夥伴或銀行之間並沒有重大的糾紛。

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in mainland China while the Company is listed on the Stock Exchange. The Group's operations accordingly shall comply with relevant laws and regulations in mainland China and Hong Kong. During the year ended 31 December 2023 and up to the date of this report, to the best of our knowledge, the Group has complied in all material respects with the relevant laws and regulations that have significant impact on the business of the Group.

RELATIONSHIP WITH EMPLOYEES AND KEY STAKEHOLDERS

The number of employees of the Group was 572 (2022: 674) as at 31 December 2023. The remuneration of employees was determined by the Group with reference to their performance, work experience and current market conditions. Employee benefits include medical insurance, defined provident fund scheme, discretionary bonus and employee share option scheme. There has been no labour dispute or significant change in the number of employees that affect the normal operations of the Group. The Directors believe that the Group maintains admirable relations with its employees.

Our Group understands that it is important to maintain good relationship with business partners, shareholders, investors and banks to achieve its long-term goals. To keep up with our key stakeholders closely, the Group has formulated corresponding scheme about investor relationship, and also holds tailored activities for various stakeholders from time to time, such as annual/ extraordinary general meetings, on-site visits, seminars and road-shows. Accordingly, our senior management have kept good communication, prompt exchange of ideas and sharing of business latest update about development of the Group with them when appropriate. Other than disclosed in this annual report, during the Year, there was no material dispute between our Group and its business partners or banks.

董事及高級管理層簡歷

Directors and Senior Management Profile

執行董事

池文富，61歲，本集團主席，負責制訂整體策略方針和重要營運決策。1995年，池先生在福州市開設律師事務所，擔任合夥人。此前池先生已於1989年成為中國合資格律師，加入福州市司法局經濟律師事務所。1998年初，池先生著手研究有機農業種植，並資助複合微生物菌劑產品的研究和開發項目。池先生畢業於化學分析專業及法律專業。池先生於2000年成立本集團。

池靜超，41歲，本集團企業事務總監，負責整體企業事務，在企業事務管理方面有10年工作經驗。池先生畢業於財務與行政管理專業。池先生於2004年8月加入本集團。於2019年6月27日至2021年7月31日期間，池先生亦擔任稀鎂科技之執行董事。

EXECUTIVE DIRECTORS

CHI Wen Fu, aged 61, Chairman of the Group who is responsible for overall strategic planning and key operating decisions. Mr. Chi started his law firm in Fuzhou in 1995, in which he was the Managing Partner. Prior to that, Mr. Chi joined Fuzhou Justice Bureau Commerce Law Office after qualifying as a lawyer in the PRC in 1989. In early 1998, Mr. Chi originated an initial research on organic agricultural production and funded a R&D project on microbial compound fertilisers. Mr. Chi is a graduate of Chemical Analysis and Law. Mr. Chi established the Group in 2000.

CHI Jing Chao, aged 41, Chief Corporate Affairs Officer of the Group who is responsible for the overall corporate activities. Mr. Chi has 10 years of experience in corporate affairs. Mr. Chi is a graduate of Financial and Administrative Management. Mr. Chi has joined the Group since August 2004. Mr. Chi was also an executive director of REMT during the period from 27 June 2019 to 31 July 2021.

董事及高級管理層簡歷

Directors and Senior Management Profile

獨立非執行董事

張省本，63歲，目前為稀鎂科技之獨立非執行董事。張先生現任郭崔會計師行高級核數經理。彼曾任Gary W.K. Yam & Co. (CPA)之高級核數主任。張先生擁有逾40年會計及核數經驗。張先生也曾於2004年2月至2007年5月期間出任本公司之獨立非執行董事及董事會審核委員會主席。

盛洪，61歲，為SWIFTOWN Development Limited董事及SWIFTOWN (Shanghai) Trading Limited總經理。SWIFTOWN集團主要從事設計及銷售金屬製造產品。盛先生於企業管理及投資擁有超過20年經驗。他曾於1986年至1996年期間任職於華潤(集團)有限公司。盛先生持有上海同濟大學工學學士學位。

沈毅民，60歲，自1996年7月起，沈先生是中國合資格執業證券法律業務律師。沈先生1992年畢業於中國復旦大學，主修經濟法。沈先生曾是中國福建至理律師事務所合夥人及福建省福州市對外經濟律師事務所的負責人。沈先生於2003年5月至2008年9月期間曾擔任本公司獨立非執行董事及董事會審核委員會成員。

公司秘書

陸世煒，60歲，本集團財務總監兼公司秘書，負責監督本集團財務、管理會計及公司秘書事宜。加入本集團前，陸先生曾任多間香港上市公司之財務總監，並於財務及管理方面擁有豐富經驗。陸先生持有香港浸會大學工商管理學士學位及英國斯特拉斯克萊德大學工商管理碩士學位，是英國英格蘭及威爾斯特許會計師協會資深會員、香港會計師公會會員和香港註冊財務策劃師協會會員。陸先生於2010年5月加入本集團。

INDEPENDENT NON-EXECUTIVE DIRECTORS

CHEUNG Sound Poon, aged 63, is currently an independent non-executive director of REMT. Mr. Cheung is currently a senior audit manager at Chui & Kwok (CPA). He was an audit senior at Gary W.K. Yam & Co. (CPA). Mr. Cheung has over 40 years of experience in accounting and auditing. He was an independent non-executive director and the chairman of audit committee of the board of the Company between February 2004 and May 2007.

SHENG Hong, aged 61, Director of SWIFTOWN Development Limited and General Manager of SWIFTOWN (Shanghai) Trading Limited. The SWIFTOWN Group is principally engaged in design and sales of metallic products. Mr. Sheng has over 20 years of experience in management of corporation and investment. He was employed by China Resources (Holdings) Company Limited from 1986 to 1996. Mr. Sheng holds a Bachelor's Degree in Engineering Mechanics from Tongji University, Shanghai.

SHEN Yi Min, aged 60, a qualified lawyer to practise securities laws in the PRC since July 1996. Mr. Shen graduated from Fudan University in the PRC with a major in Economics Law in 1992. Mr. Shen was a partner of Fujian Zhi Li Law Office* (福建至理律師事務所) and the former principal of Fujian Fuzhou Foreign Economics Law Office* (福建省福州市對外經濟律師事務所) in the PRC. Mr. Shen was an independent non-executive Director and a member of audit committee of the Board of the Company from May 2003 to September 2008.

COMPANY SECRETARY

LUK Sai Wai, Simon, aged 60, Chief Financial Officer and Company Secretary of the Group. Mr. Luk is responsible for financial, management accounting and secretarial affairs of the Group. Prior to joining the Group, Mr. Luk was appointed as Financial Controller for several listed companies in Hong Kong and was experienced in finance and management. Mr. Luk holds a Bachelor's Degree in Business Administration from Hong Kong Baptist University and a Master's Degree in Business Administration from University of Strathclyde. He is a fellow member of The Institute of Chartered Accountants in England and Wales, an associate member of Hong Kong Institute of Certified Public Accountants, and a member of Society of Registered Financial Planners, Hong Kong. Mr. Luk has joined the Group since May 2010.

董事及高級管理層簡歷

Directors and Senior Management Profile

高級管理層

胡傑，54歲，本集團生產總監，負責本集團肥料生產運營管理。胡先生畢業於機電一體化專業，於肥料行業擁有逾20年豐富經驗，曾任肥料廠廠長、生產技術部總經理、化工總廠廠長以及採購及品牌部總經理等職務。胡先生於2007年加入本集團。

陳吉華，50歲，畢業於北京航空航天大學高分子材料專業，負責本集團肥料業務供銷管理工作。陳先生於肥料營銷業務有逾20年相關經驗，曾任山東紅日化工股份有限公司倉儲管理部副經理，採購部經理，生產基地副總經理及採購貿易中心總經理等職務。陳先生於2016年加入本集團。

王永翔，55歲，專責本集團礦山生產和運營管理。王先生畢業於礦山規劃與測繪專業，於肥料生產與礦山開採有逾20年豐富經驗。加入本集團前曾任江蘇省東海蛇紋石礦生產技術員、工程師、硫酸廠廠長等職務。王先生於2007年加入本集團。

SENIOR MANAGEMENT

HU Jie, aged 54, Production Director of the Group, is responsible for fertiliser production and operation management of the Group. Mr. Hu studied in mechatronics, and has over 20 years of experience in the fertilizer industries. He has served in various positions, such as the Head of fertiliser factory, the General Manager of the production technology department, the Head of the main chemical factory and the General Manager of the purchasing and branding department. Mr. Hu has joined the Group since 2007.

CHEN Jihua, aged 50, graduated from Beihang University with a major in Polymer Materials. He is responsible for the supply and sales management of the fertilizer business in this group. Mr. Chen has over 20 years of experience in fertilizer marketing. He has previously held positions such as Deputy Manager of the Warehousing Department, Manager of the Procurement Department, Deputy General Manager of the Production Base, and General Manager of the Procurement and Trade Center at Shandong Hongri Chemical Joint Stock Company Limited. Mr. Chen joined the group in 2016.

WANG Yongxiang, aged 55, is responsible for the ore production and operation management of the Group. Mr. Wang majored in planning and surveying of mining industry with over 20 years of experience in agricultural fertilisers production and mining. Prior to joining the Group, he was the Production Technician and Engineer at Donghai serpentine mine in Jiangsu Province, and the Head of Sulfuric Acid Factory. Mr. Wang has joined the Group since 2007.

企業管治報告

Corporate Governance Report

本公司致力於達致及保持高水平的企業管治與經營誠信。董事會相信，良好企業管治不但可增進管理問責性及投資者信心，亦可為本公司之長期發展奠定良好基礎。

企業管治常規守則

於2023年全年，本公司已遵守聯交所證券上市規則（「上市規則」）附錄14所載之企業管治守則（「企業管治守則」）及企業管治報告之守則條文，惟以下偏離情況及經審慎考慮的理由除外：

- (a) 根據守則條文第A.2.1條，主席與行政總裁（「行政總裁」）之角色須分開，不應由同一人擔任。然而，在本公司現時之公司架構下，主席及行政總裁之角色並無分開，有關詳情披露於下文「主席及行政總裁」一段。
- (b) 根據守則條文第E.1.2條，董事會主席須出席股東週年大會。由於董事會主席於2023年6月29日因公出差，故彼無法出席於該日舉行之股東週年大會。本公司之獨立非執行董事張省本先生已出席主持上述股東週年大會並回答股東提問。

The Company is committed to achieve and maintain high standards of corporate governance and business integrity. The Board believes that good corporate governance will not only improve management accountability and investors confidence, but will lay a good foundation for the long-term development of the Company.

CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the year of 2023, the Company has complied with the code provision as set out in the Corporate Governance Code (the “CG Code”) and Corporate Governance Report under Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) except for the following deviations as explained below with considered reasons:

- (a) Under code provision A.2.1, the roles of chairman and chief executive officer (the “CEO”) should be separated and should not be performed by the same individual. However, there is no separation between the roles of chairman and CEO under the current corporate structure of the Company, details of which have been disclosed in the paragraph headed “Chairman and Chief Executive Officer” below.
- (b) Under the code provision E.1.2, the chairman of the Board should attend the annual general meeting. The chairman of the Board was unable to attend the annual general meeting held on 29 June 2023 as he was obliged to be away for a business trip on that date. Mr. Cheung Sound Poon, an independent non-executive Director of the Company, attended and chaired the said annual general meeting to answer questions from shareholders.

企業管治報告

Corporate Governance Report

董事會

本集團由董事會管治，董事會之責任為策略性領導及全面監督本集團。董事會行使的職權包括：

- 規劃本集團整體策略
- 監察及控制經營及財務表現
- 規劃風險管理政策
- 檢討內部監控系統成效
- 批准財務業績及公佈
- 批准年度經營預算
- 批准主要收購或出售及資本項目
- 審批主要投資及重大借貸
- 制訂股息政策
- 批准委任董事
- 制訂本集團之薪酬政策

董事會亦負責履行守則條文第D.3.1條所載的職務。董事會將召開會議以制定、檢討及監察本公司的企業管治政策及常規，並檢討及監察董事及高級管理層的培訓及持續專業發展，且檢討及監察本公司有關遵守法律及監管規定的政策及常規，同時制定、檢討及監察適用於僱員及董事的標準守則及合規手冊，亦會檢討本公司遵守企業管治守則的情況及於企業管治報告中作出披露的情況。

於2023年度，董事會已就企業管治職能方面檢討本公司遵守企業管治守則及監管與法定規定以及於此企業管治報告中作出披露的情況。

於2023年，主席曾個別地會見獨立非執行董事，當中並沒有其他執行董事出席。

THE BOARD

The Group is governed by the Board which is responsible for strategic leadership and overall supervision of the Group. The Board exercises a number of authorities which include:

- Formulating the Group's overall strategies
- Monitoring and controlling operational and financial performance
- Formulating strategies for risk management
- Reviewing effectiveness of internal control system
- Approving financial results and public announcements
- Approving annual operating budgets
- Approving major acquisitions or disposals and capital projects
- Reviewing and approving major investments and material borrowings
- Setting dividend policy
- Approving appointment of Directors
- Setting the Group's remuneration policies

The Board is also responsible for performing the functions set out in code provision D.3.1. The Board will meet to develop, review and monitor the Company's corporate governance policies and practices, to review and monitor training and continuous professional development of Directors and senior management, to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements, to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors and to review the compliance of the Company with the CG Code and the disclosure in the corporate governance report.

During the year of 2023, in relation to the corporate governance functions, the Board has reviewed the Company's compliance with the CG Code and the regulatory and statutory requirements, and the disclosure in the corporate governance report.

During 2023, the Chairman had met the independent non-executive Directors individually without the presence of other executive Directors.

企業管治報告 Corporate Governance Report

董事會的成員

董事會由5名董事組成，其中2名為執行董事，3名為獨立非執行董事。因此，獨立非執行董事數目佔董事會超過三分之一。於本報告日期，董事會之成員及簡歷分別載於本年報第32及33頁。

董事會授予執行董事負責本集團日常管理及執行董事會採納之主要策略及方案的權力，而執行董事須適時向董事會提供有關說明及資料，以供董事會監察管理層之表現。

非執行董事為本公司帶來寶貴的專業知識與經驗，並擔當重要職能，提供策略性意見予管理層。

獨立非執行董事確保董事會為所有股東利益負責及以客觀態度處理事情。3名獨立非執行董事為董事會提供多元化之寶貴商業經驗、知識及專業精神，促進董事會履行本身職能之效率及效能。董事會已收到各獨立非執行董事依照上市規則第3.13條就其獨立性作出的年度確認。董事會認為，所有獨立非執行董事均具獨立性。

池文富先生與池靜超先生有叔侄親屬關係。除上述披露外，董事會成員之間概無其他關係。

經檢討(i)各董事所持的董事職務及主要任命；及(ii)各董事於董事會會議及各董事委員會會議的出席率後，董事會信納全體董事於2023年均已付出足夠時間履行彼等責任。

本公司已就董事可能面對的法律行動作出適當的投保安排。

BOARD COMPOSITION

The Board comprises 5 Directors in which 2 are executive Directors, 3 are independent non-executive Directors. The number of independent non-executive Directors constitutes more than one-third of the Board. The composition of the Board as at the date of this report and their profiles are set out on page 32 and 33 of the annual report respectively.

The Board delegates powers to executive Directors for the day-to-day management of the Group and the implementation of major strategies and initiatives adopted by the Board whereas executive Directors should provide such explanations and information to the Board in a timely manner to enable the Board to monitor the performance of management.

Non-executive Director brings in valuable expertise and experience to the Company and serves important functions as well as provides strategic advices to the management.

Independent non-executive Directors ensure that the Board is accountable for the interest of all shareholders and handles matters in an objective manner. The 3 independent non-executive Directors have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for efficient and effective delivery of its functions. The Board has received from each independent non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Board considers all of the independent non-executive Directors to be independent.

Mr. Chi Wen Fu and Mr. Chi Jing Chao have a family relationship of uncle and nephew. Save as disclosed, there is no other relationship among members of the Board.

Upon reviewing (i) the directorships and major commitments of each Director; and (ii) the attendance rate of each Director at the meetings of the Board and its committees, the Board is satisfied that all Directors have spent sufficient time in performing their responsibilities during 2023.

The Company has arranged appropriate insurance cover in respect of legal action against Directors.

企業管治報告

Corporate Governance Report

主席及行政總裁

於2021年7月30日沈世捷先生辭任行政總裁後，本集團創辦人、主席兼執行董事池文富先生獲委任為本公司之行政總裁。

此一架構未能符合守則條文第A.2.1條。然而，董事會認為，由於池先生在中國市場積累豐富經驗及知識，並在制定本集團策略性決策和整體管理方面擔當重要角色，採取單一領導架構符合本集團的最佳利益，令本公司能夠快速高效地作出及落實決策。此外，現階段正進行債務重組，董事會難以在市場上覓得具備適合資格及專業技能的候選人士擔任行政總裁一職。就單一領導架構而言，本集團已採取充分保障措施，確保管理層向董事會負責。主席／行政總裁保證董事會能定期及於需要時召開會議。主席／行政總裁保證董事會成員定期獲提供完備、充足、準確和及時的資料，以確保彼等能充份掌握本集團的事務。主席／行政總裁保證所有董事均可於有需要時不受限制地獲取本集團保存的文件或資料以及專業建議。

委任及重選

任何具備合適資歷及預期可為董事會表現帶來正面貢獻的潛在新董事人選，將會由現任董事及提名委員會物色並提呈董事會批准。

根據本公司之組織章程細則，於每屆本公司股東週年大會上，三分之一董事須輪換卸任，而每位董事須最少每3年卸任一次。池文富先生及張省本先生須於即將舉行之本公司股東週年大會上卸任，惟彼等符合資格並願意膺選連任。

倘獨立非執行董事任職已超過九年，其是否獲續任應以獨立決議案形式由股東審議批准。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Upon the resignation of Mr. Shum Sai Chit as Chief Executive Officer on 30 July 2021, Mr. Chi Wen Fu, founder of the Group, the chairman and an executive Director, has been appointed as the CEO of the Company.

This structure does not comply with code provision A.2.1. However, the Board is of the view that it is in the best interests of the Group to adopt a single leadership structure, as Mr. Chi possesses extensive experience and knowledge in the PRC market and he is playing a significant role in establishing strategic decisions and overall management of the Group. It enables the Company to make and implement decisions promptly and efficiently. Further, it is difficult for the Board to find a candidate with suitable qualification and expertise in the market to fill the position of CEO at this stage of debts restructuring. With the single leadership structure, sufficient safeguards are established to ensure the management is accountable to the Board. The Chairman/CEO ensures Board meetings are held regularly and when necessary. The Chairman/CEO ensures that Board members are provided with complete, adequate, accurate and timely information on a regular basis to enable them to be fully cognizant of the affairs of the Group. The Chairman/CEO ensures all Directors have unrestricted access to document or information kept by the Group and professional advice when necessary.

APPOINTMENT AND RE-ELECTION

Any potential new Directors, being individuals who are suitably qualified and expected to make a positive contribution to the performance of the Board, will be identified by the existing Directors and the Nomination Committee and submitted to the Board for approval.

In accordance with the articles of association of the Company, at each annual general meeting of the Company, one-third of the Directors shall retire from office by rotation and every Director shall be subject to retirement at least once every 3 years. Mr. Chi Wen Fu and Mr. Cheung Sound Poon shall retire at the forthcoming annual general meeting of the Company, but being eligible, offer themselves for re-election.

If an independent non-executive Director serves more than 9 years, his further appointment will be subject to a separate resolution to be approved by shareholders.

企業管治報告 Corporate Governance Report

於上屆本公司股東大會後獲董事會委任的董事亦須於即將舉行之本公司股東週年大會上卸任，惟彼符合資格並願意膺選連任。

各獨立非執行董事(即張省本先生、盛洪先生及沈毅民先生)已與本公司訂立委任書，年期分別由2023年4月1日及2024年1月1日起為期2年，惟董事須根據本公司之組織章程細則之規定輪換卸任，該董事或本公司均可透過發出至少3個月事前書面通知終止任命。獨立非執行董事及非執行董事之每年袍金將因應彼等預期於本公司業務上投入之時間及年資作出檢討。

目前所有執行董事每年均可各自獲得固定酬金。此外，每位執行董事亦有權獲得按本公司擁有人應佔本集團經審核綜合純利(已扣除稅項、非控股權益及酌情管理花紅支付款項，但未扣除非經常及特殊項目)的某一百分比計算的酌情管理花紅。該百分比將由董事會釐定，惟本公司每一財政年度應付所有執行董事的花紅總額不得超過該純利的5%。每位執行董事的薪酬每年須由董事會經參考其所貢獻的時間、精力及其專業知識進行檢討。

於年內，董事及高級管理層獲得之個別薪酬詳情，於財務報表附註14披露。

全體董事均有權因履行本公司職務期間產生合理的開支而獲得補償及符合資格根據本公司購股權計劃獲授購股權。

董事會程序

董事會須向股東負責，以符合道德、負責任和有效的方式領導本集團。董事會定期召開會議，並會為可能出現的任何特別事項召開臨時會議。

Directors being appointed by the Board after the preceding general meeting of the Company, shall also retire at the forthcoming annual general meeting of the Company, but being eligible, offer themselves for re-election.

Each of the independent non-executive Directors, namely Mr. Cheung Sound Poon, Mr. Sheng Hong and Mr. Shen Yi Min, has entered into a letter of appointment with the Company for a fixed term of 2 years commencing from 1 April 2023 and 1 January 2024 respectively, subject to the provisions of retirement and rotation of Directors under the articles of association of the Company and save that either such Director or the Company may terminate the appointment by giving at least 3 months' prior written notice. Annual emoluments payable to independent non-executive Directors and non-executive Director will be reviewed according to their estimated time to be spent on the Company's matters and their working experience with the Company.

All existing executive Directors are entitled to a fixed remuneration per annum respectively. In addition, each executive Director is also entitled to a discretionary management bonus calculated as a percentage of the audited consolidated net profit of the Group attributable to the owners of the Company (after tax and non-controlling interests and the payment of such management bonuses but before extraordinary and exceptional items), which percentage shall be determined by the Board provided that the aggregate amount of the bonuses payable to all executive Directors in respect of each financial year of the Company shall not exceed 5% of such net profit. The remuneration of each executive Director is subject to the annual review of the Board with reference to his/her contribution in terms of time, effort and his/her expertise.

Details of remuneration paid to each of the Directors and senior management during the year are disclosed in Note 14 to the financial statements.

All Directors are entitled to be reimbursed for reasonable expenses incurred during the performance of their duties to the Company and are eligible for share options under the share option scheme of the Company.

BOARD PROCESSES

The Board is accountable to the shareholders and leads the Group in an ethical, responsible and effective manner. The Board meets on a regular basis and arranges ad-hoc meetings for any specific matters that may arise.

企業管治報告

Corporate Governance Report

董事會於2023年共召開5次會議。下表載有個別董事出席董事會會議、委員會會議及股東大會之記錄：

The Board met 5 times in 2023. The attendance of individual Directors at Board meetings, committee meetings and general meetings is set out in the following table:

		所出席／舉行之會議				
		Attended/held				
		董事會 會議	審核委員會 會議	提名委員會 會議	薪酬委員會 會議	股東大會
		Board Meetings	Audit Committee Meetings	Nomination Committee Meetings	Remuneration Committee Meetings	General Meetings
執行董事	Executive Directors					
池文富(主席)	Chi Wen Fu (Chairman)	4/5	-	1/1	-	0/1
池靜超	Chi Jing Chao	5/5	-	-	1/1	0/1
獨立非執行董事	Independent Non-Executive Directors					
張省本	Cheung Sound Poon	5/5	5/5	1/1	1/1	1/1
盛洪	Sheng Hong	5/5	5/5	1/1	1/1	1/1
沈毅民	Shen Yi Min	5/5	5/5	-	1/1	1/1

議程及隨附董事會文件將於董事會或委員會會議召開前交予全體董事，並給予最少3天供彼等傳閱。董事會須於董事會會議上以投票表決方式或以書面決議案作出決定。倘主要股東或董事於董事會省覽且其認為屬重大之事宜中有利益衝突，有關事宜將以實質舉行董事會會議之方式而非以書面決議案之方式處理。

Agendas and the accompanying board papers are circulated in full to all Directors at least 3 days before the Board or committee meeting. Board decisions will then be resolved either by vote at Board meetings or by written resolutions. If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by a physical Board meeting rather than a written resolution.

企業管治報告 Corporate Governance Report

董事會及董事委員會會議記錄由本公司之公司秘書編製，連同任何補充文件，可供所有董事查閱。會議記錄載有董事會或其委員會所討論事項、所作決定及由董事提出的任何關注或異議。

如董事於董事會將考慮的任何交易或建議中有任何利益衝突，該董事須就其利益作出聲明，並放棄投票。該事項由在該交易或建議中概無重大利益的董事於董事會會議上考慮。

董事之入職及持續專業發展

每位董事獲委任加入董事會時均會收到一份入職資料，內容涵蓋本集團之業務及作為上市公司董事之法定及監管責任。本集團亦會定期知會董事有關上市規則及與彼等履行職務時所需事項相關的其他適用法律及監管規定的最新發展。此外，本公司一直鼓勵董事出席有關適用法律、規則及規例最新發展的講座並提供有關經費，使彼等可持續進修及進一步提高其相關知識及技能。

Minutes of the Board meetings and meetings of the Board committees taken by the company secretary of the Company and, together with any supporting papers, are available for inspection to all Directors. The minutes record the matters discussed by the Board or its committees, the decisions made and any concerns or dissenting views raised by the Directors.

If a Director has a conflict of interests in relation to a transaction or proposal to be considered by the Board, such Director is required to declare his/her interest and abstain from voting. Such matter shall be considered at a Board meeting by Directors who have no material interest in the transaction or proposal.

DIRECTORS' INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

On appointment to the Board, each Director would receive an induction package covering the Group's business and the statutory and regulatory obligations of a director of a listed company. The Group also regularly updates Directors on the latest development regarding the Listing Rules and other applicable legal and regulatory requirements regarding subjects necessary for performing their duties. In addition, the Company has been encouraging and offering to pay for Directors to attend seminars on the latest development of applicable laws, rules and regulations so that they can continuously update and further improve their relevant knowledge and skills.

企業管治報告

Corporate Governance Report

根據由董事提供的記錄，各董事於2023年1月1日至2023年12月31日期間接受的培訓概述如下：

According to the records provided by the Directors, the training received by each of the Directors during the period from 1 January 2023 up to 31 December 2023 is summarised as follows:

		持續專業發展 培訓種類 ^(附註1) Type of continuous professional development training ^(notes 1)
執行董事	Executive Directors	
池文富	Chi Wen Fu	B
池靜超	Chi Jing Chao	B
獨立非執行董事	Independent Non-Executive Directors	
張省本	Cheung Sound Poon	A/B
盛洪	Sheng Hong	B
沈毅民	Shen Yi Min	B

附註：

notes:

1. 培訓種類：

- A: 出席講座或培訓課程
B: 閱讀報章、刊物及有關本公司業務或董事職責及責任、上市規則及其他適用監管規定最新發展等方面的最新資料

1. Training types:

- A: Attending seminar(s) or training session(s)
B: Reading newspapers, journals and updates relating to the Company's business or directors' duties and responsibilities, the latest development of the Listing Rules and other applicable regulatory requirements etc.

企業管治報告 Corporate Governance Report

董事會的權限

董事會已授予高級管理層負責執行業務策略和管理本集團的日常業務運作的權力和責任，其須向董事會匯報。保留予董事會及管理層的職能會定期進行檢討。董事會及各董事有權隨時要求高級管理層及公司秘書提供任何本公司資料。董事亦會適時獲知會有可能影響本集團業務之重大變動，包括有關規則及規例之修訂等事宜。於年內，本公司會每月向董事提供有關本公司表現、狀況及前景的最新資料，以讓整個董事會及各董事履行彼等之職責。董事亦可在履行其職責時尋求獨立專業意見，費用由本公司支付，但於2023年並無董事提出需尋求有關獨立專業意見的要求。

董事會根據若干關鍵表現指標如財務數據、投資者關係、企業管治及內部監控，以監察及檢討管理層的表現。主要措施包括審閱管理賬目、審閱內部或外聘核數師報告及利益持份者之反饋。

董事會成員多元化政策

於本年度，董事會已實施董事會成員多元化政策，其自2013年9月1日起生效。本公司透過考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能知識及服務年期，務求達致董事會成員多元化。所有董事會成員委任乃基於用人唯才，而為有效達致董事會成員多元化，將根據客觀準則考慮候選人。

DELEGATION BY THE BOARD

The Board has delegated the authority and responsibility for implementing business strategies and management of the daily operations of the Group to the senior management who is required to report back to the Board. Functions reserved to the Board and the management are reviewed periodically. The Board and each individual Director is empowered to access any Company's information from senior management and the company secretary at all times. The Directors are kept informed on a timely basis of major changes that may affect the Group's businesses, including amendments on relevant rules and regulations. During the year, Directors are provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties. Directors are allowed to seek independent professional advice in performing their duties at the Company's expense, but no request was made by any Director for such independent professional advice in 2023.

The Board monitors and reviews performance of the management based on several key performance indicators such as financial figures, investor relations, corporate governance and internal control. The principal measures include review of management accounts, review of internal or external auditor reports and feedbacks from stakeholders.

BOARD DIVERSITY POLICY

During the year, the Board has implemented a board diversity policy which has been effective since 1 September 2013. The Company seeks to achieve board diversity through the consideration of a number of factors, 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.

企業管治報告

Corporate Governance Report

甄選候選人將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按候選人的長處及其可為董事會提供的貢獻而作決定。

根據上市規則第13.92條，聯交所不會視只有一種性別的董事會已實現多元化。因此，董事會計劃於董事會層面及員工層面提高性別多元化，現正物色一名或多名不同性別的合適人選以於2024年12月31日或之前加入董事會擔任董事。

於本報告日期，董事會包括5名董事。董事會成員其中2名為執行董事，另3名為獨立非執行董事。董事具有不同的教育背景及擁有多元化的專業資格及商業經驗。除性別外，就專業及教育背景及技能方面而言，董事會均屬相當多元化。

董事進行證券交易標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為本公司董事進行證券交易之行為守則。本公司已向所有董事作出特別查詢，而彼等亦已書面確認於本年內，彼等已遵守標準守則所載之規定標準。

董事會委員會

為協助董事會執行職務，董事會已設立審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）。該等委員會在明確界定的職權範圍內履行職責。獨立非執行董事在該等委員會中發揮重要作用，以確保獨立客觀的意見可獲採納。

該等委員會的職權範圍可於本公司及聯交所網站瀏覽。

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

According to Rule 13.92, the Stock Exchange of Hong Kong Limited will not consider diversity to be achieved for a single gender board. Henceforth, the Board is planning to improve the gender diversity at board level and across the workforce, and are in the process of seeking one or more suitable candidates of different gender to join the Board on or before 31 December 2024.

As at the date of this report, the Board comprises 5 Directors. Among which, 2 of them are executive Directors and the other 3 of them are independent non-executive Directors. The Directors are of diverse educational background and possess a wide spectrum of professional qualifications and business experience. Other than gender, the Board is of significant diversity, whether considered in terms of professional and educational background and skills.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (“Model Code”) as the code of conduct of the Company regarding Directors’ securities transactions. The Company made specific enquiries to all Directors and all Directors have confirmed in writing that they have complied with the required standards set out in the Model Code during the year.

BOARD’S COMMITTEES

To assist in the execution of its responsibilities, the Board has established audit committee (the “Audit Committee”), remuneration committee (the “Remuneration Committee”), and nomination committee (the “Nomination Committee”). These committees function within clearly defined terms of reference. Independent non-executive Directors play a significant role in these committees to ensure that independent and objective views are taken.

The terms of reference of these committees are available on the websites of the Company and the Stock Exchange.

企業管治報告 Corporate Governance Report

審核委員會

在報告期內，審核委員會由張省本先生（審核委員會主席）、盛洪先生及沈毅民先生組成，彼等均為獨立非執行董事。所有委員會成員均具備合適資格如會計及財務管理。

審核委員會於2023年召開5次會議，以與高級管理層及外聘核數師檢討本集團之重大內部控制及財務事宜（如審核委員會之職權範圍所載）。審核委員會之職能包括下列各項：

- 審閱本集團之財務報表並向董事會提供推薦意見以供審批
- 審查本集團遵守法例及法定規定的情況
- 審查本集團之內部監控及風險管理
- 審閱重大會計及審計事項
- 審查本集團之關連交易
- 監察及管理與外聘核數師的關係

審核委員會有權在其職責範圍內對任何事宜進行調查，並獲授權履行其職責時如認為必要可尋求獨立專業意見。於展開審核本公司截至2023年12月31日止年度之財務報表前，審核委員會已接獲核數師根據香港會計師公會發佈之專業會計師操守規範第290條（修訂本）之規定，就彼等之獨立性及客觀性而發出之書面確認。

於年內，審核委員會已於個別之審核委員會會議內履行上述職能及已對核數師審閱之審核範圍、過程、有效性以及獨立性表示信納。

AUDIT COMMITTEE

The Audit Committee consists of Mr. Cheung Sound Poon (chairman of the Audit Committee), Mr. Sheng Hong and Mr. Shen Yi Min for the reporting period, who are both independent non-executive Directors. All committee members possess appropriate qualifications such as accounting and financial management.

The Audit Committee met 5 times in 2023 to review with the senior management and external auditors the Group's significant internal controls and financial matters as set out in the Audit Committee's terms of reference. The functions of the Audit Committee include the following matters:

- Reviewing the Group's financial statements with recommendation to the Board for approval
- Reviewing the Group's compliance of the regulatory and statutory requirements
- Reviewing the Group's internal control and risk management
- Reviewing significant accounting and audit issues
- Reviewing the Group's connected transactions
- Overseeing and managing the relationship with external auditors

The Audit Committee has power to conduct investigations into any matter within the scope of responsibility of the Audit Committee. The Audit Committee is authorised to obtain independent professional advice if it deems necessary for discharging its responsibilities. The Audit Committee has obtained a written confirmation from the auditors on their independence and objectivity as required under the Section 290 (revised) of the Code of Ethics for Professional Accountants issued by Hong Kong Institute of Certified Public Accountants prior to the commencement of the audit of the Company's financial statements for the year ended 31 December 2023.

During the year, the Audit Committee has carried out the above functions in the respective Audit Committee meetings and also has been satisfied with the review of the audit scope, process, effectiveness and independence of the auditors.

企業管治報告

Corporate Governance Report

在本公司及其附屬公司（統稱「本集團」）截至2023年12月31日止年度之綜合財務報表中，本公司核數師有一強調事項對持續經營之基準因有重大不明朗因素（「強調事項」）。審核委員會已就強調事項的基準與核數師進行溝通。核數師認為，綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）真實而公允地反映本集團於2023年12月31日的綜合財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

審核委員會已完成審閱2023年中期及年度財務報表，並向董事會建議批准有關財務報表。董事會與審核委員會對重聘核數師沒有意見分歧。

In the consolidated financial statements of the Company and its subsidiaries (together as the “Group”) for the year ended 31 December 2023, the Company’s auditors had an emphasis of matter on the material uncertainties relating to the going concern basis (“Emphasis of Matter”). The Audit Committee has communicated with the Auditors regarding the basis of the Emphasis of Matter. In the opinion of the Auditors, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

The Audit Committee has reviewed and recommended to the Board for approval of the interim and annual financial statements for 2023. There was no disagreement between the Board and the Audit Committee on the re-appointment of the auditors.

企業管治報告 Corporate Governance Report

薪酬委員會

薪酬委員會現時由4名成員組成，包括張省本先生（薪酬委員會主席兼獨立非執行董事）、池靜超先生（執行董事）、盛洪先生（獨立非執行董事）及沈毅民先生（獨立非執行董事）。

薪酬委員會之職能為制訂一套具透明度的程序，以制定本集團董事及高級管理層的薪酬政策和方案。薪酬委員會的職能包括：

- 檢討本集團個別執行及非執行董事及高級管理層的薪酬方案並就此向董事會提供建議
- 檢討本公司購股權計劃的管理
- 檢討本集團董事及高級管理層的酬勞的合適程度

概無董事參與釐定其本身的薪酬。薪酬委員會於2023年共召開一次會議，以檢討董事及高級管理層的現有薪酬政策。

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises 4 members, namely Mr. Cheung Sound Poon (chairman of the Remuneration Committee and independent non-executive Director), Mr. Chi Jing Chao (executive Director), Mr. Sheng Hong (independent non-executive Director) and Mr. Shen Yi Min (independent non-executive Director).

The functions of the Remuneration Committee are to formulate transparent procedures for setting remuneration policies and packages for Directors and the senior management of the Group. Its duties include:

- Reviewing and recommending to the Board the remuneration packages of individual executive and non-executive Directors and the senior management of the Group
- Reviewing the administration of the share option scheme of the Company
- Reviewing the appropriateness of compensation for Directors and the senior management of the Group

No Director is involved in determining his/her own remuneration. The Remuneration Committee met once in 2023 to review the existing remuneration policies of the Directors and senior management.

企業管治報告

Corporate Governance Report

提名委員會

提名委員會現由3位成員組成，包括池文富先生（提名委員會主席兼執行董事）、張省本先生（獨立非執行董事）及盛洪先生（獨立非執行董事）。

提名委員會的職能包括：

- 檢討董事會之架構、人數及組成
- 建議對董事會作出任何變動以配合本公司的企業策略
- 物色有能力及合資格人選出任董事會成員
- 評核獨立非執行董事之獨立性
- 就委任或重新委任董事及董事繼任安排作出建議
- 制定及維持董事會成員的提名政策
- 制定及維持董事會多元化政策並確保其有效性
- 監察董事會成員多元化政策的執行並檢審及就修訂該等政策提供意見

提名委員會於2023年共召開一次會議，以檢討董事會之架構、人數及組成，並建議董事會變動董事會成員角色及於即將舉行之股東週年大會重新委任卸任董事、同時評核獨立非執行董事之獨立性。

於履行物色合適資格人選為董事會成員之職責時，提名委員會將充分考慮董事會成員多元化政策。

NOMINATION COMMITTEE

The Nomination Committee currently comprises 3 members, namely, Mr. Chi Wen Fu (chairman of the Nomination Committee and executive Director), Mr. Cheung Sound Poon (independent non-executive Director) and Mr. Sheng Hong (independent non-executive Director).

Its duties include:

- Reviewing the structure, size and composition of the Board
- Recommending any change to the Board to complement the Company's corporate strategies
- Identifying capable and qualified individuals to become Board members
- Assessing independence of independent non-executive Directors
- Making recommendation on appointment or re-appointment of Directors and succession planning for Directors
- Developing and maintaining a policy for the nomination of Board members
- Developing and maintaining a board diversity policy and to ensure its effectiveness
- Monitoring the implementation of the Board diversity policy and to review and to make recommendations on any revisions of such policy

The Nomination Committee met once in 2023 for reviewing the structure, size and composition of the Board, making recommendation to the Board regarding change of roles of board members and re-appointment of retiring Directors at the forthcoming annual general meeting, assessing the independence of independent non-executive Directors.

In carrying out the responsibility for identifying suitably qualified candidates to become members of the Board, the Nomination Committee will give adequate consideration to the board diversity policy.

企業管治報告 Corporate Governance Report

核數師薪酬

本公司委任上會柏誠會計師事務所有限公司擔任本集團的獨立核數師。除提供審核服務外，上會柏誠會計師事務所有限公司本年度沒有提供非審核服務。非審核服務可包括專業審閱服務。

以下為釐定委任核數師提供非審核服務所考慮的原則：

- 核數師概無作出管理決定
- 不會削弱核數師的獨立性
- 服務質素
- 服務收費

董事會於股東週年大會上獲授權釐定獨立核數師的薪酬。

就2023年所提供的服務，本集團支付／應付予獨立核數師之服務酬金如下：

AUDITORS' REMUNERATION

The Company had appointed Prism Hong Kong and Shanghai Limited as the independent auditors of the Group. Apart from audit services, Prism Hong Kong and Shanghai Limited did not provided any non-audit services during the year. Provisions of non-audit services may include professional services for professional review.

The following principles are considered when determining the appointment of the auditors in non-audit services:

- No management decision made by the auditors
- Independence of the auditors not to be impaired
- Quality of service
- Cost of service

The Board was authorised in the annual general meeting to determine the remuneration of the independent auditors.

The remuneration paid/payable by the Group to the independent auditors for the year of 2023 are as follows:

		千港元 HK\$'000
上會柏誠會計師事務所有限公司 審核及審核相關服務	Prism Hong Kong and Shanghai Limited Audit and audit related services	1,900

本年度之賬目由上會柏誠會計師事務所有限公司審核，其任期將於即將舉行之股東週年大會上屆滿。審核委員會已向董事會建議，於即將舉行之股東週年大會上再次委任上會柏誠會計師事務所有限公司為本公司之核數師。

The accounts for the year were audited by Prism Hong Kong and Shanghai Limited whose term of office will expire upon the forthcoming annual general meeting. The Audit Committee has recommended to the Board that Prism Hong Kong and Shanghai Limited be re-appointed as the auditors of the Company at the forthcoming annual general meeting.

企業管治報告

Corporate Governance Report

董事與核數師各自的職責

董事確認彼等負責編製各財政期間之財務報表，該等財務報表須真實公平地反映本公司及其附屬公司的事務狀況，以及符合公司條例（香港法例第622章）的規定及上市規則的適用披露條文。

核數師確認其誠如本年報第68至75頁核數師報告所載之責任。

內部監控

董事會確認其負責設立、維護及檢討本集團內部監控及風險管理系統之有效程度，以確保股東之投資及本集團之資產得到保障。該系統專責管理而非消除未能達成業務目標的風險，僅可就排除重大錯誤陳述或虧損提供合理而非絕對保證。此責任主要由審核委員會代為履行。於回顧年度，審核委員會獲董事會授權，並已檢討本集團內部監控制度的效用，當中涵蓋所有重大監控方面（包括財務、運作及合規監控以及風險管理功能）。

健全的內部監控制度乃建基於穩健之控制環境。這取決於以下要素：

- 組織之商業道德及文化；
- 其職員之質素及能力；
- 董事會引領之方向；及
- 管理層之效能

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors acknowledge their responsibilities for preparation of the financial statements for each financial period, which give a true and fair view of the state of affairs of the Company and its subsidiaries and in compliance with the requirements of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the applicable disclosure provisions of the Listing Rules.

The auditors acknowledge their responsibilities in the auditors' report as set out on pages 68 to 75 of the annual report.

INTERNAL CONTROLS

The Board acknowledges its responsibility to establish, maintain and review the effectiveness of the Group's system of internal controls and risk management with a view to ensuring that shareholders' investments and the Group's assets are safeguarded. Such system is designated to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. This responsibility is primarily fulfilled on its behalf by the Audit Committee. In the year under review, the Audit Committee, as delegated by the Board, has reviewed the effectiveness of the internal control systems of the Group, covering all material controls, including financial, operational and compliance controls and risk management functions.

The foundation of a strong system of internal control is a solid control environment. This is dependent on the following components:

- Business ethics and culture of the organisation;
- Quality and competence of its personnel;
- Direction provided by the Board; and
- Effectiveness of the management

企業管治報告 Corporate Governance Report

風險管理

本集團透過定期檢討以確定重大業務風險領域，以及採取適當措施控制和減低該等風險，從而改進其業務與營運活動。本集團管理層審閱所有重要監控政策及程序，並向董事會及審核委員會特別提出所有重大事件。

本集團內部審核部門協助執行本集團風險管理，因此本集團能確保與本集團營運有關的新出現風險可由管理層立即識別，評估執行計劃的充分性以管理該等風險以及監控及評估執行計劃的有效性。上述均為持續程序且審核委員會定期檢討本集團風險管理系統。

審核委員會向董事會呈報本集團的風險管理及內部監控政策的執行情況，其中包括釐定風險因素、評估本集團能承受的風險級別及風險管理措施的有效性。根據本集團內部監控部門及審核委員會報告，董事會認為，本集團的風險管理及內部監控系統屬適當及有效且本集團已遵守企業管治守則所載之風險管理及內部監控條文。

RISK MANAGEMENT

The Group improves its business and operational activities by identifying the areas of significant business risks via a regular review and taking appropriate measures to control and mitigate these risks. The management of the Group reviews all significant control policies and procedures and highlights all significant matters to the Board and Audit Committee.

The implementation of risk management of the Group was assisted by the Group's internal audit department so that the Group could ensure new and emerging risks relevant to the Group's operation are promptly identified by management, assess the adequacy of action plans to manage these risks and monitor and evaluate the effectiveness of the action plans. These are on-going processes and our Audit Committee reviews the Group's risk management systems periodically.

Audit committee reported to the Board the implementation of the Group's risk management and internal control policy which, among other things, included the determination of risk factors, evaluation of risk level the Group could endure and effectiveness of risk management measures. Based on the reports from the Group's internal control department and the Audit Committee, the Board considers the Group's risk management and internal control system is adequate and effective and the Group has complied with the provisions on risk management and internal controls as set out in the CG code.

企業管治報告

Corporate Governance Report

處理及傳播內幕消息的程序及內部監控

本集團遵循證券及期貨條例（「證券及期貨條例」）及上市規則規定。本集團會盡快在合理可行的情況下向公眾披露內幕消息，惟資料屬證券及期貨條例所規定的任何安全保障者除外。在資料全面向公眾披露前，本集團確保資料維持高度機密。倘本集團相信不能維持必要之機密程度或可能已洩露機密，則本集團會即時向公眾披露資料。由於須以清晰及均衡的方式呈列資料並同時披露正面及負面事實，故本集團致力確保公佈或通函所載資料在重大事實方面並無虛假或無具誤導成分或因遺漏重大事實而出現虛假或誤導成分。

與股東溝通及投資者關係

本公司明白開放的溝通及公平的披露的重要性。本公司的政策是要確保所有股東公平地獲得所有重大企業發展的資訊。

全體股東就本公司舉行的任何股東大會均會獲得適當通知，董事及委員會成員均列席會上及對股東提出的任何問題作出解答。本公司重要資料可於本公司網站或寄發予股東之財務報表及通函中取得。股東亦可致函給本公司之投資者關係經理就需要董事會注意的問題作出任何查詢，其聯絡資料載於下文「股東權利 — (c)向董事會作出查詢之權利」一段。

PROCEDURES AND INTERNAL CONTROLS FOR HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group complies with requirements of Securities and Futures Ordinance (“SFO”) and the Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensure that information contained in announcements or circulars is not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company recognises the importance of open communication and fair disclosure. It is the Company’s policy to ensure that all shareholders are equally informed of all major corporate developments.

All shareholders have proper notice of any general meeting of the Company at which the Directors and the committees’ members are available to give explanation on any query raised by the shareholders. Major information of the Company could be obtained from the Company’s website or financial reports and circulars sent to the shareholders. Any enquiries by the shareholders requiring the Board’s attention can also be sent in writing to the Investor Relations Manager of the Company whose contact details are set out in the paragraph headed “Shareholders’ Rights – (c) Right to Put Enquiries to the Board” below.

企業管治報告 Corporate Governance Report

於本公司股東大會上提呈的決議案將以投票方式進行表決，惟大會主席可以誠實信用的原則做出決定，容許純粹有關程序或行政事宜的決議案以舉手方式表決。本公司將於每次股東大會上向股東解釋投票表決程序，並回答股東有關投票程序的問題。投票表決結果將按上市規則訂明的方式刊登於聯交所及本公司網站上。

作為投資者關係定期計劃的一部分，高級行政人員可於業績公布後安排簡介會或路演，並與機構投資者及分析師出席研討會，就本公司的表現、目標及發展進行雙向溝通。本公司會應特定要求安排公司約訪。

股東權利

(a) 召開股東特別大會之權利

根據本公司之組織章程細則，任何一位或以上於存放要求日期持有不少於本公司繳足股本（附帶權利於本公司股東大會上投票）十分之一的股東隨時有權向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且該大會應於提出該要求後2個月內舉行。

該書面要求必須列明該大會的目的、由請求人士簽署及送交本公司董事會或公司秘書，地址為本公司於香港之總辦事處和主要營業地點香港九龍尖沙咀海港城港威大廈第5座16樓，而該要求可由一式多份，每份由一名或以上請求人士簽署的文件組成。

Resolutions put to vote at the general meetings of the Company shall be decided on a poll, save that the chairman of the meeting may in good faith allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands. Procedures for conducting a poll will be explained to the shareholders at each general meeting and questions from shareholders regarding the voting procedures will be answered. The poll results will be posted on the websites of the Stock Exchange and the Company respectively in the manner prescribed under the Listing Rules.

As part of a regular program of investor relations, senior executives may hold briefings or road shows after the results announcement and attend conferences with institutional investors and analysts to engage in two-way communications on the Company's performance, objectives and developments. Company visits can be arranged by the Company upon specific request.

SHAREHOLDERS' RIGHTS

(a) *Right to Convene Extraordinary General Meeting*

Pursuant to the articles of association of the Company, any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within 2 months after the deposit of such requisition.

The written requisition must state the purposes of the meeting, signed by the requisitionist(s) and deposit it to the Board or the company secretary of the Company at the Company's head office and principal place of business in Hong Kong at 16th Floor, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong, and such request may consist of several documents in like form, each signed by one or more of the requisitionist(s).

企業管治報告

Corporate Governance Report

該要求將由本公司於香港之股份過戶登記分處核實，經股份過戶登記分處確認該要求符合程序後，本公司的公司秘書將於要求董事會根據所有相關法例及監管規定向全體註冊股東發出充分通知後召開股東特別大會。相反，倘要求經核實為不符合程序，請求人士將獲告知此結果，股東特別大會將不會按要求召開。

倘提出要求後21日內，董事會未有召開該大會，則請求人士可自行以同樣方式召開該大會，而請求人士因董事會未有召開大會而產生的所有合理開支應由本公司向請求人士作出償付。

(b) 於股東大會提呈議案之權利

開曼群島公司法或本公司組織章程細則並無條文批准股東於股東大會上提呈新決議案。有意提呈決議案之股東可按前述段落所載之程序要求本公司召開股東特別大會。

有關提名人士參選董事之程序，可於本公司網站www.centurysunshine.com.hk查閱。

(c) 向董事會作出查詢之權利

股東可隨時以書面方式致函本公司之投資者關係總監，向董事會作出查詢及提出關注事項，其聯絡資料載列如下：

香港
九龍
尖沙咀
海港城
港威大廈第5座
16樓
傳真：(852) 2802 2697
電郵：ir@centurysunshine.com.hk

The request will be verified with the Company's branch share registrar in Hong Kong and upon the confirmation of the branch share registrar that the request is in order, the company secretary of the Company will ask the Board to convene an extraordinary general meeting by serving sufficient notice in accordance with all relevant statutory and regulatory requirements to all registered members. On the contrary, if the request is verified as not in order, the requisitioner(s) will be advised of this outcome and accordingly, an extraordinary general meeting will not be convened as requested.

If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitioner(s) himself/themselves may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.

(b) Right to Put Forward Proposals at General Meetings

There are no provisions allowing shareholders to propose new resolutions at general meetings under the Cayman Islands Companies Law or the articles of association of the Company. Shareholders who wish to propose a resolution may request the Company to convene an extraordinary general meeting following the procedures set out in the preceding paragraph.

As regard the procedures for proposing a person for election as a Director, please refer to the procedures made available on the website of the Company at www.centurysunshine.com.hk.

(c) Right to Put Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing for the attention of Investor Relations Director of the Company whose contact details are as follows:

16th Floor
Tower 5, The Gateway
Harbour City
Tsim Sha Tsui
Kowloon
Hong Kong
Fax: (852) 2802 2697
Email: ir@centurysunshine.com.hk

企業管治報告 Corporate Governance Report

本公司之投資者關係總監會於適當時候把股東之查詢及關注事項轉交董事會及／或相關董事會委員會，以回答股東之提問。

The Investor Relations Director of the Company shall forward the shareholders' enquiries and concerns to the Board and/or relevant committees of the Board to answer the shareholders' questions where appropriate.

公司秘書

陸世煒先生為本公司之僱員，並自2010年5月1日獲委任為本公司之公司秘書。陸先生之履歷資料載於「董事及高級管理層簡歷」一節。

COMPANY SECRETARY

Mr. Luk Sai Wai, Simon is an employee of the Company and has been appointed as the company secretary of the Company with effect from 1 May 2010. The biographical details of Mr. Luk are set out in the section headed "Directors and Senior Management Profile".

根據上市規則第3.29條，陸先生於截至2023年12月31日止財政年度內已參與不少於15小時的相關專業培訓。

According to Rule 3.29 of the Listing Rules, Mr. Luk has taken no less than 15 hours of relevant professional training during the financial year ended 31 December 2023.

章程文件

於本公司在2023年6月29日舉行的股東週年大會上，本公司股東通過一項特別決議案以修訂本公司現有之組織章程大綱及細則，使之符合近期對上市規則作出之若干修訂及載入若干內部修訂。詳情參照本公司於2023年5月29日刊發給股東之通函。

CONSTITUTIONAL DOCUMENTS

At the annual general meeting of the Company held on 29 June 2023, a special resolution was passed by the shareholders of the Company to amend the existing Memorandum and Articles of Association of the Company so as to bring them in line with certain recent amendments made to the Listing Rules and to incorporate certain housekeeping amendments. For details, please refer to the circular of the Company published to Shareholders on 29 May 2023.

本公司之組織章程大綱及細則之最新版本已登載於本公司及聯交所網站。

An updated version of the Memorandum and Articles of Association of the Company is available on the websites of the Company and the Stock Exchange.

股東週年大會

在本公司於2023年6月28日舉行之上屆股東週年大會上，所有關於採納財務報表、重選董事、續聘核數師及授予發行及購回股份之一般授權等決議案均獲得通過。本公司將訂於2024年6月30日前或在本公司及聯交所網站後續刊發之股東週年大會通告所訂明之任何其他日期舉行今屆股東週年大會。

ANNUAL GENERAL MEETING

At the Company's last annual general meeting held on 28 June 2023, all the resolutions relating to the adoption of financial statements, re-election of Directors, reappointment of auditors and grant of general mandates to issue and repurchase shares have been duly passed. The forthcoming annual general meeting of the Company is scheduled to be held on/or before 30 June 2024 or any other dates as specified in further notice of annual general meeting to be published on the websites of the Company and the Stock Exchange later.

董事會報告

Directors' Report

董事謹此欣然提呈本報告，連同本集團截至2023年12月31日止年度之經審核財務報表，有關報表刊載於第76至227頁。

主要業務及業務地域分析

本公司之主要業務乃投資控股。其主要附屬公司之業務及其他詳情載於財務報表附註24。

本集團按經營分部的表現分析載於財務報表附註8。截至2023年及2022年12月31日止年度，本集團主要於中國營運及本集團之收入主要來自中國，而於2023年12月31日及2022年12月31日，本集團非流動資產主要位於中國。概無披露本集團按地區劃分的業績及資產分析。

業績及分派

本集團截至2023年12月31日止年度之業績載於第76至77頁之綜合損益表及綜合全面收益表。

本公司董事不建議就截至2023年12月31日止年度派付任何股息。

業務回顧

本集團之業務回顧載於本年報第16至25頁。

五年財務概要

本集團於過去5個財政年度之業績、資產及負債概要載於本年報第228頁。

The Directors have pleasure in submitting their report together with the audited financial statements of the Group for the year ended 31 December 2023, which are set out on pages 76 to 227.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities and other particulars of its principal subsidiaries are shown under Note 24 to the financial statements.

An analysis of the Group's performance by operating segments is set out in Note 8 to the financial statements. During the years ended 31 December 2023 and 2022, the Group mainly operated in the PRC and the Group's revenue are mainly derived from the PRC and non-current assets of the Group are mainly located in the PRC as at 31 December 2023 and 31 December 2022. No analysis of the Group's result and assets by geographical area is disclosed.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2023 are set out in the consolidated statement of profit or loss and consolidated statement of comprehensive income on pages 76 to 77.

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

BUSINESS REVIEW

A business review of the Group is set out on pages 16 to 25 of the annual report.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last 5 financial years is set out on page 228 of the annual report.

物業、廠房及設備

本集團之物業、廠房及設備變動詳情載於財務報表附註17。

股本

本公司之股本變動詳情載於財務報表附註38。

與股份掛鈎協議

(a) 授予董事及被選員工之購股權

截至2023年12月31日止年度被頒授、被行使及已失效之購股權，詳情載於財務報表附註40及本董事會報告之「購股權計劃」章節內。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 17 to the financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in Note 38 to the financial statements.

EQUITY LINKED AGREEMENTS

(a) *Share options granted to directors and selected employees*

For share options granted, exercised and lapsed during the year ended 31 December 2023, details are set out in Note 40 of the financial statements and the section named "Share Option Schemes" contained in this Directors' Report.

董事會報告

Directors' Report

上市後償票據

於2017年6月5日，本公司發行了面值101,750,000新加坡元之上市後償票據（根據多種幣值中期票據計劃）。該等票據票息率為7.0厘，並於新加坡交易所上市。該等票據已於2020年7月3日到期並違約。重組計劃於2023年8月31日生效後，該等票據已納入重組計劃內。於2024年1月29日，該等票據亦已於新加坡交易所退市。

截至2023年12月31日年度內，該等票據之變動詳情載於財務報表附註34。

儲備

本集團及本公司年內之儲備變動詳情分別載於第80至81頁之綜合權益變動表及財務報表附註39(b)。

可供分派儲備

本公司於2023年12月31日之可供分派儲備為486,147,000港元（2022年：零港元）。

優先購買權

本公司之組織章程細則或開曼群島法例並無優先購買權條款，規定本公司須按比例向現有股東提呈發售新股。

LISTED SUBORDINATED NOTES

On 5 June 2017, the Company issued listed subordinated notes (under the Multicurrency Medium Term Note Programme) with the face value of SGD101.75 million. The notes carried a coupon rate of 7.0% and were listed on the Singapore Stock Exchange. The note matured on 3 July 2020 and was defaulted. Upon the effective of Scheme of Arrangement on 31 August 2023, the notes were compromised into the Scheme. On 29 January 2024, the notes were also delisted from the Singapore Stock Exchange.

Details of the movements of the notes during the year ended on 31 December 2023 are set out in Note 34 of the financial statement.

RESERVES

Details of the movements in reserves of the Group and of the Company during the year are set out in consolidated statement of changes in equity on pages 80 to 81 and Note 39(b) to the financial statements respectively.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2023 amounted to HK\$486,147,000 (2022: HK\$Nil).

PRE-EMPTIVE RIGHTS

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

董事會報告 Directors' Report

購買、出售或贖回本公司上市證券

於2023及2022年內，本公司或其任何附屬公司於年內及截至本年報日期並無購買、出售或贖回本公司任何上市證券。

董事

於年內及截至本年報日期之董事如下：

執行董事

池文富(主席及行政總裁)
池靜超

非執行董事

郭孟勇(已於2023年5月9日辭世)

獨立非執行董事

張省本
盛洪
沈毅民

根據本公司組織章程細則第87條，池文富先生及張省本先生將於本公司應屆股東週年大會上輪值告退，並符合資格及願意膺選連任。

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

During the year 2023 and 2022, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year and up to the date of the annual report.

DIRECTORS

The Directors during the year and up to the date of the annual report are:

Executive Directors

Chi Wen Fu (*Chairman and CEO*)
Chi Jing Chao

Non-Executive Director

Guo Mengyong (passed away on 9 May 2023)

Independent Non-Executive Directors

Cheung Sound Poon
Sheng Hong
Shen Yi Min

In accordance with Article 87 of the Company's Articles of Association, Mr. Chi Wen Fu and Mr. Cheung Sound Poon will retire from office by rotation at the forthcoming annual general meeting of the Company and, being eligible, offer themselves for re-election.

董事會報告

Directors' Report

董事服務合約

擬於應屆股東週年大會上膺選連任之董事概無與本公司訂立不可由本公司於一年內終止而毋須賠償(法定賠償除外)之服務合約。

董事於合約之權益

於年末或年內任何時間，本公司或其任何附屬公司或其母公司概無訂立任何涉及本集團業務而董事於其中直接或間接擁有重大權益之重要合約。

董事於競爭業務之權益

年內，本公司董事或管理層股東或彼等各自之聯繫人士(定義見上市規則)概無於任何與本集團業務構成或可能構成競爭之業務中擁有任何權益。

獲准許彌償

根據本公司的組織章程細則第167條，本公司之每名董事就其執行職務或與此有關所蒙受或招致之一切損失或負債，均有權從本公司資產中獲得彌償保證，而各董事概無須就其執行職務或與此有關本公司所出現或招致之任何損失，損害賠償或不幸情況負責。

現時及於年內已備有適當的董事責任保險以保障本公司之董事在面對索償時可能產生的成本和責任。

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance in relation to the Group's business to which the Company, any of its subsidiaries or its parent company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the Directors or the management shareholders of the Company or their respective associates (as defined in the Listing Rules) had any interest in a business that competed or might compete with the business of the Group.

PERMITTED INDEMNITY

Pursuant to Article 167 of the Company's Articles of Association, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, and no Director shall be liable for any loss, damages or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.

A Directors liability insurance is currently in place, and was in place during the year, to protect the Directors of the Company against potential costs and liabilities arising from claims brought against them.

董事及高級管理層履歷詳情

董事及高級管理層的簡歷載於本年報第32至34頁。

購股權計劃

(a) 本公司之購股權計劃

為吸引及挽留最優秀之員工以發展本集團業務，以及提供額外鼓勵或獎勵予獲選之合資格參與者，本公司於2019年6月26日採納一項購股權計劃（「該計劃」）。合資格參與者主要為本集團僱員、董事及對本集團有所貢獻之本集團承包商、供應商或服務供應商。除非另行註銷或修訂，否則該計劃將自成立日期起10年內有效。該計劃之餘下年期約為5.5年（於2029年6月26日屆滿）。

於2023年12月31日，該計劃項下尚未行使之購股權合共可認購279,900,000股股份。購股權變動詳情載於財務報表附註40。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 32 to 34 of the annual report.

SHARE OPTION SCHEMES

(a) *Share option scheme of the Company*

In order to attract and retain the best quality employees for the development of the Group's businesses and to provide additional incentives or rewards to selected qualifying participants, the Company adopted a share option scheme on 26 June 2019 (the "Scheme"). The qualifying participants mainly include employees of the Group, Directors and contractors, suppliers or service providers of the Group who have contribution to the Group. The Scheme, unless otherwise cancelled or amended, will remain in force for 10 years since its establishing date. The remaining life of the Scheme is approximately 5.5 years (expiry on 26 June 2029).

As at 31 December 2023, options to subscribe for a total of 279,900,000 Shares were outstanding under the Scheme. Details of the movements in the options are set out in Note 40 to the financial statements.

董事會報告

Directors' Report

(b) 附屬公司之購股權計劃

稀鎂科技

為吸引及挽留優秀員工發展稀鎂科技的業務，並提供經選定合資格參與者額外獎勵或回報，稀鎂科技於2017年12月4日採納購股權計劃（「稀鎂科技計劃」）。合資格參與者主要包括僱員、董事、承包商、供應商或服務供應商。彼等皆曾為稀鎂科技作出貢獻。稀鎂科技計劃自其成立日期起計十年內有效，惟遭註銷或修改則除外。稀鎂科技計劃餘下年期約為4年（於2027年12月4日屆滿）。

於2023年12月31日，概無購股權尚未行使。購股權變動詳情載於財務報表附註40。

董事及主要行政人員於本公司及任何相聯法團股份、相關股份及債券之權益

於2023年12月31日，本公司各董事或主要行政人員於本公司或任何其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中有記錄於本公司根據證券及期貨條例第XV部第352條存置之登記冊內之相關權益及短倉如下：

(b) Share option scheme of a subsidiary REMT

In order to attract and retain the best quality employees for the development of REMT's businesses and to provide additional incentives or rewards to selected qualifying participants, REMT adopted a share option scheme on 4 December 2017 (the "REMT Scheme"). The qualifying participants mainly include employees, directors, contractors, suppliers or service providers who have contribution to REMT. The REMT Scheme, unless otherwise cancelled or amended, will remain in force for 10 years since its establishing date. The remaining life of the REMT Scheme is approximately 4 years (expiry on 4 December 2027).

As at 31 December 2023, no options were outstanding. Details of the movements in the options are set out in Note 40 to the financial statements.

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATION

As at 31 December 2023, the relevant interests and short positions of the Directors or chief executive of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register to be kept by the Company under Section 352 of Part XV of the SFO were as follows:

董事會報告 Directors' Report

(i) 於本公司之股份及購股權之長倉

(i) Long Positions in Shares and Share Options of the Company

董事姓名 Name of Director	持有股份數目 Number of Shares held			持有購股權數目 (附註2) Number of Options held (note 2)	佔本公司 於2023年 12月31日 已發行股本 之百分比 Percentage of issued share capital of the Company as at 31 December 2023
	個人權益 Personal interests	公司權益 Corporate interests	合計 Total		
	池文富 (「池先生」) Chi Wen Fu ("Mr. Chi")	249,970,548	1,341,871,364 (附註1) (note 1)		
池靜超 Chi Jing Chao	1,633,998	-	1,633,998	8,000,000	0.04% 0.17%
張省本 Cheung Sound Poon	-	-	-	5,000,000	- 0.11%
盛洪 Sheng Hong	1,775,000	-	1,775,000	5,000,000	0.04% 0.11%
沈毅民 Shen Yi Min	300,000	-	300,000	-	0.01% -

董事會報告

Directors' Report

附註：

1. 該等股份由冠華國際有限公司（「冠華」）持有。鑒於池先生持有冠華已發行股本83.74%，據此賦予彼於冠華股東大會上行使或控制行使三分之一或以上之投票權，因此被視為公司權益。

按照日期為2014年7月10日之股份抵押合同，作為本公司主要股東的冠華，將本公司549,280,000股股份（相當於2015年6月30日本公司已發行股本約12%）抵押給國際金融公司（「國際金融公司」），作為由國際金融公司和白山市天安金屬鎂礦業有限公司於2014年5月30日簽署（於2015年12月7日經修訂及重列）的貸款協議之抵押品。該貸款已於2020年因交叉違約而發生違約。

2. 持有之購股權之詳情載列於上文「購股權計劃」一節。

除上文所披露者外，於2023年12月31日，本公司各董事或主要行政人員或彼等各自之聯繫人士，概無於本公司或任何其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有記錄於本公司根據證券及期貨條例第352條存置之登記冊內之相關權益及短倉。

notes:

1. These Shares are held by Alpha Sino International Limited ("Alpha Sino") and are deemed corporate interests by virtue of Mr. Chi's holding of 83.74% of the issued share capital of Alpha Sino which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Alpha Sino.

As pursuant to a share mortgage agreement dated 10 July 2014, Alpha Sino, being the substantial shareholder of the Company, had mortgaged 549,280,000 Shares (representing approximately 12% of the issued share capital of the Company as at 30 June 2015) to International Finance Corporation ("IFC") as security for a loan agreement dated 30 May 2014 (as amended and restated on 7 December 2015) entered into between IFC and Baishan City Tianan Magnesium Resources Co. Ltd. The loan had been defaulted in 2020 due to cross default.

2. Details of Options held are set out in the above section headed "Share Options Schemes".

Save as disclosed above, as at 31 December 2023, none of the Directors or chief executive of the Company or their respective associates had interests and short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register to be kept by the Company under Section 352 of SFO.

董事會報告 Directors' Report

主要股東於本公司股份及相關股份中之權益及短倉

就董事或本公司主要行政人員所知悉，於2023年12月31日，於本公司股份或股票衍生工具的相關股份擁有記錄於根據證券及期貨條例第336條規定須保存的登記冊的權益或短倉的人士如下：

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

So far as is known to any Director or chief executive of the Company, as at 31 December 2023, persons who had interests or short positions in the Shares or underlying shares of equity derivatives of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

股東姓名／名稱 Name of shareholder	持倉性質 Nature	持有股份數目 Number of Shares held	持有購股權數目 Number of Options held	佔本公司於2023年 12月31日已發行 股本之百分比 Percentage of issued share capital of the Company as at 31 December 2023
池文富 Chi Wen Fu	長倉 Long position	1,591,841,912 (附註1)(note 1)		34.75%
	長倉 Long position		20,000,000 (附註3)(note 3)	0.44%
冠華 Alpha Sino	長倉 Long position	1,341,871,364 (附註2)(note 2)		29.29%
國際金融公司(「國際金融公司」) International Finance Corporation ("IFC")	長倉 Long position	549,280,000 (附註2)(note 2)		12.00%

附註：

1. 池文富先生於本公司合共1,591,841,912股股份中擁有權益，當中(a)249,970,548股股份乃由其實益擁有，並以其名義登記；及(b)1,341,871,364股股份乃基於其持有冠華已發行股本83.74%，據此賦予其權力可於冠華股東大會上行使或控制行使三分之一或以上之投票權而被視為公司權益。

按照日期為2014年7月10日之股份抵押合同，作為本公司主要股東的冠華，將本公司549,280,000股股份（相當於2015年6月30日本公司已發行股本約12%）抵押給國際金融公司（「國際金融公司」），作為由國際金融公司和白山市天安金屬鎂礦業有限公司於2014年5月30日簽署（於2015年12月7日經修訂及重列）的貸款協議之抵押品。該貸款已於2020年因交叉違約而發生違約。

notes:

1. Mr. Chi Wen Fu has interest in an aggregate of 1,591,841,912 Shares of which (a) 249,970,548 Shares are beneficially owned by him and registered in his name; and (b) 1,341,871,364 Shares are deemed corporate interests by virtue of his holding of 83.74% of the issued share capital of Alpha Sino which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Alpha Sino.

As pursuant to a share mortgage agreement dated 10 July 2014, Alpha Sino, being the substantial shareholder of the Company, had mortgaged 549,280,000 Shares (representing approximately 12% of the issued share capital of the Company as at 30 June 2015) to International Finance Corporation ("IFC") as security for a loan agreement dated 30 May 2014 (as amended and restated on 7 December 2015) entered into between IFC and Baishan City Tianan Magnesium Resources Co. Ltd. The loan had been defaulted in 2020 due to cross default.

董事會報告

Directors' Report

2. 國際金融公司於合共549,280,000股股份中擁有權益，當中按照日期為2014年7月10日之股份抵押合同，作為本公司主要股東的冠華，將本公司549,280,000股股份（相當於2015年6月30日本公司已發行股本約12%）抵押給國際金融公司，作為由國際金融公司和白山市天安金屬鎂礦業有限公司於2014年5月30日簽署（於2015年12月7日經修訂及重列）的貸款協議之抵押品。該貸款已於2020年因交叉違約而發生違約。
3. 持有之購股權之詳情載列於上文「購股權計劃」一節。

董事於競爭業務之權益

於回顧期內，董事或本公司管理層股東或彼等各自之聯繫人士（定義見香港聯合交易所有限公司證券上市規則（「上市規則」））概無於任何與本集團業務構成或可能構成競爭之業務中擁有任何權益。

管理合約

於年內，本公司概無訂立亦無存在任何有關本公司全部或任何重大部分業務之管理及行政合約。

主要供應商及客戶

本年度本集團主要供應商及客戶應佔之採購及銷售額之比重如下：

採購	
– 最大供應商	16.2%
– 5大供應商合佔	43.4%
銷售	
– 最大客戶	16.9%
– 5大客戶合佔	36.2%

董事、彼等之聯繫人士或任何股東（據董事所知擁有本公司股本5%以上）概無於上述主要供應商或客戶中擁有權益。

2. IFC has interest in an aggregate of 549,280,000 Shares of which pursuant to a share mortgage agreement dated 10 July 2014, Alpha Sino, being the substantial shareholder of the Company, had mortgaged 549,280,000 Shares (representing approximately 12% of the issued share capital of the Company as at 30 June 2015) to IFC as security for a loan agreement dated 30 May 2014 (as amended and restated on 7 December 2015) entered into between IFC and Baishan City Tianan Magnesium Resources Co. Ltd. The loan had been defaulted in 2020 due to cross default.
3. Details of Options held are set out in the above section headed “Share Options Schemes”.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the period under review, none of the Directors nor the management shareholders of the Company or their respective associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)) had any interest in a business that competed or might compete with the business of the Group.

MANAGEMENT CONTRACTS

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

MAJOR SUPPLIERS AND CUSTOMERS

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

Purchases	
– the largest supplier	16.2%
– 5 largest suppliers in aggregate	43.4%
Sales	
– the largest customer	16.9%
– 5 largest customers in aggregate	36.2%

None of the Directors, their associates or any shareholders which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

董事會報告 Directors' Report

關連交易

本年度及去年並沒有任何關連交易，惟於財務報表附註42所披露者除外。

公眾持股量之充足性

根據本公司可從公開途徑取得之資料及就董事所知，本公司於截至2023年12月31日止年度內一直維持足夠公眾持股量。

核數師

截至2021年12月31日及2022年12月31日止年度的賬目經由國衛會計師事務所有限公司審核，而截至2023年12月31日止年度的賬目則經由上會栢誠會計師事務所有限公司審核，其任期於即將舉行之股東週年大會上屆滿。本公司將於即將舉行之股東週年大會上提呈一項決議案再次委任上會栢誠會計師事務所有限公司為本公司之核數師。

代表董事會

池靜超
執行董事

香港，2024年3月28日

CONNECTED TRANSACTION

Other than those disclosed in Note 42 to the financial statements, there was no connected transaction during the year and in last year.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained a sufficient public float throughout the year ended 31 December 2023.

AUDITORS

The accounts for the years ended 31 December 2021 and 31 December 2022 were audited by HLB Hodgson Impey Cheng Limited, while the accounts for the year ended 31 December 2023 were audited by Prism Hong Kong and Shanghai Limited whose term of office will expire upon the forthcoming annual general meeting. A resolution for the re-appointment of Prism Hong Kong and Shanghai Limited as the auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Chi Jing Chao
Executive Director

Hong Kong, 28 March 2024

獨立核數師報告

Independent Auditors' Report

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



致世紀陽光集團控股有限公司
股東
(於開曼群島註冊成立的有限公司)

意見

我們已審核載於第76至227頁之世紀陽光集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其包括於2023年12月31日之綜合財務狀況表與截至該日止年度之綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表之附註，包括重大會計政策資料。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公允地反映 貴集團於2023年12月31日之綜合財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

意見之基準

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。我們在該等準則下的責任已在本報告「核數師就審核綜合財務報表須承擔的責任」一節中進一步闡述。根據香港會計師公會頒佈之專業會計師道德守則(「守則」)，我們獨立於 貴集團，並已履行守則中之其他專業道德責任。我們相信，我們所獲得的審核憑證能充足和適當地為我們的意見提供基準。

Prism Hong Kong and Shanghai Limited
Units 1903A - 1905, 19/F, 8 Observatory Road, Tsim Sha Tsui, Hong Kong
T : +852 2774 2188 F : +852 2774 2322
www.prism.com.hk

TO THE SHAREHOLDERS OF CENTURY SUNSHINE GROUP HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Century Sunshine Group Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 76 to 227, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

獨立核數師報告 Independent Auditors' Report

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

與持續經營基準有關之重大不明朗因素

我們提請注意綜合財務報表附註3，關於就編製綜合財務報表採用持續經營基準。截至2023年12月31日止年度，貴集團錄得淨損失約475,136,000港元，於該日的流動負債淨額約為847,136,000港元。該等狀況連同綜合財務報表附註3所載其他事項顯示存在重大不明朗因素，可能對貴集團之持續經營能力構成重大疑慮。經考慮貴集團所採取之措施後，貴公司董事認為貴集團將能夠持續經營。我們並無就此發表非無保留意見。

其他事項

貴集團截至2022年12月31日止年度的綜合財務報表已由另一名核數師審核，該核數師於2023年3月24日對該等報表不發表意見。

關鍵審核事項

關鍵審核事項乃根據我們的專業判斷，認為對本期綜合財務報表之審核最為重要之事項。該等事項乃於我們審核整體綜合財務報表及形成意見時處理，我們不會就該等事項提供單獨意見。

除執行評估持續經營風險的程序外，核數師對重大錯誤陳述風險的評估可能需要修訂。該等事件或情況的存在亦可能影響核數師就評估風險採取進一步程序的性質、時間及程度。

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 3 to the consolidated financial statements concerning the adoption of the going concern basis on which the consolidated financial statements have been prepared. The Group experienced a net loss of approximately HK\$475,136,000 for the year ended 31 December 2023 and had net current liabilities of approximately HK\$847,136,000 as at that date. These conditions, along with other matters as set forth in note 3 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The directors of the Company, having considered the measures being taken by the Group, are of the opinion that the Group would be able to continue as a going concern. Our opinion is not modified in respect of this matter.

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 December 2022 were audited by another auditor who expressed a disclaimer of opinion on those statements on 24 March 2023.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, 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.

In addition to performing the procedures in assessing risk of going concern, the auditor's assessment of the risks of material misstatement may need to be revised. The existence of such events or conditions may also affect the nature, timing and extent of the auditor's further procedures in response to the assessed risks.

獨立核數師報告 Independent Auditors' Report

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

關鍵審核事項 (續)

物業、廠房及設備、使用權資產、商譽、無形資產和採礦權的估計減值

關鍵審核事項

請參閱綜合財務報表附註23及附註3之會計政策。

於2023年12月31日，物業、廠房及設備、使用權資產、商譽、無形資產及採礦權之賬面值分別約為1,854,183,000港元、119,687,000港元、零港元、199,441,000港元及382,617,000港元。已分別確認減值虧損約390,436,000港元、22,547,000港元、151,116,000港元、12,259,000港元及24,917,000港元。

我們的審核如何處理該事項

我們有關管理層減值評估的審核程序包括但不限於：

- 評估獨立估值師的資歷、能力及客觀性；
- 了解 貴集團的減值測試程序，包括所採用的估值模型、現金產生單位分配及所用假設；
- 評估用於計算可收回金額的模型之適當性；
- 透過考慮歷史表現、獲批財務預算及實際表現，評估預算收入和毛利率之合理性；及
- 委聘我們的估值專家評估所用貼現率及穩定期增長率之適當性。

我們發現管理層的判斷及假設獲現有證據支持。

KEY AUDIT MATTERS (CONT'D)

Estimated impairment of property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining rights

The key audit matter

Refer to note 23 to the consolidated financial statements and the accounting policies in note 3.

As at 31 December 2023, the carrying amounts of property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining rights were approximately HK\$1,854,183,000, HK\$119,687,000, HK\$Nil, HK\$199,441,000 and HK\$382,617,000 respectively. Impairment losses of approximately HK\$390,436,000, HK\$22,547,000, HK\$151,116,000, HK\$12,259,000 and HK\$24,917,000 had been recognised respectively.

How the matter was addressed in our audit

Our audit procedures in relation to management's impairment assessment included but not limited to:

- Evaluated the independent valuer's competence, capabilities and objectivity;
- Understood the Group's impairment testing process, including the valuation model adopted, CGUs allocation and assumption used;
- Evaluated the appropriateness of the model used to calculate the recoverable amount;
- Evaluated the reasonableness of the budgeted revenue and gross profit margin by considering the historical performance, approved financial budgets with actual performance; and
- Engaged our valuation expert to evaluate the appropriateness of the discount rates and terminal growth rates used.

We found that the management judgement and assumptions were supportable by the available evidence.

獨立核數師報告 Independent Auditors' Report

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

其他資料

貴公司董事須對其他資料負責。其他資料包括年報所載全部資料，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資料，我們亦不對其他資料發表任何形式之鑒證結論。

結合我們對綜合財務報表的審核，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解情況存在重大抵觸或者似乎存在重大錯誤陳述之情況。基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何情況可予報告。

貴公司董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例的披露規定擬備真實而中肯之綜合財務報表，並對其認為就使綜合財務報表之擬備不存在由於欺詐或錯誤而導致之重大錯誤陳述所需之內部控制負責。

在編製綜合財務報表時，貴公司董事負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，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。

審核委員會負責監督貴集團之財務報告過程。

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS OF THE COMPANY AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the 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 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.

Audit Committee are responsible for overseeing the Group's financial reporting process.

獨立核數師報告

Independent Auditors' Report

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

核數師就審核綜合財務報表須承擔的責任

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之重大錯誤陳述取得合理保證，並出具包括我們意見之核數師報告。我們僅根據我們協定之委聘條款向閣下（作為整體）報告我們的意見，除此之外本報告不作其他用途。我們不會就本報告的內容向任何其他人士負責或承擔責任。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核，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，則有關錯誤陳述可被視作重大。

在根據香港審計準則進行審核的過程中，我們運用專業判斷，保持專業懷疑態度。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之風險，設計及執行審核程序以應對該等風險，以及獲取充足適當之審核憑證，作為我們意見之基準。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之重大錯誤陳述風險高於未能發現因錯誤而導致之重大錯誤陳述風險。
- 了解與審核相關之內部控制，以設計適當之審計程序，但目的並非對貴集團內部控制之有效性發表意見。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion, solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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.

獨立核數師報告 Independent Auditors' Report

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

核數師就審核綜合財務報表須承擔的責任(續)

- 評價 貴公司董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。
- 對 貴公司董事採用持續經營會計基礎之恰當性作出結論並根據所獲取審核憑證，確定是否存在與事項或情況有關之重大不明朗因素，從而可能導致對 貴集團的持續經營能力構成重大疑慮。如果我們認為存在重大不明朗因素，則有必要在核數師報告中提請使用者垂注意綜合財務報表之相關披露。假若有關披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得之審核憑證。但未來之事項及情況或可能會導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構及內容，包括披露，以及綜合財務報表是否中肯反映相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足適當之審核憑證，以便對綜合財務報表發表意見。我們負責集團審核之方向、監督及執行。我們為審核意見承擔全部責任。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

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

獨立核數師報告

Independent Auditors' Report

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

核數師就審核綜合財務報表須承擔的責任(續)

除其他事項外，我們與審核委員會溝通計劃的審核範圍、時間安排、重大審核發現等，包括我們在審核中識別出內部控制之任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性之相關專業道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性之所有關係和其他事項，以及在適用的情況下，所採取消除威脅之行動或防範措施。

從與審核委員會溝通之事項中，我們確定哪些事項對本期綜合財務報表之審核最為重要，因而構成關鍵審核事項。我們在核數師報告中描述該等事項，除非法律法規不允許公開披露該等事項，或在極端罕見情況下，如果合理預期在我們報告中溝通某事項造成之負面後果超過產生之公眾利益，我們決定不應在報告中溝通該事項。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

We communicate with audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

獨立核數師報告
Independent Auditors' Report

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

出具本獨立核數師報告的審計項目合夥人是錢宏亮。

The engagement partner on the audit resulting in this independent auditor's report is Chin Wang Leung.

上會栢誠會計師事務所有限公司
執業會計師

錢宏亮
執業證書編號：P07806

香港
2024年3月28日

Prism Hong Kong and Shanghai Limited
Certified Public Accountants

Chin Wang Leung
Practising Certificate Number: P07806

Hong Kong
28 March 2024

綜合損益表

Consolidated Statement of Profit or Loss

截至2023年12月31日止年度

For the year ended 31 December 2023

		附註 Notes	2023 千港元 HK\$'000	2022 千港元 HK\$'000
收入	Revenue	7	315,582	531,605
銷售成本	Cost of sales		(395,915)	(466,105)
毛(損)/利	Gross (loss)/profit		(80,333)	65,500
其他收益或虧損淨額	Other gains or losses, net	9	(15,336)	16,595
銷售及市場推廣費用	Selling and marketing costs		(4,728)	(7,839)
行政開支	Administrative expenses		(264,683)	(395,525)
債務重組之收益	Gain on debt restructuring	10	649,045	140,706
物業、廠房及設備減值	Impairment of property, plant and equipment	23	(390,436)	(336,184)
使用權資產減值	Impairment of right-of-use assets	23	(22,547)	(29,408)
商譽減值	Impairment of goodwill	23	(151,116)	–
無形資產減值	Impairment of intangible assets	23	(12,259)	(44,903)
採礦權減值	Impairment of mining right	23	(24,917)	–
貿易應收款項及應收票據、 按金及其他應收款項預期 信貸虧損撥備淨額	Net allowance for expected credit losses on trade and bills receivables, deposits and other receivables	13	(11,611)	(235,418)
財務擔保負債公允值變動	Change in fair value of financial guarantee liabilities		464	(39,045)
匯兌差額淨值	Exchange differences, net		23,603	(4,435)
財務費用	Finance costs	11	(178,819)	(191,776)
除所得稅前虧損	Loss before income tax	13	(483,673)	(1,061,732)
所得稅抵免	Income tax credit	12	8,537	6,365
年內虧損	Loss for the year		(475,136)	(1,055,367)
下列人士應佔年內虧損：	Loss for the year attributable to:			
本公司擁有人	Owners of the Company		(236,690)	(1,007,080)
非控股權益	Non-controlling interests		(238,446)	(48,287)
			(475,136)	(1,055,367)
每股虧損：	Loss per share:			
– 基本(港仙)	– basic (HK cents)	16	(5.17)	(21.98)
– 攤薄(港仙)	– diluted (HK cents)	16	(7.46)	(21.98)

綜合全面收益表

Consolidated Statement of Comprehensive Income

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

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
年內虧損	Loss for the year	(475,136)	(1,055,367)
其他全面開支， 扣除所得稅： 換算海外業務所產生之 匯兌差額	Other comprehensive expense net of income tax: Exchange differences arising from translation of foreign operations	(100,590)	(260,279)
年內其他全面開支 (扣除所得稅)	Other comprehensive expense for the year (net of income tax)	(100,590)	(260,279)
年內全面支出總額	Total comprehensive expense for the year	(575,726)	(1,315,646)
下列人士應佔年內全面 支出總額：	Total comprehensive expense for the year attributable to:		
本公司擁有人	Owners of the Company	(318,608)	(1,126,178)
非控股權益	Non-controlling interests	(257,118)	(189,468)
		(575,726)	(1,315,646)

隨附附註屬本綜合財務報表的一部分。

The accompanying notes form an integral part of these consolidated financial statements.

綜合財務狀況表

Consolidated Statement of Financial Position

於2023年12月31日
As at 31 December 2023

		附註	2023	2022
		Notes	千港元 HK\$'000	千港元 HK\$'000
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	17	1,854,183	2,619,818
投資物業	Investment properties	18	89,014	95,176
使用權資產	Right-of-use assets	19	119,687	178,135
商譽	Goodwill	20	–	151,116
無形資產	Intangible assets	21	199,441	224,066
採礦權	Mining rights	22	382,617	424,720
			2,644,942	3,693,031
流動資產	Current assets			
按公允值計入損益之 股本工具	Equity instruments at fair value through profit or loss	25	727	1,690
存貨	Inventories	26	122,652	223,161
貿易應收款項及應收票據	Trade and bills receivables	27	4,595	55,606
預付款項、按金及其他 應收款項	Prepayments, deposits and other receivables	28	272,826	296,047
應退回所得稅	Income tax recoverable		–	5,117
銀行及現金結餘	Bank and cash balances	29	61,306	86,369
持作出售資產	Assets held for sale	30	115,365	–
			577,471	667,990
流動負債	Current liabilities			
貿易應付款項及應付票據	Trade and bills payables	31	119,538	125,402
應計費用及其他應付款項	Accruals and other payables	32	375,561	680,174
合約負債	Contract liabilities	32	156,277	154,553
租賃負債	Lease liabilities	33	870	963
應付所得稅	Income tax payable		2,974	5,276
借貸	Borrowings	34	769,387	1,750,179
			1,424,607	2,716,547
流動負債淨值	Net current liabilities		(847,136)	(2,048,557)
資產總值減流動負債	Total assets less current liabilities		1,797,806	1,644,474

綜合財務狀況表

Consolidated Statement of Financial Position

於2023年12月31日
As at 31 December 2023

		附註 Notes	2023 千港元 HK\$'000	2022 千港元 HK\$'000
非流動負債	Non-current liabilities			
其他應付款項	Other payables	32	22,074	22,890
租賃負債	Lease liabilities	33	4,489	5,539
借貸	Borrowings	34	927,579	205,512
一間上市附屬公司發行的 可換股債券	Convertible bonds issued by a listed subsidiary	35	8,568	7,899
遞延收入	Deferred revenue	36	66,881	69,354
遞延稅項負債	Deferred tax liabilities	37	138,085	150,467
			1,167,676	461,661
資產淨值	Net assets		630,130	1,182,813
本公司擁有人應佔股本 及儲備	Capital and reserves attributable to owners of the Company			
股本	Share capital	38	101,419	101,419
儲備	Reserves		810,825	1,287,154
			912,244	1,388,573
非控股權益	Non-controlling interests		(282,114)	(205,760)
權益總額	Total equity		630,130	1,182,813

董事會於2024年3月28日批准及授權刊發載於第76至227頁之綜合財務報表，並由下列董事代表簽署：

池文富
Chi Wen Fu
董事
Director

池靜超
Chi Jing Chao
董事
Director

The consolidated financial statements on pages 76 to 227 are approved and authorised for issue by the board of directors on 28 March 2024 and are signed on its behalf by:

隨附附註屬本綜合財務報表的一部分。

The accompanying notes form an integral part of these consolidated financial statements.

綜合權益變動表

Consolidated Statement of Changes in Equity

截至2023年12月31日止年度

For the year ended 31 December 2023

		本公司擁有人應佔 Attributable to Owners of the Company											
		資本贖回									小計	非控股權益	總計
		股本	股份溢價	資本贖回 儲備 (附註(i))	資本儲備 (附註(ii))	法定儲備 (附註(iii))	購股權 儲備	換算儲備	其他儲備	保留盈利			
		Share capital	Share premium	Capital redemption reserve	Capital reserve	Statutory reserve	Share option reserve	Translation reserve	Other reserve	Retained earnings	Sub-total	Non- controlling interests	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於2022年1月1日	As at 1 January 2022	101,419	1,353,356	4,526	13,666	289,225	45,309	18,837	(219,701)	741,446	2,348,083	115,936	2,464,019
年內虧損	Loss for the year	-	-	-	-	-	-	-	-	(1,007,080)	(1,007,080)	(48,287)	(1,055,367)
年內其他全面開支 (扣除所得稅)	Other comprehensive expense for the year, (net of income tax)	-	-	-	-	-	-	-	-	-	-	-	-
換算海外業務所產生 之匯兌差額	Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	(119,098)	-	-	(119,098)	(141,181)	(260,279)
年內全面開支總額	Total comprehensive expense for the year	-	-	-	-	-	-	(119,098)	-	(1,007,080)	(1,126,178)	(189,468)	(1,315,646)
已失效購股權	Share option lapsed	-	-	-	-	-	(596)	-	-	596	-	-	-
轉撥至儲備	Transfer to reserve	-	-	-	-	1,249	-	-	-	(1,249)	-	-	-
股權結算股份付款 之交易	Equity settled share-based transactions	-	-	-	-	-	3,775	-	-	-	3,775	-	3,775
一間上市附屬公司發行的 可換取債券(附註35)	Convertible bonds issued by a listed subsidiary (Note 35)	-	-	-	-	-	-	-	-	-	-	1,049	1,049
與一間上市附屬公司發行的 可換取債券有關之遞延稅項	Deferred tax related to issuance of convertible bonds by a listed subsidiary	-	-	-	-	-	-	-	-	-	-	(169)	(169)
不涉及控制權變動的 附屬公司所有權益 變動(附註45)	Change in ownership interest in subsidiaries without change of control (Note 45)	-	-	-	-	-	-	-	162,893	-	162,893	(133,108)	29,785
於2022年12月31日	As at 31 December 2022 and 1 January 2023	101,419	1,353,356	4,526	13,666	290,474	48,488	(100,261)	(56,808)	(266,287)	1,388,573	(205,760)	1,182,813
年內虧損	Loss for the year	-	-	-	-	-	-	-	-	(236,690)	(236,690)	(238,446)	(475,136)
年內其他全面開支 (扣除所得稅)	Other comprehensive expense for the year, (net of income tax)	-	-	-	-	-	-	-	-	-	-	-	-
換算海外業務所產生 之匯兌差額	Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	(81,918)	-	-	(81,918)	(18,672)	(100,590)
年內全面(開支)/ 收益總額	Total comprehensive expense for the year	-	-	-	-	-	-	(81,918)	-	(236,690)	(318,608)	(257,118)	(575,726)
已失效購股權	Share option lapsed	-	-	-	-	-	(30,972)	-	-	30,972	-	-	-
轉撥至儲備	Transfer to reserve	-	-	-	-	(7,409)	-	-	-	7,409	-	-	-
股權結算股份付款 之交易	Equity settled share-based transactions	-	-	-	-	-	1,639	-	-	-	1,639	-	1,639
不涉及控制權變動的 所有權益變動(附註45)	Change in ownership interest without change of control (Note 45)	-	-	-	-	-	-	-	(159,360)	-	(159,360)	180,764	21,404
於2023年12月31日	As at 31 December 2023	101,419	1,353,356	4,526	13,666	283,065	19,155	(182,179)	(216,168)	(464,596)	912,244	(282,114)	630,130

綜合權益變動表

Consolidated Statement of Changes in Equity

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

附註：

- (i) 資本贖回儲備指本公司於購回及註銷股份時由本公司保留盈利轉撥之本公司股份之面值。
- (ii) 資本儲備指根據集團重組已收購及資本化之附屬公司股份面值與用作交換有關股份而發行之本公司股份的面值兩者間之差額。
- (iii) 法定儲備主要為附屬公司按其中華人民共和國(「中國」)法定財務報表所列純利的10%及為若干安全生產活動提撥的資金。

根據中國成立之附屬公司之組織章程細則及相關之中國法則及法規，該等附屬公司須撥出10%之扣除所得稅後溢利(按中國國內法定財務報表記錄為準)作為法定儲備，除非該儲備資金結餘已達附屬公司註冊資本50%。該儲備資金僅可用於對銷附屬公司過往年度之虧損、擴充附屬公司之生產業務或增加附屬公司之股本。

根據中國國家安全生產監督管理總局及其他相關監管機構發佈的若干規例，本集團需按規定比例主要為白雲石及蛇紋石採掘活動提撥資金。該等資金可供用於維護及／或改善上述安全生產，不得向股東分派。

notes:

- (i) Capital redemption reserve represents the nominal value of the Shares of the Company which was transferred from the Company's retained earnings upon repurchase and cancellation of Shares by the Company.
- (ii) Capital reserve represents the difference between the nominal value of the shares of the subsidiaries that have been acquired and capitalised pursuant to a group reorganisation over the nominal value of the Company's Shares issued in exchange therefore.
- (iii) Statutory reserve mainly represents the fund set aside by the subsidiaries based on 10% of their net profit of the People's Republic of China (the "PRC") statutory financial statements and that for the purpose of certain safety production activities.

In accordance with the articles of association of the subsidiaries established in the PRC and the relevant PRC rules and regulations, these subsidiaries are required to set aside 10% of their profit after income tax as recorded in the PRC statutory financial statements as statutory reserve, except where the reserve fund balance has reached 50% of the subsidiaries' registered capital. The reserve fund can only be used to make good the subsidiaries' previous years' losses, to expand the subsidiaries' production operations or to increase the capital of the subsidiaries.

Pursuant to certain regulations issued by the State Administration of Work Safety of the PRC and other relevant regulatory bodies, the Group is required to set aside funds mainly for mining of dolomite and serpentine at prescribed rates. These funds can be used for maintenance and/or improvements of safety of these activities, and is not available for distribution to shareholders.

綜合現金流量表

Consolidated Statement of Cash Flows

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

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
經營活動	Operating activities		
除所得稅前虧損	Loss before income tax	(483,673)	(1,061,732)
就下列項目作出調整：	Adjustments for:		
折舊及攤銷	Depreciation and amortisation	219,459	270,432
財務費用	Finance costs	178,819	191,776
出售物業、廠房及設備及 土地使用權的虧損／(收益)淨額	Net loss/(gain) on disposal of property, plant and equipment and land use rights	134	7,111
利息收入	Interest income	(774)	(1,181)
股權結算股份付款	Equity settled share-based payments	1,639	3,775
債務重組收益	Gain on debt restructuring	(649,045)	(140,706)
貿易應收款項及應收票據預期信貸 虧損撥備淨額	Net allowance for expected credit losses on trade and bills receivables	12,272	203,705
其他應收款項預期信貸 虧損撥備撥回淨額	Net reversal of allowance for expected credit losses on other receivables	(661)	31,713
財務擔保負債公允值變動	Change in fair value of financial guarantee liabilities	(464)	39,045
衍生金融負債到期失效收益	Gain on lapse of derivative financial liabilities upon maturity	-	(18)
按公允值計入損益之 股本工具之公允值變動虧損	Loss on change in fair value of equity instruments at fair value through profit or loss	963	2,216
於無形資產確認之減值虧損	Impairment loss recognised in intangible asset	12,259	44,903
於物業、廠房及設備確認之 減值虧損	Impairment loss recognised in property, plant and equipment	390,436	336,184
於使用權資產確認之減值虧損	Impairment loss recognised in right-of-use assets	22,547	29,408
於商譽確認之減值虧損	Impairment loss recognised in goodwill	151,116	-
於採礦權確認之減值虧損	Impairment loss recognised in mining rights	24,917	-
物業、廠房及設備撤銷	Written off of property, plant and equipment	3,654	1,628
預付款項撤銷	Written off of prepayments	1,321	40,350
匯兌差額淨值	Exchange differences, net	(23,603)	-
營運資金變動前的 經營現金流量	Operating cash flows before movements in working capital	(138,684)	(1,391)
存貨減少	Decrease in inventory	93,125	111,371
貿易應收款項及應收票據減少	Decrease in trade and bills receivable	22,562	98,828
預付款項、按金及其他應收款項 (增加)／減少	(Increase)/decrease in prepayment, deposits and other receivables	7,201	(6,997)
貿易應付款項及應付票據減少	Decrease in trade and bills payables	(1,419)	(43,160)
應計費用、其他應付款項及 預收款項及合約負債增加／(減少)	Increase/(decrease) in accruals, other payable and receipt in advance and contract liabilities	2,564	(68,322)
經營業務所產生的現金 已退／(付)所得稅	Cash generated from operations Income tax refund/(paid)	(14,651) 4,250	90,329 (14,904)
經營活動所(使用)／產生的現金淨額	Net cash (used in)/generated from operating activities	(10,401)	75,425

綜合現金流量表

Consolidated Statement of Cash Flows

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

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
投資活動	Investing activities		
提取銀行存款	Withdrawal of deposits with banks	9,523	–
購買物業、廠房及設備	Purchase of property, plant and equipment	(28,596)	(53,756)
已收利息	Interest received	774	1,181
於附屬公司之擁有權變動之現金流入淨額	Net cash inflow in respect of change in ownership interest of subsidiaries	95	155
出售物業、廠房及設備的所得款項	Proceeds from disposal of property, plant and equipment	5,108	5,181
投資活動所用的現金淨額	Net cash used in investing activities	(13,096)	(47,239)
融資活動	Financing activities		
償還借貸	Repayment of borrowings	(1,099)	(39,051)
已付利息	Interest paid	(8,994)	(7,387)
償還租賃負債	Repayment of lease liabilities	(1,366)	(357)
股東貸款之借款	Borrowing of shareholder loan	12,750	–
發行股本所得款項	Proceed from issuance of share capital	8,811	–
融資活動所產生／(使用)的現金淨額	Net cash generated from/(used in) financing activities	10,102	(46,795)

綜合現金流量表

Consolidated Statement of Cash Flows

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

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
現金及等同現金項目減少淨額	Net decrease in cash and cash equivalents	(13,395)	(18,205)
年初的現金及等同現金項目	Cash and cash equivalents at the beginning of the year	76,602	101,964
外匯匯率變動的影響	Effect of foreign exchange rate changes	(1,967)	(7,157)
年末的現金及等同現金項目	Cash and cash equivalents at the end of the year	61,240	76,602
現金及等同現金項目結餘分析	Analysis of balances of cash and cash equivalents		
綜合財務狀況表所列之銀行及現金結餘	Bank and cash balances as stated in the consolidated statement of financial position	61,306	86,369
已抵押為借貸及應付票據擔保之已抵押銀行存款	Pledged deposits with banks pledged as security for borrowings and bills payable	(66)	(9,767)
綜合現金流量表所列之現金及等同現金項目	Cash and cash equivalents as stated in the consolidated statement of cash flows	61,240	76,602

隨附附註屬本綜合財務報表的一部分。

The accompanying notes form an integral part of these consolidated financial statements.

財務報表附註

Notes to the Financial Statements

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

1. 一般資料

世紀陽光集團控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事農業肥料業務、鎂產品業務及煉鋼熔劑業務。

本公司乃於2003年1月21日根據開曼群島公司法第22章(1961年法律3, 經綜合及修訂)在開曼群島註冊成立的獲豁免有限公司。本公司的股份於2004年2月17日於香港聯合交易所有限公司(「聯交所」)GEM(「GEM」)上市,並於2008年7月31日撤銷其於GEM的上市地位。自2008年8月1日起,本公司的股份已於聯交所主板上市。董事認為,本公司之直接及最終控股公司為冠華國際有限公司,該公司為於英屬處女群島註冊成立之公司。本公司最終控股股東為池文富先生。

綜合財務報表均以港元(「港元」)為單位,與本公司的功能貨幣相同。除非另有說明,否則所有金額均以最接近千位(「千港元」)計值。

本公司建議之計劃已於2023年6月15日獲得法定所需的多數計劃債權人批准。該等計劃其後於2023年7月26日獲香港法院批准,並於2023年7月31日獲新加坡法院批准。該等計劃於2023年8月31日生效。自此,共同臨時清盤人已向法院申請撤回開曼呈請及解除共同臨時清盤人的任命。於2023年10月24日,大法院頒令撤銷開曼呈請及無條件解除共同臨時清盤人作為本公司共同臨時清盤人的職務。本公司的臨時清盤已被解除。

1. GENERAL INFORMATION

Century Sunshine Group Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in fertiliser business, magnesium product business and metallurgical flux business.

The Company was incorporated in the Cayman Islands on 21 January 2003 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. On 17 February 2004, the Company’s shares were listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and were withdrawn from the GEM on 31 July 2008. Since 1 August 2008, the Company’s shares have been listing on the Main Board of the Stock Exchange. In the opinion of the directors, the immediate and ultimate holding company of the Company is Alpha Sino International Limited, a company incorporated in the British Virgin Islands, and the ultimate controlling shareholder of the Company is Mr. Chi Wen Fu.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand (“HK\$’000”) except when otherwise indicated.

The schemes proposed by the Company was approved by the requisite statutory majorities of the scheme creditors on 15 June 2023. The schemes were subsequently approved by the Hong Kong Court on 26 July 2023, and the Singapore Court on 31 July 2023. The Schemes became effective on 31 August 2023. Since then, the Joint Provisional Liquidators had made the application to the Grand Court for the withdrawal of the Cayman Petition and the discharge of the appointment of joint provisional liquidators. On 24 October 2023, the Grand Court granted an order that the Cayman Petition be dismissed and the joint provisional liquidators be unconditionally released as joint provisional liquidators of the Company. The provisional liquidations of the Company has been dismissed.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度強制生效之香港財務報告準則之修訂

於本年度，本集團已首次採用以下由香港會計師公會(「香港會計師公會」)頒佈之新訂及經修訂香港財務報告準則(「香港財務報告準則」)，該等修訂於本集團於2023年1月1日或之後開始之財政年度生效：

香港財務報告準則第17號(包括香港財務報告準則第17號2020年10月及2022年2月之修訂)	保險合約
香港會計準則第1號及香港財務報告準則實務報告第2號的修訂	會計政策之披露
香港會計準則第8號的修訂	會計估計之定義
香港會計準則第12號的修訂	與單一交易產生的資產及負債相關的遞延稅項
香港會計準則第12號的修訂	國際稅收改革-第二支柱示範規則

本年度採用新訂及經修訂香港財務報告準則對本集團當前及以前期間之財務狀況及業績及/或該等綜合財務報表所載披露並無產生重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied, for the first time, the following new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are effective for the Group’s financial year beginning on 1 January 2023:

HKFRS 17 (including the October 2020 and February 2022 amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform-Pillar Two Model Rules

The application of the new and amendments to HKFRSs in the current year has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

財務報表附註

Notes to the Financial Statements

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

已頒佈但未生效的香港財務報告準則之修訂

本集團並未提前應用下列已頒佈但尚未生效的以下香港財務報告準則之修訂：

香港財務報告準則第21號的修訂	缺乏可兌換性 ²
香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合資公司之間的資產出售或注資 ³
香港財務報告準則第16號的修訂	售後租回交易中的租賃負債 ¹
香港會計準則第1號的修訂	將負債分類為流動或非流動以及香港詮釋第5號(2020年)之有關修訂財務報表之呈列－借款人對包含按要求償還條款之定期貸款之分類 ¹
香港會計準則第1號的修訂	附帶契諾的非流動負債 ¹
香港會計準則第7號及香港財務報告準則第7號的修訂	供應商融資安排 ¹

本公司董事預測，應用其他香港財務報告準則之修訂將不會對本集團之業績及財務狀況產生重大影響。

Amendments to HKFRSs issued but not yet effective

The Group has not early applied the following amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 21	Lack of Exchangeability ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and the related amendments to Hong Kong Interpretation 5(2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ¹
Amendments to HKAS 1	Non-current Liabilities with Covenants ¹
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ¹

The directors of the Company anticipate that the application of other amendments to HKFRSs will have no material impact on the results and the financial position of the Group.

財務報表附註

Notes to the Financial Statements

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

3. 編製綜合財務報表之基準及重大會計政策資料

除若干於各報告期末按公允值計量的金融工具外，綜合財務報表已按歷史成本基準編製。

歷史成本通常根據為換取貨品及服務支付的代價的公允值釐定。

公允值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付之價格，不論該價格是否直接觀察可得或使用另一種估值技術估計。公允值計量之詳情於下文所載會計政策解釋。

重大會計政策載列如下。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The material accounting policies are set out below.

財務報表附註

Notes to the Financial Statements

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

3.1 編製綜合財務報表之基準

於編製此等綜合財務報表時應用之主要會計政策載列如下。除非另有說明，此等政策已一致應用於所有呈列年度。

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例所規定之適用披露資料。

持續經營

截至2023年12月31日止年度，本集團錄得虧損約475,136,000港元（2022年：1,055,367,000港元），而截至該日，本集團之流動負債淨額為847,136,000港元（2022年：2,048,557,000港元）。此外，於2023年12月31日，本集團之流動及非流動借款分別約為769,387,000港元（2022年：1,750,179,000港元）及927,579,000港元（2022年：205,512,000港元），而其銀行及現金結餘僅約為61,306,000港元（2022年：86,369,000港元）。截至2023年12月31日，本集團已違約或未能履行若干契諾的若干借款約為764,387,000港元（2022年：1,734,391,000港元），有關金額須按要求償還並在綜合財務狀況表中呈列為流動負債。該等狀況表示存在對本集團之持續經營能力構成疑慮之重大不明朗因素。

3.1 Basis of preparation of consolidated financial statements

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Going concern

The Group recorded loss of approximately HK\$475,136,000 (2022: HK\$1,055,367,000) for the year ended 31 December 2023, and, as of that date, the Group's net current liability was HK\$847,136,000 (2022: HK\$2,048,557,000). Further, as at 31 December 2023, the Group's current and non-current borrowings amounted to approximately HK\$769,387,000 (2022: HK\$1,750,179,000) and HK\$927,579,000 (2022: HK\$205,512,000) respectively, while its bank and cash balance only amounted to approximately HK\$61,306,000 (2022: HK\$86,369,000). The Group was defaulted in repayment or could not fulfil certain covenants of certain borrowings amounting to approximately HK\$764,387,000 as at 31 December 2023 (2022: HK\$1,734,391,000), which have become repayable on demand and are presented as current liabilities in the consolidated statement of financial position. The condition indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

儘管如此，董事會（「董事」）認為按持續經營基準編製綜合財務報表乃屬恰當，因為根據其現金流量預測，本集團預期有足夠財務資源履行其至少未來十二個月之到期責任。董事已評估本集團於2023年12月31日之財務狀況，包括其營運資金、銀行及現金結餘，連同未來十二個月之現金流量預測，而董事認為本集團具有持續經營的財務可行性。

鑑於該等情況，本公司董事於評估本集團是否有足夠財務資源持續經營時已考慮本集團的未來流動資金及表現。經計及本集團的現金流量預測，包括：

1. 進行可能涉及再融資及／或中國境內附屬公司負債及債務和解或安排之債務重組；及
2. 加大對應收貿易賬款的回收力度，以改善應收賬款周轉天數。

此外，彼等將努力提出以下可能的解決方案，以提高業務績效：

1. 進行股權重組以便本公司透過發行股權自第三方投資者籌集現金；
2. 可能由一個或以上的第三方投資者投資於本公司，借此為本公司籌集現金，以及可能出售非核心業務及本集團非營運中之固定資產。

董事正在出售若干物業、廠房及設備以及土地使用權，於報告日期，部分交易已完成及部分交易正在進行中；倘本集團無法持續經營，則須於綜合財務報表作出調整以將本集團資產的價值調整至可收回金額，以為可能進一步產生之任何負債作出撥備，並將非流動資產及非流動負債分別重新分類至流動資產及流動負債。此等潛在調整之影響尚未反映於綜合財務報表內。

Notwithstanding this fact, the board of directors (the "Directors") consider it is appropriate to prepare the consolidated financial statements on a going concern basis as the Group is expected to have sufficient financial resources to meet its obligations as they fall due for at least the next twelve months based on its projected cash flow forecasts. The Directors have reviewed the financial position of the Group as at 31 December 2023, including its working capital and bank and cash balances, together with the projected cash flow forecasts for the next twelve months and the Directors consider that the Group is financial viable to continue as a going concern.

In view of these circumstances, the directors of the Company have given consideration to the future liquidity and performance of the Group in assessing whether the Group will have sufficient financial resources to continue as a going concern. Taking into account the Group's cash flow projection, including:

1. a debt restructuring that may involve refinancing and/or a compromise or arrangement of the debts and liabilities of onshore subsidiaries in mainland China; and,
2. Putting extra efforts on the collection of trade debtors to improve the debtors turnover days.

In addition, they will work to come up with the following possible solutions so to improve the business performance:

1. equity restructuring to facilitate the raising of cash for the Company from third party investors through equity issue;
2. potential investment in the Company from one or more third party investor(s) to facilitate raising of cash for the Company and potential disposal of non-core business and non-operating fixed assets of the Group.

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

財務報表附註

Notes to the Financial Statements

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

歷史成本基準編

除若干於各報告期末按公允值計量的金融工具外，誠如下文會計政策所釋，綜合財務報表已按歷史成本基準編製。歷史成本通常根據為換取資產支付的代價的公允值釐定。

公允值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付之價格，不論該價格是否直接觀察可得或使用另一種估值技術估計。估計資產或負債之公允值時，本集團考慮了市場參與者在計量日期為該資產或負債進行定價時將會考慮的資產或負債特徵。在該等綜合財務報表中計量和／或披露的公允值均在此基礎上予以確定，惟香港財務報告準則第2號以股份為基礎付款範圍內之以股份支付的交易、按香港財務報告準則第16號入賬之租賃交易以及以及與公允值類似但並非公允值的計量（例如，香港會計準則第2號存貨中的可變現淨額或香港會計準則第36號資產減值中的使用價值）除外。

非金融資產的公允值計量參考市場參與者能否以最高及最佳用途使用該資產，或把該資產售予另一能夠以最高及最佳用途使用該資產的市場參與者所產生的經濟效益。

就以公允值進行交易的金融工具及投資物業以及於往後期間使用不可觀察輸入數據計量公允值的估值方法而言，估值方法會經校準，以使初始確認時估值方法的結果與交易價格相同。

Historical cost basis

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

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

For financial instruments and investment properties which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

財務報表附註

Notes to the Financial Statements

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

此外，就財務報告而言，公允值計量根據公允值計量之輸入數據可觀察程度及輸入數據對公允值計量之整體重要性分類為第1類、第2類及第3類，載述如下：

- 第1類輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價（未經調整）；
- 第2類輸入數據是就資產或負債直接或間接地可觀察之輸入數據（第1類內包括的報價除外）；及
- 第3類輸入數據是資產或負債的不可觀察輸入數據。

3.2 重大會計政策資料

合併基準

綜合財務報表包括本公司及本公司所控制的實體（包括結構性實體）及其附屬公司的財務報表。

本集團於下列情況下取得控制權：(i)對投資對象行使權力；(ii)因參與投資對象之業務而承擔可變回報的風險或享有可變回報的權利；及(iii)能夠對投資對象使用權力以影響本集團的回報金額。

倘有事實或情況顯示上述該等控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制投資對象。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。

附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收益報表內。

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.2 Material accounting policy information

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

The Group reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

財務報表附註

Notes to the Financial Statements

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

本公司擁有人及非控股股東權益分佔附屬公司之損益及其他全面收益各組成部分。即使會使非控股權益出現虧絀，附屬公司的全面收益總額仍歸本公司擁有人及非控股權益所有。

所有本集團實體間集團內部交易有關資產及負債、權益、收益、開支及現金流已於編製綜合賬目時悉數抵銷。

本集團於現有附屬公司之擁有權變動

倘本集團於現有附屬公司之擁有權變動並無導致本集團失去對該等附屬公司之控制權，則按權益交易入賬。本集團之權益及非控股權益之賬面值經調整以反映彼等於附屬公司之有關權益變動。非控股權益經調整金額與已付或已收代價公允值之間的任何差額直接於權益確認，並歸屬於本公司擁有人。

業務合併

收購業務以收購法入賬。業務合併所轉讓代價以公允值計量，而公允值按本集團所轉讓資產、本集團對被收購方前擁有人所產生負債以及本集團就交換被收購方控制權所發行股本權益於收購日期之公允值總和計算。為進行業務合併而產生的收購相關成本於產生時於損益確認。

於收購日期，所購入可識別資產及所承擔負債按其公允值確認，但以下各項除外：

- 因業務合併所購入資產及所承擔負債而產生的遞延稅項資產或負債根據香港會計準則第12號所得稅確認及計量；

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

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs incurred to effect a business combination are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities arising from the assets acquired and liabilities assumed in the business combination are recognised and measured in accordance with HKAS 12 Income Taxes;

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

- 與被收購方僱員福利安排有關的資產或負債根據香港會計準則第19號僱員福利確認及計量；
- 與被收購方股份付款安排有關或以本集團股份付款交易取代被收購方股份付款交易有關之負債及權益工具，乃於收購日期按香港財務報告準則第2號「股份付款」計量（見下文會計政策）；及
- 根據香港財務報告準則第5號持作出售非流動資產及已終止經營業務分類為持作出售之資產（或出售組合）按該準則計量。
- 租賃負債按剩餘租賃付款之現值確認及計量，猶如收購之租賃於收購日期為新租賃，惟(a)租期於收購日期12個月內結束；或(b)相關資產為低價值的租賃除外。使用權資產按與租賃負債相同之金額確認及計量，並進行調整以反映與市場條件相比租賃之有利或不利條款。
- assets or liabilities related to the acquiree's employee benefit arrangements are recognised and measured in accordance with HKAS 19 Employee Benefits;
- liabilities or equity instruments related to share-based payment arrangement of the acquiree or the replacement of the acquiree's share-based payment transactions with the share-based payment transactions of the Group are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- lease liabilities are recognised and measured at the present value of the remaining lease payments as if the acquired lease was a new lease at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at an amount equal to the lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

商譽按所轉讓代價、於被收購方任何非控股權益之金額及本集團過往所持被收購方股本權益(如有)公允值總和超出所收購可識別資產及所承擔負債於收購日期之金額計量。倘於重新評估後，所收購可識別資產及所承擔負債於收購日期之金額超出所轉讓代價、於被收購方任何非控股權益之金額及收購方過往所持被收購方權益(如有)公允值之總和，差額即時於損益確認為按折價收購收益。

Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the aggregate of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

財務報表附註

Notes to the Financial Statements

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

除另有準則規定外，非控股權益按收購日期的公允值計量，惟屬現時擁有權權益並賦予持有人權利於清盤時按比例分佔實體資產淨值的非控股權益初步按公允值或現時擁有權工具應佔被收購方可識別資產淨值已確認金額的比例計量。

當本集團於一項業務合併轉移之代價包括或然代價安排，則或然代價乃按其收購日期之公允值計量，並計入作為於一項業務合併轉移之代價一部分。合資格作計量期間調整之或然代價之公允值變動乃追溯調整。計量期間調整為於「計量期間」(不得超過收購日期起計一年)因獲得於收購日期已存在事實及情況之額外資料而作出之調整。

不符合作為計量期間調整之或然代價之其後會計處理，取決於或然代價如何分類。分類為權益之或然代價於其後報告日期不會重新計量，其後結算於權益內進行入賬處理。分類為資產或負債之或然代價於各報告日期重新計量至公允值，而公允值變動乃於損益中確認。

倘業務合併分階段達成，本集團先前持有之被收購方股權乃於收購日期(即本集團獲得控制權之日期)重新計量至公允值，而所產生之收益或虧損(如有)乃於損益或其他全面收益(如適用)內確認。於收購日期前已於其他全面收益確認並按香港財務報告準則第9號計量之被收購方權益產生之金額，將按本集團直接出售先前持有之股權所需之相同基準入賬。

Non-controlling interests, unless as required by another standards, are measured at acquisition-date fair value except for non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at each reporting date, and changes in fair value are recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income and measured under HKFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

財務報表附註

Notes to the Financial Statements

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

倘業務合併之初步會計處理於合併發生之報告期末仍未完成，則本集團會就仍未完成會計處理之項目呈報暫定金額。於收購日期確認的暫定金額於計量期間（見上文）內作出追溯調整，並確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況之新資料，而倘知悉該等資料，將會影響於當日確認之金額。

商譽

業務合併產生的商譽以成本減任何累計減值虧損（如有）列賬。

為進行減值測試，商譽乃分配至預期將從合併所帶來的協同效益中受惠的各本集團現金產生單位（或現金產生單位組合）。

獲得商譽分配的現金產生單位（或現金產生單位組合）每年進行減值測試及每當有跡象顯示該單位可能出現減值時更為頻繁地進行減值測試。就於某一報告期間收購產生的商譽而言，獲得商譽分配的現金產生單位（或現金產生單位組合）於該報告期間結束前進行減值測試。倘現金產生單位的可收回金額低於該單位的賬面值，則首先分配減值虧損以減低分配至該單位的任何商譽的賬面值，然後按該單位（或現金產生單位組合）內各項資產的賬面值所佔比例分配至該單位（或現金產生單位組合）的其他資產。商譽之任何減值虧損直接於損益確認。商譽之已確認減值虧損不會於隨後期間撥回。

於出售相關現金產生單位時，釐定出售損益金額時計入應佔商譽之金額。

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. The provisional amounts recognised at the acquisition date are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising from a business combination is carried at cost less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit (or groups of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or groups of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro rata basis based on the carrying amount of each asset in the unit (or groups of cash-generating units). Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

財務報表附註 Notes to the Financial Statements

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

來自客戶合約之收入

確認收入旨在按反映實體預期有權就向客戶轉移已承諾貨品或服務所交換的代價金額，描述該等貨品或服務。具體而言，本集團使用五步法確認收入：

- 第一步：識別客戶合約
- 第二步：識別合約的履約責任
- 第三步：釐定交易價格
- 第四步：分配交易價格至合約的履約責任
- 第五步：於（或隨著）實體達成履約責任確認收入。

本集團於完成履約責任時（或就此）確認收入，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時確認收入。

履約責任指明確貨品及服務（或一組貨品或服務）或一系列大致相同的明確貨品或服務。

控制權會隨時間轉移，而倘滿足以下其中一項標準，則收益乃參照完全滿足相關履約責任的進度而隨時間確認：

- 於本集團履約時客戶同時取得並耗用本集團履約所提供的利益；

Revenue from contracts with customers

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

- 本集團的履約行為創造及提升客戶創造及提升資產時已控制的資產；或
- 本集團的履約行為並無創造對本集團而言有其他用途的資產，且本集團擁有就迄今為止已完成的履約部分獲付款的可強行執行權利。

否則，收入於客戶取得明確貨品或服務控制權的時間點確認。

收入乃根據本集團預期與客戶訂立的合約中有權收取的代價計量，不包括代第三方收取的款項、折扣及銷售相關稅項。

合約資產及合約負債

合約資產指本集團就向客戶換取本集團已轉讓的商品或服務收取代價的權利（尚未成為無條件）。其根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即只需待時間過去代價即須到期支付。

合約負債指本集團因已自客戶收取代價（或到期收取的代價），而須向客戶轉讓商品或服務之責任。

與客戶的單一合約會呈列合約資產淨值或合約負債淨額。至於多份合約，無關聯合約的合約資產及合約負債不會按淨額基準呈列。本集團自下列主要來源確認收益：

- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or service.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

Contract assets and contract liabilities

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis. The Group recognised revenue from the following major sources:

財務報表附註

Notes to the Financial Statements

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

來自加工及銷售農業肥料、鎂產品及煉鋼熔劑之收益於產品的控制權在產品交付予客戶且客戶已接納產品的時間點轉移以及並無可能會影響客戶接納產品的未履行責任時隨時間點予以確認。當產品已運送到指定地點，產品陳舊及遺失的風險已轉移至客戶，及客戶按照銷售合約接納產品，或接納條款已失效，或本集團有客觀證據證明所有接納標準均已達成時，交付即告完成。

該等銷售的收益按照合約訂明的價格(扣除增值稅)予以確認。

應收款項於產品交付及客戶接納產品時確認，因從那一刻開始，付款之到期僅須時間的流逝，故收取代價成為無條件。

租賃

租賃的定義

倘合約賦予權利於一段時間內控制已識別資產的用途以換取代價，則該合約為或包含租賃。

本集團作為承租人

就於首次應用香港財務報告準則第16號之日期或之後訂立或修改或由業務合併產生的合約而言，本集團於合約開始或修改日期或收購日期(倘適用)評估該合約是否為租賃或包含租賃。本集團就其作為承租人的所有租賃安排確認使用權資產及相應租賃負債，除短期租賃(定義為租期為自開始日期起計12個月或以下的租賃，而不含有購買選擇權)及低價值資產租賃外。就該等租賃而言，本集團於租期內以直線法確認租賃付款為經營開支，惟倘有另一系統化基準更能體現耗用租賃資產所產生經濟利益的時間模式則除外。

Revenue from the processing and sales of fertiliser, magnesium products and metallurgical flux is recognized at a point in time when control of the products has transferred, being at the point the products are delivered to the customer and the customer has accepted 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 shipped 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.

Revenue from these sales is recognised based on the price specified in the contract, net of value added taxes.

A receivable is recognised when the products are delivered and the customers accept the products, 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.

Leasing

Definition of a lease

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

The Group as lessee

For contracts entered into or modified on or after the date of initial application of HKFRS 16 or arising from business combinations, the Group assesses whether a contract is or contains a lease, at inception of the contract or modification date or acquisition date, as appropriate. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

租賃負債

於開始日期，本集團按當日尚未支付的租賃付款現值計量租賃負債。租賃付款以租賃隱含的利率貼現。倘無法即時釐定該利率，則本集團將使用其遞增借款利率。

計入計量租賃負債之租賃付款包括：

- 固定租賃款項(包括實質性的固定付款)減去任何已獲得租賃優惠；
- 跟隨指數或比率而定的可變租賃付款，初步按開始日期的指數或比率計量；
- 根據剩餘價值擔保預期將由承租人支付的金額；
- 倘承租人合理確定行使購買選擇權，則為該選擇權的行使價；及
- 倘租期反映本集團行使選擇權終止租賃，則支付終止租賃的罰款。

租賃負債的其後計量方式為透過增加賬面值以反映租賃負債的利息(使用實際利息法)，並透過削減賬面值以反映所作出的租賃付款。

倘出現以下情況，租賃負債重新計量(並就相關使用權資產作出相應調整)：

- 租期有所變動或發生重大事件或情況變動導致行使購買選擇權的評估發生變化，在此情況下，租賃負債透過使用經修訂貼現率貼現經修訂租賃付款而重新計量；

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate;

財務報表附註

Notes to the Financial Statements

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

- 因指數或利率變動或有擔保剩餘價值下的預期付款變動導致租賃付款出現變化，在此情況下，租賃負債乃透過使用初步貼現率（惟倘因浮動利率變動而導致租賃付款出現變化，則使用經修訂貼現率）貼現經修訂租賃付款而重新計量；及
- 租賃合約已修改且租賃修改不作為一項單獨租賃入賬，在此情況下，租賃負債乃透過使用於修改生效日期的經修訂貼現率貼現經修訂租賃付款而重新計量。
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); and
- A lease contracts modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

使用權資產

使用權資產包括初步計量的相應租賃負債、於開始日期或之前作出的租賃付款及任何初期直接成本，減已收取的租賃優惠。當本集團就拆除及移除租賃資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定的狀態承擔成本責任，將根據香港會計準則第37號「撥備、或然負債及或然資產」確認及計量撥備。除非成本乃因生產存貨而產生，否則該等成本乃計入相關使用權資產。

使用權資產隨後按成本減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。使用權資產乃按租期與相關資產之可使用年期（以較短者為準）折舊。折舊於租賃開始日期開始計提。

本集團於綜合財務狀況表內將使用權資產呈列為一項單獨項目。

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under HKAS 37 "Provision, Contingent Liabilities and Contingent Assets". The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets as a separate line in the consolidated statement of financial position.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

本集團應用香港會計準則第36號來釐定使用權資產是否已減值，並就任何已識別減值虧損入賬。

不按指數或比率而定的可變租金並不包括於租賃負債及使用權資產的計量。相關付款於觸發該等付款的事件或情況發生期間確認為開支，並計入綜合損益及其他全面收益表的「行政開支」。

當本集團在行使購買選擇權時在租賃期結束時獲得相關租賃資產的所有權時，相關使用權資產的成本及相關累計折舊以及減值虧損將轉移至物業，廠房及設備。

將代價分配至合約組成部分

合約包含租賃組成部分以及一項或多項額外租賃或非租賃組成部分時，本集團根據租賃組成部分的相對獨立價格及非租賃組成部分的獨立價格總額，將合約中的代價分配至各租賃組成部分。

作為可行權宜方法，香港財務報告準則第16號允許承租人不將非租賃組成部分分開，而應將任何租賃及相關的非租賃組成部分作為單一安排來考慮。

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in “Administrative expenses” in the consolidated statement of profit or loss and other comprehensive income.

When the Group obtains ownership of the underlying leased assets at the end of the lease term upon exercising purchase options, the cost of the relevant right-of-use assets and the related accumulated depreciation and impairment loss are transferred to property, plant and equipment.

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

As a practical expedient, HKFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

財務報表附註

Notes to the Financial Statements

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

租賃修改

除本集團已應用可行權宜方法的新冠肺炎疫情相關租金優惠外，倘出現以下情況，本集團將租賃的修改作為一項單獨的租賃進行入賬：

- 租賃修改通過增加了使用一項或以上相關資產的權利使租賃範圍增大；及
- 租賃代價增加的金額相當於擴大範圍對應的單獨價格，加上以反映特定合約的實際情況對單獨價格進行的任何適當調整。

就未作為一項單獨租賃入賬的租賃修改而言，本集團透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款，根據經修訂租賃的租期重新計量租賃負債。

本集團作為出租人

本集團作為出租人的租賃分類為融資租賃或經營租賃。當租賃的條款實質上將所有權的所有風險及報酬轉讓給承租人時，該項合約被歸類為融資租賃。所有其他租賃應歸類為經營租賃。

當合約包括租賃及非租賃部分時，本集團應用香港財務報告準則第15號將合約項下代價分配至各組成部分。

經營租賃的租金收入在相關租賃期內按直線基準確認。磋商及安排經營租賃時產生的首次直接成本計入租賃資產的賬面值，並於租賃期內按直線基準確認。

融資租賃項下應收承租人款項按本集團於租賃的投資淨額確認為應收款項。融資租賃收入分配至各會計期間以反映本集團就租賃的尚餘淨投資額的固定定期回報率。

Lease modification

Except for Covid-19-related rent concessions in which the Group applied the practical expedient, the Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When a contract includes both lease and non-lease components, the Group applies HKFRS 15 to allocate the consideration under the contract to each component.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

外幣

編製本集團旗下各個別實體的財務報表時，以該實體的功能貨幣以外貨幣（外幣）進行的交易按交易日期的匯率以其各自的功能貨幣（即該實體經營業務所在主要經濟環境的貨幣）列賬。於報告期末，以外幣結算的貨幣項目按該日的匯率重新換算。以外幣計值並以公允值列賬之非現金項目於公允值釐定當日按當前比率重新換算。按過往成本以外幣結算的非貨幣項目不會重新換算。

結算貨幣項目及換算貨幣項目時產生的匯兌差額於產生期間在損益確認。重新換算非貨幣項目產生的匯兌差額按公允值納入有關期間的損益內。

就綜合財務報表呈報方式而言，本集團海外業務的資產及負債使用各報告期末的匯率換算為本集團的呈報貨幣（即港元），而其收入及開支項目則按年內平均匯率換算，除非匯率於期內出現大幅波動，在此情況下，則採用交易日期的匯率換算。所產生匯兌差額（如有）於其他全面收益確認並於（如適用，按非控股權益應佔之）匯兌儲備項下的股本累計。

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

財務報表附註

Notes to the Financial Statements

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

於出售海外業務(即出售本集團於海外業務的全部權益或涉及失去對一家從事海外業務的附屬公司的控制權的出售、涉及失去對一家從事海外業務的共同控制安排的控制權的出售或失去對一家從事海外業務的聯營公司的重大影響力的出售)時，就本公司擁有人應佔該業務之權益而累計之所有匯兌差額重新分類至損益。此外，就並未導致本集團失去附屬公司之控制權的附屬公司部分出售而言，累計匯兌差額的相應份額乃重新歸類為非控股權益，而並不於損益內確認。就所有其他部分出售(即部分出售聯營公司或共同安排但不引致本集團失去重大影響力或共同控制權)而言，按比例分佔的累計匯兌差額被重新分類至損益。

借貸成本

直接歸屬於收購、建築或生產合資格資產的借貸成本，而該等資產需要較長時間才能準備好供擬定用途使用或銷售，則該借貸成本則加入該等資產的成本，直至該等資產大致可供擬定用途使用或銷售。

在特定借款用於符合條件的資產的支出之前，將其暫時投資所賺取的投資收入，從符合資本化條件的借款費用中扣除。

所有其他借貸成本於產生之期內在損益確認。

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint arrangement that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss. In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

政府撥款

政府撥款不予確認，直至有合理保證，本集團將符合政府撥款隨附的條件，以及將收獲撥款後，方會確認。

政府補助乃於本集團將擬補償的相關成本確認為開支的期間按系統基準於損益確認。具體而言，主要條件為本集團應購買、建造或以其他方式收購非流動資產的政府補助於綜合財務狀況表確認為遞延收入，並於相關資產的可使用年期內按系統及合理基準轉撥至損益。

倘與收入相關者之政府撥款為應收款項，作為已產生的開支或虧損的彌償，或提供予本集團而沒有相關未來成本即時財務支持，則於成為應收款項之期間於損益確認。

低於市場利率的政府貸款的利益被視為政府撥款，按已收所得款項與根據現行市場利率計算的貸款公允值之間的差額計量。

退休福利費用

退休金計劃

本集團根據強制性公積金計劃條例設立一項界定供款之強制性公積金退休福利計劃（「強積金計劃」），為所有僱員參與強積金計劃。供款按僱員基本薪金的若干百分比釐定並根據強積金計劃守則於需支付供款時在損益內扣除。強積金計劃之資產與本集團的其他資產分開處理，由一獨立管理之基金持有。在向強積金計劃供款時，本集團僱主供款將全數歸屬於僱員所有。

Government Grant

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Retirement benefits costs

Pension Schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

財務報表附註

Notes to the Financial Statements

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

本集團亦為僱員(包括若干董事)設立一項界定供款僱員退休金計劃，該計劃依職業退休計劃條例註冊(「職業退休計劃」)。職業退休計劃的資產與本集團資產分開，由一個獨立管理的基金持有。供款按合資格僱員基本薪金的若干百分比釐定並於根據職業退休計劃守則於需支付供款時在損益內扣除。如僱員於其於本集團僱主供款的權益尚未全數歸於僱員前退出職業退休計劃，有關被沒收的供款可能減少本集團的持續應付供款。

本集團於中國內地營運附屬公司之僱員須參與一項由當地市政府管理之中央退休金計劃。此等附屬公司須按彼等薪金成本之若干百分比，向該中央退休金計劃作出供款。此供款根據中央退休金計劃之守則，於應付時在損益內扣除。

向界定供款計劃的供款於僱員提供服務後而符合領取有關供款的資格時列作支出確認。

The Group also operates a defined contribution staff retirement scheme registered under the Occupational Retirement Schemes Ordinance (the “ORSO Scheme”) for its employees (including certain directors), the assets of which are held separately from those of the Group in an independently administered fund. Contributions are made based on a percentage of the eligible employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the ORSO Scheme. When an employee leaves the ORSO Scheme prior to his/her interest in the Group’s employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of forfeited contributions.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

財務報表附註**Notes to the Financial Statements**

截至2023年12月31日止年度

For the year ended 31 December 2023

稅項

所得稅開支指當前應付稅項及遞延稅項總額。

當前應付稅項乃按年內應課稅溢利計算。應課稅溢利不包括已撥往其他年間的應課稅收入或可扣減開支項目，亦不包括可作免稅或不可作稅項扣減之項目，故與綜合損益及其他全面收益表所列除稅前溢利不同。本集團即期稅項負債乃按於報告期末已頒佈或大致上已頒佈之稅率計算。

遞延稅項乃按於綜合財務報表內資產及負債賬面值與用於計算應課稅溢利之相應稅基兩者之暫時差額確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產通常會於可能出現應課稅溢利抵銷有關可動用可扣減暫時差額時就所有可扣減暫時差額確認。倘暫時差額來自商譽或初步確認(業務合併除外)一項交易中的資產及負債，而該交易既不影響應課稅溢利亦不影響會計溢利，且於交易時並無產生相等的應課稅及可扣減暫時差額，則不會確認該等遞延稅項資產及負債。

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

財務報表附註

Notes to the Financial Statements

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

遞延稅項負債就與於附屬公司及聯營公司以及合資公司權益投資有關之應課稅臨時差額確認，惟倘集團能控制臨時差額撥回且臨時差額於可見未來不會撥回則作別論。與該等投資及權益相關的可抵扣暫時差額所產生的遞延稅項資產僅在動用暫時差額利益時有足夠的應課稅溢利且預期在可見將來其將被撥回時，方可確認。

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

遞延稅項資產之賬面值會於各報告期末均作檢討，並在不大可能再有足夠應課稅溢利收回全部或部分資產時減少。

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

遞延稅項資產及負債以負債被清償或資產被變現的期間內預期適用的稅率計量，並根據於報告期末已頒佈或大致上已頒佈的稅率（和稅務法例）計量。遞延稅項負債及資產之計量反映隨本集團預期於報告期末時收回或償還資產及負債賬面值所產生之稅務後果。

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

當即期稅項資產與即期稅項負債可依法相互抵銷，且與同一稅務機關徵收的所得稅有關，而本集團擬按淨額基準結算即期稅項負債及資產時，遞延稅項資產與負債可互相抵銷。

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

財務報表附註**Notes to the Financial Statements**

截至2023年12月31日止年度

For the year ended 31 December 2023

對於其中稅項扣除歸屬於租賃負債之租賃交易，本集團將香港會計準則第12號要求分別應用於租賃負債及相關資產。本集團確認與租賃負債有關的遞延稅項資產，惟以可能有應課稅溢利可用作抵銷可扣減暫時差額為限，並就所有應課稅暫時差額確認遞延稅項負債。即期及遞延稅項於損益確認，惟倘其與於其他全面收益或直接於權益確認之項目有關，則即期及遞延稅項亦分別於其他全面收益或直接於權益確認。倘即期稅項或遞延稅項因業務合併的初始會計處理而產生，則稅務影響計入業務合併的會計處理。

物業、廠房及設備

物業、廠房及設備(在建工程除外)按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

成本包括為使資產達到能夠按照管理層擬定的方式開展經營所必要的位置及條件而直接產生的任何成本，及(就合資格資產而言)根據本集團會計政策資本化的借貸成本。此等資產以其他物業資產的相同基準，當資產可供擬定用途時開始計提折舊。

在建工程包括建造以供生產或本身運用的物業、廠房及設備。在建工程乃按成本減任何已確認減值虧損列賬。當在建工程完成及可供擬定用途，則撥入物業、廠房及設備的適當分類。此等資產以其他物業資產的相同基準，當資產可供擬定用途時開始計提折舊。

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities, and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, Plant and Equipment

Property, plant and equipment other than construction in progress are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

財務報表附註 Notes to the Financial Statements

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

於租賃土地及樓宇的所有權權益

當本集團就於物業的擁有權權益(包括租賃土地及樓宇部分)付款時,全部代價於租賃土地及樓宇部分之間按初始確認時的相對公允值的比例分配。倘相關付款能可靠分配,則租賃土地權益於綜合財務狀況表中呈列為「使用權資產」。倘代價無法於相關租賃土地的非租賃樓宇部分及未分割權益間可靠分配,則整項物業分類為物業、廠房及設備。

折舊乃於估計可使用年內以直線法確認,以撇銷物業、廠房及設備項目的成本。估計可使用年期、剩餘價值及折舊方法會在各報告期末進行審核,而任何估計變更之影響乃不予追溯地入賬。

物業、廠房及設備於出售時或預期持續使用該資產不再帶來未來經濟利益時取消確認。處置物業、廠房及設備的損益是淨銷售收入與相關資產賬面額之間的差額,在損益中確認。

投資物業

投資物業乃持有以賺取租金及/或為資本增值目的而持有之物業。

投資物業首次按成本(包括任何直接應佔開支)計量。首次確認後,投資物業按成本減其後之累計折舊及任何累計減值虧損列賬。折舊獲確認以按投資物業的估計可使用年期並計及其估計剩餘價值後以直線法撇銷其成本。

Ownership interests in leasehold land and buildings

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

投資物業於出售時或當投資物業不再可供使用及預期出售投資物業將無法帶來未來經濟利益時取消確認。倘本集團作為間接出租人將分租確認為融資租賃，則終止確認已確認為使用權資產的租賃物業。終止確認物業產生的任何盈虧（計算為出售所得款項淨額與該資產賬面值間差額）計入物業終止確認期間損益內。

倘有可觀察證據支持，物業、廠房及設備項目因用途改變而成為投資物業，則該項目於轉撥日期的賬面值與公允值之間的任何差額於其他全面收益確認，並於物業重估儲備累計。有關該項目的物業重估儲備將於終止確認時直接轉撥至保留盈利。

倘有可觀察證據支持，持作出售物業因用途改變而成為投資物業，則該業務於轉撥日期的賬面值與公允值之間的任何差額於損益確認。

倘有可觀察證據支持，投資物業因用途改變而成為業主自用物業，則該物業於轉撥日期的公允值為該物業其後入賬列作物業、廠房及設備項目的視作成本。

倘有可觀察證據支持，投資物業在日常業務過程中因用途改變而成為可供出售的發展中物業，則該物業於轉撥日期的公允值為該物業其後入賬列作發展中物業的視作成本。

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. A leased property which is recognised as a right-of-use asset is derecognised if the Group as intermediate lessor classifies the sublease as a finance lease. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

If an item of property, plant and equipment becomes an investment property when there is a change in use, as supported by observable evidence, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in properties revaluation reserve. The properties revaluation reserve in respect of that item will be transferred directly to retained earnings when it is derecognised.

If a property held for sale becomes an investment property when there is a change in use, as supported by observable evidence, any difference between the carrying amount and the fair value of that property at the date of transfer is recognised in profit or loss.

If an investment property becomes an owner-occupied property when there is a change in use, as supported by observable evidence, the fair value of that property at the date of transfer is the deemed cost for subsequent accounting for that property as an item of property, plant and equipment.

If an investment property becomes a property under development for sale in the ordinary course of business when there is a change in use, as supported by observable evidence, the fair value of that property at the date of transfer is the deemed cost for subsequent accounting for that property as a property under development.

財務報表附註

Notes to the Financial Statements

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

無形資產

單獨收購的無形資產

單獨收購具有有限使用年期的無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。具有有限使用年期的無形資產以直線法按其估計可使用年期確認攤銷。估計可使用年期及攤銷方法會在各報告期末進行審核，而任何估計變更之影響乃不予追溯地入賬。單獨收購擁有無限使用年期的資產可按成本減任何其後累計減值虧損列賬。

無形資產乃於出售時或於預期使用或出售不會產生未來經濟利益時終止確認。於終止確認無形資產所產生的收益或虧損（按資產的出售所得款項淨額與賬面值之間的差額計量）於終止確認資產的期間在損益中確認。

於業務合併中收購的無形資產

在業務合併中收購的無形資產與商譽分開確認，並按收購日期的公允值（被視為其成本）初始確認。

於首次確認後，於業務合併中收購的具有有限使用年期的無形資產乃按成本減累計攤銷及任何累計減值虧損列賬，基準與單獨收購的無形資產相同。

採礦權

採礦權包括所轉撥之勘探及評估資產，以成本扣除累計攤銷及任何減值虧損後列示。採礦權按生產量除以礦產資源估計總儲量作攤銷。倘礦山被廢置時，則採礦權在損益表中攤銷。

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in business combination with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses on the same basis as intangible assets that are acquired separately.

Mining Rights

Mining rights, including transferred exploration and evaluation assets, are stated at cost less accumulated amortisation and any impairment losses. The mining rights are amortised on the production quantities over the total estimated mineral reserve. Mining rights are written off to the profit or loss if the mining property is abandoned.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

存貨

存貨按成本與可變現淨額兩者的較低者列賬。存貨成本採用按先入先出法/ 加權平均法計算。存貨可變現淨值指估計售價減完成之估計成本以及出售所需之成本。

現金及等同現金項目

於綜合財務狀況表內，現金及銀行結餘包括現金(即手頭現金及活期存款)及等同現金項目。現金等價物為短期(通常原到期日為三個月或更短)高流動性投資，可隨時轉換為已知金額的現金，價值變動風險不大。現金等價物乃為滿足短期現金承擔而持有，而非作投資或其他用途。

就綜合現金流量表而言，現金及現金等價物包括上文所界定的現金及現金等價物，扣除須應要求償還的未償還銀行透支，並構成成本集團現金管理的組成部分。該等透支於綜合財務狀況表呈列為短期借款。

持作出售的資產

非流動資產之賬面值倘若主要通過出售交易而非通過持續使用而收回，則會分類為持作出售的資產。該分類要求資產須在其當前狀態下即時出售，並且僅受限於出售該資產之一般慣常條款，且出售的可能性很高。管理層必須對出售作出承諾，即出售預期應可於分類日期起計一年內合資格確認為已完成出售。

分類為持作出售的資產的非流動資產按照之前賬面值及公允值減出售成本(以較低者為準)計量。

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the first-in, first-out/weighted average method. Net realisable value of inventories represents the estimated selling price less the estimated costs of completion and costs necessary to make the sale.

Cash and Cash Equivalents

In the consolidated statement of financial position, cash and bank balances comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the consolidated statement of financial position.

Assets held for sale

Non-current assets are classified as assets held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such classification requires the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

財務報表附註 Notes to the Financial Statements

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

金融工具

金融資產及金融負債在集團實體成為金融工具合約條文的訂約方時於綜合財務狀況表確認。

金融資產及金融負債最初按公允值進行計量，惟根據香港財務報告準則第15號進行初步計量的客戶合約產生的貿易應收款項除外。收購或發行金融資產及金融負債（按公允值計入損益的金融負債除外）直接應佔交易成本乃於初步確認時加入金融資產或金融負債的公允值或從中扣除（倘適用）。收購按公允值計入損益的金融資產或金融負債直接應佔交易成本會即時於損益中確認。

金融資產

金融資產的所有一般買賣均按交易日基準確認及終止確認。一般買賣指按照一般市場規定或慣例須在指定期間內交付資產的金融資產買賣。

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

所有已確認金融資產其後按攤銷成本或公允價值整體計量，具體視乎金融資產的分類而定。於初步確認時，金融資產分類為其後按攤銷成本計量、按公允價值計入其他全面收入（「按公允價值計入其他全面收入」）及按公允價值計入損益（「按公允價值計入損益」）。

初步確認金融資產分類取決於金融資產的合約現金流特徵，以及本集團管理金融資產的業務模式。

按攤銷成本列賬的金融資產（債務工具）

倘同時符合以下兩項條件，則本集團其後按攤銷成本計量金融資產：

- 金融資產於以持有金融資產收取合約現金流量為目的之商業模式下持有；及
- 金融資產的合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息。

按攤銷成本計量的金融資產其後使用實際利率法計量，並可能出現減值。

1. 已攤銷成本及實際利率法

實際利率法乃計算債務工具的攤銷成本及於相關期間分配利息收入的方法。就金融資產而言，實際利率乃按債務工具的預期年期或較短期間（倘適用），準確貼現估計未來現金收入（包括構成實際利率一部分的所有已付或已收費用及點數、交易成本及其他溢價或折讓）（不包括預期信貸虧損）至初步確認時賬面淨值的利率。

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”), and fair value through profit or loss (“FVTPL”).

The classification of financial assets at initial recognition depends on the financial asset’s contractual cash flow characteristics and the Group’s business model for managing them.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

1. Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. For financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

財務報表附註

Notes to the Financial Statements

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

金融資產的攤銷成本為金融資產於首次確認時計量的金額減本金還款，加上使用實際利率法計算的初始金額與到期金額之間的任何差額的累計攤銷，並就任何虧損撥備進行調整。金融資產的賬面總值為就任何虧損撥備作出調整前金融資產的攤銷成本。

利息收入就後續按攤銷成本計量的債務工具而以實際利率法及按公允值計入其他全面收益確認。倘金融資產並非已購買或已產生信貸減值的金融資產，則利息收入通過對金融資產總賬面值應用實際利率法計算，惟後續已轉變為信貸減值的金融資產除外（見下文）。就後續已轉變為信貸減值的金融資產而言，利息收入按該金融資產的攤銷成本應用實際利率法確認。倘於其後報告期間，信貸減值金融工具的信貸風險改善，使金融資產不再出現信貸減值，則利息收入透過對金融資產的賬面總值應用實際利率法確認。

按公允值計入其他全面收益計量的金融資產（債務工具）

倘同時符合以下兩項條件，本集團之債務工具其後按公允值計入其他全面收益分類及計量：

- 金融資產按目的為同時收取合約現金流量及出售金融資產實現的商業模式持有；及
- 金融資產的合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金之利息。

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Financial assets at FVTOCI (debt instruments)

The Group's debt instruments are classified and measured subsequently at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

財務報表附註

Notes to the Financial Statements

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

債務工具初步按公允值加交易成本計量。其後，因外匯收益及虧損、減值收益或虧損及使用實際利率法計算的利息收入而導致的債務工具賬面值變動於損益確認。於損益確認的金額與該等債務工具原本按攤銷成本計量而於損益確認的金額相同。該等債務工具賬面值的所有其他變動於其他全面收益確認，並於投資重估儲備項下累計。減值撥備於損益確認，並於其他全面收益作出相應調整，而不會減少賬面值。當終止確認時，先前於其他全面收益確認的累計收益或虧損重新分類至損益。

指定為按公允值計入其他全面收益列賬的股本工具

於首次確認時，本集團可不可撤回地選擇（按逐項工具基準）指定股本工具投資為按公允值計入其他全面收益。倘權益投資是持作買賣用途或為收購方於業務合併中確認的或有代價，則不允許指定為透過其他全面收益按公允值列賬。

按公允值計入其他全面收益的股本工具投資初步按公允值加交易成本計量。其後，該等投資按公允值計量，而公允值變動產生之收益及虧損於其他全面收益確認，並於投資重估儲備累計。累計收益或虧損不會於出售股本投資時重新分類至損益，而是轉撥至保留盈利。

Debt instruments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of debt instruments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debts instruments are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts. When these are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

財務報表附註

Notes to the Financial Statements

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

股本工具投資的股息於本集團收取股息的權利確立時於損益確認，除非股息明確代表收回部分投資成本。股息計入損益中的「投資及其他收入」項目。

按公允值計入損益計量的金融資產

不符合按攤銷成本計量或按公允值計入其他全面收益計量標準的金融資產按公允值計入損益計量。具體而言：

- 股本工具投資分類為按公允值計入損益，除非本集團於首次確認時指定並非持作買賣或業務合併產生的或然代價的股本投資為按公允值計入其他全面收益；
- 不符合按攤銷成本計量標準或按公允值計入其他全面收益標準的債務工具分類為按公允值計入損益。此外，符合以攤銷成本或按公允值計入其他全面收益計量標準的債務工具可於初始確認時被指定為按公允值計入損益，惟該指定可消除或大大減少按不同基準計量資產或負債或確認其收益或虧損所產生的計量或確認不一致情況。

屬下列情況的金融資產為持作買賣用途：

- 收購該資產的主要目的在於近期出售；或
- 於首次確認時為本集團共同管理且有近期短期盈利實際模式證據的已認定金融工具組合之一部分；或
- 為衍生工具，惟財務擔保合約或被指定且有效的對沖工具之衍生工具除外。

Dividends from investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'investment and other income' line item in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition;
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

金融資產減值

本集團就按攤銷成本計量的債務工具投資的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映信貸風險自各金融工具首次確認以來的變動。

本集團一直就貿易應收款項確認全期預期信貸虧損。該等金融資產的預期信貸虧損乃根據本集團過往信貸虧損經驗使用撥備矩陣估計，並就債務人特定因素、整體經濟狀況及於報告日期對當前及預測狀況方向的評估(包括貨幣時間價值(如適用))作出調整。

就所有其他金融工具而言，本集團計量相等於12個月預期信貸虧損的虧損撥備，除非信貸風險自初始確認以來大幅增加，在此情況下，本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自初始確認以來發生違約的可能性或風險是否顯著增加。

信貸風險顯著增加

在評估自首次確認後金融工具的信貸風險是否顯著增加時，本集團將在報告日期發生於金融工具上的違約風險與初始確認日期金融工具發生違約風險的情況進行比較。在進行這一評估時，本集團考慮合理且可證實的定量和定性信息，包括歷史經驗和前瞻性資料，這些資料不需要過多的成本或投入。

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group measures the loss allowance equal to 12-month ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognizes lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

財務報表附註

Notes to the Financial Statements

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

尤其是，在評估信貸風險自首次確認以來是否顯著增加時，考慮了以下信息：

- 金融工具的外部（倘適用）或內部信貸評級的實際或預期顯著惡化；
- 特定債務人信貸風險外部市場指標顯著惡化，例如信貸價差顯著增加，債務人的信貸違約掉期價格，或金融資產的公允值低於其攤銷成本的時間長度或程度顯著增加；
- 商業、金融或經濟狀況的現有或預測不利變化，這些狀況預計會導致債務人履行債務能力顯著下降；
- 債務人經營成果的實際或預期顯著惡化；
- 同一債務人的其他金融工具的信貸風險顯著增加；
- 債務人的監管、經濟或技術環境發生實際或預期的重大不利變化，這些狀況導致債務人履行債務的能力顯著下降。

不管上述評估結果如何，本集團假設，自合約付款逾期超過30天的首次確認以來，金融資產的信貸風險顯著增加，除非本集團具有合理且可證實的信息來證明其他情況。

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular debtor, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

儘管上文所述，倘債務工具於報告日期被釐定為信貸風險較低，則本集團假設債務工具的信貸風險自首次確認以來並無顯著增加。倘i)金融工具的違約風險較低，ii)債務人有能力於短期內履行其合約現金流量責任，及iii)長期經濟及業務狀況的不利變動可能(但不一定)降低借款人履行其合約現金流量責任的能力，則金融工具被釐定為具有低信貸風險。倘資產按照國際公認的定義具有「投資級別」的外部信貸評級，或(倘並無外部評級)資產屬「履約」的內部級別，則本集團視債務工具為具有低信貸風險。履約指對手方具有雄厚的財務狀況且並無逾期款項。

就財務擔保合約而言，本集團訂立不可撤銷承諾之日期被視為評估金融工具減值的首次確認日期。於評估信貸風險自首次確認財務擔保合約以來是否顯著增加時，本集團會考慮特定債務人的違約風險變動。

本集團定期監察用於識別信貸風險是否有顯著增加的條件的有效性，並作出適當修改，以確保有關條件能夠在金額逾期之前識別信貸風險的顯著增長。

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

財務報表附註

Notes to the Financial Statements

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

違約的定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，原因為過往經驗顯示符合以下任何一項條件的應收款項一般無法收回：

- 債務人違反財務契諾；或
- 內部開發或從外部來源獲得的信息表明債務人不太可能全額償付其債權人（包括本集團），本集團認為會發生拖欠事件（不考慮本集團持有的任何抵押品）。

不論上述分析如何，本集團認為，當金融資產逾期超過30天時，違約已經發生，除非本集團具有合理且可證實的信息，用於證明更滯後的違約標準更合適。

信貸減值金融資產

當對金融資產的預計未來現金流有不利影響的一項或多項事件發生時，金融資產則發生信貸減值。金融資產信貸減值的證據包括關於以下事件的可觀察數據：

- 發行人或借款人的重大財務困難；
- 違反合約，如違約或逾期事件；
- 出於與借款人財務困難相關的經濟或合約原因，借款人的貸款人已經向借款人授予貸款人原本不會另外考慮的特許權；
- 借款人有可能會破產或進行其他金融重組；或
- 因財務困難該金額資產已於活躍市場消失。

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 30 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

撇銷政策

當有資料表明債務人出現嚴重的財務困難及並無實際把握收回款項，例如，交易對手已經進行清算或已經進入破產程序，本集團撇銷金融資產。金融資產的撇銷可能仍須根據本集團收回程序的執行方式，並考慮法律建議（倘適用）。任何作出的撥回於損益確認。

預期信貸虧損的計量和確認

預期信貸虧損計量是指違約概率、違約虧損（即虧損幅度，對於違約而言）及違約風險的函數。違約概率及違約虧損的評估基於歷史數據經前瞻性資料作調整得出。就金融資產的違約風險承擔而言，則以資產報告日期的總賬面值呈列；就財務擔保合約而言，風險包括於報告日期提取的款項連同基於歷史趨勢釐定的預期日後於違約日期之前將提取的任何額外款項、本集團對債務人特定日後融資需求的瞭解及其他相關前瞻性資料。

金融資產預期信貸虧損按根據合約應付本集團所有合約現金流量與本集團預期收取的所有現金流量（按原實際利率貼現）之間的差額估算。就租賃應收款項而言，根據香港財務報告準則第16號租賃，用於釐定預期信貸虧損的現金流量與計量租賃應收款項所用的現金流量一致。

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16 Leases.

財務報表附註

Notes to the Financial Statements

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

就財務擔保合約而言，由於根據擔保工具條款，本集團僅須於債務人違約時作出付款，預期信貸虧損為償還持有人所產生信貸虧損的預計款項減本集團預計自持有人、債務人或任何其他方收取的任何金額。

倘本集團於上一個報告期以相等於全期預期信貸虧損的金額計量一項金融工具的虧損撥備，但於本報告日期釐定該全期預期信貸虧損的條件不再符合，則本集團於本報告日期按相當於12個月預期信貸虧損金額計量虧損撥備，惟使用簡化法之資產除外。

本集團就全部金融工具於損益確認減值收益或虧損，並透過虧損撥備賬目對其賬面值進行相應調整，惟按公允值計入其他全面收益的債務工具的投資除外，而虧損撥備於其他全面收益確認並於投資重估儲備累計及並無於綜合財務狀況表調減金融資產的賬面值。

終止確認金融資產

本集團僅於從資產收取現金流量的合約權利屆滿時，或於轉讓金融資產及資產擁有權的絕大部分風險及回報均轉讓予另一方後方終止確認金融資產。倘本集團並無轉讓或保留擁有權的絕大部分風險及回報而持續控制有關已轉讓資產，則本集團須確認其於資產的已保留權益及關連負債可能須支付的金額。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，則本集團繼續確認金融資產，且確認已收取所得款項的已抵押借貸。

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

於終止確認按攤餘成本計量的金融資產時，資產賬面值與已收及應收代價總額之間的差額於損益確認。此外，於終止確認分類為按公允值計入其他全面收益的債務工具投資時，先前於投資重估儲備累計的累計收益或虧損重新分類至損益。於終止確認本集團於首次確認時選擇按公允值計入其他全面收益計量的股本工具投資時，先前於投資重估儲備累計的累計收益或虧損不會重新分類至損益，而是轉撥至保留盈利。

修改金融資產

倘合約現金流量重新磋商或以其他方式修改，則產生金融資產的修改。

當金融資產的合約條款被修改時，本集團會考慮所有相關因素及情況（包括定性因素），評估經修訂的條款是否導致對原有條款有重大修改。倘定性評估並無定論，則倘根據新條款的現金流量（包括任何已付費用扣除任何已收費用，並使用原實際利率貼現）的貼現現值與原金融資產剩餘現金流量的貼現現值至少有10%的差異，則本集團認為該等條款有重大差異。

就不會導致金融資產終止確認的不重大修改而言，相關金融資產的賬面值將會按金融資產的原有實際利率貼現的經修改合約現金流量的現值計算。產生的交易成本或費用已調整至經修改金融資產的賬面值，並於餘下年期予以攤銷。金融資產賬面值的任何調整於修改日期在損益確認。

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Modification of financial assets

A modification of a financial asset occurs if the contractual cash flows are renegotiated or otherwise modified.

When the contractual terms of a financial asset are modified, the Group assesses whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset.

For non-substantial modifications of financial assets that do not result in derecognition, the carrying amount of the relevant financial assets will be calculated at the present value of the modified contractual cash flows discounted at the financial assets' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial assets and are amortised over the remaining term. Any adjustment to the carrying amount of the financial asset is recognised in profit or loss at the date of modification.

財務報表附註

Notes to the Financial Statements

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

金融負債及股本工具

分類為債務或股權

集團實體發行的債務及股本工具按所訂立之合約安排性質，以及金融負債及股本工具之定義而分類為金融負債或股權。

股本工具

股本工具為實體經扣除其所有負債後乃對資產擁有剩餘權益之任何合約。由集團實體發行之股本工具扣除直接發行成本後按已收所得款項確認。

購回本公司本身之股本工具直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司本身的股本工具於損益確認收益或虧損。

金融負債

全部金融負債後續按攤銷成本使用實際利率法或按公允值計入損益計量。

金融資產轉讓不符合終止確認條件或運用持續參與法所產生的金融負債，以及本集團發出的財務擔保合約，按照下文所載的特定會計政策計量。

按公允值計入損益計量的金融負債

倘金融負債為1)收購人於香港財務報告準則第3號適用的業務合併中的或然代價，2) 持作買賣或3)指定為以公允值計入損益，則金融負債分類為按公允值計入損益計量。

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is 1) contingent consideration of an acquirer in a business combination to which HKFRS 3 applies, 2) held for trading, or 3) it is designated as at FVTPL.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

屬下列情況的金融負債分類為持作買賣用途：

- 收購該負債的主要目的在於近期購回；或
- 於首次確認時為本集團共同管理且有近期短期盈利實際模式的已認定金融工具組合之一部分；或
- 為衍生工具，惟財務擔保合約或被指定且有效的對沖工具之衍生工具除外。

金融負債（持作買賣或屬收購方於業務合併的或然代價的金融負債除外）可於以下情況下於初始確認時指定為按公允值計入損益：

- 有關指定消除或大幅減少可能會出現的計量或確認方面的一致性；或
- 該金融負債構成一組金融資產或金融負債或兩者的一部分，而根據本集團制定的風險管理或投資策略，該項負債乃以公允值為基礎進行管理及評估績效，且有關分組的資料乃按此基準向內部提供；或
- 其構成包含一項或多項嵌入衍生工具的合約的一部分，而香港財務報告準則第9號允許將整個組合合約指定為按公允值計入損益。

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKFRS 9 permits the entire combined contract to be designated as at FVTPL.

財務報表附註

Notes to the Financial Statements

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

按公允值計入損益的金融負債按公允值列賬，公允值變動產生的任何收益或虧損於損益內確認，以有關金融負債並非指定對沖關係的一部分為限。於損益內確認的收益或虧損淨額包括就金融負債支付的任何利息，且計入損益項目內。

對於指定為按公允值計入損益計量的金融負債，該負債的信貨風險變動導致的金融負債公允值變動金額計入其他全面收益，除非在其他全面收益中確認負債信貨風險變動的影響會產生會擴大損益中的會計錯配。有關負債公允值變動的餘下金額於損益確認。於其他全面收益確認的因金融負債的信貨風險而產生的公允值變動其後不會重新分類至損益；而將在終止確認金融負債後轉撥至保留盈利。

本集團發出並指定按公允值計入損益的財務擔保合約的收益或虧損於損益確認。

其後按攤銷成本計量之金融負債

並非1)收購方於業務合併中確認之或然代價；2)持作買賣；或3)獲指定為按公允值計入損益之金融負債其後使用實際利率法按攤銷成本計量。

實際利率法乃計算金融負債的攤銷成本及於相關期間分配利息開支的方法。實際利率乃按金融負債的預期年期或較短期間(倘適用)，準確貼現估計未來現金付款(包括構成實際利率一部分的所有已付或已收費及點數、交易成本及其他溢價或折讓)至金融負債的攤銷成本的利率。

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities and is included in the line item in profit or loss.

For financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

終止確認金融負債

僅當本集團的責任已經履行、取消或屆滿時，本集團方會終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價之間的差額在損益內確認。

修改金融負債

現有金融負債或其部分的條款作出重大修改(無論是否由於本集團出現財困)，乃入賬列為抵銷原有金融負債及確認新金融負債。倘根據新條款的現金流量(包括任何已付費用扣除任何已收費用，並使用原實際利率貼現)的貼現現值與原金融負債剩餘現金流量的貼現現值至少有10%的差異，則本集團認為該等條款有重大差異。因此，有關替換債務工具或修改條款乃入賬列作抵銷，而所產生的任何成本或費用則確認為抵銷的收益或虧損部分。倘有關差異少於10%，則替換或修訂被視為非重大修訂。

金融負債的非重大修改

就不會導致金融負債終止確認的不重大修改而言，相關金融負債的賬面值將會按金融負債的原有實際利率貼現的經修改合約現金流量的現值計算。產生的交易成本或費用已調整至經修改金融負債的賬面值，並於餘下年期予以攤銷。金融負債賬面值的任何調整於修改日期在損益確認。

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Modification of financial liabilities

A substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the Group) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

Non-substantial modifications of financial liabilities

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

財務報表附註

Notes to the Financial Statements

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

可換股貸款票據

本集團發行的可換股貸款票據包含負債及換股權部分，於首次確認時按合約安排的內容及金融負債以及股本工具的定義各自分類為相關項目。換股權倘將透過以固定金額的現金或另一金融資產交換固定數目之本公司股本工具予以償付，則分類為股本工具。

於首次確認時，負債部分的公允值乃使用類似不可轉換債務的現行市場利率釐定。發行可換股貸款票據的所得款項總額與分配至負債部分的公允值（即持有人將貸款票據兌換為權益的換股權）之間的差額計入權益（可換股貸款票據權益儲備）。

於往後期間，可換股貸款票據負債部分利用實際利率法按攤銷成本列賬。權益部分（即將負債部分轉換為本公司普通股的選擇權）將保留於可換股貸款票據權益儲備中，直至換股選擇權獲行使為止（在此情況下，可換股貸款票據權益儲備的結餘將轉撥至股份溢價）。倘選擇權於到期時仍未獲行使，則可換股貸款票據權益儲備的結餘將釋放至保留盈利。選擇權兌換或到期時將不會於損益內確認任何盈虧。

與發行可換股貸款票據有關的交易成本按所得款項總額的分配比例分配至負債與權益部分。與權益部分相關之交易成本乃直接於權益中扣除，與負債部分相關之交易成本乃計入負債部分之賬面值，並於可換股定然債券之期間採用實際利率法攤銷。

Convertible loan notes

Convertible loan notes issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the loan notes into equity, is included in equity (convertible loan notes equity reserve).

In subsequent periods, the liability component of the convertible loan notes is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible loan notes equity reserve until the conversion option is exercised (in which case the balance stated in convertible loan notes equity reserve will be transferred to share premium. Where the option remains unexercised at the expiry date, the balance stated in convertible loan notes equity reserve will be released to the retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible loan notes using the effective interest method.

財務報表附註**Notes to the Financial Statements**

截至2023年12月31日止年度

For the year ended 31 December 2023

抵銷金融工具

當依法有強制執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產和結算負債時，本集團的金融資產及負債可相互抵銷，並在綜合財務狀況表中呈列淨額。

股份付款交易**股權結算股份付款交易****授予僱員的購股權**

參照授出當日已授出購股權的公允值而釐定已收取服務的公允值，於歸屬期間按直線法支銷/當所收購股權即時歸屬之授出日期悉數確認為開支，而股本(購股權儲備)則相應增加。

於報告期末，本集團修訂預期最終歸屬的購股權估計數目。修訂原估計於歸屬期的影響(如有)於損益內確認，以致累計開支反映修訂估計，連同購股權儲備的相應調整。

購股權獲行使時，先前於購股權儲備中確認之數額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於到期日仍未獲行使，先前於購股權儲備中確認之數額將轉撥至保留盈利。

Offsetting financial instruments

Financial assets and liabilities of the Group are offset and the net amount presented in the consolidated statement of financial position when, and only when, there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Share-based payment transactions**Equity-settled share-based payment transactions****Share options granted to employees**

The fair value of services received determined by reference to the fair value of share options granted at the date of grant is expensed on a straight-line basis over the vesting period/recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share options reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained earnings.

財務報表附註 Notes to the Financial Statements

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

物業、廠房及設備、使用權資產及無形資產(商譽除外)減值

於各報告期末，本集團審閱其物業、廠房及設備、使用權資產、合約成本及具有限使用年期無形資產之賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘存在任何有關跡象，則會估計資產的可收回金額以釐定減值虧損(如有)之程度。物業、廠房及設備、使用權資產及無形資產之可收回金額予以個別估計。倘無法估計個別資產的可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。當可識別合理持續的分配基準時，公司資產亦會分配至個別現金產生單位或分配至可識別合理持續分配基準的最小現金產生單位組別。

無限使用年期之無形資產及尚未可供使用之無形資產至少每年及於有跡象顯示資產可能出現減值時進行減值測試。

可收回金額為公允值減出售成本與使用價值兩者中之較高者。於評估使用價值時，乃以反映目前市場對貨幣時間價值及資產於估計未來現金流量調整前之獨有風險之稅後貼現率將估計未來現金流量貼現至其現值。

倘估計資產(或現金產生單位)之可收回金額低於其賬面值，則資產(或現金產生單位)之賬面值下調至其可收回金額。若未能按合理一致基準分配至現金產生單位之公司資產或一部分公司資產而言，本集團會將現金產生單位組別之賬面值(包括分配至該現金產生單位組別的公司資產或一部分公司資產的賬面值)與該現金產生單位組別之可收回款項作比較。於分配減

Impairment on property, plant and equipment, right-of-use assets, and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, contract costs and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

值虧損時，首先分配減值虧損以減少任何商譽的賬面值（如適用），然後按比例根據該單位或現金產生單位組別各資產之賬面值分配至其他資產。一項資產的賬面值不會減至低於其公允值減出售成本（如可計量）、其使用價值（如可釐定）及零當中之最高者。本將分配至該資產之減值虧損之金額按比例分配至該單位或現金產生單位組別的其他資產。減值虧損即時於損益確認。

倘減值虧損於其後撥回，則資產（或現金產生單位）的賬面值會增加至其經修訂的估計可收回金額，惟增加後的賬面值不得超出假設過往年度並無就該項資產（或現金產生單位）確認減值虧損時原應釐定的賬面值。減值虧損撥回即時於確認為收益。

公允值計量

若市場參與者於計量日定價資產或負債時會考慮資產或負債的特點，則本集團於計量公允值（就減值評估而言，本集團股權結算股份支付交易、租賃交易、存貨可變現淨值除外）時會考慮資產或負債的特點。

非金融資產的公允值計量參考市場參與者能否以最高及最佳用途使用該資產，或把該資產售予另一能夠以最高及最佳用途使用該資產的市場參與者所產生的經濟效益。

allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

Fair value measurement

When measuring fair value except for the Group's share-based payment transactions, leasing transactions, net realisable value of inventories for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

財務報表附註

Notes to the Financial Statements

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

本集團採納適用於不同情況且具備充分數據以供計量公允值的估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。具體而言，本集團根據如下輸入數據特點，將公允值計量分類為三個等級：

- 第一級—相同資產或負債在活躍市場的市場報價（未經調整）。
- 第二級—最低等級輸入數據為就公允值計量而言屬重大且直接或間接可予觀察的估值技術。
- 第三級—最低等級輸入數據為就公允值計量而言屬重大且不可觀察的估值技術。

於報告期末，本集團藉審閱相關公允值計量按經常性基準釐定按公允值計量的資產或負債的公允值架構內各級別之間是否發生轉移。

關連人士交易

在下列情況下，有關人士將被視為與本集團有關連：

1. 倘屬以下人士，即該人士或該人士之直系親屬與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。

或

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

Related Parties Transactions

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

1. A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.

Or

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

2. 倘符合下列任何條件，則有關人士為實體：
- (i) 該實體與本公司屬同一集團之成員公司。
- (ii) 一間實體為另一實體的聯營公司或合資公司（或另一實體的母公司、附屬公司或同系附屬公司）。
- (iii) 該實體與本集團均為同一第三方的合資公司。
- (iv) 一間實體為第三方實體的合資公司，而另一實體為該第三方實體的聯營公司。
- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。倘本集團本身便是該計劃，則為離職福利計劃的提供資助的僱主。
- (vi) 實體受(1)所識別人士控制或受共同控制。
- (vii) 於(1)(i)所識別人士對實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員。
- (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供主要管理人員服務。
2. The party is an entity where any of the following condition applies:
- (i) The entity and the Group are members of the same group.
- (ii) One entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity).
- (iii) the entity and the Group are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers of the post-employment benefit plan.
- (vi) The entity is controlled or jointly controlled by a person identified in (1).
- (vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

財務報表附註

Notes to the Financial Statements

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

一名人士的家族的密切成员指可能影响该名人士或被该名人士影响的家族成员，从而影响该名人士或其家族的密切成员与实体的交易，包括：

- (a) 该名人士子女、配偶或同居者；
- (b) 该名人士或其配偶或其同居者的子女；及
- (c) 该名人士或其配偶或其同居者的家属。

關連人士之間轉讓資源或責任的交易，乃視為關連人士交易。

分部報告

經營分部及綜合財務報表所呈列各分部的金額，乃從為向本集團各項業務及地理位置分配資源及評估其業績而定期向本集團多數最高行政管理層提供的財務資料當中識別出來。

個別重要的經營分部不會合計以供財務報告之用，但如該等經營分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別不重要的經營分部如果符合以上大部分條件，則可以合計為一個報告分部。

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:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Segment Reporting

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

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

財務報表附註**Notes to the Financial Statements**

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

4. 關鍵會計判斷及估計不明朗因素的主要來源

於應用於附註3所述之本集團之會計政策時，本公司之董事須對未能透過其他來源確定之資產及負債之賬面值作出判斷、估計及假設。所作出之估計及相關假設乃以過往經驗及其他被視為相關之因素為基準。實際業績可能與該等估計有異。

估計及相關假設乃以持續基準審閱。倘對會計估計之修訂僅影響進行修訂之期間，則於該期間確認，或倘修訂會影響目前及未來期間，則會於目前及未來期間確認。

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in Note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an 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.

財務報表附註 Notes to the Financial Statements

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

估計不明朗因素的主要來源

以下為於報告期末極可能導致本集團資產與負債賬面值於下一財政年度需要作出重大調整之未來相關重要假設及導致估計不明朗因素的其他主要來源。

(a) 物業、廠房及設備、使用權資產、商譽、無形資產及採礦權的減值的估計

根據附註3所述的會計政策，倘任何事件或情況改變顯示資產的賬面值不能收回，則本集團會評估物業、廠房及設備、使用權資產、商譽、無形資產及採礦權有否出現減值。本集團現金產生單位的可收回金額指資產之公允值減出售成本或其可使用價值（以較高者為準）。公允值減出售成本或其可使用價值之計算方法需要作出估計及假設。改變假設及估計（包括現金流量預測中的貼現率或未來收益）可能會對可收回金額產生重大影響。截至2023年12月31日，須進行減值評估之物業、廠房及設備、使用權資產、商譽、無形資產及採礦權之賬面值分別為約1,854,183,000港元（2022年：2,619,818,000港元）、119,687,000港元（2022年：178,135,000港元）、零港元（2022年：151,116,000港元）、199,441,000港元（2022年：224,066,000港元）及382,617,000港元（2022年：424,720,000港元），當中已計及就物業、廠房及設備、使用權資產、商譽、無形資產及採礦權確認之減值虧損分別約390,436,000港元（2022年：336,184,000港元）、22,547,000港元（2022年：29,408,000港元）、151,116,000港元（2022：零港元）、12,259,000港元（2022年：44,903,000港元）及24,917,000港元（2022年：零港元）。

有關物業、廠房及設備、使用權資產、商譽、無形資產及採礦權之減值評估詳情於附註23披露。

Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Estimated Impairment of Property, Plant and Equipment, Right-of-use Assets, Goodwill, Intangible Assets and Mining Rights

The Group evaluates whether property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining rights have suffered any impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable, in accordance with the accounting policy stated in Note 3. The recoverable amounts of the Group's CGUs represent the higher of the asset's fair value less costs to disposal or its value-in-use. The calculations of fair value less costs to disposal or value-in-use require the use of estimates and assumptions. Changing the assumptions and estimates, including the discount rates or the future revenue in the cash flow projections, could materially affect the recoverable amounts. As at 31 December 2023, the carrying amounts of property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining rights subject to impairment assessment were approximately HK\$1,854,183,000 (2022: HK\$2,619,818,000), HK\$119,687,000 (2022: HK\$178,135,000), HK\$Nil (2022: HK\$151,116,000), HK\$199,441,000 (2022: HK\$224,066,000) and HK\$382,617,000 (2022: HK\$424,720,000) respectively after taking into account the impairment losses of approximately HK\$390,436,000 (2022: HK\$336,184,000), HK\$22,547,000 (2022: HK\$29,408,000), HK\$151,116,000 (2022: HK\$Nil), HK\$12,259,000 (2022: HK\$44,903,000) and HK\$24,917,000 (2022: HK\$Nil) in respect of property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining rights that have been recognised respectively.

Details of the impairment assessment of property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining rights are disclosed in Notes 23.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

(b) 使用權資產、物業、廠房及設備、無形資產和採礦權的可使用年期的估計

本集團的管理層為其使用權資產、物業、廠房及設備、無形資產及採礦權釐定估計可使用年期及相關折舊／攤銷費用。此估計以相似性質及功能的使用權資產、物業、廠房及設備及無形資產過往經驗的實際可使用年期及獨立技術顧問所釐定的礦產儲量為基準，其可因科技創新及競爭者對市況作出反應而有很大差距。倘可使用年期較之前估計年期短，管理層將提高折舊／攤銷費用，或撇銷或撇減已棄置或出售的技術上過時或非策略性的資產。

本集團於截至2023年及2022年12月31日止年度內並無更改使用權資產、物業、廠房及設備、無形資產以及採礦權之估計可使用年期。

(c) 所得稅

本集團於多個司法權區均須繳納所得稅。若干交易及計算方法存在不明朗之最終稅項決定。本集團以額外稅項會否到期之估計就預期稅項事宜確認負債。倘該等事宜之最終稅務結果有別於首次記錄之金額，有關差額將於作出決定之期間影響當期及遞延稅項撥備。

(b) Estimated Useful Lives of Right-of-use Assets, Property, Plant and Equipment, Intangible Assets and Mining Rights

The Group's management determines the estimated useful lives and related depreciation/amortisation charges for its right-of-use assets, property, plant and equipment, intangible assets and mining rights. This estimate is based on the historical experience of the actual useful lives of right-of-use assets, property, plant and equipment and intangible assets of similar nature and functions and the mineral reserve determined by independent technical adviser. It could change significantly as a result of technical innovations and competitor actions in response to market conditions. Management will increase the depreciation/amortisation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

During the years ended 31 December 2023 and 2022, the Group did not change the estimated useful lives of right-of-use assets, property, plant and equipment, intangible assets and mining rights.

(c) Income Tax

The Group is subject to income taxes in several jurisdictions. There are certain transactions and calculations for which the ultimate tax determination may be uncertain. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

財務報表附註 Notes to the Financial Statements

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

(d) 貿易應收款項及應收票據預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收款項的預期信貸虧損。撥備率乃基於具有類似虧損模式(即按地理區域、產品類型、客戶類型及評級, 以及信用證或其他形式的信用保險的承保範圍)的不同客戶分部組別逾期日數釐定。

撥備矩陣最初基於本集團過往觀察所得違約率而釐定。本集團將調整矩陣, 藉以按前瞻性資料調整過往信貸虧損經驗。舉例而言, 倘預測經濟環境(即本地生產總值)預期將於未來一年惡化, 導致製造業違約事件增加, 則會調整過往違約率。於各報告日期, 過往觀察所得違約率將予更新, 並會分析前瞻性估計變動。

對過往觀察所得違約率、預測經濟環境及預期信貸虧損之間關連性進行的評估屬重大估計。預期信貸虧損金額對情況變化及預測經濟環境相當敏感。本集團過往信貸虧損經驗及預測經濟環境亦未必能代表客戶日後的實際違約情況。有關本集團貿易應收款項的預期信貸虧損的資料於財務報表附註5及27披露。

(d) *Provision for Expected Credit Losses on Trade and Bills Receivables*

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Notes 5 and 27 to the financial statements.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

(e) 合併本集團持有少於多數投票權的實體

本集團認為其控制稀鎂科技集團控股有限公司（「稀鎂科技」），儘管其擁有只有40%的投票權。此乃由於本集團為稀鎂科技的單一最大股東，擁有40%（2022年：60.1%）股權。儘管本集團並無擁有稀鎂科技的大多數股權，經考慮本集團參與稀鎂科技營運及財務活動的權力、主要股東及其實益股東的分派及過往投票模式，本公司董事認為，稀鎂科技的股權以其他股東未有組織的分散方式，而組織其持股於稀鎂科技股東大會上投票超過本集團的實際風險甚微，故本集團的投票權足以賦予其單方面指導稀鎂科技相關活動的實際能力。因此，本公司董事認為，本公司對稀鎂科技擁有實際控制權。

(e) Consolidation of entities in which the Group holds less than a majority of voting rights

The Group considers that it controls Rare Earth Magnesium Technology Group Holdings Limited (稀鎂科技集團控股有限公司) (“REMT”) even though it owns only 40% of the voting rights. This is because the Group is the single largest shareholder of REMT with a 40% (2022: 60.1%) equity interest. Although the Group does not own a majority of the equity interests in REMT, taking into account the Group’s power to participate in the operational and financial activities of REMT, distribution of key shareholders and their beneficial shareholders as well as historical voting patterns, the directors of the Company are of the view that the equity holdings in REMT are dispersed in a way that other shareholders have not organised and the practical risk to organise their holdings to outvote the Group in the shareholders’ meetings of REMT is remote so that the Group’s voting rights are sufficient to give it the practical ability to direct the relevant activities of REMT unilaterally. Therefore, the directors of the Company are of the view that the Company has de facto control over REMT.

財務報表附註
Notes to the Financial Statements

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

5. 金融工具

(a) 金融工具類別

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
金融資產	Financial assets		
按攤銷成本計量的 金融資產	Financial assets measured at amortised cost	88,099	165,273
按公允值計入損益的 金融資產	Financial assets at fair value through profit or loss	727	1,690
		88,826	166,963
金融負債	Financial liabilities		
攤銷成本	Amortised cost	2,228,066	2,798,558

(b) 財務風險管理目標及政策

本集團的主要金融工具包括按公允值計入損益的股本工具、貿易應收款項及應收票據、其他應收款項、按金、銀行及現金結餘、貿易應付款項及應付票據、應計費用及其他應付款項、由一間上市附屬公司發行的可換股債券、租賃負債及借貸。金融工具詳情於相關附註披露。與該等金融工具有關的風險包括外匯風險、利率風險、其他價格風險、信貸風險及流動資金風險。以下載列如何緩和該等風險的政策。本集團的整體風險管理計劃著重於不可預測的金融市場和尋求最大程度地降低本集團財務表現所遭受的潛在不利影響。

5. FINANCIAL INSTRUMENTS

(a) Categories of Financial Instruments

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
Financial assets	Financial assets		
Financial assets measured at amortised cost	Financial assets measured at amortised cost	88,099	165,273
Financial assets at fair value through profit or loss	Financial assets at fair value through profit or loss	727	1,690
		88,826	166,963
Financial liabilities	Financial liabilities		
Amortised cost	Amortised cost	2,228,066	2,798,558

(b) Financial Risk Management Objectives and Policies

The Group's major financial instruments include equity instruments on fair value through profit or loss, trade and bills receivables, other receivables, deposits, bank and cash balances, trade and bills payables, accruals and other payables, convertible bonds issued by a listed subsidiary, lease liabilities and borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include foreign exchange risk, interest rate risk, other price risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The Group's overall risk management programme focus on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

(i) 外匯風險

鑑於本集團大部分業務交易、資產及負債主要以各附屬公司的功能貨幣計值，故此並沒有承受巨大的外匯風險。本集團目前並無就外幣交易、資產及負債訂立外幣對沖政策。本集團將監察其重大外匯風險，並在需要時考慮對沖重大外幣風險。

(ii) 利率風險

本集團須面對有關已抵押銀行存款、銀行及現金結餘及定息借貸之公允值利率風險（詳情分別參閱附註29及34）。

由於管理層認為本集團面臨的上述公允值利率風險並非重大，因此於年內管理層並無採取息率掉期或其他對沖措施。

本集團亦須面對有關按當前市場利率計息之銀行結餘及可變利率借貸之現金流利率風險。然而，由於銀行結餘全部均為短期性質，因此本集團面對之風險屬輕微。

敏感度分析

倘若於2023年12月31日可變利率借貸之利率較實際利率上升／下降10個基點（年利率0.1%）（2022年：10個基點），本集團年度稅後虧損會增加／減少約322,000港元（2022年：年度稅後虧損會增加／減少約634,000港元）。

(i) Foreign Exchange Risk

The Group does not have significant exposures to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the respective subsidiaries. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its significant foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

(ii) Interest Rate Risk

The Group is exposed to fair value interest rate risk in relation to pledged bank deposits, bank and cash balances and fixed-rate borrowings (see Notes 29 and 34 respectively for details).

As management considers the Group's exposure to the above fair value interest rate risk is not significant, no interest rate swaps or other hedging activities are undertaken by management during the year.

The Group is also exposed to cash flow interest rate risk in relation to bank balances and variable-rate borrowings carried at prevailing market rate. However, such exposure is minimal to the Group as the bank balances are all short-term in nature.

Sensitivity Analysis

If interest rates on variable-rate borrowings as at 31 December 2023 had been 10 basis points (0.1% per annum) (2022: 10 basis points) higher/lower than the actual effective interest rate, the Group's post-tax loss for the year would increase/decrease by approximately HK\$322,000 (2022: post tax loss for the year would increase/decrease by approximately HK\$634,000).

財務報表附註

Notes to the Financial Statements

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

(iii) 其他價格風險

本證券承受股本價格風險。管理層透過維持不同風險投資組合以管理此風險。本集團其他價格風險主要集中於在澳洲上市之股本工具。

敏感度分析

以下敏感度分析根據報告日須面對之股本價格風險釐定。

倘各自工具之價格上升／下降10% (2022年：10%)，本集團之本年度稅後虧損或其他綜合收益會減少／增加約73,000港元 (2022年：本年度稅後虧損或其他綜合收益會減少／增加約169,000港元)。

(iv) 信貸風險

本集團僅與獲認可及信譽良好的第三方進行交易。按照本集團的政策，所有擬按信貸條款進行交易的客戶均須接受信貸核實程序。此外，本集團會持續監察應收款項結餘的情況，而本集團的壞賬風險並不重大。對於並非以相關營運單位的功能貨幣計值的交易，未經信貸監控主管的特別批准，本集團不會提供信貸條款。

(iii) Other Price Risk

The Group is exposed to equity price risk through its investments in listed equity securities in Australia. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's other price risk is mainly concentrated on equity instruments listed in the Australia.

Sensitivity Analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the reporting date.

If the prices of respective instruments has been 10% (2022: 10%) higher/lower, the Group's post-tax loss or other comprehensive income for the year would decrease/increase by approximately HK\$73,000 (2022: post-tax loss or other comprehensive income for the year would decrease/increase by approximately HK\$169,000).

(iv) Credit Risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於有類似虧損模式（即按地理區域、產品類型、客戶類型及評級，以及信用證或其他形式的信用保險的承保範圍）的多個客戶分部組合的內部信貸評級釐定。該計算反映或然率加權結果、貨幣時值及於報告日期可得有關過往事件、目前狀況及預測未來經濟狀況的合理佐證資料。

本集團的內部信貸風險評級評估包括以下類別：

An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The provision rates are based on internal credit ratings for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group's internal credit risk grading assessment comprises the following categories:

內部信用評級	描述	貿易應收款項	其他金融資產／其他項目
Internal credit rating	Description	Trade receivables	Other financial assets/ other items
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit-impaired	12m ECL
低風險	對手方違約風險低，且並無任何逾期款項	全期預期信貸虧損 －無信貸減值	12個月預期信貸虧損
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12m ECL
觀察名單	債務人經常於到期日後還款，但通常悉數結清	全期預期信貸虧損 －無信貸減值	12個月預期信貸虧損
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or externally	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
可疑	自初步確認以來，透過內部或外部編製的資料表明信貸風險顯著增加	全期預期信貸虧損 －無信貸減值	全期預期信貸虧損 －無信貸減值
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
虧損	有證據 示資產出現信貸減值	全期預期信貸虧損 －信貸減值	全期預期信貸虧損 －信貸減值
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect	Amount is written off	Amount is written off
撤銷	有證據 示債務人處於嚴重財務困難，而本集團並無實際收回的可能性	撤銷金額	撤銷金額

財務報表附註

Notes to the Financial Statements

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

下表詳述本集團須進行預期信貸虧損評估的金融資產的信貸風險敞口：

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

附註 Notes	外部信用評級 External credit ratings	內部信用評級 Internal credit ratings	12個月或全期預期 信貸虧損 12-month or lifetime ECL	帳面總值	
				2023 千港元 HK\$'000	2022 千港元 HK\$'000
Financial assets at amortised cost					
按攤銷成本列賬的金融資產					
Trade receivables	27	Low risk	lifetime ECL – not credit-impaired	2,963	41,425
貿易應收款項		低風險	全期預期信貸虧損 – 無信貸減值		
		Watch list	lifetime ECL – not credit-impaired	-	-
		觀察名單	全期預期信貸虧損 – 無信貸減值		
		Doubtful	lifetime ECL – not credit-impaired	-	71,032
		可疑	全期預期信貸虧損 – 無信貸減值		
		Loss	Lifetime ECL – credit-impaired	221,233	465,507
		虧損	全期預期信貸虧損 – 信貸減值		
Deposits and other receivables	28	Low risk	12m ECL	22,864	29,850
按金及其他應收款項		低風險	12個月預期信貸虧損		
		Loss	Lifetime ECL – credit-impaired	29,291	30,678
		虧損	全期預期信貸虧損 – 信貸減值		
Pledged bank deposits	29	A3 to Aa2 A2至Aa2	12m ECL	66	9,767
已抵押銀行存款		不適用	12個月預期信貸虧損		
Bank balances	29	A3 to Aa3 A3至Aa3	12m ECL	60,834	75,790
銀行結餘		不適用	12個月預期信貸虧損		
Other items					
其他項目					
Financial guarantee contracts	32	Low	12m ECL	40,133	42,089
財務擔保合約		低	12個月預期信貸虧損		

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

就貿易應收款項而言，本集團已應用香港財務報告準則第9號的簡化方法計量全期預期信貸虧損的虧損撥備。除具有重大未償還結餘或信貸減值的債務人外，本集團按賬齡狀況及逾期狀況分組，按綜合基準釐定該等項目的預期信貸虧損。

作為本集團信貸風險管理的一部分，本集團就其營運對其客戶應用內部信貸評級。下表提供有關於全期預期信貸虧損（無信貸減值）內按集體基準評估的貿易應收款項的信貸風險敞口資料。於2023年12月31日，賬面總值為221,233,000港元（2022年：465,507,000港元）之存在信貸減值的貿易應收款項已個別評估。

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group determines the ECL on these items on a collective basis, grouped by aging status and past due status.

As part of the Group's credit risk management, the Group applies internal credit rating for its customers in relation to its operation. The following table provides information about the exposure to credit risk for trade receivables which are assessed on a collective basis within lifetime ECL (not credit-impaired). Debtors with credit-impaired with gross carrying amounts of HK\$221,233,000 as at 31 December 2023 (2022: HK\$465,507,000) were assessed individually.

		2023		2022	
		平均虧損率	貿易應收款項	平均虧損率	貿易應收款項
		Average	Trade	Average	Trade
		loss rate	receivables	loss rate	receivables
			千港元		千港元
			HK\$'000		HK\$'000
低風險	Low risk	1.1%	2,963	1.2%	41,425
觀察名單	Watch list	N/A 不適用	-	N/A 不適用	-
可疑	Doubtful	N/A 不適用	-	80.3%	71,032
			2,963		
				112,457	

財務報表附註

Notes to the Financial Statements

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

估計虧損率乃根據貿易應收款項預期年期內的違約概率及違約損失率估計，並就毋須付出不必要成本或努力即可獲得的前瞻性資料作出調整。截至2023年12月31日止年度，本集團根據綜合評估就貿易應收款項計提減值撥備9,000港元（2022年：41,262,000港元）。就信貸減值應收賬款作出減值撥備11,719,000港元（2022年：162,443,000港元）。

下表呈列根據簡化法為貿易應收款項確認的全期預期信貸虧損變動：

The estimated loss rates are estimated based on probability of default and loss given default over the expected life of the trade receivables and are adjusted for forward-looking information that is available without undue costs or effort. During the year ended 31 December 2023, the Group provided HK\$9,000 (2022: HK\$41,262,000) impairment allowance for trade receivables, based on collective assessment. Impairment allowance of HK\$11,719,000 (2022: HK\$162,443,000) were made on credit-impaired debtors.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach:

		全期預期 信貸虧損 (非信貸 減值) Lifetime ECL (not credit- impaired) 千港元 HK\$'000	全期信貸 虧損(信貸 減值) Lifetime ECL (credit- impaired) 千港元 HK\$'000	合計 Total 千港元 HK\$'000
於2022年1月1日	At 1 January 2022	43,263	309,357	352,620
轉撥	Transfer	(13,948)	13,948	–
確認減值虧損淨額	Impairment losses recognized, net	41,262	162,443	203,705
匯兌調整	Exchange realignment	(13,024)	(20,241)	(33,265)
於2022年12月31日及 2023年1月1日	At 31 December 2022 and 1 January 2023	57,553	465,507	523,060
轉撥	Transfer	(57,528)	57,528	–
確認減值虧損淨額	Impairment losses recognized, net	9	11,719	11,728
撤銷	Written-off	–	(294,608)	(294,608)
匯兌調整	Exchange realignment	(1)	(18,913)	(18,914)
於2023年12月31日	At 31 December 2023	33	221,233	221,266

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

就按金及其他應收款項內部信貸風險管理而言，本集團使用逾期資料評估信貸風險自初步確認以來是否大幅增加。

For the purposes of internal credit risk management of deposits and other receivables, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition.

		平均虧損率 Average loss rate	未逾期 Not past due 千港元 HK\$'000	平均虧損率 Average loss rate	逾期 Past due 千港元 HK\$'000	合計 Total 千港元 HK\$'000
於2023年 12月31日	At 31 December 2023					
按金及其他應收 款項	Deposits and other receivables	2.9%	22,864	100%	29,291	52,155
於2022年 12月31日	At 31 December 2022					
按金及其他應收 款項	Deposits and other receivables	3.4%	29,850	100%	30,678	60,528

財務報表附註

Notes to the Financial Statements

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

下表顯示已就按金及其他應收款項確認之預期信貸虧損變動情況。

The following tables show the movement in ECL that has been recognised for deposits and other receivables.

		12個月預期 信貸虧損	全期預期 信貸虧損 (非信貸 減值)	全期信貸 虧損(信貸 減值)	合計
		Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Lifetime ECL (credit- impaired)	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於2022年1月1日	At 1 January 2022	1,089	-	-	1,089
轉撥	Transfer	(199)	-	199	-
確認減值虧損淨額	Impairment losses recognised, net	191	-	31,522	31,713
匯兌調整	Exchange realignment	(73)	-	(1,043)	(1,116)
於2022年12月31日及 2023年1月1日	At 31 December 2022 and 1 January 2023	1,008	-	30,678	31,686
確認減值虧損撥回 淨額	Reversal of impairment losses recognised, net	(307)	-	(354)	(661)
匯兌調整	Exchange realignment	(35)	-	(1,033)	(1,068)
於2023年12月31日	At 31 December 2023	666	-	29,291	29,957

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

已抵押銀行存款及銀行結餘的信貨風險有限，因為交易對手為信譽良好且獲國際信貸機構授予高信貸評級的銀行。本集團參考與外部信貸評級機構所發佈各信貸評級的違約概率及違約虧損有關的資料評估已抵押銀行存款及銀行結餘的12個月預期信貸虧損。根據平均損失率，已抵押銀行存款及銀行結餘的12個月預期信貸虧損被視為並不重大，因此並無確認虧損撥備。

財務擔保合約

於報告期末，管理層進行減值評估，並認為財務擔保合約的信貨風險有所減少。因此，本集團所簽發財務擔保合約的虧損撥備按相當於12個月預期信貸虧損的金額計量。本集團於損益已撥回撥備約464,000港元。有關財務擔保合約之詳情載於附註32。

(v) 流動資金風險

下表分析本集團截至報告期末根據合約未折現付款之金融負債之到期情況。尤其是，附有按要求償付條款的借款及債權人要求立即償還之款項計入最早時間範圍內。

For pledged bank deposits and bank balances, credit risk is limited because the counterparties are reputable banks with high credit ratings assigned by international credit agencies. The Group assessed 12m ECL for pledged bank deposits and bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL on pledged bank deposits and bank balances is considered to be insignificant and therefore no loss allowance was recognised.

Financial guarantee contracts

At the end of the reporting period, the management has performed impairment assessment, and concluded that there has been an decrease in credit risk of the financial guarantee contracts. Accordingly, the loss allowance for financial guarantee contracts issued by the Group is measured at an amount equal to 12-months ECL. The Group reversed allowance of approximately HK\$464,000 in the profit or loss. Details of the financial guarantee contracts are set out in Note 32.

(v) Liquidity Risk

The table below analyses the maturity profile of the Group's financial liabilities as the end of the reporting period based on the contractual undiscounted payments. Specially, borrowings with repayment on demand clause and amounts being demanded by the creditors for immediate repayment are included in the earliest time band.

財務報表附註

Notes to the Financial Statements

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

2023年

2023

		未貼現現金流				
		Undiscounted cashflow				
加權平均 實際利率 Weighted average effective interest rate		按要求或	一年以上	未貼現現	賬面值	
		一年以下	一年以上	金流總額		
%		On demand or less than 1 year 千港元 HK\$'000	Over 1 year 千港元 HK\$'000	Total undiscounted cash flows 千港元 HK\$'000	Carrying amount 千港元 HK\$'000	
-	貿易應付款項及應付票據 Trade and bill payables	119,538	-	119,538	119,538	
-	應計費用及其他應付款項 Accruals and other payables	335,428	22,074	357,502	357,502	
-	財務擔保合約 Financial guarantee contract	153,744	-	153,744	40,133	
6.99	租賃負債 Lease liabilities	1,207	7,010	8,217	5,359	
7.14	借貸 Borrowings	915,882	1,276,605	2,192,487	1,696,966	
8.47	可換股債券 Convertible bonds	728	10,585	11,313	8,568	
		1,526,527	1,316,274	2,842,801	2,228,066	

2022年

2022

		未貼現現金流				
		Undiscounted cashflow				
加權平均 實際利率 Weighted average effective interest rate		按要求或	一年以上	未貼現現	賬面值	
		一年以下	一年以上	金流總額		
%		On demand or less than 1 year 千港元 HK\$'000	Over 1 year 千港元 HK\$'000	Total undiscounted cash flows 千港元 HK\$'000	Carrying amount 千港元 HK\$'000	
-	貿易應付款項及應付票據 Trade and bill payables	125,402	-	125,402	125,402	
-	應計費用及其他應付款項 Accruals and other payables	638,085	22,890	660,975	660,975	
-	財務擔保合約 Financial guarantee contract	159,006	-	159,006	42,089	
7.03	租賃負債 Lease liabilities	1,378	8,501	9,879	6,502	
9.23	借貸 Borrowings	1,786,415	260,324	2,046,739	1,955,691	
8.47	可換股債券 Convertible bonds	669	10,644	11,313	7,899	
		2,710,955	302,359	3,013,314	2,798,558	

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

(c) 公允值計量

本附註提供資料說明本集團為各項金融資產及金融負債釐定公允值的方法。

(i) 根據經常性基準按公允值計量的本集團金融資產及金融負債的公允值

本集團部分金融資產及金融負債於各報告期末按公允值計量。下表所載資料說明如何釐定該等金融資產及金融負債的公允值(尤其是所用估值技術及輸入數據)。

(c) Fair Value Measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

(i) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

金融資產	於以下日期的公允值		公允值級別	估值方法及主要輸入數據
	2023年12月31日	2022年12月31日		
Financial assets	31 December 2023	31 December 2022	Fair value hierarchy	Valuation techniques and key inputs
按公允值計入損益之股本工具(附註25)	於香港境外的上市股本證券: 727,000港元	於香港境外的上市股本證券: 1,690,000港元	第1類	活躍市場所報買入價
Equity instrument at fair value through profit or loss (Note 25)	Listed equity securities outside Hong Kong: HK\$727,000	Listed equity securities outside Hong Kong: HK\$1,690,000	Level 1	Quoted bid prices in an active market

兩個年度內並無在第1類、第2類及第3類之間的轉移。

There were no transfers between Levels 1, 2 and 3 in both years.

財務報表附註

Notes to the Financial Statements

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

根據重大不可觀察輸入數據(第3類)按公允值入賬之金融工具對賬如下：

Reconciliation for financial instruments carried at fair value based on significant unobservable input (level 3) is as follows:

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
於1月1日	As at 1 January	-	18
公允值收益	Fair value gain	-	-
到期失效收益	Gain on lapsed upon maturity	-	18
於12月31日	As at 31 December	-	-

敏感度分析

衍生金融負債到期後於去年失效。

Sensitivity Analysis

The derivative financial liabilities lapsed last year upon maturity.

(ii) 並非根據經常性基準按公允值計量的本集團金融資產及金融負債的公允值

董事認為，於綜合財務報表確認的金融資產及金融負債的賬面值與其公允值相若。

(ii) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on recurring basis

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximately their fair values.

財務報表附註

Notes to the Financial Statements

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

6. 資金風險管理

本集團利用負債比率監察其資本。此比率按照綜合財務狀況表所載的借貸及可換股債券總值除以資產總值計算。

截至2023年12月31日止年度，本集團的策略為將負債比率維持在60%內。於2023年及2022年12月31日的負債比率如下：

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
借貸總額及可換股債券	Total borrowings and convertible bonds	1,705,534	1,963,590
資產總值	Total assets	3,222,413	4,361,021
負債比率	Gearing ratio	52.9%	45.0%

7. 收入

本集團主要從事農業肥料業務、鎂產品業務及煉鋼熔劑業務。本集團於年內之收入分析如下：

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
來自與客戶之合約收益	Revenue from contract with customers		
銷售農業肥料產品	Sales of fertiliser products	52,061	141,858
銷售鎂產品	Sales of magnesium products	263,491	383,899
銷售煉鋼熔劑產品	Sales of metallurgical flux products	30	5,848
		315,582	531,605
收益確認時間： 一個時間點	Timing of revenue recognition: A point in time	315,582	531,605

所有收入合同的期限都是一年或更短。根據香港財務報告準則第15號的實際權宜方法，分配至未履行合約的交易價格不予披露。

6. CAPITAL RISK MANAGEMENT

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings and convertible bonds divided by total assets as shown in the consolidated statement of financial position.

During the year ended 31 December 2023, the Group's strategy is to maintain a gearing ratio within 60%. The gearing ratios at 31 December 2023 and 2022 were as follows:

7. REVENUE

The Group is principally engaged in fertiliser business, magnesium product business and metallurgical flux business. An analysis of the Group's revenue for the year is as follows:

All revenue contracts are for one year or less. As permitted by practical expedient under HKFRS 15, the transaction price allocated to unsatisfied contracts is not disclosed.

財務報表附註

Notes to the Financial Statements

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

8. 分部資料

就資源調配及分部表現評估向本公司行政總裁(主要營運決策者)報告之資料側重於經營類別。本集團根據香港財務報告準則第8號經營及可報告的分部如下：

- 農業肥料業務
- 鎂產品業務
- 煉鋼熔劑業務

有關本集團之可報告分部資料於下文呈報。

分部收入及業績

本集團按可報告分部劃分之收入及業績分析如下。

截至2023年12月31日止年度：

		農業肥料業務 Fertiliser business 千港元 HK\$'000	鎂產品業務 Magnesium product business 千港元 HK\$'000	煉鋼熔劑業務 Metallurgical flux business 千港元 HK\$'000	合計 Total 千港元 HK\$'000
分部收入	Segment revenue	52,061	263,491	30	315,582
分部間收入	Inter-segment revenue	-	-	-	-
來自外部客戶的收入	Revenue from external customers	52,061	263,491	30	315,582
分部業績	Segment results	(376,347)	(525,454)	(36,453)	(938,254)
其他淨收益或虧損	Other gain or losses, net				22,010
財務擔保負債公允價值變動	Change in fair value of financial guarantee liabilities				464
中央行政費用	Central administrative costs				(38,119)
債務重組收益	Gain on debt restructuring				649,045
財務費用	Finance costs				(178,819)
除所得稅前虧損	Loss before income tax				(483,673)

8. SEGMENT INFORMATION

Information reported to the Company's Chief Executive Officer, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the operating divisions. The Group's operating and reportable segments under HKFRS 8 are therefore as follows:

- Fertiliser business
- Magnesium product business
- Metallurgical flux business

Information regarding the Group's reportable segments is presented below.

Segment Revenue and Results

The following is an analysis of the Group's revenue and results by reportable segments.

For the year ended 31 December 2023:

財務報表附註

Notes to the Financial Statements

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

截至2022年12月31日止年度：

For the year ended 31 December 2022:

		農業肥料業務 Fertiliser business 千港元 HK\$'000	鎂產品業務 Magnesium product business 千港元 HK\$'000	煉鋼熔劑業務 Metallurgical flux business 千港元 HK\$'000	合計 Total 千港元 HK\$'000
分部收入	Segment revenue	141,858	383,899	5,848	531,605
分部間收入	Inter-segment revenue	-	-	-	-
來自外部客戶的收入	Revenue from external customers	141,858	383,899	5,848	531,605
分部業績	Segment results	(660,750)	(97,170)	(38,151)	(796,071)
其他淨收益或虧損	Other gain or losses, net				(2,017)
財務擔保負債公允價值變動	Change in fair value of financial guarantee liabilities				(39,045)
中央行政費用	Central administrative costs				(32,823)
財務費用	Finance costs				(191,776)
除所得稅前虧損	Loss before income tax				(1,061,732)

上文呈列之分部收入為外部客戶所產生之收入。分部間交易乃按公平原則訂立。

可報告分部之會計政策與本集團會計政策相同。分部業績指於並無分配中央行政費用(包括董事薪酬、若干其他淨收益或虧損、金融擔保負債之公允價值變動及財務費用)情況下各分部之業績。此為向主要營運決策者報告以供其調配資源及評估分部表現之方式。

Segment revenue reported above represents revenue generated from external customers. Inter-segment transactions are entered into at arm's length.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the results from each segment without allocation of central administrative costs including directors' emoluments, certain net other gains or losses, change in fair value of financial guarantee liabilities, and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

財務報表附註

Notes to the Financial Statements

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

分部資產及負債

於2023年12月31日之分部資產及負債和截至該日止年度之資本開支按可報告分部劃分如下：

		農業	煉鋼	分部合計	未分配	合計	
		肥料業務	鎂產品業務				熔劑業務
		Magnesium					
		Fertiliser	Metallurgical	Total	Unallocated	Total	
		business	flux business	segment			
		千港元	千港元	千港元	千港元	千港元	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
分部資產	Segment assets	1,203,480	1,393,616	446,878	3,043,974	178,439	3,222,413
分部負債	Segment liabilities	1,225,213	480,638	161,627	1,867,478	724,805	2,592,283
資本開支	Capital expenditure	-	28,068	14,948	43,016	-	43,016

於2022年12月31日之分部資產及負債和截至該日止年度之資本開支按可報告分部劃分如下：

		農業	煉鋼	分部合計	未分配	合計	
		肥料業務	鎂產品業務				熔劑業務
		Magnesium					
		Fertiliser	Metallurgical	Total	Unallocated	Total	
		business	flux business	segment			
		千港元	千港元	千港元	千港元	千港元	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
分部資產	Segment assets	1,581,227	1,985,992	543,599	4,110,818	250,203	4,361,021
分部負債	Segment liabilities	1,219,906	455,510	171,418	1,846,834	1,331,374	3,178,208
資本開支	Capital expenditure	8,353	12,945	32,458	53,756	-	53,756

Segment Assets and Liabilities

The segment assets and liabilities as at 31 December 2023 and capital expenditure for the year then ended by reportable segments are as follows:

The segment assets and liabilities as at 31 December 2022 and capital expenditure for the year then ended by reportable segments are as follows:

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

為達成監察分部表現及於分部間調配資源之目標：

- 除分類為持作出售的資產、銀行及現金結餘和其他企業使用資產外，所有資產均分配至可報告分部；
- 除由一間上市附屬公司發行的可換股債券、企業用途之若干借貸及若干其他應付款項外，所有負債均分配至可報告分部。

其他分部資料

截至2023年12月31日止年度：

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than assets classified as held for sale, bank and cash balances and other assets for corporate use;
- all liabilities are allocated to reportable segments other than convertible bonds issued by a listed subsidiary, certain borrowings for corporate use and certain other payables.

Other Segment Information

For the year ended 31 December 2023:

		農業肥料業務 Fertiliser business 千港元 HK\$'000	鎂產品業務 Magnesium product business 千港元 HK\$'000	煉鋼熔劑業務 Metallurgical flux business 千港元 HK\$'000	未分配 Unallocated 千港元 HK\$'000	合計 Total 千港元 HK\$'000
債務重組收益(附註10)	Gain on debt restructuring (note 10)	-	-	-	(649,045)	(649,045)
物業、廠房及設備折舊(附註17)	Depreciation of property, plant and equipment (note 17)	83,319	99,625	14,873	3,129	200,946
投資物業折舊(附註18)	Depreciation of investment property (note 18)	-	-	-	2,820	2,820
使用權資產折舊(附註19)	Depreciation of right-of-use assets (note 19)	4,781	1,479	1,408	1,106	8,774
無形資產及採礦權攤銷 (附註21及22)	Amortisation of intangible assets and mining rights (note 21 and 22)	-	6,919	-	-	6,919
貿易應收款項及應收票據預期 信貸虧損撥備/(撥備撥回) (附註27)	Allowance/(Reversal of allowance) for expected credit losses of trade and bills receivables (note 27)	16,398	(3,948)	(178)	-	12,272
按金及其他應收款項預期信貸 虧損撥備/(撥備撥回) (附註28)	Allowance/(Reversal of allowance) for expected credit losses of deposits and other receivables (note 28)	(150)	(44)	(896)	429	(661)
出售物業、廠房及設備的虧損/ (收益)	Loss/(gain) on disposal of property, plant and equipment	-	(3,454)	-	3,588	134
按公允值計入損益之股本工具之 公允值變動虧損	Loss on change in fair value of equity instruments at fair value through profit or loss	-	-	-	963	963
金融資產減值*	Impairment of financial assets*	219,749	355,018	26,508	-	601,275
所得稅(抵免)	Income tax (credit)	(3,322)	(129)	(5,086)	-	(8,537)

* 金融資產包括物業、廠房及設備、使用權資產、商譽、無形資產及採礦權。

* Financial assets including property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining right.

財務報表附註

Notes to the Financial Statements

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

截至2022年12月31日止年度：

For the year ended 31 December 2022:

		農業肥料業務 Fertiliser business 千港元 HK\$'000	鎂產品業務 Magnesium product business 千港元 HK\$'000	煉鋼熔劑業務 Metallurgical flux business 千港元 HK\$'000	未分配 Unallocated 千港元 HK\$'000	合計 Total 千港元 HK\$'000
債務重組收益(附註10)	Gain on debt restructuring (note 10)	-	(140,706)	-	-	(140,706)
物業、廠房及設備折舊(附註17)	Depreciation of property, plant and equipment (note 17)	130,664	110,144	10,308	3,616	254,732
投資物業折舊(附註18)	Depreciation of investment property (note 18)	-	-	-	2,968	2,968
使用權資產折舊(附註19)	Depreciation of right-of-use assets (note 19)	5,959	1,439	1,509	1,008	9,915
無形資產及採礦權攤銷 (附註21及22)	Amortisation of intangible assets and mining rights (note 21 and 22)	-	1,448	1,369	-	2,817
貿易應收款項預期信貸虧損撥備 淨額(附註27)	Net allowance for expected credit losses of trade receivables (note 27)	98,609	104,173	817	106	203,705
其他應收款項預期信貸虧損 撥備淨額(附註28)	Net allowance for expected credit losses of other receivables (note 28)	30,215	18	1,443	37	31,713
出售物業、廠房及設備的 虧損/(收益)	Loss/(gain) on disposal of property, plant and equipment	(2)	(2,280)	-	9,393	7,111
按公允值計入損益之股本工具之 公允值變動虧損	Loss on change in fair value of equity instruments at fair value through profit or loss	-	-	-	2,216	2,216
衍生金融負債產生之公允值收益	Fair value gain arising from derivative financial liabilities	-	-	-	(18)	(18)
所得稅(抵免)/開支	Income tax (credit)/expenses	(11,627)	4,228	1,034	-	(6,365)

地區資料

截至2023年及2022年12月31日止年度，本集團主要於中國營運及本集團主要收入均來自中國，而於2023年12月31日及2022年12月31日，本集團大部分非流動資產均位於中國。概無披露本集團按地區劃分的業績及資產分析。

主要客戶資料

由於截至2023年及2022年12月31日止年度並無任何單一客戶之貢獻超過本集團總收入之10%，因此並無有關主要客戶的資料呈列。

Geographical Information

During the years ended 31 December 2023 and 2022, the Group mainly operated in the PRC and most of the Group's revenue are derived from the PRC and most of non-current assets of the Group are located in the PRC as at 31 December 2023 and 31 December 2022. No analysis of the Group's result and assets by geographical area is disclosed.

Information about Major Customers

No information about major customers is presented as no single customer contributed over 10% of the total revenue of the Group during the years ended 31 December 2023 and 2022.

財務報表附註

Notes to the Financial Statements

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

9. 其他收益或虧損淨額

9. OTHER GAINS OR LOSSES, NET

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
利息收入	Interest income	774	1,181
出售物業、廠房及設備的 (虧損)/收益淨額	(Loss)/gain on disposal of property, plant and equipment, net	(134)	(7,111)
物業、廠房及設備撇銷	Write-off of property, plant and equipment	(3,654)	(1,628)
按公允值計入損益之股本 工具公允值變動虧損	Loss on change in fair value of equity instruments at fair value through profit or loss	(963)	(2,216)
衍生金融工具到期後失效的 收益	Gain on lapse of derivative financial liabilities upon maturity	-	18
政府補助(附註i)	Government subsidy (note i)	1,332	4,077
銷售廢料	Sales of scrap materials	(4,410)	15,409
出售閑置原材料虧損	Loss on disposal of idled raw materials	(13,701)	1,215
租金收入	Rental income	6,046	4,010
雜項收入/(支出)	Sundry income/(expense)	(626)	1,640
		(15,336)	16,595

附註：

- (i) 截至2023年12月31日止年度，本集團確認關於香港政府提供的保就業計劃的政府撥款約零港元（2022年：240,000港元）、主要關於中國政府補助社會保障供款1,331,000港元（2022年：1,399,000港元）及中國政府關於「退城入園」項目提供的補償金零港元（2022年：2,438,000港元）。

note:

- (i) During the year ended 31 December 2023, the Group recognised government grant of approximately HK\$Nil (2022: HK\$240,000), which related to Employee Support Scheme provided by the Hong Kong government, HK\$1,331,000 (2022: HK\$1,399,000) which mainly relates to social security contributions subsidised by the PRC government and HK\$Nil (2022: HK\$2,438,000) relates to compensation of Relocation of Industries from City Urban Area To Industrial Parks by the PRC government.

財務報表附註 Notes to the Financial Statements

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

10. 債務重組之收益

- (a) 就本公司而言，本公司債權人計劃已於2023年6月29日舉行的公司債權人計劃會議上獲法定所需的多數計劃債權人批准。本公司債權人計劃亦於2023年7月26日獲香港高等法院認許。此後，本公司債權人計劃於2023年8月31日生效。

該計劃涉及將計劃資產彙集至計劃公司，該公司將於香港註冊成立，並由計劃管理人為計劃債權人的利益而管理，而計劃資產將組成支付延期利息、臨時付款及延期還款、提早還款及最終還款的資金。計劃資產包括：(i)計劃股份所得款項；(ii)漳州土地所得款項及；(iii)山東紅日股息。

i. 計劃股份所得款項：

本集團附屬公司Ming Xin Developments Limited將轉讓合共79,012,680股稀鎂科技集團控股有限公司（「稀鎂科技」）股份，佔稀鎂科技已發行股本約20%。於2023年4月27日，本公司根據上市規則的規定刊發有關計劃股份轉讓的公佈。

10. GAIN ON DEBT RESTRUCTURING

- (a) In respect of the Company, the Company Creditors' Scheme was approved by the requisite statutory majorities of the scheme creditors at the meeting of the Company Creditors' Scheme held on 29 June 2023. The Company Creditors' Scheme was also sanctioned by the High Court of Hong Kong on 26 July 2023. Since then, the Company Creditors' Scheme became effective on 31 August 2023.

The schemes involve the pooling of scheme assets into the scheme company, a company to be incorporated in Hong Kong and administered by the scheme administrators for the benefits of the scheme creditors, and the scheme assets will form the funds for the payment of term extension interest, interim payment and term extension repayment, the early repayment and the final payment. The scheme assets consist of: (i) the scheme share proceeds; (ii) the Zhangzhou Land proceeds and; (iii) the Shandong Hongri dividend.

i. Scheme shares proceeds:

Ming Xin Developments Limited, a subsidiary of the Group, shall transfer a total of 79,012,680 Rare Earth Magnesium Technology Group Holdings Limited ("REMT") shares, comprising approximately 20% of REMT's issued share capital. On 27 April 2023, the Company published an announcement regarding the scheme share transfer in compliance with the requirements of the listing rules.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

ii. 漳州土地所得款項：

漳州土地（其土地使用權由世紀陽光（漳州）生態科技有限公司擁有）將於2023年8月31日起計兩週年後出售，用於計劃，惟須待解除漳州土地潛在質押（如有）後方可作實。

於2023年12月31日，漳州土地仍記錄於本集團綜合財務報表的使用權資產及投資物業類別下。

iii. 山東紅日股息

Acronagrotrans Ltd持有山東紅日化工股份有限公司總股權約50.5%，而山東紅日化工股份有限公司則擁有正在進行土地用途變更的山東土地的土地使用權。經批准及發生土地用途變更後，山東土地將予以出售。

於2023年12月31日，山東土地仍記錄於本集團綜合財務報表的使用權資產類別下。

根據本公司債權人計劃，負債（包括計劃債務之本金及應計利息）約1,341,942,000港元已獲解除及分配為5年延長期限貸款權。因此，截至2023年12月31日止年度已確認債務重組收益約649,045,000港元。

更多詳情，請參考本公司日期為2023年4月27日、2023年5月3日及2023年5月12日的公佈。

ii. Zhangzhou Land proceeds:

The Zhangzhou Land, the land use rights of which are owned by Century Sunshine (Zhangzhou) Ecological Technology Ltd., shall be disposed of for purpose of the schemes after the second anniversary of 31 August 2023, subject to the release of the Zhangzhou Land Potential Pledge, if one exists.

As at 31 December 2023, the Zhangzhou Land was still recorded in the Group's consolidated financial statements under the category of right-of-use assets and investment properties.

iii. Shandong Hongri dividend

Acronagrotrans Ltd holds approximately 50.5% of the total equity interest in Shandong Hongri Chemical Joint Stock Company Limited, which in turn owns the land use rights of the Shandong Land which is undergoing the land use change. Upon the approval and occurrence of the land use change, the Shandong Land shall be disposed.

As at 31 December 2023, the Shandong Land was still recorded in the Group's consolidated financial statements under the category of right-of-use assets.

Pursuant to the Company creditors' scheme, the liabilities, including the principals and accrued interests of the scheme debts, amounted to approximately HK\$1,341,942,000 have been discharged and allocated into a 5-year term extension loan. Accordingly, a gain on debt restructuring of approximately HK\$649,045,000 has been recognised for the year ended 31 December 2023.

For more details, please refer to the announcements of the Company dated 27 April 2023, 3 May 2023, 12 May 2023.

財務報表附註

Notes to the Financial Statements

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

		2023 千港元 HK\$'000
根據本公司債權人計劃承擔的 負債： 借貸(附註34)	Liabilities assumed pursuant to the Company Creditors' Scheme: Borrowings (Note 34)	(679,906)
根據本公司債權人計劃轉讓的 資產： 計劃股份	Asset transferred pursuant to the Company Creditors' Scheme: Scheme Shares	(12,991)
		(692,897)
根據本公司債權人計劃解除的 負債： 應計費用及其他應付款項 借貸(附註34)	Liabilities discharged pursuant to the Company Creditors' Scheme: Accruals and other payables Borrowings (Note 34)	408,107 933,835
		1,341,942
債務重組之收益	Gain on debt restructuring	649,045

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

(b) 有關本集團一間附屬公司稀鎂科技集團控股有限公司(「稀鎂科技」)(股份代號：601)，稀鎂科技債權人計劃於2022年3月1日舉行的稀鎂科技債權人計劃會議上獲得了法定所需的多數計劃債權人批准。稀鎂科技債權人計劃亦於2022年5月27日獲香港高等法院認許。此後，稀鎂科技債權人計劃於2022年5月31日生效。

於2022年7月25日，計劃管理人已收到所有計劃債權人發出的意願表態表格並按如下方式分配受理申索：

根據5年的延長期限選擇權(「選擇權A」)的條款，將向選擇權A債權人悉數償還受理申索總額，而還款日期將予以延長，自生效日期(2022年5月31日)起為期五年。稀鎂科技於2022年7月發行65,483,900股新普通股(「計劃股份」)，其中公允值約29,630,000港元(約為本公司現時已發行股份的20%)，以分別償付延期利息及延期可能額外付款，該等股份將發行予計劃管理人，由其代表選擇權A債權人持有。計劃公司將每年向各選擇權A債權人支付延期利息；或

根據可換股債券置換選擇權(「選擇權B」)的條款，稀鎂科技發行本金總額約11,313,000港元的可換股債券予外部債權人，公允值約為8,692,000港元。後者可讓受理申索轉換為可換股債券，到期日為計劃生效日期的第五週年日。

(b) In respect of a subsidiary of the Group, Rare Earth Magnesium Technology Group Holdings Limited (“REMT”) (Stock code: 601), the REMT Creditors’ Scheme was approved by the requisite statutory majorities of the scheme creditors at the meeting of REMT Creditors’ Schemes held on 1 March 2022. The REMT Creditors’ Scheme was also sanctioned by the High Court of Hong Kong on 27 May 2022. Since then, the REMT Creditors’ Scheme became effective on 31 May 2022.

As at 25 July 2022, the scheme administrators have received the preference indication forms from all scheme creditors and the admitted claims have been allocated in the following manner:

Under the terms of the 5 years term extension option (“Option A”), full repayment of admitted claims will be made to the Option A creditors and the repayment date will be extended for a period of five years beginning from the effective date on 31 May 2022. REMT issued 65,483,900 new ordinary shares (“Scheme Shares”) of fair value of approximately HK\$29,630,000 being approximately 20% of the currently issued shares of the company in July 2022 for the term extension interest and term extension potential extra payment, which be issued to the scheme administrator to be held on behalf of the Option A Creditors. The term extension interest will be paid to each Option A Creditor by the Scheme Company on an annual basis, or;

Under the terms of convertible bonds swap option (“Option B), REMT issued convertible bonds in the total principal amount of approximately HK\$11,313,000 to the external creditors with the fair value of approximately HK\$8,692,000. The latter offers the conversion of admitted claims into Convertible Bonds with a maturity date of the fifth anniversary of the scheme effective date.

財務報表附註

Notes to the Financial Statements

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

根據稀鎂科技債權人計劃，負債（包括計劃債務的本金及應計利息）為約377,622,000港元，已獲解除及分配為5年延長期限選擇權或可換股債券置換選擇權。因此，截至2022年12月31日止年度已確認債務重組收益約140,706,000港元。

更多詳情請參閱稀鎂科技日期為2022年5月3日及2022年7月26日的公佈。

Pursuant to the REMT Creditors' Scheme, the liabilities, including the principals and accrued interests of the scheme debts, amounted to approximately HK\$377,622,000 have been discharged and allocated into a 5-year term extension option or a convertible bonds swap option. Accordingly, a gain on debt restructuring of approximately HK\$140,706,000 has been recognized for the year ended 31 December 2022.

For more details, please refer to the announcements of the REMT dated 3 May 2022 and 26 July 2022.

		2022 千港元 HK\$'000
根據稀鎂科技債權人計劃 承擔負債：	Liabilities assumed pursuant to the REMT Creditors' Scheme:	
可換股債券 – 負債部分 (附註35)	Convertible bonds – Liability components (Note 35)	(7,643)
可換股債券 – 權益部分 (附註35)	Convertible bonds – Equity components (Note 35)	(1,049)
借貸(附註34)	Borrowings (Note 34)	(198,594)
		(207,286)
根據稀鎂科技債權人計劃轉讓 資產：	Asset transferred pursuant to the REMT Creditors' Scheme:	
計劃股份	Scheme Shares	(29,630)
		(236,916)
根據稀鎂科技債權人計劃解除 的負債：	Liabilities discharged pursuant to the REMT Creditors' Scheme:	
應計費用及其他應付款項	Accruals and other payables	77,203
借貸(附註34)	Borrowings (Note 34)	300,419
		377,622
債務重組之收益	Gain on debt restructuring	140,706

財務報表附註

Notes to the Financial Statements

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

11. 財務費用

11. FINANCE COSTS

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
上市後償票據之利息開支	Interest expenses on listed subordinated notes	35,656	51,504
租賃負債的利息	Interest on lease liabilities	408	413
可換股債券利息	Interest on convertible bonds	669	256
須於五年內全數償還之借貸的利息	Interest on borrowings wholly repayable within five years	142,086	139,603
		178,819	191,776

12. 所得稅抵免

12. INCOME TAX CREDIT

於綜合損益表內(計入)/扣除的數額指：

The amount of (credited)/charged to the consolidated statement of profit or loss represents:

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
即期稅項：	Current tax:		
— 中國企業所得稅	— PRC Enterprises Income Tax	(1,385)	5,574
遞延稅項(附註37)	Deferred taxation (Note 37)	(7,152)	(11,939)
		(8,537)	(6,365)

財務報表附註

Notes to the Financial Statements

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

(a) 香港利得稅

於2018年3月21日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅稅率兩級制。條例草案於2018年3月28日經簽署成為法律，並於次日刊憲。根據利得稅稅率兩級制，合資格集團實體的首2百萬港元溢利將按8.25%徵稅，而超過2百萬港元的溢利則須按16.5%徵稅。不符合利得稅稅率兩級制的集團實體的溢利將繼續按統一稅率16.5%徵稅。

本集團董事認為，利得稅稅率兩級制實施後所涉及金額對綜合財務報表而言並不重大。香港利得稅兩年間按16.5%計算。截至2023年12月31日止年度並無應付稅項(2022年：零港元)，原因是並無於香港產生應課稅溢利。

(b) 中國企業所得稅

中國企業所得稅乃按截至2023年及2022年12月31日止年度於中國產生之估計應課稅溢利之25%計算。

(c) 海外所得稅

本公司乃根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司，並據此獲豁免繳納開曼群島所得稅。本公司於英屬處女群島成立之附屬公司乃根據英屬處女群島國際商業公司法註冊成立，並獲豁免繳納英屬處女群島所得稅。

(a) Hong Kong Profits Tax

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rate regime. The Bill was signed into law on 28 March 2018 and was gazette on the following day. Under the two-tiered profits tax rate regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25% and profits tax above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Group considered the amount involved upon implementation of the two-tiered profits tax rate as insignificant to the consolidation financial statement. Hong Kong Profits Tax is calculated at 16.5% for both years. No tax is payable for the year ended 31 December 2023 (2022: HK\$Nil) since there were no assessable profit generated in Hong Kong.

(b) The PRC Enterprise Income Tax

The PRC Enterprise Income Tax is calculated at 25% on the estimated assessable profits arising in the PRC for the years ended 31 December 2023 and 2022.

(c) Overseas Income Tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and, accordingly, is exempted from Cayman Islands income tax. The Company's subsidiaries established in the British Virgin Islands were incorporated under the International Business Companies Act of the British Virgin Islands and, are exempted from British Virgin Islands income tax.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

本集團的除所得稅前虧損的稅額與以中國企業的標準所得稅稅率25%計算的理論數額的差別如下：

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using a tax rate of 25%, the standard income tax rate of the PRC enterprises, as follows:

		2023		2022	
		千港元		千港元	
		HK\$'000	%	HK\$'000	%
持續經營業務之除稅前虧損	Loss before tax from continuing operation	(483,673)		(1,061,732)	
按適用所得稅稅率25% (2022年：25%) 計算的稅項支出	Tax charge at applicable income tax rate of 25% (2022: 25%)	(120,918)	25	(265,433)	25
於其他司法權區經營的附屬公司的不同稅率之影響	Effect of different tax rates of subsidiaries operating in other jurisdictions	(120,214)	24.9	19,228	(1.8)
毋須課稅的收入之稅務影響	Tax effect of income not taxable for tax purpose	(2,131)	0.4	(37,260)	3.5
不可扣稅之開支之稅務影響	Tax effect of expenses not deductible for tax purpose	141,579	(29.3)	197,395	(18.6)
使用先前未確認之稅務虧損	Utilisation of previous unrecognised tax losses	-	-	(3,072)	0.3
未確認之估計稅項虧損的稅務影響	Tax effect of estimated tax losses not recognised	93,147	(19.2)	82,777	(7.8)
所得稅抵免	Income tax credit	(8,537)	1.8	(6,365)	0.6

於2023年12月31日，本集團未確認稅項虧損約1,671,047,000港元（2022年：1,232,969,000港元）可結轉以抵銷未來應課稅溢利。約1,242,493,000港元（2022年：834,584,000港元）之稅項虧損將於與其有關之評估年度起計五年後到期，而約428,554,000港元（2022年：398,112,000港元）之稅項虧損則可無限期結轉。由於認為未必有日後之應課稅溢利可與未動用的稅項虧損對銷，故該等稅項虧損之遞延稅項收益並未確認。

As at 31 December 2023, the Group has unrecognised tax losses of approximately HK\$1,671,047,000 (2022: HK\$1,232,969,000), which can be carried forward to offset future taxable profit. Tax losses of approximately HK\$1,242,493,000 (2022: HK\$834,584,000) will expire after five years from the year of assessment they relate to while tax losses of approximately HK\$428,554,000 (2022: HK\$398,112,000) can be carried forward indefinitely. The deferred tax benefit of such tax losses has not been recognised as it is not considered probable that future taxable profit will be available to utilise the unused tax losses.

財務報表附註

Notes to the Financial Statements

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

13. 年內虧損

年內虧損已扣除／(計入)下列費用：

13. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/(crediting):

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
工資及薪金	Wages and salaries	52,167	66,209
以股份為基礎支付之開支	Share-based payment expenses	1,639	3,775
支付定額供款退休計劃款項 (附註a)	Payment to defined contribution retirement plans (note a)	4,196	3,909
總員工成本(包括董事薪酬)	Total staff costs (including directors' emoluments)	58,002	73,893
核數師薪酬	Auditors' remuneration		
審核及審核相關工作	Audit and audit related work		
– 國衛會計師事務所有限 公司	– HLB Hodgson Impey Cheng Limited	–	2,300
– 上會栢誠會計師事務所 有限公司	– Prism Hong Kong and Shanghai Limited	1,900	–
折舊及攤銷	Depreciation and amortisation	219,459	270,432
出售物業、廠房及設備及土地 使用權之虧損／(收益)淨額	Net loss/(gain) on disposal of property, plant and equipment and land use rights	134	7,111
按公允值計入損益之股本 工具之公允值變動虧損	Loss on change in fair value of equity instruments at fair value through profit or loss	963	2,216
以股權結算之購股權開支	Equity-settled share option expenses	1,639	3,775
確認為開支之存貨成本	Cost of inventories recognised as an expense	337,336	461,443
貿易應收款項及應收票據 預期信貸虧損撥備	Allowance for expected credit losses on trade and bills receivables	16,220	203,880
按金及其他應收款項預期信貸 虧損撥備	Allowance for expected credit losses on deposits and other receivables	438	31,717
撥回貿易應收款項及應收票據 預期信貸虧損撥備	Reversal of allowance for expected credit losses on trade and bills receivables	(3,948)	(175)
撥回按金及其他應收款項預期 信貸虧損撥備	Reversal of allowance for expected credit losses on deposits and other receivables	(1,099)	(4)
物業、廠房及設備撇銷	Written off of property, plant and equipment	3,654	1,628
預付款項撇銷	Written off of prepayments	1,321	40,350

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

附註：

- (a) 中國規則及法例訂明，本集團為其中國僱員向一項由政府營辦的退休計劃供款，該計劃屬於定額供款計劃。根據當地政府的規定，本集團按僱員薪金約14%向該計劃供款，並且除年度供款之外，本集團概無日後實際支付養老金或退休後福利之責任。該項由政府營辦的退休計劃負責退休僱員的全部養老金責任。

本集團已為其香港僱員安排參加強積金計劃。強積金計劃屬於定額供款計劃，由獨立信託人管理。根據強積金計劃，本集團及其香港僱員須各自根據強制性公積金條例界定之僱員收入之5%按月向該計劃供款。自2014年6月1日起，本集團及僱員供款之上限為每月1,500港元。

截至2023年12月31日止年度，本集團向上述養老金計劃作出的供款總額為約4,196,000港元（2022年：3,909,000港元）。於2023年12月31日，本集團並無權利獲得任何沒收供款以用於減少本集團未來的供款（2022年：零港元）。

note:

- (a) As stipulated by rules and regulations in the PRC, the Group contributes to a state-sponsored retirement plan for its employees in the PRC, which is a defined contribution plan. The Group contributes approximately 14% of the employees' salary as specified by the local government, and the Group has no future obligations for the actual payment of pensions or post-retirement benefits beyond the annual contributions. The state sponsored retirement plan is responsible for the entire pension obligations to retired employees.

The Group has arranged for its Hong Kong employees to join the MPF Scheme, a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group and its Hong Kong employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. Since 1 June 2014, both the Group's and the employees' contributions are subject to a cap of HK\$1,500 per month.

During the year ended 31 December 2023, the aggregate amount of the Group's contributions to the aforementioned pension schemes was approximately HK\$4,196,000 (2022: HK\$3,909,000). As at 31 December 2023, the Group was not entitled to any forfeited contributions to reduce the Group's future contributions (2022: HK\$Nil).

財務報表附註
Notes to the Financial Statements

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

14. 董事、主要行政人員及僱員薪酬
及最高薪酬人士

14. DIRECTORS', CHIEF EXECUTIVES'
AND EMPLOYEES' EMOLUMENTS
AND INDIVIDUALS WITH HIGHEST
EMOLUMENTS

(a) 董事薪酬

截至2023年12月31日止年度各董事
之薪酬載列如下：

(a) Directors' Emoluments

The emoluments of each director for the year
ended 31 December 2023 is set below:

	袍金	薪金	以股份為基礎 付款之開支	僱主的退休金 計劃供款	合計
	Fees	Salaries	Share-based payment expenses	Employer's contribution to pension scheme	Total
	千港元	千港元	千港元	千港元	千港元
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
執行董事	Executive directors				
池文富(主席)	-	2,160	116	18	2,294
池靜超	-	208	47	-	255
非執行董事	Non-executive director				
郭孟勇(附註1)	12	-	11	-	23
獨立非執行董事	Independent non-executive directors				
張省本	60	-	29	-	89
盛洪	35	-	29	-	64
沈毅民	50	-	-	-	50
	157	2,368	232	18	2,775

附註：

1. 於2023年5月9日辭世。

note:

1. Passed away on 9 May 2023.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

截至2022年12月31日止年度各董事
之薪酬載列如下：

The emoluments of each director for the year
ended 31 December 2022 is set below:

		袍金	薪金	以股份為基礎 付款之開支	僱主的退休金 計劃供款	合計
		Fees	Salaries	Share-based payment expenses	Employer's contribution to pension scheme	Total
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
執行董事	Executive directors					
池文富(主席)	Chi Wen Fu (Chairman)	-	2,173	201	18	2,392
池靜超	Chi Jing Chao	-	214	80	-	294
非執行董事	Non-executive director					
郭孟勇	Guo Mengyong	35	-	50	-	85
獨立非執行董事	Independent non-executive directors					
張省本	Cheung Sound Poon	60	-	72	-	132
盛洪	Sheng Hong	35	-	50	-	85
沈毅民(附註1)	Shen Yi Min (note 1)	50	-	-	-	50
		180	2,387	453	18	3,038

附註：

1. 於2022年1月1日獲委任

note:

1. Appointed on 1 January 2022

財務報表附註

Notes to the Financial Statements

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

(b) 五位最高薪酬人士

於年內，本集團五位最高薪酬人士包括一位（2022年：一位）董事，其酬金詳情載於上文附註14。餘下四位（2022年：四位）並非本公司董事或最高行政人員的最高薪酬人士年內的酬金詳情載列如下：

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
基本薪金、購股權、 其他津貼及實物利益	Basic salaries, share options, other allowances and benefits in kind	4,206	4,773
退休金費用 – 定額供款 計劃	Pension costs-defined contribution plan	54	72
		4,260	4,845

並非本公司董事的最高薪酬人士之酬金屬於以下範疇的人數載列如下：

		人數 Number of individuals	
		2023	2022
零至1,000,000港元	Nil – HK\$1,000,000	1	1
1,000,001港元至 2,000,000港元	HK\$1,000,001 – HK\$2,000,000	3	3
		4	4

(c) 截至2023年及2022年12月31日止年度，本集團並無向任何本公司董事及五位最高薪酬人士支付酬金作為加入本集團或加入本集團時的獎勵，或作為離職補償。於截至2023年及2022年12月31日止年度，概無本公司董事及五位最高薪酬人士同意放棄或已放棄領取任何酬金。

(b) Five Highest Paid Individuals

The five highest paid employees of the Group during the year included one (2022: one) director, details of whose remuneration are set out in Note 14 above. Details of the remuneration for the year of the remaining four (2022: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

(c) During the years ended 31 December 2023 and 2022, no emoluments were paid by the Group to any of the directors of the Company and the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office. There was no director of the Company and the five highest paid individuals agreed to waive or waived any emoluments during the years ended 31 December 2023 and 2022.

財務報表附註

Notes to the Financial Statements

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

15. 股息

本公司董事不建議就截至2023年12月31日止年度派付任何股息(2022年：零港元)。

15. DIVIDEND

The directors of the Company do not recommend the payment of any dividend for the year ended 31 December 2023 (2022: HK\$Nil).

16. 每股虧損

(a) 基本

每股基本虧損是根據本公司擁有人應佔年內虧損，除以年內已發行普通股加權平均數計算。

16. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

		2023	2022
計算每股基本虧損所用之母 公司普通權益持有人應佔 虧損(千港元)	Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (HK\$'000)	(236,690)	(1,007,080)
已發行普通股加權平均數 (千股)	Weighted average number of ordinary shares in issue (thousand shares)	4,581,117	4,581,117
每股基本虧損 (每股港仙)	Basic loss per share (HK cents per share)	(5.17)	(21.98)

財務報表附註

Notes to the Financial Statements

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

(b) 攤薄

每股攤薄虧損是假設轉換所有攤薄性潛在普通股，以調整已發行普通股加權平均數計算。本公司有以下潛在攤薄普通股：購股權及上市附屬公司發行的可轉換債券。

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has the following of dilutive potential ordinary shares: share options and convertible bonds issued by a listed subsidiary.

		2023	2022
計算每股基本虧損所用之母 公司普通股權益持有人應佔 虧損(千港元)	Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (HK\$'000)	(236,690)	(1,007,080)
「稀鎂科技」發行可換股債券 的影響： 根據附屬公司的每股虧損 調整應佔其虧損 (千港元)	Effect of convertible bond issued by “REMT”: Adjustment to the share of loss of subsidiaries based on their loss per share (HK\$'000)	(105,005)	–
用於計算每股攤薄虧損的 虧損(千港元)	Loss for the purpose of diluted loss per share calculation (HK\$'000)	(341,695)	(1,007,080)
已發行普通股加權平均數 (千股)	Weighted average number of ordinary shares in issue (thousand shares)	4,581,117	4,581,117
每股攤薄虧損 (每股港仙)	Diluted loss per share (HK cents per share)	(7.46)	(21.98)

就購股權而言，本公司根據尚未行使購股權所附之認購權貨幣值進行計算，以釐定可按公允值(以本公司期內之股份平均市價釐定)購入的股份數目。按上文所述計算的股份數目，與假設行使購股權所發行的股份數目作比較。由於購股權行使價高於截至2023年及2022年12月31日止年度的股份平均市價，故計算每股攤薄虧損時並無假設行使本公司的購股權。

For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the period) based on the monetary value of the subscription rights attached to 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. The computation of diluted loss per share does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price of shares for the years ended 31 December 2023 and 2022.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

截至2023年12月31日止年度，計算每股攤薄虧損時假設轉換本公司可換股債券，原因為假設行使可換股債券將導致每股虧損增加。

For the year ended 31 December 2023, the computation of diluted loss per share assume the conversion of the Company's convertible bonds since their assumed exercise would result in an increase in loss per share.

17. 物業、廠房及設備

17. PROPERTY, PLANT AND EQUIPMENT

		租賃土地 及樓宇 (附註(i))	租賃物業 裝修	廠房及機器	傢俬及 辦公室設備	汽車	船舶	在建工程	總計
		Leasehold land and buildings (note (i))	Leasehold improvements	Plant and machinery	Furniture and office equipment	Motor vehicles	Ship	Construction in-progress	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
成本	Cost								
於2022年1月1日	As at 1 January 2022	2,534,010	13,058	2,114,261	45,310	11,369	389	113,650	4,832,047
添置	Additions	1,839	-	1,449	41	183	-	50,244	53,756
轉撥	Transfers	-	-	53	-	-	-	(53)	-
出售	Disposals	-	-	(2,656)	(47)	-	-	(11,169)	(13,872)
撇銷	Written off	(1,632)	-	(1,202)	-	(615)	-	-	(3,449)
匯兌調整	Exchanges alignment	(137,290)	(986)	(159,385)	(3,833)	(977)	(29)	(12,694)	(315,194)
於2022年12月31日	As at 31 December 2022								
及2023年1月1日	and 1 January 2023	2,396,927	12,072	1,952,520	41,471	9,960	360	139,978	4,553,288
添置	Additions	-	-	5,662	-	1,507	-	35,847	43,016
轉撥	Transfers	-	-	96,714	-	-	-	(96,714)	-
轉撥至持作出售資產 (附註30)	Transfer to assets held for sale (note 30)	(831,357)	-	(195,004)	(29,390)	-	-	-	(1,055,751)
出售	Disposals	(6,488)	-	(4,533)	(82)	(1,762)	-	-	(12,865)
撇銷	Written off	-	-	(4,344)	(153)	(3,605)	-	-	(8,102)
匯兌調整	Exchanges alignment	(83,601)	(461)	(82,646)	(1,715)	(422)	(42)	(6,386)	(175,273)
於2023年12月31日	As at 31 December 2023	1,475,481	11,611	1,768,369	10,131	5,678	318	72,725	3,344,313

財務報表附註

Notes to the Financial Statements

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

		租賃土地 及樓宇 (附註(i))	租賃物業 裝修	廠房及機器	傢俬及 辦公室設備	汽車	船舶	在建工程	總計
		Leasehold land and buildings (note (i))	Leasehold improvements	Plant and machinery	Furniture and office equipment	Motor vehicles	Ship	Construction in-progress	Total
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
累計折舊及減值	Accumulated depreciation and impairment								
於2022年1月1日	As at 1 January 2022	531,497	7,613	834,597	21,754	8,543	389	19,482	1,423,875
年內扣除	Charge for the year	108,770	433	143,234	1,732	563	-	-	254,732
於損益確認的減值 虧損	Impairment loss recognised in profit or loss	201,810	522	117,606	2,240	233	-	13,773	336,184
出售時對銷	Eliminated on disposal	-	-	(1,533)	(47)	-	-	-	(1,580)
撇銷時對銷	Eliminated on written off	-	-	(1,240)	-	(581)	-	-	(1,821)
匯兌調整	Exchanges alignment	(17,824)	(567)	(56,619)	(1,662)	(609)	(29)	(610)	(77,920)
於2022年12月31日 及2023年1月1日	As at 31 December 2022 and 1 January 2023	824,253	8,001	1,036,045	24,017	8,149	360	32,645	1,933,470
年內扣除	Charge for the year	74,548	433	125,132	299	534	-	-	200,946
於損益確認的減值 虧損	Impairment loss recognised in profit or loss	258,050	-	121,049	4,494	244	-	6,599	390,436
轉撥至持作出售資產 (附註30)	Transfer to assets held for sale (note 30)	(752,453)	-	(183,136)	(26,918)	-	-	-	(962,507)
出售時對銷	Eliminated on disposal	(2,577)	-	(3,287)	(79)	(1,680)	-	-	(7,623)
撇銷時對銷	Eliminated on written off	-	-	(3,786)	(146)	(516)	-	-	(4,448)
匯兌調整	Exchanges alignment	(18,200)	(461)	(38,092)	(935)	(2,368)	(42)	(46)	(60,144)
於2023年12月31日	As at 31 December 2023	383,621	7,973	1,053,925	732	4,363	318	39,198	1,490,130
賬面淨值	Net carrying values								
於2023年12月31日	As at 31 December 2023	1,091,860	3,638	714,444	9,399	1,315	-	33,527	1,854,183
於2022年12月31日	As at 31 December 2022	1,572,674	4,071	916,475	17,454	1,811	-	107,333	2,619,818

財務報表附註

Notes to the Financial Statements

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

附註：

- (i) 本集團的租賃土地及樓宇於報告期末的賬面值分析如下：

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
中國中期租賃	Medium term leases in the PRC	1,091,860	1,572,674

- (ii) 於2023年12月31日，賬面值為約304,402,000港元（2022年：592,049,000港元）之租賃土地及樓宇、廠房及機器已作為銀行借貸之抵押（附註34）。

notes:

- (i) The carrying amount of the Group's leasehold land and buildings at the end of the reporting period are analysed as follows:

- (ii) As at 31 December 2023, leasehold land and buildings and plant and machinery with a carrying amount of approximately HK\$304,402,000 (2022: HK\$592,049,000) have been pledged to secure bank borrowings (Note 34).

於本年度之物業、廠房及設備之使用年期如下：

- 租賃土地及樓宇	租賃期內
- 租賃物業裝修	2至5年
- 廠房及機器	3至40年
- 傢俬及辦公室設備	2至12年
- 汽車	4至10年
- 船舶	5年
- 工具及模具	2年

The useful lives of property, plant and equipment adopted for the current year are as follows:

- Leasehold land and buildings	Over the lease terms
- Leasehold improvements	2 to 5 years
- Plant and machinery	3 to 40 years
- Furniture and office equipment	2 to 12 years
- Motor vehicles	4 to 10 years
- Ship	5 years
- Tooling and moulds	2 years

財務報表附註

Notes to the Financial Statements

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

18. 投資物業

18. INVESTMENT PROPERTIES

		千港元 HK\$'000
成本	Cost	
於2022年1月1日	As at 1 January 2022	154,672
匯兌調整	Exchange realignment	(11,679)
於2022年12月31日及2023年1月1日	As at 31 December 2022 and 1 January 2023	142,993
匯兌調整	Exchange realignment	(5,097)
於2023年12月31日	As at 31 December 2023	137,896
累計折舊	Accumulated Depreciation	
於2022年1月1日	As at 1 January 2022	48,617
年內扣除	Charge for the year	2,968
匯兌調整	Exchange realignment	(3,768)
於2022年12月31日及2023年1月1日	As at 31 December 2022 and 1 January 2023	47,817
年內扣除	Charge for the year	2,820
匯兌調整	Exchange realignment	(1,755)
於2023年12月31日	As at 31 December 2023	48,882
賬面淨值	Net carrying values	
於2023年12月31日	As at 31 December 2023	89,014
於2022年12月31日	As at 31 December 2022	95,176

投資物業指雲霄物業一期及二期之建設。

The investment properties represent the buildings of phase one and phase two of the Yunxiao properties.

上述投資物業持有作資本增值之目的，按成本列值且在租賃期內按直線基準貶值。

The above investment properties are held for capital appreciation purpose, measured at cost and depreciated on a straight line basis over the lease term.

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

本集團截至2023年12月31日投資物業賬面淨值約89,014,000港元(2022年:約95,176,000港元),公允值總額約89,780,000港元(2022年:約96,069,000港元)。估值由與本集團並無關連之獨立合資格估值師進行。根據管理層經參考獨立合資格估值師出具之估值報告後作出的評估結果,概無對本集團截至2023年12月31日之投資物業之賬面值作出減值。

投資物業之物業部分公允值乃根據折舊重置成本法經參考重置成本及折舊率釐定。

在估計物業公允值時,物業之最高及最佳用途為其現狀用途。

截至報告期末本集團投資物業之詳情以及有關公允值層級之詳情如下:

		賬面值	公允值第三層級
		Carrying Amount	Fair value at Level 3 hierarchy
		千港元	千港元
		HK\$'000	HK\$'000
2023年	2023	89,014	89,780
2022年	2022	95,176	96,069

於截至2023年12月31日及2022年12月31日止年度,投資物業並無產生租金收入。

上述投資物業之賬面價值包括:

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
在中國持有:	In the PRC held on:		
中期租賃	Medium term lease	89,014	95,176

The net carrying values of the Group's investment properties as at 31 December 2023 were approximately HK\$89,014,000 (2022: approximately HK\$95,176,000) and the aggregate fair value were approximately HK\$89,780,000 (2022: approximately HK\$96,069,000). The valuation was performed by independent qualified valuers not connected with the Group. Based on the result of management's assessment by making reference to the valuation report issued by the independent qualified valuers, there is no impairment on the carrying value of the Group's investment properties as at 31 December 2023.

The fair value of the properties portion of the investment properties was determined base on depreciation replacement costs approach by reference to the replacement cost and depreciation rate.

In estimating the fair value of the properties, the highest and best use of the properties is the their current use.

Details of the Group's investment properties and information about the fair value hierarchy as at the end of the reporting period are as follows:

During the year ended 31 December 2023 and 31 December 2022, no rental income was generated from investment properties.

The carrying value of investment properties shown above comprise:

財務報表附註

Notes to the Financial Statements

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

19. 使用權資產

19. RIGHT-OF-USE ASSETS

		土地使用權 Land use right 千港元 HK\$'000	辦公室 Office 千港元 HK\$'000	合計 Total 千港元 HK\$'000
於2022年1月1日	At 1 January 2022	227,316	5,642	232,958
添置	Additions	–	1,269	1,269
折舊費	Depreciation charge	(9,239)	(676)	(9,915)
減值虧損	Impairment loss	(29,408)	–	(29,408)
匯兌調整	Exchange alignment	(16,360)	(409)	(16,769)
於2022年12月31日及 2023年1月1日	At 31 December 2022 and 1 January 2023	172,309	5,826	178,135
折舊費	Depreciation charge	(7,700)	(1,074)	(8,774)
轉撥至持作出售資產 (附註30)	Transfer to asset held for sale (note 30)	(21,007)	–	(21,007)
減值虧損	Impairment loss	(22,547)	–	(22,547)
匯兌調整	Exchange alignment	(5,960)	(160)	(6,120)
於2023年12月31日	At 31 December 2023	115,095	4,592	119,687

使用權資產指本集團根據經營租賃安排於租期內使用相關租賃土地及物業的權利，其按成本減去累計折舊及累計減值虧損列賬，並就重新計量租賃負債而作出調整。

The right-of-use assets represent the Group's rights to use underlying leased land and premises under operating lease arrangements over the lease terms, which are stated at cost less accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

於2023年12月31日，賬面值約75,262,000港元（2022年：108,768,000港元）之使用權資產之土地使用權已抵押作銀行借款之擔保（附註34）。

As at 31 December 2023, the land use right of right-of-use assets with a carrying amount of approximately HK\$75,262,000 (2022: HK\$108,768,000) have been pledged to secure bank borrowings (Note 34).

於兩個年度，本集團就其業務運作租賃土地使用權及辦公室。就土地使用權及辦公室租賃合約訂立之固定期限分別為50年（2022年：50年）及2年至24年（2022年：2年至24年），惟可能擁有如下所述之延期及終止選擇權。租賃期限按個別基準經磋商後商定，且包括不同條款及條件。在釐定租賃期限及評估不可撤銷期限之長度時，本集團應用合約之定義並釐定可強制執行合約之期限。

For both years, the Group leases land use right and offices for its operations. Lease contracts are entered into for fixed term of 50 years for land use right (2022: 50 years), and 2 years to 24 years for office (2022: 2 years to 24 years) but may have extension and termination options as described below. Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

有關使用權資產之減值測試詳情於綜合財務報表附註23披露。

Details of the impairment testing on right-of-use assets are disclosed in Note 23 to the consolidated financial statements.

財務報表附註

Notes to the Financial Statements

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

20. 商譽

20. GOODWILL

		千港元 HK\$'000
成本	Cost	
於2022年1月1日、2022年12月31日、 2023年1月1日及2023年12月31日	As at 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	197,368
累計減值	Accumulated impairment	
於2022年1月1日、2022年12月31日、 2023年1月1日	As at 1 January 2022, 31 December 2022, 1 January 2023	46,252
減值	Impairment	151,116
於2023年12月31日	As at 31 December 2023	197,368
賬面淨值	Net carrying values	
於2023年12月31日	As at 31 December 2023	-
於2022年12月31日	As at 31 December 2022	151,116

分配至本集團現金產生單位（「現金產生單位」）之商譽按業務分部識別。

Goodwill is allocated to the Group's cash-generating units ("CGU") identified according to business segment.

商譽來自收購稀鎂科技及其附屬公司（「稀鎂科技集團」）。稀鎂科技集團主要業務為製造及銷售金屬鎂相關產品。

The goodwill was resulted from the acquisition of REMT and its subsidiaries ("REMT Group"). The principal activities of REMT Group are manufacturing and sale of magnesium-related products.

除上述屬於現金產生單位的產生現金流量之商譽、物業、廠房及設備、無形資產、使用權資產及採礦權連同商譽會計入各自現金產生單位，以進行減值評估。

In addition to goodwills, property, plant and equipment, intangible assets, right-of-use assets and mining rights belonging to the CGU that generate cash flows together with the goodwill are included in the respective CGU for the purpose of impairment assessment.

有關商譽之減值測試詳情於綜合財務報表附註23披露。

Details of the impairment testing on goodwill are disclosed in Note 23 to the consolidated financial statements.

財務報表附註

Notes to the Financial Statements

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

21. 無形資產

21. INTANGIBLE ASSETS

		技術知識 Technical Know-how 千港元 HK\$'000	商標 Trademark 千港元 HK\$'000	專利 Patent 千港元 HK\$'000	合計 Total 千港元 HK\$'000
成本	Cost				
於2022年1月1日	As at 1 January 2022	3,687	346,213	54,891	404,791
撇銷	Written off	(3,687)	-	-	(3,687)
匯兌調整	Exchange alignment	-	(26,141)	(4,144)	(30,285)
於2022年12月31日及 2023年1月1日	As at 31 December 2022 and 1 January 2023	-	320,072	50,747	370,819
匯兌調整	Exchange alignment	-	(11,410)	(1,809)	(13,219)
於2022年12月31日	As at 31 December 2023	-	308,662	48,938	357,600
累計攤銷及減值	Accumulated amortisation and impairment				
於2022年1月1日	As 1 January 2022	3,687	80,494	29,485	113,666
年內攤銷	Amortisation for the year	-	-	1,448	1,448
撇銷	Written off	(3,687)	-	-	(3,687)
年內確認的減值虧損	Impairment loss recognised for the year	-	43,961	942	44,903
匯兌調整	Exchange alignment	-	(7,510)	(2,067)	(9,577)
於2022年12月31日及 2023年1月1日	As at 31 December 2022 and 1 January 2023	-	116,945	29,808	146,753
年內攤銷	Amortisation for the year	-	-	4,503	4,503
年內確認的減值虧損	Impairment loss recognised for the year	-	9,816	2,443	12,259
匯兌調整	Exchange alignment	-	(4,344)	(1,012)	(5,356)
於2023年12月31日	As at 31 December 2023	-	122,417	35,742	158,159
賬面淨值	Net carrying values				
於2023年12月31日	As at 31 December 2023	-	186,245	13,196	199,441
於2022年12月31日	As at 31 December 2022	-	203,127	20,939	224,066

用於計算攤銷的可使用年期如下：

The following useful lives are used in the calculation of amortisation:

技術知識 : 3至5年
商標 : 無期限
專利 : 9至16年

Technical know-how : 3 to 5 years
Trademark : Indefinite
Patent : 9 to 16 years

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

倘無形資產之可使用年期被評定為無限期，則不會進行攤銷。倘評定無形資產之可使用年期為無限期，則會每年檢討以釐定有否有任何事件或情況繼續支持該項資產具有無限可使用年期之評估。倘並無任何該等事件或情況，可使用年期評估由無限期轉為有限期時，則自變動日期起按未來適用基準及根據上文所載攤銷有限期無形資產之政策列賬。

有關無形資產之減值測試詳情於綜合財務報表附註23披露。

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

Details of the impairment testing on intangible assets are disclosed in Note 23 to the consolidated financial statements.

22. 採礦權

22. MINING RIGHTS

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
成本	Cost		
於1月1日	As at 1 January	538,492	582,470
匯兌調整	Exchange alignment	(19,196)	(43,978)
於12月31日	As at 31 December	519,296	538,492
累計攤銷	Accumulated amortisation		
於1月1日	As at 1 January	113,772	121,755
年內攤銷	Amortisation for the year	2,416	1,369
減值	Impairment	24,917	-
匯兌調整	Exchange alignment	(4,426)	(9,352)
於12月31日	As at 31 December	136,679	113,772
賬面淨值	Net carrying values		
於12月31日	As at 31 December	382,617	424,720

此為中國江蘇省東海縣的蛇紋石礦及中國吉林省白山市之白雲石礦的兩項採礦權，而兩項採礦權均已以礦石儲備的產量予以攤銷。

本集團按照各採礦權的公允值減出售成本的較高者估計採礦權的可收回金額。按照公允值減出售成本，相關資產的賬面淨值超過可收回金額，故確認減值。

有關採礦權之減值測試詳情於綜合財務報表附註23披露。

These represents two mining rights, the serpentine mine located in Donghai County of Jiangsu Province, the PRC and the dolomite mine located in Baishan City of Jilin Province, the PRC, which are amortised by the production quantity over the ore reserve.

The Group estimates the recoverable amounts of the mining rights based on higher of fair value less costs to disposal. The carrying amount of the relevant assets exceed the recoverable amount based on fair value less costs to disposal and impairment has been recognised.

Details of the impairment testing on mining rights are disclosed in Note 23 to the consolidated financial statements.

財務報表附註 Notes to the Financial Statements

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

23. 物業、廠房及設備、使用權資產、商譽、無形資產及採礦權之減值測試

截至2023年12月31日止年度，本集團管理層檢討本集團因營運資金受制約及年內本集團債務重組而表現不佳且出現虧損的兩個現金產生單位，即農業肥料業務及煉鋼熔劑業務分部（「現金產生單位1」）以及鎂產品業務分部（「現金產生單位2」）。鑒於現金產生單位1及現金產生單位2之經濟表現未如先前預期，本集團管理層認為存在減值跡象，並對賬面值分別為1,854,183,000港元（2022年：2,619,818,000港元）、119,687,000港元（2022年：178,135,000港元）、零港元（2022年：151,116,000港元）、199,441,000港元（2022年：224,066,000港元）及382,617,000港元（2022年：424,720,000港元）之所屬於該等現金產生單位的物業、廠房及設備、使用權資產、商譽、無形資產及採礦權進行減值評估。

當無法個別估計可收回金額時，本集團估計資產所屬現金產生單位1及現金產生單位2之可收回金額，包括於可設定合理一致之基準時分配公司資產。各現金產生單位為本集團於相關地理位置之製造廠。現金產生單位1及現金產生單位2資產之賬面值分別為約1,414,800,000港元（2022年：1,990,600,000港元）及1,101,300,000港元（2022年：1,441,500,000港元）。

現金產生單位1

現金產生單位1之可收回金額乃基於使用價值算法釐定。有關算法採用基於本集團管理層批准之涵蓋其後5年之財務預算計算的現金流量預測，於2023年12月31日的稅後貼現率為12.48%（2022年：12.64%）。超過5年期（2022年：5年期）之現金流量乃採用增長率2.16%（2022年：2%）推算。增長率乃基於相關行業增長預測作出，並無高於相關行業的平均長期增長率。計算使用價值的其他主要假設為預算收入、毛利率及業務費用，乃基於現金產生單位之過往表現及管理層對市場發展之預期釐定。

23. IMPAIRMENT TESTING ON PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS, GOODWILL, INTANGIBLE ASSETS AND MINING RIGHTS

During the year ended 31 December 2023, the management of the Group reviewed that two cash-generating units of the Group, fertiliser business and metallurgical flux business segment (“CGU 1”) and magnesium product business segment (“CGU 2”) had underperformed and incurred losses due to the constraints to working capital and debt restructuring of the Group during the year. In view of the economic performance of the CGU 1 and CGU 2 was not as previously expected, management of the Group concluded there was an indication for impairment and conducted impairment assessment on the property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining rights with carrying amounts of HK\$1,854,183,000 (2022: HK\$2,619,818,000), HK\$119,687,000 (2022: HK\$178,135,000), HK\$Nil (2022: HK\$151,116,000), HK\$199,441,000 (2022: HK\$224,066,000) and HK\$382,617,000 (2022: HK\$424,720,000) respectively belonging to these CGUs.

The Group estimates the recoverable amounts of CGU1 and CGU2 to which the assets belong when it is not possible to estimate the recoverable amount individually, including allocation of corporate assets when reasonable and consistent basis can be established. Each cash-generating unit represents the Group’s manufacturing plant in respective geographical locations. The carrying amounts of assets of CGU1 and CGU 2 were approximately HK\$1,414,800,000 (2022: HK\$1,990,600,000) and HK\$1,101,300,000 (2022: HK\$1,441,500,000) respectively.

CGU 1

The recoverable amount of CGU1 has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management of the Group covering the following 5 years with a post-tax discount rate is 12.48% (2022: 12.64%) as at 31 December 2023. The cash flows beyond the five-year (2022: five-year) period are extrapolated using 2.16% (2022: 2%) growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Other key assumptions for the value in use calculation are the budgeted revenue, gross margins and operating expenses, which are determined based on the cash-generating units’ past performance and management expectations for the market development.

財務報表附註**Notes to the Financial Statements**

截至2023年12月31日止年度

For the year ended 31 December 2023

於2023年12月31日，現金產生單位1按使用價值計算的可收回金額約為1,414,800,000港元（2022年：1,990,600,000港元）。

基於減值評估結果，本集團管理層釐定，現金產生單位1之可收回金額低於賬面值。減值金額已分配至使用權資產、物業、廠房及設備以及無形資產，從而各類資產的賬面值不會削減至低於其公允值減出售成本、其使用價值及零之最高者。基於使用價值算法及有關分配，已就與該等資產相關之有關職能內使用權資產、物業、廠房及設備、無形資產以及採礦權之賬面值分別確認減值虧損16,671,000港元（2022年：27,451,000港元）、201,495,000港元（2022年：277,553,000港元）、9,816,000港元（2022年：43,961,000港元）及18,275,000港元（2022年：零港元）。

現金產生單位2

現金產生單位2之可收回金額乃基於使用價值算法釐定。有關算法採用基於本集團管理層批准之涵蓋其後5年之財務預算計算的現金流量預測，於2023年12月31日的稅後貼現率為13.90%（2022年：14.41%）。超過5年期（2022年：5年期）之現金流量乃採用增長率2.16%（2022年：2%）推算。計算使用價值的其他主要假設為預算收入、毛利率及業務費用，乃基於現金產生單位之過往表現及管理層對市場發展之預期釐定。

As at 31 December 2023, the recoverable amount of the CGU1 based on the value in use was approximately HK\$1,414,800,000 (2022: HK\$1,990,600,000).

Based on the results of the impairment assessment, management of the Group determined that the recoverable amount of the CGU1 is lower than the carrying amount. The impairment amount has been allocated to each category of right-of-use assets, property, plant and equipment and intangible assets such that the carrying amount of each category of asset is not reduced below the highest of its fair value less cost to disposal, its value in use and zero. Based on the value in use calculation and the allocation, impairment loss of HK\$16,671,000 (2022: HK\$27,451,000), HK\$201,495,000 (2022: HK\$277,553,000), HK\$9,816,000 (2022: HK\$43,961,000) and HK\$18,275,000 (2022: HK\$Nil) has been recognised against the carrying amount of right-of-use assets, property, plant and equipment, intangible assets and mining rights respectively within the relevant functions to which these assets relate.

CGU 2

The recoverable amount of CGU2 has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by the management of the Group covering the following 5 years with a post-tax discount rate of 13.90% (2022: 14.41%) as at 31 December 2023. The cash flows beyond the five-year (2022: five-year) period are extrapolated using 2.16% (2022: 2%) growth rate. Other key assumptions for the value in use calculated are the budgeted revenue, gross margins and operating expenses, which are determined based on the cash-generating units' past performance and management expectations for the market development.

財務報表附註

Notes to the Financial Statements

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

於2023年12月31日，現金產生單位2按使用價值計算可收回金額約為1,101,300,000港元(2022年：1,441,500,000港元)。

基於評估結果，本集團管理層釐定，現金產生單位2之可收回金額低於賬面值。減值金額已分配至物業、廠房及設備使用權資產、商譽以及具有有限使用年期的無形資產，從而各類資產的賬面值不會削減至低於其公允值減出售成本、其使用價值及零之最高者。基於使用價值算法及有關分配，已就與該等資產相關之有關職能內物業、廠房及設備使用權資產、商譽、以及無形資產之賬面值分別確認減值虧損188,941,000 港元(2022年：58,631,000港元)、5,876,000 港元(2022年：1,957,000港元)、151,116,000港元(2022年：零港元)、2,443,000港元(2022年：942,000港元)及6,642,000港元(2022年：零港元)。

截至2022年12月31日止年度，由於公允值減出售成本高於賬面值，故採礦權的賬面值並無減少。採礦權採用白雲石及剩餘礦石儲量的市價，根據第二級層級按公允值計量。

As at 31 December 2023, the recoverable amount of the CGU2 based on the value in use was approximately HK\$1,101,300,000 (2022: HK\$1,441,500,000).

Based on the result of the assessment, management of the Group determined that the recoverable amount of the CGU2 is lower than the carrying amount. The impairment amount has been allocated to each category of property, plant and equipment, right-of-use assets, goodwill and intangible assets with finite useful live such that the carrying amount of each category of asset is not reduced below the highest of its fair value less cost of disposal, its value in use and zero. Based on the value in use calculation and the allocation, impairment loss of HK\$188,941,000 (2022: HK\$58,631,000), HK\$5,876,000 (2022: HK\$1,957,000), HK\$151,116,000 (2022: HK\$nil), HK\$2,443,000 (2022: HK\$942,000) and HK\$6,642,000 (2022: HK\$Nil) has been recognised against the carrying amount of property, plant and equipment, right-of-use assets, goodwill, intangible assets and mining rights respectively within the relevant functions to which these assets relate.

For the year ended 31 December 2022, the carrying amount of mining rights has not been reduced since the fair value less cost to disposal is higher than the carrying amount. The mining rights were measured at fair value based on Level 2 hierarchy using the market price of dolomite and the remaining ore reserve.

財務報表附註

Notes to the Financial Statements

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

24. 主要附屬公司

(a) 於2023年及2022年12月31日，本集團的主要附屬公司之詳情如下：

24. PRINCIPAL SUBSIDIARIES

(a) Particulars of the Group's principal subsidiaries as at 31 December 2023 and 2022 are as follow:

名稱 Name	註冊成立地點及 法人實體類別 Place of incorporation and kind of legal entity	主要業務和營業地點 Principal activities and place of operation	已發行股份/ 繳足註冊股本之詳情 Particulars of issued share/ paid up registered capital	本公司持有的擁有權益比例 Proportion of ownership interest held by the Company				持有的投票權比例 Proportion of voting power held	
				直接 Directly		間接 Indirectly			
				2023	2022	2023	2022	2023	2022
世紀中華科技有限公司 Century Sino Technology Limited	香港，有限責任公司 Hong Kong, limited liability company	於香港投資控股 Investment holdings in Hong Kong	1股普通股每股面值1.00港元 1 ordinary shares of HK\$1.00 each	-	-	100%	100%	100%	100%
世紀陽光生態科技有限公司 Century Sunshine Ecological Technology Limited	香港，有限責任公司 Hong Kong, limited liability company	於香港投資控股 Investment holdings in Hong Kong	1,000股普通股每股面值1.00港元 1,000 ordinary shares of HK\$1.00 each	-	-	100%	100%	100%	100%
江蘇湛藍科技開發有限公司 Jiangsu Azureblue Technology development Company Limited	中國，有限責任公司 The PRC, limited liability company	於中國製造及銷售肥料 Manufacturing and sale of fertilisers in the PRC	註冊及繳足股本人民幣 297,000,000元 Registered and paid up capital of RMB297,000,000	-	-	100%	100%	100%	100%
江蘇龍騰化工有限公司 Jiangsu Longteng Petrochemical Limited	中國，有限責任公司 The PRC, limited liability company	於中國進行蛇紋石加工、 開採及銷售 Processing, exploration and sales of serpentine in the PRC	註冊股本人民幣50,000,000元及 繳足股本人民幣30,676,330元 Registered capital of RMB50,000,000 and paid up capital of RMB30,676,330	-	-	100%	100%	100%	100%
龍翔企業有限公司 Long Xiang Enterprises Limited	英屬處女群島，有限責任 公司 British Virgin Islands, limited liability company	於香港投資控股 Investment holdings in Hong Kong	100股普通股每股面值1美元 100 ordinary shares of US\$1 each	100%	100%	-	-	100%	100%
麥頂融投資管理有限公司 Madrone Investment Management Limited	香港，有限責任公司 Hong Kong, limited liability company	於香港投資控股 Investment holdings in Hong Kong	1股普通股每股面值1.00港元 1 ordinary shares of HK\$1.00 each	-	-	100%	100%	100%	100%
Ming Xin Developments Limited	英屬處女群島，有限責任 公司 British Virgin Islands, limited liability company	於香港投資控股 Investment holdings in Hong Kong	100股普通股每股面值1.00美元 100 ordinary shares of US\$1.00 each	-	-	100%	100%	100%	100%

財務報表附註

Notes to the Financial Statements

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

名稱 Name	註冊成立地點及 法人實體類別 Place of incorporation and kind of legal entity	主要業務和營業地點 Principal activities and place of operation	已發行股份/ 繳足註冊股本之詳情 Particulars of issued share/ paid up registered capital	本公司持有的擁有權權益比例 Proportion of ownership interest held by the Company				持有的投票權比例 Proportion of voting power held	
				直接 Directly		間接 Indirectly		2023	2022
				2023	2022	2023	2022		
山東紅日化工股份有限公司 Shandong Hongri Chemical Joint Stock Company Limited	中國，有限責任公司 The PRC, limited liability company	於中國製造及銷售肥料 Manufacturing and sales of fertilisers in the PRC	註冊及繳足股本人民幣 260,000,000元 Registered and paid up capital of RMB260,000,000	-	-	70.02%	70.02%	70.02%	70.02%
連雲港綠滴肥料有限公司 連雲港綠滴肥料有限公司	中國，有限責任公司 The PRC limited liability company	於中國製造及銷售肥料 Manufacturing and sale of fertilisers in the PRC	註冊及繳足股本人民幣 30,000,000元 Registered and paid up capital of RMB30,000,000	-	-	100%	100%	100%	100%
江西天瑞豐收化工有限公司 江西天瑞豐收化工有限公司	中國，有限責任公司 The PRC limited liability company	於中國製造及銷售肥料 Manufacturing and sale of fertilisers in the PRC	已發行及繳足股本人民幣 500,000,000元 Issued and fully paid RMB500,000,000	-	-	100%	100%	100%	100%
稀鎂科技集團控股有限公司 (「稀鎂科技」) Rare Earth Magnesium Technology Group Holdings Limited ("REMT")	百慕達，有限責任公司 Bermuda, limited liability company	於百慕達從事投資控股 Investment holdings in Bermuda	每股0.01港元之已發行及繳足股本 592,595,103股 Issued and fully paid up capital of 592,595,103 of HK\$0.01 each	-	-	40%	60.10%	40%	60.10%
新疆騰翔鎂製品有限公司 Xinjiang Tengxiang Magnesium Products Company Limited	中國，有限責任公司 The PRC, limited liability company	於中國製造及銷售金屬鎂相關 產品 Manufacturing and sales of magnesium-related products in the PRC	註冊及繳足股本人民幣 171,800,000元 Registered and paid up capital of RMB171,800,000	-	-	40%	60.10%	40%	60.10%
白山市天安金屬鎂礦業有限 公司 Baishan City Tianan Magnesium Resources Company Limited	中國，有限責任公司 The PRC, limited liability company	於中國製造及銷售金屬鎂相關 產品 Manufacturing and sale of magnesium-related products	註冊及繳足股本人民幣 280,332,000元 Registered and paid up capital of RMB280,332,000	-	-	40%	60.10%	40%	60.10%

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

上表載列董事認為對年度業績有重大影響或構成本集團資產淨值重大部分的本公司主要附屬公司。董事認為詳列其他附屬公司的資料會使篇幅過於冗長。

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

(b) 擁有重大非控股權益的非全資附屬公司詳情**(b) Detail of non-wholly owned subsidiaries that have material non-controlling interests**

公司名稱 Name of company	註冊成立、註冊及營業地點 Place of incorporation and operation	非控股權益持有之所有權權益及投票權比例 Proportion of ownership interests and voting rights held by non-controlling interests		分配予非控股權益之虧損 Loss allocated to non-controlling interests		累計非控股權益 Accumulated non-controlling interests	
		2023	2022	2023 千港元 HK\$'000	2022 千港元 HK\$'000	2023 千港元 HK\$'000	2022 千港元 HK\$'000
稀鎂科技 REMT	百慕達 Bermuda	60%	39.90%	(223,617)	560	367,785	437,285
擁有非控股權益的個別不重大附屬公司 Individual immaterial subsidiaries with non-controlling interest						(649,899)	(643,045)
						(282,114)	(205,760)

以下為擁有重大非控股權益之本集團附屬公司的財務資料概要。以下財務資料概要乃指集團內公司間對銷前金額。

Summarised financial information in respect of each of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

財務報表附註

Notes to the Financial Statements

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

稀鎂科技

REMT

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
流動資產	Current assets	341,231	427,700
非流動資產	Non-current assets	1,101,300	1,445,474
流動負債	Current liabilities	(184,751)	(172,754)
非流動負債	Non-current liabilities	(644,819)	(604,468)
本公司擁有人應佔權益	Equity attributable to owners of the Company	245,176	658,667
非控股權益	Non-controlling interests	367,785	437,285
<hr/>			
		2023 千港元 HK\$'000	2022 千港元 HK\$'000
收入	Revenue	263,491	383,899
開支	Expenses	(687,091)	(382,495)
年內收益／(虧損)	Profit/(Loss) for the year	(423,600)	1,404
本公司擁有人應佔收益／ (虧損)	Profit/(Loss) attribute to owners of the Company	(199,983)	844
非控股權益應佔收益／ (虧損)	Profit/(Loss) attribute to non-controlling interests	(223,617)	560
年內收益／(虧損)	Profit/(Loss) for the year	(423,600)	1,404
<hr/>			
本公司擁有人應佔全面 (虧損)／收益總額	Total comprehensive (loss)/income attributable to owners of the Company	(247,412)	(95,673)
非控股權益應佔全面 (虧損)／收益總額	Total comprehensive (loss)/income attributable to non-controlling interests	(250,265)	(63,516)
年內全面(虧損)／收益總額	Total comprehensive (loss)/income for the year	(497,677)	(159,189)
<hr/>			
經營活動所得現金流量淨額	Net cash flows generated from operating activities	27,838	28,082
投資活動所用現金流量淨額	Net cash flows used in investing activities	(12,854)	(1,420)
融資活動所得／(所用)現金 流量淨額	Net cash flows generated/(used) in financing activities	7,247	(21,978)
現金流入淨額	Net cash inflow	22,231	4,684

財務報表附註

Notes to the Financial Statements

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

25. 按公允值計入損益之股本工具

25. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
上市投資	Listed investments		
– 澳洲之上市股本證券， 按公允值(附註)	– Listed equity securities in Australia, at fair value (note)	727	1,690

附註：

該款項指本集團於澳洲之上市證券投資。本集團持有FinTech Chain Limited 13,913,373股股份(2022年：13,913,373股股份)。

上市股本證券投資之公允值乃參考活躍市場之買入價而釐定。

note:

The amount represents the Group's investment in listed securities in Australia. The Group held 13,913,373 shares (2022: 13,913,373 shares) of FinTech Chain Limited.

Fair values of the investments in listed equity securities are determined by reference to bid prices quoted in active markets.

26. 存貨

26. INVENTORIES

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
原料	Raw materials	72,910	126,224
在製品	Work in progress	2,521	323
製成品	Finished goods	48,335	96,614
		123,766	223,161
轉撥至持作出售資產(附註30)	Transfer to assets held for sale (Note 30)	(1,114)	–
		122,652	223,161

財務報表附註

Notes to the Financial Statements

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

27. 貿易應收款項及應收票據

27. TRADE AND BILLS RECEIVABLES

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
貿易應收款項(附註i)	Trade receivables (note i)	224,196	577,964
預期信貸虧損撥備	Allowance for expected credit losses	(221,266)	(523,060)
		2,930	54,904
應收票據(附註ii)	Bills receivables (note ii)	1,665	702
		4,595	55,606

附註：

(i) 本集團給予貿易客戶之信貸期一般不超過180日(2022年：不超過180日)。

(ii) 所有應收票據均以人民幣計值。

note:

(i) The Group allows a credit period normally not more than 180 days (2022: not more than 180 days) to its trade customers.

(ii) All the bills receivables were denominated in RMB.

財務報表附註

Notes to the Financial Statements

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

本集團貿易應收款項(扣除預期信貸虧損撥備)之賬齡分析(按發票日期呈列)如下:

The ageing analysis of the trade receivables of the Group presented based on the invoice date and net of allowance for expected credit losses was as follows:

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
60日以內	Within 60 days	1,718	10,286
61至90日	61 to 90 days	17	5,523
91至180日	91 to 180 days	1,195	39,095
		2,930	54,904

就貿易應收款項之信貸虧損撥備變動如下:

The movements of allowance for credit losses of trade receivables are as follows:

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
於1月1日	As at 1 January	523,060	352,620
已確認預期信貸虧損撥備	Allowance for expected credit losses recognised	15,676	203,880
撥回預期信貸虧損撥備	Reversal of allowance for expected credit losses	(3,948)	(175)
撤銷	Written off	(294,608)	-
匯兌調整	Exchange alignment	(18,914)	(33,265)
於12月31日	As at 31 December	221,266	523,060

計入截至2023年12月31日止年度貿易應收款項的預期信貸虧損撥備為個別經減值貿易應收款項之撥備約11,719,000港元(2022年:162,443,000港元)。個別經減值貿易應收款項與客戶拖欠或遲繳款項有關,預期僅可收回此等應收賬款之一部分。

Included in the allowance for expected credit losses of trade receivables for the year ended 31 December 2023 is a provision for individually impaired trade receivables of approximately HK\$11,719,000 (2022: HK\$162,443,000). The individually impaired trade receivables relate to customers that were in default or delinquency in payments and only a portion of the receivables is expected to be recovered.

截至2023年及2022年12月31日止年度的應收貿易及票據減值評估詳情載於綜合財務報表附註5。

Details of impairment assessment of trade and bills receivables for the years ended 31 December 2023 and 2022 are set out in Note 5 to the consolidated financial statements.

財務報表附註

Notes to the Financial Statements

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

28. 預付款項、按金及其他應收款項

28. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
其他應收款項(附註i)	Other receivables (note i)	22,814	29,961
預付款項(附註ii)	Prepayments (note ii)	250,628	267,205
按金(附註iii)	Deposits (note iii)	29,341	30,567
		302,783	327,733
預期信貸虧損撥備	Allowance for expected credit loss	(29,957)	(31,686)
		272,826	296,047

附註：

notes:

- (i) 其他應收款項主要包括中國的可收回增值稅約5,021,000港元(2022年：12,719,000港元)。
- (ii) 於2023年12月31日，預付款項主要包括存貨之預付款項約199,243,000港元(2022年：223,240,000港元)。
- (iii) 於2023年12月31日，按金內主要包括支付給供應商作妥善履約保證用途之可退回貿易按金約29,314,000港元(2022年：30,115,000港元)。

- (i) Other receivables mainly comprise of value-added tax recoverable in the PRC of approximately HK\$5,021,000 (2022: HK\$12,719,000).
- (ii) As at 31 December 2023, prepayment mainly comprise of prepayment for inventory of approximately HK\$199,243,000 (2022: HK\$223,240,000).
- (iii) As at 31 December 2023, included in the deposits mainly represented the refundable trade deposits of approximately HK\$29,314,000 (2022: HK\$30,115,000) which were paid to suppliers for due performance.

就按金及其他應收款項之信貸虧損撥備變動如下：

The movements of allowance for credit losses on deposit and other receivables are as follows:

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
於1月1日	As at 1 January	31,686	1,089
已確認信貸虧損撥備	Allowance for credit losses recognised	438	31,717
撥回信貸虧損撥備	Reversal of allowance for credit losses	(1,099)	(4)
匯兌調整	Exchange alignment	(1,068)	(1,116)
於12月31日	As at 31 December	29,957	31,686

財務報表附註

Notes to the Financial Statements

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

29. 已抵押銀行存款及銀行及現金結餘

於2023年12月31日，本集團概無銀行定期存款（2022年：本集團之銀行定期存款為9,698,000港元，其以人民幣計值，固定年利率為2.1厘）。

於2023年12月31日，銀行存款約66,000港元（2022年：69,000港元）及零港元（2022年：9,698,000港元）已分別作為應付票據（附註31）及借貸（附註34）之抵押。

於報告期末，銀行及現金結餘包括以下項目：

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
於流動資產的銀行及現金結餘：	Bank and cash balances under current assets:		
已抵押銀行存款及銀行現金	Pledged bank deposit and cash at bank	66	9,767
銀行現金及手頭現金	Cash at bank and on hand	61,240	76,602
總計	Total	61,306	86,369
減：已抵押為借貸及應付票據擔保之已抵押銀行存款	Less: Pledged deposits with bank pledged as security for borrowings and bills payables	(66)	(9,767)
現金及等同現金項目	Cash and cash equivalents	61,240	76,602

銀行及現金結餘，及已抵押銀行存款按以下貨幣計值：

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
人民幣	RMB	45,772	84,539
港元	HK\$	15,516	1,812
其他	Others	18	18
		61,306	86,369

以人民幣計值之銀行及現金結餘匯出中國須受中國政府實施的外匯管制所規限。

29. PLEDGED BANK DEPOSITS AND BANK AND CASH BALANCES

As at 31 December 2023, the Group has no fixed deposits with bank (2022: the Group has fixed deposits with bank of HK\$9,698,000, which were denominated in RMB and carried a fixed interest rate of 2.1% per annum).

As at 31 December 2023, deposits with banks of approximately HK\$66,000 (2022: HK\$69,000) and HK\$Nil (2022: HK\$9,698,000) have been pledged to bills payables (Note 31) and secure borrowings (Note 34) respectively.

At the end of the reporting period, bank and cash balances comprise of the followings:

Bank and cash balances, and pledged bank deposits were denominated in the following currencies:

The remittance of bank and cash balances denominated in RMB out of the PRC is subject to the foreign exchange control restrictions imposed by the government of the PRC.

財務報表附註

Notes to the Financial Statements

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

30. 持作出售資產

30. ASSETS HELD FOR SALES

		2023 千港元 HK\$'000
物業、廠房及設備(附註17)	Property, plant and equipment (Note 17)	93,244
使用權資產(附註19)	Right of use assets (Note 19)	21,007
存貨(附註26)	Inventory (Note 26)	1,114
		115,365

附註：

江西天瑞豐收化工有限公司的資產於2024年3月5日成功拍賣，總金額為人民幣1.06億元。進一步詳情載於本公司日期為2024年3月8日的公告。

Note:

The Assets of Jiangxi Tianrui Fengshou Chemical Co., Ltd. were sold successfully for an aggregate amount of RMB106 million at auction on 5 March 2024. Further detail were set out in the Company's announcement date 8 March 2024.

31. 貿易應付款項及應付票據

31. TRADE AND BILLS PAYABLES

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
貿易應付款項	Trade payables	86,840	91,494
應付票據	Bills payables	32,698	33,908
		119,538	125,402

於12月31日，本集團貿易應付款項之賬齡分析(按發票日期呈列)如下：

As at 31 December, the ageing analysis of trade payables of the Group presented based on the invoice date was as follows:

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
30日以內	Within 30 days	5,253	3,885
31至60日	31 to 60 days	399	2,392
61至90日	61 to 90 days	65	571
超過90日	Over 90 days	81,123	84,646
		86,840	91,494

採購貨品之平均信貸期為60日至90日(2022年：60日至90日)。本集團設有財務風險管理政策，以確保所有應付款項於信貸期內償付。

The average credit period on purchases of goods is 60 to 90 days (2022: 60 to 90 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

應付票據由質押銀行存款抵押(附註29)。

Bills payable was secured by pledged bank deposits (Note 29).

財務報表附註

Notes to the Financial Statements

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

32. 應計費用、其他應付款項及合約負債

32. ACCRUALS, OTHER PAYABLES AND CONTRACT LIABILITIES

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
應計費用及其他應付款項(附註i)	Accruals and other payables (note i)	357,502	660,975
財務擔保負債(附註ii)	Financial guarantee liabilities (note ii)	40,133	42,089
		397,635	703,064
合約負債(附註iii)	Contract liabilities (note iii)	156,277	154,553
		553,912	857,617
即期	Current	531,838	834,727
非即期	Non-current	22,074	22,890
		553,912	857,617

附註：

notes:

(i) 於2023年12月31日，應計款項及其他應付款項主要包括收購物業、廠房及設備之應付款項及相關成本約38,002,000港元(2022年：103,022,000港元)、其他應付稅項約29,683,000港元(2022年：21,437,000港元)及應付銀行利息約119,724,000港元(2022年：388,617,000港元)。

(i) As at 31 December 2023, accruals and other payables mainly comprised of payable for acquisition of property, plant and equipment and the related cost of approximately HK\$38,002,000 (2022: HK\$103,022,000), other tax payable of approximately of HK\$29,683,000 (2022: HK\$21,437,000) and bank interest payable approximately HK\$119,724,000 (2022: HK\$388,617,000).

(ii) 於2023年12月31日，山東紅日就一名獨立第三方(2022年：一名獨立第三方)所獲授信貸融資向一間銀行(2022年：一間銀行)簽立財務擔保約人民幣141,000,000元(2022年：人民幣141,000,000元)。若被要求全面履行擔保，須予以支付。

(ii) As at 31 December 2023, the Shandong Hongri has executed financial guarantees to a bank (2022: a bank) for credit facilities granted to an independent third party (2022: an independent third parties), for approximately RMB141,000,000 (2022: RMB141,000,000) which would be required to be paid if the guarantees were called upon in entirety.

於2023年12月31日，該等公司擔保之預期信貸虧損撥備約為40,133,000港元(2022年：42,089,000港元)。

As at 31 December 2023, the allowance for expected credit loss in respect of these corporate guarantees was approximately HK\$40,133,000 (2022: HK\$42,089,000).

有關公司擔保之更多詳情，請參閱日期為2016年9月27日之公佈及綜合財務報表附註46(a)。

For more detail of the corporate guarantees, please refer to announcement date 27 September 2016 and Note 46(a) to the consolidated financial statements.

財務報表附註

Notes to the Financial Statements

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

(iii) 合約負債之變動如下：

(iii) The movements of contract liabilities is as follows:

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
於1月1日	As at 1 January	154,553	220,318
計入年初合約負債結餘之 已確認收入	Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(20,585)	(121,799)
年內收取按金導致之合約 負債增加	Increase in contract liabilities as a result of receiving deposits during the year	27,949	71,014
匯兌調整	Exchange realignment	(5,640)	(14,980)
於12月31日	As at 31 December	156,277	154,553

33. 租賃負債

33. LEASE LIABILITIES

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
應付租賃負債：	Lease liabilities payable:		
一年以內	Within one year	870	963
一年以上但不超過兩年	More than one year but not later than two years	415	884
兩年以上但不超過五年	More than two years but not later than five years	1,517	1,429
五年以上	Over five years	2,557	3,226
		5,359	6,502
減少：列作流動負債於十二個月 內到期結算之款項	Less: Amount due for settlement within 12 months shown under current liabilities	(870)	(963)
列作非流動負債於十二個月後 到期結算之款項	Amount due for settlement after 12 months shown under non-current liabilities	4,489	5,539

租賃負債所應用之加權平均增量借款利率介乎6.93%至7.05%（2022年：6.93%至7.05%）。

The weighted average incremental borrowing rates applied to lease liabilities range from 6.93% to 7.05% (2022: from 6.93% to 7.05%).

按除功能貨幣以外之貨幣計值之租賃責任載列如下：

Lease obligations that are denominated in currencies other than the functional currencies are set out below:

		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
人民幣	RMB	4,863	5,384

財務報表附註

Notes to the Financial Statements

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

34. 借貸

34. BORROWINGS

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
銀行借貸	Bank borrowings	722,758	813,189
其他借貸(附註ii)	Other borrowings (note ii)	974,208	551,721
上市後償票據(附註iii)	Listed subordinated notes (note iii)	-	590,781
		1,696,966	1,955,691
不包括按要求應付條款且於下列 期間應付之借款之賬面值 (附註v):	Carrying amounts of borrowings that do not contain repayable on demand clause and repayable (note v):		
一年內	Within one year	600,288	1,516,357
一年以上但不超過五年期間內 (附註(i)(d))	Within a period of more than one year but not exceeding five years (note (i)(d))	927,579	205,512
小計	Sub-total	1,527,867	1,721,869
包括按要求應付條款且於下列期 間應付之借款之賬面值 (附註v):	Carrying amounts of borrowings that contain a repayment on demand clause and repayable (note v):		
一年內	Within one year	169,099	233,822
小計	Sub-total	169,099	233,822
		1,696,966	1,955,691
減: 列作非流動負債之款項	Less: Amounts shown under non-current liabilities	(927,579)	(205,512)
列作流動負債之款項 由於貸款違約或違反借貸契諾按 要求應付借貸之賬面值 (列作流動負債)(附註vi)	Amounts shown under current liabilities Carrying amounts of borrowings that are repayable on demand that have loan defaults or breach of loan covenants (shown under current liabilities) (note vi)	769,387	1,750,179
		(764,387)	(1,734,391)
就無貸款違約或違反貸款契諾之 借貸列作流動負債之款項	Amounts shown under current liabilities for the borrowings without loan defaults or breach of loan covenants	5,000	15,788
借貸:	Borrowings:		
有抵押(附註i)	Secured (note i)	816,840	837,078
無抵押(附註iii及iv)	Unsecured (notes iii & iv)	880,126	1,118,613
		1,696,966	1,955,691

財務報表附註

Notes to the Financial Statements

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

借貸按以下貨幣計值：

Borrowings were denominated in the following currencies:

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
人民幣	RMB	722,758	749,532
港元	HK\$	932,580	572,959
美元	US\$	41,628	42,419
新加坡元	SGD	-	590,781
		1,696,966	1,955,691

本集團借貸的實際利率（亦相等於合約利率）範圍如下：

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

		截至 2023年12月31日 止年度 Year ended 31 December 2023	截至 2022年12月31日 止年度 Year ended 31 December 2022
實際利率：	Effective interest rate:		
固定利率借貸	Fixed-rate borrowings	4.5% to 8.47% 4.5%至8.47%	4.5% to 24% 4.5%至24%
可變利率借貸	Variable-rate borrowings	4.25% to 5.5% 4.25%至5.5%	2.65% to 5.5% 2.65%至5.5%

附註：

notes:

- (i) 於2023年12月31日，有抵押借貸主要以本集團之物業、廠房及設備、使用權資產及銀行存款作抵押，金額分別約304,402,000港元、75,262,000港元及零港元（2022年：592,049,000港元、108,768,000港元及9,767,000港元），以及以同系附屬公司間的公司擔保作擔保。
- (ii) 於2023年12月31日，計入其他借貸的為(a)國際金融公司貸款約41,628,000港元（2022年：42,419,000港元）、(b)貸款約12,750,000港元（2022年：56,314,000港元）、(c)若干債券約零港元（2022年：247,476,000港元）、(d)稀鎂科技債權人計劃5年期貸款223,620,000港元（2022年：205,512,000港元）及(e)本公司債權人計劃5年期貸款696,210,000港元（2022年：零港元）。

- (i) As at 31 December 2023, the secured borrowings were mainly secured by property, plant and equipment, right of use assets and deposits with banks of the Group amounting to approximately HK\$304,402,000, HK\$75,262,000 and HK\$Nil (2022: HK\$592,049,000, HK\$108,768,000 and HK\$9,767,000) respectively and corporate guarantees between the fellow subsidiaries.
- (ii) As at 31 December 2023, included in other borrowings was (a) IFC loan of approximately HK\$41,628,000 (2022: HK\$42,419,000), (b) loans of approximately HK\$12,750,000 (2022: HK\$56,314,000), (c) several bonds of approximately HK\$Nil (2022: HK\$247,476,000), (d) REMT Creditor's Scheme 5 years term loans of HK\$223,620,000 (2022: HK\$205,512,000) and (e) The Company Creditor's Scheme 5 years term loans of HK\$696,210,000 (2022: HK\$Nil).

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

- (a) 根據一項由本公司之非全資附屬公司與國際金融公司(「國際金融公司」)訂立的貸款協議，國際金融公司已向該附屬公司授出27,000,000美元之貸款。該貸款按可變利率介乎4.99厘至5.04厘計息，且到期金額按貸款協議所載的預期還款日期計算。來自國際金融公司之貸款以下列各項作抵押：(i)本公司作出之企業擔保；(ii)質押由冠華國際有限公司(「冠華」，為主要股東)擁有之本公司股份。於2023年12月31日，549,280,000股股份已由冠華質押給國際金融公司作為所授出貸款的擔保；及(iii)銀行存款約零港元(2022年：9,698,000港元)。此外，本公司董事兼控股股東池文富先生(透過其於冠華之權益)向國際金融公司承諾維持其於本公司之最低持股量。本集團及附屬公司遵守若干契約，其中包括貸款協議訂明之若干財務契約。該貸款已於2020年因交叉違約而發生違約。
- (a) Pursuant to a loan agreement entered into by a non-wholly owned subsidiary of the Company and International Finance Corporation (“IFC”), IFC had granted a loan of US\$27,000,000 to the subsidiary. The loan bears interest at variable interest rate from 4.99% to 5.04% and the amounts due are based on the scheduled repayment dates set out in the loan agreements. The loan from IFC was secured by (i) corporate guarantee given by the Company; (ii) pledges of shares in the Company as owned by Alpha Sino International Limited (“Alpha Sino”), the substantial shareholder. As at 31 December 2023, 549,280,000 shares, has been pledged by Alpha Sino to IFC as security for the loan granted; and (iii) deposits with banks of approximately HK\$Nil (2022: HK\$9,698,000). In addition, Mr. Chi Wen Fu, a director and controlling shareholder of the Company (through his interest in Alpha Sino), has given an undertaking to IFC to maintain a minimum level of shareholding in the Company. The Group and the subsidiary had to comply with certain covenants, including, among other things, certain financial covenants, under the loan arrangement. The loan had been defaulted in 2020 due to cross default.
- (b) 於2023年12月31日，該等金額指來自股東之借款((1) 5,000,000港元須按要求償還，按年利率6厘計息，(2) 7,750,000港元須於兩年內償還，按年利率4.5厘計息)，合共12,750,000港元。
- (b) As at 31 December 2023, these represent borrowings from shareholders of (1) HK\$5,000,000 repayable on demand, carried an interest rate of 6% per annum, (2) HK\$7,750,000 repayable within 2 years, carried an interest rate at 4.5% per annum, totalling HK\$12,750,000.
- 於2022年12月31日，當中包括一筆於2018年12月6日訂立的貸款協議，一所附屬公司獲一位附屬公司的董事授予40,000,000港元的融資額度。除非提早贖回，貸款之原到期日為2020年7月31日，並曾展期至2021年7月31日。此貸款因違反貸款協議的若干契約，已構成違約。該貸款按違約年利率9厘計息。於2022年12月31日，連同其他貸款合共總額56,314,000港元已按重組計劃於2023年8月31日生效後納入該計劃。
- As at 31 December 2022, among which, there includes a loan agreement entered on 6 December 2018, a subsidiary was granted HK\$40,000,000 facilities limit by a director of a subsidiary. The original maturity date of the loan was 31 July 2020 and had been extended to 31 July 2021 unless early redeemed. The loan was defaulted upon the breach of certain covenants of the loan agreement. The loan carried at a default interest rate of 9% per annum. As at 31 December 2022, altogether with other loans in aggregate of HK\$56,314,000 were compromised into the Scheme upon the effective of Scheme of Arrangement on 31 August 2023.
- (c) 於2022年12月31日，當中包括一筆先前約108,576,000港元的可轉換債券，由於本公司違反文據中若干條款，該可轉換債券於2020年7月21日成為按要求應付，重新分類至其他借貸並按年利率24厘計息。於2022年12月31日，連同其他債券合共總額247,476,000港元已按重組計劃於2023年8月31日生效後納入該計劃。
- (c) As at 31 December 2022, among which, there includes a former exchangeable bond of approximately HK\$108,576,000 become repayable on demand on 21 July 2020 due to breach of certain terms in the instruments by the Company, and were reclassified to other borrowings and carried at a default interest rate of 24% per annum. As at 31 December 2022, altogether with other bonds in aggregate of HK\$247,476,000 were compromised into the Scheme upon the effective of Scheme of Arrangement on 31 August 2023.

財務報表附註

Notes to the Financial Statements

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

- (d) 2022年5月31日，稀鎂科技債權人計劃生效。於2022年5月31日，稀鎂科技債權人計劃項下借貸之公允價值約198,594,000港元獲延期五年。截至2023年12月31日止年度，該等根據稀鎂科技債權人計劃之借貸確認估算利息約18,108,000港元（2022年：6,918,000港元）。於2023年12月31日，獲延長五年的稀鎂科技債權人計劃項下的借款約為223,620,000港元（2022年：205,512,000港元）。
- (e) 於2023年8月31日，本公司債權人計劃生效。於2023年8月31日，本公司債權人計劃項下借貸的公平值約679,906,000港元獲延期五年。截至2023年12月31日止年度，本公司債權人計劃項下的該借貸確認估算利息約16,304,000港元（2022年：零港元）。於2023年12月31日，獲延期五年的本公司債權人計劃項下的借貸約為696,210,000港元（2022年：零港元）。
- (iii) 此指本公司於2017年6月5日發行之面值為101,750,000新加坡元之7.0厘後償票據（屬多種幣值中期票據計劃項下）之賬面值。該等票據於新加坡交易所上市，並已於2020年7月3日到期及違約。重組計劃於2023年8月31日生效後，該等票據已納入重組計劃內。於2024年1月29日，該等票據亦已於新加坡交易所退市。
- (iv) 於2022年12月31日，計入無抵押借貸中之約43,663,000港元為以本公司所提供之公司擔保作擔保的銀行貸款。此銀行貸款已按重組計劃於2023年8月31日生效後納入該計劃。
- (v) 到期金額按貸款協議所載之計劃還款日期計算。
- (vi) 本集團若干銀行融資及其他借貸須履行常存在於借貸安排中的契諾。於2023年12月31日，本集團不能履行合共金額764,387,000港元（2022年：1,734,391,000港元）之若干借貸之契諾，構成付款或貸款契諾違約。截至本報日期，上述借貸尚未續期或償還。
- (d) On 31 May 2022, the REMT Creditors' Scheme became effective. The fair value of the borrowings under the REMT Creditors' Scheme of approximately HK\$198,594,000 as at 31 May 2022 were extended for a period of five years. During the year ended 31 December 2023, this borrowings under the REMT Creditors' Scheme recognised the imputed interest of approximately HK\$18,108,000 (2022: HK\$6,918,000). As at 31 December 2023, the borrowings under the REMT Creditors' Scheme which extended for a period of five years was approximately HK\$223,620,000 (2022: HK\$205,512,000).
- (e) On 31 August 2023, the Company Creditors' Scheme became effective. The fair value of the borrowings under the Company Creditors' Scheme of approximately HK\$679,906,000 as at 31 August 2023 were extended for a period of five years. During the year ended 31 December 2023, this borrowings under the Company Creditors' Scheme recognised the imputed interest of approximately HK\$16,304,000 (2022: HK\$ Nil). As at 31 December 2023, the borrowings under the Company Creditors' Scheme which extended for a period of five years was approximately HK\$696,210,000 (2022: HK\$ Nil).
- (iii) This represents the carrying amount of the 7.0% subordinated notes with the face value of SGD101.75 million (under the Multicurrency Medium Term Note Programme) issued by the Company on 5 June 2017. The notes are listed on the Singapore Stock Exchange and was matured and defaulted on 3 July 2020. Upon the effective of Scheme of Arrangement on 31 August 2023, the notes were compromised into the Scheme. On 29 January 2024, the notes were also delisted from the Singapore Stock Exchange.
- (iv) As at 31 December 2022, included in unsecured borrowings of approximately HK\$43,663,000 represents bank loans guaranteed by the corporate guarantee of the Company. These bank loans were compromised into the Scheme upon the effective of Scheme of Arrangement on 31 August 2023.
- (v) The amounts due are based on scheduled repayment dates set out in the loan agreements.
- (vi) Certain of the Group's banking facilities and other borrowings were subject to the fulfillment of covenants as are commonly found in lending arrangements. As at 31 December 2023, the Group could not fulfill covenants on certain borrowings with an aggregate amount of HK\$764,387,000 (2022: HK\$1,734,391,000) that constituted into default of repayment or loan covenants. As at the date of this annual report, the aforesaid borrowings were not yet renewed nor repaid.

財務報表附註

Notes to the Financial Statements

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

於2023年12月31日，銀行借貸及其他借貸之加權平均實際利率為約7.14厘（2022年：9.23厘）。

於2023年12月31日，借貸之賬面值與其公允值1,696,966,000港元（2022年：1,955,691,000港元）相若。

35. 一間上市附屬公司發行的可換股債券

於2022年8月5日，稀鎂科技已根據債權人計劃條款向外部債權人發行零票息可換股債券（「稀鎂科技可換股債券」），本金總額為11,313,000港元。

稀鎂科技可換股債券賦予債券持有人權利，可按轉換價0.933（經調整年內供股的影響（2022年：1.20港元））轉換為稀鎂科技股份。稀鎂科技可換股債券的到期日為自發行之日起計5年。於到期日前的任何時間均可轉換稀鎂科技可換股債券。除非提早贖回或轉換，否則稀鎂科技應於到期日贖回稀鎂科技可換股債券，贖回金額應等於未贖回或轉換債券本金金額的100%稀鎂科技可全權酌情贖回部分或全部未贖回或轉換的稀鎂科技可換股債券，而毋須債券持有人同意，贖回金額為到期日之前任何時候將贖回的未贖回或轉換稀鎂科技可換股債券的本金額（「發行人贖回選擇權」）。

The weighted average effective interest rate of bank borrowing and other borrowings as at 31 December 2023 was approximately 7.14% (2022: 9.23%).

As at 31 December 2023, the carrying amount of borrowing approximately equal to its fair value were HK\$1,696,966,000 (2022: HK\$1,955,691,000).

35. CONVERTIBLE BONDS ISSUED BY A LISTED SUBSIDIARY

On 5 August 2022, the REMT has issued zero coupon convertible bonds (“REMT Convertible Bonds”) with aggregate principal amount of HK\$11,313,000 to external creditors, pursuant to the terms of the REMT Creditors’ Scheme.

The REMT Convertible Bonds entitle the bondholder to convert to REMT shares at a conversion price of HK\$0.933 after adjusted for the effect of rights issue during the year (2022: HK\$1.20) The maturity date of the REMT Convertible Bonds is 5 years from the date of issue. Conversion may occur at any time before maturity date of the REMT Convertible Bonds. Unless previously redeemed or converted, REMT shall redeem the REMT Convertible Bonds on the maturity date at the redemption amount which shall be equal to 100% of the principal amount thereof outstanding. REMT may in its absolute discretion, without requiring the consent of the Bondholders, redeem the whole or part of the outstanding REMT Convertible Bonds at the principal amount of the outstanding REMT Convertible Bonds to be redeemed at any time prior to the maturity date (the “Issuer Redemption Options”).

財務報表附註

Notes to the Financial Statements

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

於初步確認時，稀鎂科技可換股債券將分為負債部分及代表稀鎂科技可換股債券轉換權的權益部分。負債部分及權益轉換部分的公允值乃於發行日期釐定。負債部分的公平值乃使用類似不可轉換工具的現行市場利率估計，並參考獨立專業合資格估值師進行的專業估值得出。代表權益轉換部分價值的餘下金額呈報為非控股權益。發行人贖回選擇權被視為與主體債務密切相關，不與主體合約分離。

At initial recognition, the REMT Convertible Bonds were separated into a liability component and an equity component representing the conversion options of the REMT Convertible Bonds. The fair values of the liability component and the equity conversion component were determined at the issuance date. The fair value of the liability component was estimated using the prevailing market interest rate for similar non-convertible instruments, which is referenced to professional valuation conducted by an independent professionally qualified valuer. The residual amount, representing the value of the equity conversion component, has been reported as non-controlling interests. The Issuer Redemption Options are considered as closely related to the host debt and we not separated from the host contract.

負債部分使用實際利率法於稀鎂科技可換股債券的期限內攤銷。稀鎂科技可換股債券的負債部分於初步確認時的實際利率為每年8.47%，其後按攤銷成本列賬。

The liability component was amortised over the term of the REMT Convertible Bonds with the effective interest method. The effective interest rate of the liability component of the REMT Convertible Bonds on initial recognition is 8.47% per annum and is subsequently carried at amortised cost.

本集團金融工具的賬面值及公平值與公平值合理相若。

The carrying amounts and fair values of the Group's financial instruments reasonably approximate to fair values.

於報告期末確認的稀鎂科技可換股債券負債部份之計算如下：

The liability component REMT Convertible Bonds recognised at the end of the reporting period are calculated as follow:

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
於1月1日	As at 1 January	7,899	-
發行可換股債券：	Issurance of the Covertible Bonds:		
稀鎂科技可換股債券的 公允值	Fair value of the REMT Convertible Bonds	-	8,692
非控股權益	Non-controlling interests	-	(1,049)
於發行日期的負債部分	Liability component at the issuance date	-	7,643
利息開支	Interest expenses	669	256
於12月31日	As at 31 December	8,568	7,899

財務報表附註

Notes to the Financial Statements

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

36. 遞延收入

36. DEFERRED REVENUE

	2023 千港元 HK\$'000	2022 千港元 HK\$'000
與資產相關之政府撥款	66,881	69,354
Government grants received related to assets		

為促進鎂行業之發展，白山市天安金屬鎂礦業有限公司於2012年與當地政府訂立一份協議。根據該協議，當地政府同意向白山市天安金屬鎂礦業有限公司提供財務資助（「資助」）以改善其生產科技及提高物業、廠房及設備的產能。

截至2023年及2022年12月31日止年度，本集團未曾收取任何資助，而截至2023年及2022年12月31日止年度並無確認其他收入。於2023年及2022年12月31日之間的賬面值變動乃由於匯率差額導致。

所收或成為應收之資助，初始確認為遞延收入及其後以扣減折舊費開支，按該須予折舊資產可用年期於損益賬確認。

In order to encourage the development of magnesium industry, Baishan City Tianan Magnesium Resources Co., Limited entered into an agreement with the local government in 2012. Pursuant to the agreement, the local government agree to provide financial assistance (the "Assistance") to Baishan City Tianan Magnesium Resources Company Limited to improve their production technology and enhance the capacity of the property, plant and equipment.

During the year ended 31 December 2023 and 2022, the Group has not received any Assistance and there were no other income was recognised for the years ended 31 December 2023 and 2022. The changes between the carrying amount as at 31 December 2023 and 2022 are arised from exchange difference.

The Assistance received or which becomes receivables is initially recognised as deferred revenue and subsequently recognised in profit or loss over the life of a depreciable asset by way of as a reduced depreciation charge expense.

財務報表附註

Notes to the Financial Statements

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

37. 遞延稅項負債

年內於綜合財務狀況表確認之遞延稅項結餘的組成部分及其變動如下：

遞延稅項負債

		採礦權	使用權資產	物業、廠房及設備	無形資產	一間上市附屬公司發行的可換股債券	總計
		Mining rights	Right-of-use assets	Property, plant and equipment	Intangible asset	Convertible bonds issued by a listed subsidiary	Total
		千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於2022年1月1日	As at 1 January 2022	89,891	14,106	4,639	66,430	-	175,066
附屬公司發行可換股債券	Issue of convertible bond by a subsidiary	-	-	-	-	169	169
扣除自綜合損益表(附註12)	Credited to the consolidated statement of profit or loss (Note 12)	(302)	3,786	(4,433)	(10,990)	-	(11,939)
匯兌調整	Exchange alignment	(6,194)	(1,771)	(206)	(4,658)	-	(12,829)
於2022年12月31日及2023年1月1日	As at 31 December 2022 and 1 January 2023	83,395	16,121	-	50,782	169	150,467
計入綜合損益表(附註12)	Credited to the consolidated statement of profit or loss (Note 12)	(4,027)	(615)	-	(2,455)	(55)	(7,152)
匯兌調整	Exchange alignment	(2,901)	(564)	-	(1,765)	-	(5,230)
於2023年12月31日	As at 31 December 2023	76,467	14,942	-	46,562	114	138,085

37. DEFERRED TAX LIABILITIES

The components of deferred tax balances recognised in the consolidated statement of financial position and the movements during the year are as follows:

Deferred Tax Liabilities

38. 本公司股本

38. SHARE CAPITAL OF THE COMPANY

		股份數目	股本
		Number of shares	Share capital
		千股	千港元
		'000	HK\$'000
法定：	Authorised:		
於2022年1月1日、2022年12月31日、2023年1月1日及2023年12月31日	Ordinary shares of HK\$0.02 each as at 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	10,000,000	200,000
每股面值0.02港元之普通股			
已發行及繳足：	Issued and fully paid:		
於2022年1月1日、2022年12月31日、2023年1月1日及2023年12月31日	As at 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	4,581,117	101,419

財務報表附註

Notes to the Financial Statements

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

39. 本公司財務狀況表及儲備

39. STATEMENT OF FINANCIAL POSITION
AND RESERVES OF THE COMPANY

(a) 財務狀況表

於12月31日

(a) Statement of Financial Position

As at 31 December

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
非流動資產	Non-current assets		
於附屬公司之投資	Investments in subsidiaries	2,108	2,108
		2,108	2,108
流動資產	Current assets		
其他應收款項、預付款項 及按金	Other receivables, prepayments and deposits	288	2,028
應收附屬公司款項	Amounts due from subsidiaries	1,317,890	1,266,456
銀行及現金結餘	Bank and cash balances	42	44
		1,318,220	1,268,528
流動負債	Current liabilities		
其他應付款項	Other payables	1,673	332,746
應付所得稅	Income tax payable	2,974	2,974
借貸	Borrowings	5,000	878,251
		9,647	1,213,971
流動資產淨值	Net current assets	1,308,573	54,557
資產總值減流動負債	Total assets less current liabilities	1,310,681	56,665
非流動負債	Non-current liabilities		
借貸	Borrowings	703,960	-
資產淨值	Net assets	606,721	56,665
本公司擁有人應佔股本 及儲備	Capital and reserves attributable to owners of the Company		
股本	Share capital	101,419	101,419
儲備	Reserves	505,302	(44,754)
權益總額	Total equity	606,721	56,665

財務報表附註

Notes to the Financial Statements

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

(b) 儲備**(b) Reserves**

		股份溢價 Share premium 千港元 HK\$'000	資本贖回儲備 Capital redemption reserve 千港元 HK\$'000	購股權儲備 Share option reverse 千港元 HK\$'000	保留盈利 Retained earnings 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於2022年1月1日	As at 1 January 2022	1,353,356	4,526	14,982	(847,741)	525,123
年內虧損	Loss for the year	-	-	-	(572,734)	(572,734)
年內全面開支總額	Total comprehensive expense for the year	-	-	-	(572,734)	(572,734)
股權結算股份付款之交易	Equity settled share-based transactions	-	-	2,857	-	2,857
於2022年12月31日及2023年1月1日	As at 31 December 2022 and 1 January 2023	1,353,356	4,526	17,839	(1,420,475)	(44,754)
年內溢利	Profit for the year	-	-	-	548,417	548,417
年內全面收益總額	Total comprehensive income for the year	-	-	-	548,417	548,417
股權結算股份付款之交易	Equity settled share-based transactions	-	-	1,639	-	1,639
已失效購股權	Share options lapsed	-	-	(323)	323	-
於2023年12月31日	As at 31 December 2023	1,353,356	4,526	19,155	(871,735)	505,302

財務報表附註

Notes to the Financial Statements

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

40. 購股權計劃

(a) 本公司之購股權計劃

為吸引及挽留最優秀之員工以發展本集團業務，以及提供額外鼓勵或獎勵予獲選之合資格參與者，本公司於2019年6月26日採納一項購股權計劃（「該計劃」）。合資格參與者主要為本集團僱員、董事及對本集團有所貢獻之本集團承包商、供應商或服務供應商。除非另行註銷或修訂，否則該計劃將自設立日期起10年內有效。該計劃之餘下年期約為5.5年（於2029年6月26日屆滿）。

購股權可按董事全權酌情釐定的歸屬、行使或其他方面的條款及條件而授出，惟有關係條款及條件須與該計劃的任何其他條款及條件相符一致。

認購價不會少於以下最高者：(i)股份在購股權授出日期於香港聯合交易所有限公司（「聯交所」）每日報價表所列之收市價；(ii)股份於緊接購股權授出日期前5個交易日於聯交所每日報價表所列之平均收市價；及(iii)股份之面值0.02港元。根據該計劃可能授出購股權涉及之最高股份數目，合共不可多於本公司不時之已發行股本30%。於接納授出購股權之要約時，獲授予者須向本公司支付款項1.00港元。

40. SHARE OPTION SCHEMES

(a) Share option scheme of the Company

In order to attract and retain the best quality employees for the development of the Group's businesses and to provide additional incentives or rewards to selected qualifying participants, the Company adopted a share option scheme on 26 June 2019 (the "Scheme"). The qualifying participants mainly include employees of the Group, Directors and contractors, suppliers or service providers of the Group who have contribution to the Group. The Scheme, unless otherwise cancelled or amended, will remain in force for 10 years since its establishing date. The remaining life of the Scheme is approximately 5.5 years (expiry on 26 June 2029).

Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise as the directors may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the Scheme.

The subscription price is not less than the highest of (i) the closing price of the Shares as stated in the daily quotation sheet of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on the date of offer of the option; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of offer of the option; and (iii) the nominal value of a Share of HK\$0.02. The maximum number of Shares in respect of which options may be granted under the Scheme shall not, in aggregate, exceed 30% of the issued share capital of the Company from time to time. Upon acceptance of the offer for the grant of option, an amount of HK\$1.00 is payable by the grantee to the Company.

財務報表附註

Notes to the Financial Statements

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

本公司可發行購股權，限額為行使根據該計劃將授出的全部購股權後可能發行的股份總數，合共不超過於批准該計劃日期已發行股份的10%。本公司可在任何時候更新該10%限額，惟須獲得股東批准及刊發通函並遵照上市規則，前提是於行使根據該計劃及任何其他購股權計劃下所有已授出但仍未獲行使的購股權後將予發行的股份數目，不得超過不時已發行股份的30%。

各合資格人士於要約日期屆滿前十二個月期間內因行使其獲授購股權（包括該計劃下已行使及尚未行使的購股權）而獲發行及將獲發行的股份總數，不得超過本公司已發行股本1%。倘向本公司主要股東或獨立非執行董事（或彼等各自的任何聯繫人）授出任何購股權而導致在截至授出日期（包括該日）止任何十二個月期間內，上述人士已獲授及將獲授的全部購股權（包括已行使、已註銷及尚未行使的購股權）獲行使而發行及將予發行的證券數目，(i)合共超過相關類別已發行證券的0.1%；及(ii)（倘證券於聯交所上市）根據證券於各授出日期收市價計算的總值超過5,000,000港元，該額外授出購股權須經本公司股東批准。

購股權僅於合資格參與者自購股權授出日期至指定之行使日期仍於本集團服務之情況下方可行使。

The Company can issue options so that the total number of shares that may be issued upon exercise of all options to be granted under the Scheme does not in aggregate exceed 10% of the shares in issue on the date of approval of the Scheme. The Company may refresh this 10% limit at any time, subject to shareholders' approval and the issue of a circular and in accordance with the Listing Rules provided that the number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes does not exceed 30% of the Shares in issue from time to time.

The total number of shares issued and to be issued upon exercise of the options granted to each eligible person (including both exercised and outstanding options under the Scheme) in the twelve-month period expiring on the offer date must not exceed 1% of the issued share capital of the Company. Where any grant of options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the securities issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the twelve-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the relevant class of securities in issue; and (ii) (where the securities are listed on the Stock Exchange), having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million, such further grant of options must be approved by shareholders of the Company.

The share options are exercisable only if the Eligible Participants remain in the service of the Group from the grant date of the share options up to the designated exercise date.

財務報表附註

Notes to the Financial Statements

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

2023年

2023

	於2023年 1月1日 持有	年內授出 之購股權	年內行使 之購股權	年內失效 之購股權	年內轉讓 之購股權	於2023年 12月31日 持有	行使價 港元
	Held at 1 January 2023	Options granted during the year	Options exercised during the year	Options lapsed during the year	Options transferred during the year	Held at 31 December 2023	Exercise price HK\$
該計劃 The Scheme							
(A) 僱員 Employees	131,900,000	-	-	-	-	131,900,000	0.3
(B) 顧問(附註) Consultants (note i)	110,000,000	-	-	-	-	110,000,000	0.3
(C) 董事 Directors							
池文富 Chi Wen Fu	20,000,000	-	-	-	-	20,000,000	0.3
池靜超 Chi Jing Chao	8,000,000	-	-	-	-	8,000,000	0.3
郭孟勇* Guo Mengyong*	5,000,000	-	-	(5,000,000)	-	-	0.3
張省本 Cheung Sound Poon	5,000,000	-	-	-	-	5,000,000	0.3
盛洪 Sheng Hong	5,000,000	-	-	-	-	5,000,000	0.3
	284,900,000	-	-	(5,000,000)	-	279,900,000	0.3

* 於2023年5月9日辭世。

* Passed away on 9 May 2023.

財務報表附註

Notes to the Financial Statements

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

2022年

2022

	於2022年 1月1日 持有	年內授出 之購股權	年內行使 之購股權	年內失效 之購股權	年內轉讓 之購股權	於2022年 12月31日 持有	行使價 港元
	Held at 1 January 2022	Options granted during the year	Options exercised during the year	Options lapsed during the year	Options transferred during the year	Held at 31 December 2022	Exercise price HK\$
該計劃							
The Scheme							
(A) 僱員	131,900,000	-	-	-	-	131,900,000	0.3
Employees							
(B) 顧問(附註i)	110,000,000	-	-	-	-	110,000,000	0.3
Consultants (note i)							
(C) 董事							
Directors							
池文富 Chi Wen Fu	20,000,000	-	-	-	-	20,000,000	0.3
池靜超 Chi Jing Chao	8,000,000	-	-	-	-	8,000,000	0.3
郭孟勇 Guo Mengyong	5,000,000	-	-	-	-	5,000,000	0.3
張省本 Cheung Sound Poon	5,000,000	-	-	-	-	5,000,000	0.3
盛洪 Sheng Hong	5,000,000	-	-	-	-	5,000,000	0.3
	284,900,000	-	-	-	-	284,900,000	0.3

財務報表附註

Notes to the Financial Statements

截至2023年12月31日止年度

For the year ended 31 December 2023

附註：

- (i) 於2019年7月25日，3名顧問各自分別獲授45,000,000份、25,000,000份及40,000,000份購股權。彼等為法團及本集團的獨立第三方，並提供(包括但不限於)有關協助進行各種融資安排、進行投資者推介及其他合適及所能提供的金融服務等。

本公司認為，鑒於本集團資源有限且為維持長期增長，向顧問授出購股權有助挽留及激勵該等非僱員促進公司價值增長。購股權乃為授予該等顧問以為本集團提供持續服務及與彼等維持長遠關係的獎勵，本集團因而可維持精簡且穩定的營運。除授出的購股權外，本公司並無就該等顧問所提供的服務向彼等提供任何其他報酬。

於2023年12月31日，尚未行使購股權有以下屆滿日期、行使期及行使價。

note:

- (i) On 25 July 2019, 3 consultants were granted each with 45,000,000, 25,000,000 and 40,000,000 Share Options respectively. They are body incorporated and independent third parties to the Group who are rendering, including but not limited to, services in relation to assisting of all types of financing arrangement, introducing of investors, and other financial services if appropriate and available, etc.

The Company consider that in view of the limited resources of the Group and to maintain a long term growth, the Share Options granted to the consultants can help to retain and motivates these non-employees to generate growth in company value. The Share Options was granted as incentive for these consultants to provide ongoing service to the Group and to maintain a long-term relationship with them so that the Group can maintain a streamline operation with stability. Apart from the Share Options granted, the Company has not provided any other remuneration to these consultants for their services provided.

Options outstanding at 31 December 2023 have the following expiry date, exercise period and exercise prices.

頒授日期 Grant date	屆滿日期 Expiry date	行使期 Exercise period	每股行使價 Exercise prices per Share 港元 HK\$	購股權數目 Number of Options
該計劃				
The Scheme				
2019年7月25日	2025年12月30日	自2020年11月1日至 2025年12月30日	0.3	279,900,000
25 July 2019	30 December 2025	From 1 November 2020 to 30 December 2025		

財務報表附註

Notes to the Financial Statements

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

於本年報日期，該計劃項下可供發行之本公司股份總數（包括上述尚未行使購股權）為438,111,684股，相當於本公司當日已發行股本約9.56%。該計劃將於2029年6月26日屆滿。

該計劃項下於截至2019年12月31日止年度所授出之購股權，使用二項式期權定價模式釐定公允值為約21,291,000港元。輸入該估值模式的重要計算因素為於授出日期的股價0.223港元（已就股份分拆的影響作出調整）、上述行使價、預期股價波動為42.352%、年度無風險利率為1.367%。約6.438年預計購股權年期及0%之派息率。按預期股價回報的標準偏差而計量的波幅，乃根據由2016年7月25日至2019年7月25日的每日股價的統計分析計算得出。截至2023年12月31日止年度，已計入綜合損益表內之金額約為1,639,000港元（2022年：2,857,000港元）。

(b) 附屬公司之購股權計劃 稀鎂科技

為吸引及挽留優秀員工發展本集團稀鎂科技的業務，並向經選定合資格參與者提供額外獎勵或回報，稀鎂科技於2017年12月4日採納購股權計劃（「稀鎂科技計劃」）。合資格參與者主要包括僱員、董事、承包商、供應商或服務供應商。彼等皆曾為稀鎂科技集團作出貢獻。稀鎂科技計劃自其設立日期起計十年內有效，惟另行取消或修改則除外。稀鎂科技計劃餘下年期約為4年（於2027年12月4日屆滿）。

As at the date of the annual report, the total number of Shares of the Company available for issue under the Scheme (including the above Options outstanding not yet exercised) was 438,111,684, representing approximately 9.56% of the issued share capital of the Company as of the date thereof. The Scheme will expire on 26 June 2029.

The fair value of Options granted during the year ended 31 December 2019 under the Scheme determined using the Binomial Option Pricing model was approximately HK\$21,291,000. The significant inputs into the model were share price of HK\$0.223, at the grant date and adjusted for the effect of the share subdivision, exercise price shown above, expected volatility is 42.352%, annual risk-free interest rate of 1.367%. Expected life of Options of approximately 6.438 years and dividend payout ratio of 0%. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices from 25 July 2016 to 25 July 2019. During the year ended 31 December 2023, approximately HK\$1,639,000 (2022: HK\$2,857,000) were charged to the consolidated statement of profit or loss.

(b) Share option scheme of a subsidiary REMT

In order to attract and retain the best quality employees for the development of the Group of REMT's businesses and to provide additional incentives or rewards to selected qualifying participants, REMT adopted a share option scheme on 4 December 2017 (the "REMT Scheme"). The qualifying participants mainly include employees, directors, contractors, suppliers or service providers who have contribution to the Group of REMT. The REMT Scheme, unless otherwise cancelled or amended, will remain in force for 10 years since its establishing date. The remaining life of the REMT Scheme is approximately 4 years (expiry on 4 December 2027).

財務報表附註**Notes to the Financial Statements**

截至2023年12月31日止年度

For the year ended 31 December 2023

各合資格人士於要約日期前十二個月期間內獲授購股權(包括稀鎂科技計劃下已行使及尚未行使的購股權)獲行使而獲發行及將獲發行的股份總數，不得超過稀鎂科技已發行股本1%。倘向稀鎂科技主要股東或獨立非執行董事(或彼等各自的任何聯繫人)授出任何購股權而導致在截至授出日期(包括該日)止十二個月期間內，上述人士已獲授及將獲授的全部購股權(包括已行使、已註銷及尚未行使的購股權)獲行使而發行及將予發行的證券數目，(i)合共超過相關類別已發行證券的0.1%；及(ii)(倘證券於聯交所上市)根據證券於各授出日期收市價計算的總值超過5,000,000港元，該額外授出購股權須經稀鎂科技股東批准。

於2023年12月31日，概無尚未行使購股權。

於本年報日期，稀鎂科技計劃項下可供發行之稀鎂科技股份總數為22,871,950股，相當於稀鎂科技於本日期已發行股本約3.86%。稀鎂科技計劃之餘下年期約為4年，並將於2027年12月4日屆滿。

The total number of shares issued and to be issued upon exercise of the options granted to each eligible person (including both exercised and outstanding options under the REMT Scheme) in the twelve-month period expiring on the offer date must not exceed 1% of the issued share capital of REMT. Where any grant of options to a substantial shareholder or an independent non-executive director of REMT, or any of their respective associates, would result in the securities issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the twelve-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the relevant class of securities in issue; and (ii) (where the securities are listed on the Stock Exchange), having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million, such further grant of options must be approved by shareholders of REMT.

No options were outstanding at 31 December 2023.

As at the date of the annual report, the total number of shares of REMT available for issue under the REMT Scheme was 22,871,950 representing approximately 3.86% of the issued share capital of REMT as of the date thereof. The remaining life of the REMT Scheme is approximately 4 years and to be expired on 4 December 2027.

財務報表附註

Notes to the Financial Statements

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

	2022年				2022		
	於2022年 1月1日 持有	年內授出之 稀鎂科技 購股權	年內行使之 稀鎂科技 購股權	年內失效之 稀鎂科技 購股權	股份 合併調整 (附註1)	於2022年 12月31日 持有	行使價 港元 (附註1)
	Held at 1 January 2022	REMT Options granted during the year	REMT Options exercised during the year	REMT Options lapsed during the year	Adjustment for share consolidation (note 1)	Held at 31 December 2022	Exercise price HK\$ (note 1)
(A) 僱員							
Employees	163,400,000	-	-	-	(155,230,000)	8,170,000	8
	140,000,000	-	-	-	(133,000,000)	7,000,000	6
(B) 董事							
Directors							
張省本 Cheung Sound Poon	5,000,000	-	-	-	(4,750,000)	250,000	8
稀鎂科技其他董事 Other directors of REMT	40,000,000	-	-	(5,000,000)	(33,250,000)	1,750,000	8
	208,400,000	-	-	(5,000,000)	(193,230,000)	10,170,000	8
	140,000,000	-	-	-	(133,000,000)	7,000,000	6
	348,400,000	-	-	(5,000,000)	(326,230,000)	17,170,000	

附註：

1. 茲提述稀鎂科技日期為2022年7月13日的公佈。於2022年7月14日，因稀鎂科技進行股份合併，行使價及購股權數目已予調整。

note:

1. Reference is made to the REMT's announcement dated 13 July 2022. On 14 July 2022, the exercise price and number of share options have been adjusted due to share consolidation by REMT.

財務報表附註

Notes to the Financial Statements

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

截至2019年12月31日止年度所授出之稀鎂科技購股權，使用二項式期權定價模式釐定公允值為約13,509,000港元。輸入該估值模式的重要計算因素為於授出日期的股價0.285港元（已就股份分拆的影響作出調整）、上述行使價、預期股價波動介於46.729%至54.568%、年度無風險利率1.459%至1.758%。約1.1至3.1年預計稀鎂科技購股權年期及股息收益率1.64。按預期股價回報的標準偏差而計量的波幅，乃根據由2010年12月31日至2019年7月25日的每日股價的統計分析計算得出。

截至2018年12月31日止年度所授出之稀鎂科技購股權，使用柏力克-舒爾斯估值模式釐定公允值為約21,558,000港元。輸入該估值模式的重要計算因素為於授出日期的股價0.325港元（已就股份分拆的影響作出調整）、上述行使價、預期股價波動介於42.107%至47.596%、年度無風險利率1.561%至1.999%。約1.52至5.68年預計稀鎂科技購股權年期及零派息率。按預期股價回報的標準偏差而計量的波幅，乃根據由2012年10月24日至2018年4月25日的每日股價的統計分析計算得出。

截至2023年12月31日止年度，總金額約零港元（2022年：918,000港元）已計入綜合損益表內。

The fair value of REMT Options granted during the year ended 31 December 2019 determined using the Binomial Option Pricing model was approximately HK\$13,509,000. The significant inputs into the model were share price of HK\$0.285, at the grant date and adjusted for the effect of the share subdivision, exercise price shown above, expected volatility ranged from 46.729% to 54.568%, annual risk-free interest rate of 1.459% to 1.758%. Expected life of REMT Options of approximately 1.1 to 3.1 years and dividend yield of 1.64. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices from 31 December 2010 to 25 July 2019.

The fair value of REMT Options granted during the year ended 31 December 2018 determined using the Black-Scholes valuation model was approximately HK\$21,558,000. The significant inputs into the model were share price of HK\$0.325, at the grant date and adjusted for the effect of the share subdivision, exercise price shown above, expected volatility ranged from 42.107% to 47.596%, annual risk-free interest rate of 1.561% to 1.999%. Expected life of REMT Options of approximately 1.52 to 5.68 years and dividend payout ratio of Nil. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices from 24 October 2012 to 25 April 2018.

During the year ended 31 December 2023, aggregate amount of approximately HK\$Nil (2022: HK\$918,000) were charged to the consolidated statement of profit or loss.

41. 資本承擔

41. CAPITAL COMMITMENTS

	2023 千港元 HK\$'000	2022 千港元 HK\$'000
已訂約但尚未於綜合財務報表撥備之有關收購物業、廠房及設備之資本支出	47,848	68,682
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	47,848	68,682

財務報表附註

Notes to the Financial Statements

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

42. 關連人士交易及關連交易

除綜合財務報表另有披露外，年內本集團已進行以下主要關連人士交易。

(a) 主要管理人員酬金

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
董事(附註14)	Directors (Note 14)	2,775	3,038
其他主要管理人員： 薪金及其他短期僱員福利	Other key management personnel: Salaries and other short-term employee benefits	4,260	4,845
		7,035	7,883

- (b) 池文富先生已向國際金融公司作出承諾，將本公司之股權維持在最低水平作為借貸抵押品，詳情參見附註34。
- (c) 於2022年12月31日，一間附屬公司欠下由一間附屬公司董事授予的一筆金額為36,314,000港元的借款(「借款」)，年利率為6%。

根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第14A.72條規定，董事會確認該借款是以正常商業條件或更優條件進行，並非以集團資產為抵押，因此完全符合上市規則第14A.73條和第14A.90條的報告、公告、通函和股東批准要求之豁免規定。

該筆借款自本公司開始臨時清盤以來一直拖欠償還利息及本金，並進入本公司債權人五年展期計劃。

於2023年8月31日，借款(包括本金加利息37,238,000港元)已獲解除及分配至五年展期債權人計劃借款。

- (d) 於2023年12月31日，本公司的負債為由本公司一名董事授出的12,750,000港元(2022年：零港元)，年利率為4.5%至6%。

42. RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Except as disclosed elsewhere in the consolidated financial statements, the Group entered into the following significant related party transactions during the year.

(a) Key Management Compensation

		2023 千港元 HK\$'000	2022 千港元 HK\$'000
董事(附註14)	Directors (Note 14)	2,775	3,038
其他主要管理人員： 薪金及其他短期僱員福利	Other key management personnel: Salaries and other short-term employee benefits	4,260	4,845
		7,035	7,883

- (b) Mr. Chi Wen Fu has given an undertaking to IFC to maintain a minimum level of shareholding in the Company as collateral of the borrowings as detailed in Note 34.
- (c) As at 31 December 2022, a subsidiary was indebtedness in a loan ("the Loan") amounting to HK\$36,314,000, at an interest rate of 6% per annum, granted by a director of a subsidiary.

Pursuant to Rule 14A.72 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Directors confirm that such borrowing was conducted on normal commercial terms or better, and not secured by the assets of the Group, and thus are fully exempt from the reporting, announcement, circular and shareholders' approval requirements under Rule 14A.73 and Rule 14A.90 of the Listing Rules.

The loan has been default in repayment of interest and principle since the commencement of provisional liquidation of the Company, and enter the Company creditors' scheme for five year extension.

On 31 August 2023, the Loan which include principal plus interest amounted HK\$37,238,000 have been discharged and allocated into the five year term extension creditors' scheme loan.

- (d) As at 31 December 2023, the Company was indebtedness of amounting to HK\$12,750,000 (2022: HK\$ Nil), at an interest rate of 4.5% to 6% per annum, granted by a director of the Company.

財務報表附註

Notes to the Financial Statements

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

根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第14A.72條規定，董事會確認該借款是以正常商業條件或更優條件進行，並非以集團資產為抵押，因此完全符合上市規則第14A.73條和第14A.90條的報告、公告、通函和股東批准要求之豁免規定。

Pursuant to Rule 14A.72 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Directors confirm that such borrowing was conducted on normal commercial terms or better, and not secured by the assets of the Group, and thus are fully exempt from the reporting, announcement, circular and shareholders' approval requirements under Rule 14A.73 and Rule 14A.90 of the Listing Rules.

此外，根據香港聯合交易所有限公司證券上市規則(「上市規則」)第14A.72條，董事認為以上所披露之重大關連人士交易，概不符合上市規則第14A章所定義的關連交易或持續關連交易之定義。

In addition, pursuant to Rule 14A.72 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Directors consider that none of the material related party transactions disclosed above falls under the definition of connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

43. 非現金交易

於截至2023年12月31日止年度，本集團並無關於辦公場所租賃安排的使用權資產及租賃負債的非現金添置。

43. NON-CASH TRANSACTIONS

During the year ended 31 December 2023, the Group had no non-cash additions to right-of-use assets and lease liabilities in respect of lease arrangements of office premises.

44. 由融資活動引起的負債對賬

44. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

		借貸 Borrowings 千港元 HK\$'000	可換股債券 Convertible bonds 千港元 HK\$'000	租賃負債 Lease liabilities 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於2022年1月1日	As at 1 January 2022	2,146,074	-	6,214	2,152,288
融資現金流量	Financing cash flow	(38,647)	-	(357)	(39,004)
外匯調整	Foreign exchange adjustments	(56,829)	-	(1,037)	(57,866)
債務重組	Debt restructuring	(101,825)	7,643	-	(94,182)
其他非現金變動(附註)	Other non-cash movement (note)	6,918	256	1,682	8,856
於2022年12月31日及 2023年1月1日	As at 31 December 2022 and 1 January 2023	1,955,691	7,899	6,502	1,970,092
融資現金流量	Financing cash flow	11,651	-	(1,366)	10,285
外匯調整	Foreign exchange adjustments	(50,859)	-	(185)	(51,044)
債務重組	Debt restructuring	(253,929)	-	-	(253,929)
其他非現金變動(附註)	Other non-cash movement (note)	34,412	669	408	35,489
於2023年12月31日 淨債項	Net debt as at 31 December 2023	1,696,966	8,568	5,359	1,710,893

附註：其他非現金變動包括財務費用及租賃負債增加。

note: other non-cash movement included finance costs and additions to lease liabilities.

財務報表附註

Notes to the Financial Statements

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

45. 附屬公司擁有權益之變動

截至2023年12月31日止年度，本集團於稀鎂科技的股權由60.10%稀釋至40.00%。由於該等交易，本集團確認非控股權益增加約180,764,000港元及其他儲備增加約159,360,000港元。

截至2022年12月31日止年度，本集團於稀鎂科技的股權由72.31%稀釋至60.10%。由於該等交易，本集團確認非控股權益減少約133,108,000港元及其他儲備增加約162,893,000港元。

46. 訴訟與或然負債

- (a) 於2023年12月31日，山東紅日就一名獨立第三方（2022年：一名獨立第三方）向一間銀行（2022年：一間銀行）取得信貸融資並簽訂了企業擔保約人民幣141,000,000元（2022年：人民幣141,000,000元）。若被要求全面履行擔保責任，須予以支付。

有關企業擔保之更多詳情，請參閱日期為2016年9月27日之公告。

由於該獨立第三方於2022年進行了債務重組，銀行對山東紅日提起訴訟，要求執行企業擔保。目前該銀行已取得法院裁決，但仍未執行。山東紅日將因應銀行的進一步行動尋求法律意見，並將根據該等法律意見對該獨立第三方採取必要行動，以維護本集團的整體利益。

45. CHANGES IN OWNERSHIP INTEREST IN SUBSIDIARIES

During the year ended 31 December 2023, the Group's equity interest in REMT was diluted from 60.10% to 40.00%. As a result of these transactions, the Group recognised an increase in non-controlling interests of approximately HK\$180,764,000 and a decrease in other reserve of approximately HK\$159,360,000.

During the year ended 31 December 2022, the Group's equity interest in REMT was diluted from 72.31% to 60.10%. As a result of these transactions, the Group recognised a decrease in non-controlling interests of approximately HK\$133,108,000 and an increase in other reserve of approximately HK\$162,893,000.

46. LITIGATIONS AND CONTINGENT LIABILITIES

- (a) As at 31 December 2023, Shandong Hongri has executed financial guarantees to a bank (2022: a bank) for credit facilities granted to an independent third party (2022: an independent third parties), for approximately RMB141,000,000 (2022: RMB141,000,000) which would be required to be paid if the guarantees were called upon in entirety.

For more detail of the corporate guarantees, please refer to announcement date 27 September 2016.

As the independent third party was entering into debt restructuring in 2022, the bank pursued litigation against Shandong Hongri to claim enforcement on the corporate guarantee. The bank has obtained a court ruling at present, but it has not yet been executed. Shandong Hongri will seek legal advice in response to further actions by the bank and will take necessary actions against the independent third party based on such legal advice to safeguard the overall interests of the Group.

財務報表附註

Notes to the Financial Statements

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

- (b) 雖然境外之債務重組已於2023年8月31日完成，但此前引起之交叉違約及付款違約，已觸發若干中國境內附屬公司之債權銀行，及其他債權人啓動對相關附屬公司提出立即還款的訴訟，包括但不限於要求凍結、查封及拍賣企業資產以實現其債權。

由於該等訴訟主要涉及未能履行已在綜合財務報表中確認之相關負債的義務及相關已抵押資產。部份訴訟亦已取得當地法院裁決。倘若最終該等已抵押資產執行拍賣，所得款項將優先用於償還該相關企業之債務，集團的整體負債亦會相應降低。

對於已取得當地法院裁決，但仍未進入執程序或目前中止執行的債權人，本集團將積極與其溝通，務求爭取通過協議和解方式解決訴訟，為相關企業爭取時間及空間進行債務重組。倘若最終未能與該等債權人達成新協議，該等債權人可能將重新啓法律程序，重新申請執行法院裁決。

目前中國境內附屬公司債務重組仍進行中，由於本集團流動資金短缺疊加訴訟執行個案進一步加大中國境內附屬公司債務重組所面臨的難度，也制約了企業正常生產經營。

本公司將視中國境內附屬公司債務重組進展情況另行刊發公告，以向本公司股東及投資者通報有關該等重組或訴訟的任何重大進展。

- (b) Although the offshore debt restructuring was completed on 31 August 2023, the cross-defaults and payment defaults caused previously have triggered bank creditors of certain subsidiaries in mainland China and other creditors to initiate lawsuits against the subsidiaries for immediate repayment. This may include but is not limited to requests for asset freezing, seizure, and auction to recover their debts.

For such litigations, they were mainly in relation to failure to perform the obligation of the related liabilities already recognized in the consolidated financial statements and related assets pledged. Some of the lawsuits have obtained rulings from local courts. If the pledged assets are eventually auctioned, the proceeds will be used firstly for the repayment of the debts of the relevant subsidiaries. The group's overall liabilities will also be reduced accordingly.

Regarding the creditors who have obtained local court rulings but have not yet entered the execution process or are currently suspended from execution, the Group will actively communicate with them, striving to seek resolutions through agreements and settlements, in order to have time and space for debt restructuring of the relevant subsidiaries. If new agreements cannot be reached with these creditors in the end, they may restart legal proceedings and reapply for court rulings to be executed.

Currently, the debt restructuring of the subsidiaries in mainland China is still ongoing. Due to the Group's shortage of working capital and the further complexity added by litigation and execution cases, it has become more difficult to carry out the debt restructuring of the subsidiaries in mainland China, which also restrict its normal business operations.

Further announcements on the progress of debts restructuring of onshore subsidiaries in mainland China will be made by the Company so as to update the shareholders and investors of the Company in relation to any material development on such debt restructuring and litigations.

財務報表附註

Notes to the Financial Statements

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

47. 報告期後事項

- (a) 誠如本公司日期分別為2023年12月8日、2024年2月23日及2024年3月8日的公告內所披露。

本集團之全資附屬公司，江西天瑞豐收化工有限公司（「江西公司」）在法院主持下開展債務清算工作，當中包括，江西公司的一筆約人民幣78,800,000元已由江西公司擁有的土地使用權、廠房、設備、車輛等（「江西公司資產」）作出抵押的銀行貸款。

誠如截至2023年6月30日止的中期報告內披露，為維持肥料生產的流動資金及最小化市場波動產生的風險，本集團調整並壓縮了肥料生產規模，江西公司的產能已持續處於閑置狀態。

於2024年3月5日的拍賣，江西公司資產以合共總金額約人民幣1.06億售出。拍賣所得款項會優先用於償還江西公司已抵押的銀行貸款以及其他欠款。江西公司將在法院主持下進行破產清算，其所有的其他債務也將一併處理。於完成所有法定程序後，江西公司將予以注銷。

47. EVENTS AFTER THE REPORTING PERIOD

- (a) Reference is made to the announcements of the Company respectively on 8 December 2023, 23 February 2024 and 8 March 2024.

Jiangxi Tianrui Fengshou Chemical Co., Ltd. (the “Jiangxi Company”), a wholly owned subsidiary of the Company, was undergoing debt restructuring under the supervision of the court. Among them, a secured bank loan of Jiangxi Company approximately RMB78,800,000 was secured by the land use rights, plant, equipment, motor vehicles, etc. owned by Jiangxi Company (the “Assets of Jiangxi Company”).

As disclosed in the interim report for the period ended 30 June 2023, to maintain the working capital for fertiliser production and minimize the risks arising from market fluctuations, the Group has adjusted and compressed its fertiliser production scale. The production capacity of Jiangxi Company still remained idle.

On 5 March 2024, the Assets of Jiangxi Company were sold for an aggregate amount of RMB106 million at auction. The auction proceeds will be used firstly for the repayment of the secured bank borrowings and other debts of Jiangxi Company. Under the supervision of the court, the Jiangxi company will undergo bankruptcy liquidation, and all its other debts will be dealt with as well. After completing all legal procedures, the Jiangxi company will be deregistered.

財務報表附註

Notes to the Financial Statements

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

(b) 誠如本公司於2023年中期業績所提述，國內若干附屬公司之債權人已啓動訴訟。當中包括一間中國內地銀行針對白山市天安金屬鎂礦業有限公司(『白山天安』)未能履行貸款向當地法院申請拍賣。白山天安為本公司旗下上市集團稀鎂科技集團控股有限公司(『稀鎂科技』)之全資附屬公司。相關銀行貸款由白山天安擁有位於中國吉林省白山市的土地使用權、廠房及機器設備等作出抵押。截至2023年12月31日，該銀行貸款之結欠本金總計人民幣64,000,000元。

白山法院已於2024年3月10日至2024年3月11日期間拍賣白山天安資產，拍賣總價約人民幣1.33億。拍賣所得款項將優先用於償還白山天安的相關債務。誠如稀鎂科技於2023中期業績內披露，白山天安的產能已閒置多年。

截止本報告發佈之日，該拍賣已流拍。

除上述披露外，於2023年12月31日後及直至本報告日期，本集團並無其他任何重大事項。截至本報告日期，本集團的業務營運仍正常進行，上述事宜並未對本集團的其他業務營運產生重大影響。

48. 比較數字

若干比較數字已重新分類以符合本年度之呈列方式。

49. 授權刊發綜合財務報表

董事會於2024年3月28日批准及授權刊發綜合財務報表。

(b) Reference is made to the 2023 Interim Results of the Company, certain bank creditors of subsidiaries in mainland China have initiated lawsuits. This includes a mainland Chinese bank that has filed a lawsuit against Baishan City Tianan Magnesium Resources Company Limited (“Baishan Tianan”) for its failure to repay a loan and has applied for an auction in the local court. Baishan Tianan is a wholly owned subsidiary of Rare Earth Magnesium Technology Group Holdings Limited (“REMT”) which is a listed group of the Company. The bank loan is secured by Baishan Tianan’s land use rights, factory buildings, machinery, and equipment located in Baishan City, Jilin Province, China. As at 31 December 2023, the outstanding principal of the bank loan amounts to a total of RMB64,000,000.

Baishan Court conducted an auction of Baishan Tianan’s assets between 10 March 2024, and 11 March 2024, with a total auction price of approximately RMB133 million. The proceeds from the auction will be prioritised for the repayment of the relevant debts of Baishan Tianan. As disclosed in the 2023 Interim Results of REMT, Baishan Tianan’s production capacity has been idle for several years.

As of the date of this report, the auction has ended without a successful bid.

Saved as disclosed above, there are no material events undertaken by the Group subsequent to 31 December 2023 and up to the date of this report. As at the date of this Report, the Group’s business operations are still proceeding normally, and the above matters have not had a significant impact on the Group’s other business operations.

48. COMPARATIVES

Certain comparative amounts have been reclassified to conform with current year’s presentation.

49. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements was approved and authorised for issued by the board of directors on 28 March 2024.

五年財務概要

Five-Year Financial Summary

		2023	2022	2021	2020	2019
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
截至12月31日止年度	For the year ended 31 December					
收入	Revenue	315,582	531,605	1,331,858	2,151,811	4,314,420
銷售成本	Cost of sales	(395,915)	(466,105)	(1,200,336)	(1,848,286)	(3,251,036)
毛利	Gross profit	(80,333)	65,500	131,522	303,525	1,063,384
其他收益或虧損淨額	Other gains or losses, net	44,890	(527,657)	(959,890)	(745,023)	92,128
銷售及市場推廣費用	Selling and marketing costs	(4,728)	(7,839)	(34,377)	(55,377)	(107,917)
行政開支	Administrative expenses	(264,683)	(399,960)	(196,661)	(251,607)	(302,330)
財務費用	Finance costs	(178,819)	(191,776)	(200,301)	(179,501)	(153,664)
除所得稅前(虧損)/溢利	(Loss)/profit before income tax	(483,673)	(1,061,732)	(1,259,707)	(927,983)	591,601
所得稅抵免/(開支)	Income tax credit/(expense)	8,537	6,365	5,605	(56,222)	(163,347)
年內(虧損)/溢利	(Loss)/profit for the year	(475,136)	(1,055,367)	(1,254,102)	(984,205)	428,254
下列人士應佔年內(虧損)/溢利:	(Loss)/profit for the year attributable to:					
本公司擁有人	Owners of the Company	(236,690)	(1,007,080)	(1,121,566)	(745,368)	380,368
非控股權益	Non-controlling interests	(238,446)	(48,287)	(132,536)	(238,837)	47,886
每股(虧損)/盈利:	(Loss)/earnings per share:					
- 基本(每股港仙)	- basic (HK cents per share)	(5.17)	(21.98)	(24.48)	(16.27)	8.30
- 攤薄(每股港仙)	- diluted (HK cents per share)	(7.46)	(21.98)	(24.48)	(16.27)	8.30
於12月31日	As at 31 December					
資產總值	Total assets	3,222,413	4,361,021	5,910,461	6,934,475	7,627,565
負債總額	Total liabilities	(2,592,283)	(3,178,208)	(3,446,442)	(3,347,477)	(3,357,654)
權益總額	Total equity	630,130	1,182,813	2,464,019	3,586,998	4,269,911