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CPMC HOLDINGS LIMITED

中糧包裝控股有限公司

(incorporated in Hong Kong with limited liability)

(Stock code: 906)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL HIGHLIGHTS

	For the year ended		Changes (%)
	2023	2022	
	RMB'000	RMB'000	
Revenue	10,265,310	10,255,225	0.1
EBITDA	1,351,991	1,147,316	17.8
Net profit for the year	485,478	484,678	0.2
Basic earnings per share	RMB0.426	RMB0.437	(2.5)

- As disclosed in the Joint Announcement, the Company does not have any intention to announce, declare, make or pay any future dividend, other distribution or return of capital until the close of the Offer. As such, the Directors do not recommend the payment of a final dividend for the year ended 31 December 2023.

The board (the “**Board**”) of directors (the “**Directors**”) of CPMC Holdings Limited (the “**Company**”) presents the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2023 together with the comparative figures for the year ended 31 December 2022.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December

	<i>Note</i>	2023 RMB'000	2022 <i>RMB'000</i>
Revenue	4	10,265,310	10,255,225
Cost of sales	7(a)	<u>(8,660,013)</u>	<u>(8,973,085)</u>
Gross profit		1,605,297	1,282,140
Other income, gains and losses	5	105,070	224,853
Selling and marketing expenses		(392,930)	(393,955)
Administrative expenses		(455,147)	(431,206)
Finance costs	6	(238,489)	(87,717)
Share of results of joint ventures		<u>2,491</u>	<u>1,978</u>
Profit before income tax	7	626,292	596,093
Income tax expense	8	<u>(140,814)</u>	<u>(111,415)</u>
Profit for the year		<u>485,478</u>	<u>484,678</u>
Attributable to:			
Equity holders of the Company		474,760	486,512
Non-controlling interests		<u>10,718</u>	<u>(1,834)</u>
		<u>485,478</u>	<u>484,678</u>
Earnings per share attributable to ordinary equity holders of the Company			
Basic and diluted	10	<u>RMB0.426</u>	<u>RMB0.437</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Profit for the year	<u>485,478</u>	<u>484,678</u>
Other comprehensive expense		
<i>Item that may be reclassified to profit or loss in subsequent periods:</i>		
– Exchange differences arising on translation of foreign operations (with nil tax effect)	<u>(49,535)</u>	<u>(344,029)</u>
Other comprehensive expense for the year, net of tax	<u>(49,535)</u>	<u>(344,029)</u>
Total comprehensive income for the year	<u><u>435,943</u></u>	<u><u>140,649</u></u>
Attributable to:		
Equity holders of the Company	421,435	140,432
Non-controlling interests	<u>14,508</u>	<u>217</u>
	<u><u>435,943</u></u>	<u><u>140,649</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December

	Note	2023 RMB'000	2022 RMB'000
Non-current assets			
Property, plant and equipment		5,972,123	5,730,086
Right-of-use assets		423,432	420,458
Goodwill		233,973	233,973
Other intangible assets		19,646	20,270
Interests in joint ventures		51,011	20,917
Deposits for purchase of items of property, plant and equipment		93,179	189,129
Prepayments		43,572	44,299
Deferred tax assets		24,643	24,811
Total non-current assets		<u>6,861,579</u>	<u>6,683,943</u>
Current assets			
Inventories		1,728,040	1,770,419
Trade and bills receivables	11	2,819,521	2,738,201
Prepayments, other receivables and other assets		375,176	386,109
Tax recoverable		987	24
Pledged deposits and restricted deposit		65,719	115,743
Cash and cash equivalents		2,391,737	2,380,067
Total current assets		<u>7,381,180</u>	<u>7,390,563</u>
Current liabilities			
Trade and bills payables	12	2,300,044	2,422,478
Other payables and accruals		509,763	504,894
Lease liabilities		13,084	12,002
Interest-bearing bank borrowings		5,033,996	3,824,249
Tax payable		48,825	64,770
Total current liabilities		<u>7,905,712</u>	<u>6,828,393</u>
Net current (liabilities)/assets		<u>(524,532)</u>	<u>562,170</u>
Total assets less current liabilities		<u>6,337,047</u>	<u>7,246,113</u>

	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities		
Government grants	16,574	13,604
Interest-bearing bank borrowings	246,665	1,387,199
Lease liabilities	74,348	64,852
Deferred tax liabilities	71,568	52,056
	<u>409,155</u>	<u>1,517,711</u>
Total non-current liabilities		
	<u>409,155</u>	<u>1,517,711</u>
Net assets	<u>5,927,892</u>	<u>5,728,402</u>
Equity		
Equity attributable to equity holders of the Company		
Share capital	2,730,433	2,730,433
Reserves	2,824,793	2,648,311
	<u>5,555,226</u>	<u>5,378,744</u>
Non-controlling interests	372,666	349,658
	<u>372,666</u>	<u>349,658</u>
Total equity	<u>5,927,892</u>	<u>5,728,402</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December

	Note	2023 RMB'000	2022 RMB'000
Cash flows from operating activities			
Profit before income tax		626,292	596,093
Adjustments for:			
Finance costs	6	238,489	87,717
Interest income	5	(40,322)	(30,703)
Loss on disposal of property, plant and equipment	5	4,027	6,744
Gain on disposal of a subsidiary	5	–	(60,128)
Share of results of joint ventures		(2,491)	(1,978)
Committed dividend income from a former joint venture	5	–	(68,643)
Depreciation of property, plant and equipment	7(c)	458,047	434,044
Depreciation of right-of-use assets	7(c)	25,586	26,280
Amortisation of other intangible assets	7(c)	3,577	3,182
Impairment loss recognised of trade receivables, prepayments and other assets, net	7(c)	434	3,545
Amortisation of government grants		(2,114)	(1,210)
Foreign exchange differences, net		(20,514)	15,959
		<u>1,291,011</u>	<u>1,010,902</u>
Operating profit before changes in working capital		1,291,011	1,010,902
Decrease in inventories		42,379	133,231
Increase in trade and bills receivables		(81,762)	(250,873)
Decrease in prepayments, other receivables and other assets		25,538	41,575
Decrease/(increase) in pledged deposits and restricted deposit		22,243	(50,202)
(Decrease)/increase in trade and bills payables		(122,434)	98,725
Increase in other payables and accruals		47,854	63,767
		<u>1,224,829</u>	<u>1,047,125</u>
Cash generated from operations		1,224,829	1,047,125
Interest paid		(276,430)	(97,831)
PRC Enterprise Income Tax paid		(138,042)	(54,744)
		<u>810,357</u>	<u>894,550</u>
Net cash generated from operating activities		810,357	894,550

	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Cash flows from investing activities		
Interest received	40,322	30,703
Committed dividends received from a former joint venture	–	68,643
Purchase of property, plant and equipment	(417,615)	(714,696)
Deposits paid for purchase of property, plant and equipment	(82,012)	(191,865)
Proceeds from disposal of property, plant and equipment	3,656	3,242
Additions to prepayments, other receivables and other assets	(42,186)	(16,297)
Additions to leasehold lands	–	(48,388)
Additions to other intangible assets	(3,126)	(1,084)
Investments in joint ventures	(26,237)	(4,680)
Deposits paid for other non-current assets	–	(2,400)
Deposits refunded for other non-current assets	–	1,680
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	–	67,679
Receipt of government grants for property, plant and equipment	4,330	–
Net cash used in investing activities	<u>(522,868)</u>	<u>(807,463)</u>

	2023	2022
	RMB'000	RMB'000
Cash flows from financing activities		
New bank loans raised	85,091	1,383,415
Repayments of bank loans	(118,794)	(784,109)
Repayments of lease liabilities	(14,649)	(15,017)
Interest paid on lease liabilities	(1,621)	(1,966)
Dividends paid	(244,953)	(239,386)
Capital contributions from non-controlling shareholders	8,500	8,100
Loan advanced from a non-controlling shareholder of a subsidiary	–	64,895
Loan repaid to a non-controlling shareholder of a subsidiary	–	(69,777)
	<u>–</u>	<u>(69,777)</u>
Net cash (used in)/generated from financing activities	(286,426)	346,155
	<u>(286,426)</u>	<u>346,155</u>
Net increase in cash and cash equivalents	1,063	433,242
Cash and cash equivalents at beginning of year	2,380,067	1,917,295
Effect of foreign exchange rate changes, net	10,607	29,530
	<u>10,607</u>	<u>29,530</u>
Cash and cash equivalents at end of year	2,391,737	2,380,067
	<u>2,391,737</u>	<u>2,380,067</u>
Analysis of balances of cash and cash equivalents		
Cash and bank balances	1,501,737	1,490,067
Deposits in COFCO Finance Company Limited (“COFCO Finance”), a subsidiary of COFCO Corporation	890,000	890,000
	<u>890,000</u>	<u>890,000</u>
Cash and cash equivalents as stated in the consolidated statement of financial position and the consolidated statement of cash flows	2,391,737	2,380,067
	<u>2,391,737</u>	<u>2,380,067</u>

NOTES:

1 CORPORATE AND INFORMATION OF THE GROUP

CPMC Holdings Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong. On 16 November 2009, the Company listed its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered office of the Company is located at 33/F., COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the manufacture of packaging products, including beverage cans, milk powder cans, aerosol cans, metal caps, steel barrels and plastic packaging in the People’s Republic of China (the “**PRC**”).

As at 31 December 2023, (i) COFCO (Hong Kong) Limited (“**COFCO (Hong Kong)**”) beneficially held approximately 29.70% (2022: 29.70%) of the issued shares of the Company, being the single largest shareholder of the Company; and (ii) 奥瑞金科技股份有限公司 (ORG Technology Co. Ltd.*) (“**ORG Technology**”) beneficially held approximately 24.40% (2022: 24.40%) of the issued shares of the Company, being the second largest shareholder of the Company. COFCO (Hong Kong) is a company incorporated in Hong Kong and ultimately held by COFCO Corporation (“**COFCO**”), a state-owned enterprise registered in the PRC. ORG Technology is a company established in the PRC and listed on the Shenzhen Stock Exchange.

2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the Hong Kong Companies Ordinance. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. 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 (“**Listing Rules**”).

The consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments which have been measured at fair value. These consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

At 31 December 2023, a significant portion of the funding requirements of the Group for capital expenditures was satisfied by short-term borrowings. Consequently, at 31 December 2023, the Group had net current liabilities of approximately RMB524,532,000. The Group had sufficient undrawn borrowing facilities of not less than RMB2,000,000,000, subject to certain conditions, and may refinance and/or restructure certain short-term borrowings into long-term borrowings and will also consider alternative sources of financing, where applicable. The directors of the Company are of the opinion that the Group will be able to meet its liabilities as and when they fall due within the next twelve months and have prepared these consolidated financial statements on a going concern basis.

* *For identification purposes only.*

The unaudited financial information relating to the year ended 31 December 2023 and the financial information relating to the year ended 31 December 2022 included in this preliminary announcement of 2023 annual results do not constitute the Company's statutory annual consolidated financial statements for those years but, in respect of the year ended 31 December 2022, is derived from those consolidated financial statements. Further information relating to these statutory consolidated financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The consolidated financial statements for the year ended 31 December 2023 have yet to be reported on by the Company's auditor and will be delivered to the Registrar of Companies of Hong Kong in due course.

The Company has delivered the consolidated financial statements for the year ended 31 December 2022 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on the financial statements of the Group for the year ended 31 December 2022. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2023. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent and uniform accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are 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 members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's consolidated financial statements:

HKFRS 17	Insurance Contracts
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
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

- (a) Amendments to HKAS 12 narrow the scope of the initial recognition exception in HKAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions.

For leases, the associated deferred tax assets and liabilities are required to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments are applied to those transactions that occur after the beginning of the earliest period presented.

Prior to the amendments, the Group did not apply the initial recognition exemption to lease transactions and had recognised the related deferred tax, except that the Group previously determined the temporary difference arising from a right-of-use asset and the related lease liability on a net basis on the basis they arise from a single transaction. Following the amendments, the Group has determined the temporary differences in relation to right-of-use assets and lease liabilities separately. The change primarily impacts disclosures of components of deferred tax assets and liabilities, but does not impact the overall deferred tax balances presented in the consolidated statement of financial position as the related deferred tax balances qualify for offsetting under HKAS 12.

- (b) Amendments to HKAS 1 Disclosure of Accounting Policies require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 Making Materiality Judgements provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures.
- (c) In June 2022 the Hong Kong SAR Government (the "**Government**") gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "**Amendment Ordinance**"), which will come into effect from 1 May 2025 (the "**Transition Date**"). Once the Amendment Ordinance takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to mandatory provident fund ("**MPF**") scheme to reduce the long service payment ("**LSP**") in respect of an employee's service from the Transition Date (the abolition of the "**offsetting mechanism**"). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date. In July 2023, the HKICPA published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" that provides accounting guidance relating to the abolition of offsetting mechanism effective from 1 May 2025. The abolition of the offsetting mechanism did not have a material impact on the Group's results and financial position.

The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

3 OPERATING SEGMENT INFORMATION

For management purposes, the Group has one operating segment of packaging products, of which the results are monitored by the management for the purpose of making decisions about resource allocation and performance assessment.

This operating segment can be analysed by three business units based on their products and services as follows:

- (a) Tinplate packaging – the Group uses tinplate as the main raw material for its tinplate packaging products, which include milk powder cans, aerosol cans, metal caps, steel barrels, and other metal packaging;
- (b) Aluminium packaging – the Group uses aluminium as the main raw material for its aluminium packaging products, which mainly consist of two-piece beverage cans and one-piece bottles; and
- (c) Plastic packaging – the Group’s plastic packaging products are mainly used for milk bottles, shampoo bottles, plastic devices of electronic products, daily use hardware, package printing, sports drink bottles and related plastic-made products.

The analysis of revenue of each of the business unit is set out as below:

	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Tinplate packaging	4,209,774	4,212,735
Aluminium packaging	5,346,209	5,368,106
Plastic packaging	709,327	674,384
	<u>10,265,310</u>	<u>10,255,225</u>

Geographical information

The Group's revenue from external customers is based on the location of customers and information about its non-current assets by geographical location of the assets are detailed below:

	Revenue from external customers		Non-current assets (Note)	
	2023 RMB'000	2022 RMB'000	2023 RMB'000	2022 RMB'000
The PRC	9,442,898	9,572,088	6,177,033	5,949,467
Overseas	<u>822,412</u>	<u>683,137</u>	<u>659,903</u>	<u>709,665</u>
	<u>10,265,310</u>	<u>10,255,225</u>	<u>6,836,936</u>	<u>6,659,132</u>

Note: Non-current assets excluded deferred tax assets.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2023 RMB'000	2022 RMB'000
Customer A	1,264,768	1,380,647
Customer B	<u>1,150,533</u>	<u>1,101,412</u>

4 REVENUE

An analysis of revenue is as follows:

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Revenue from contracts with customers		
Sale of packaging products	<u>10,265,310</u>	<u>10,255,225</u>

Revenue from contracts with customers

(i) *Disaggregated revenue information*

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
By type of goods		
Tinplate packaging	4,209,774	4,212,735
Aluminium packaging	5,346,209	5,368,106
Plastic packaging	<u>709,327</u>	<u>674,384</u>
Total revenue from contracts with customers	<u>10,265,310</u>	<u>10,255,225</u>
By geographical markets		
The PRC	9,442,898	9,572,088
Overseas	<u>822,412</u>	<u>683,137</u>
Total revenue from contracts with customers	<u>10,265,310</u>	<u>10,255,225</u>

All of the Group's revenue from contracts with customers is recognised at a point in time when control of goods are transferred.

5 OTHER INCOME, GAINS AND LOSSES

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Other income		
Bank interest income	26,068	15,608
Interest income from COFCO Finance	14,254	15,095
Committed dividend income from a former joint venture (<i>Note (a)</i>)	–	68,643
Government grants (<i>Note (b)</i>)	29,530	34,122
Rental income	2,594	3,008
	<u>72,446</u>	<u>136,476</u>
Other gains and losses		
Loss on disposal of property, plant and equipment	(4,027)	(6,744)
Foreign exchange differences, net	26,953	23,318
Gain on disposal of a subsidiary	–	60,128
Other gains (<i>Note (c)</i>)	9,698	11,675
	<u>32,624</u>	<u>88,377</u>
	<u><u>105,070</u></u>	<u><u>224,853</u></u>

Note:

- (a) Based on the instalment payment schedule as set out in the repurchase agreement dated 28 April 2020, during the year ended 31 December 2022, the Group received the sixth and seventh instalments of committed dividend from a former joint venture, Qingyuan JDB Herbal Plant Technology Co., Ltd., amounting to RMB68,643,000.
- (b) The government grants are mainly granted by the local authorities in the PRC to support local entities. There are no unfulfilled conditions or contingencies relating to these grants.
- (c) Other gains mainly consist of gains from the sales of waste materials or unused raw materials from the manufacturing process.

6 FINANCE COSTS

An analysis of finance costs is as follows:

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Interest on bank loans	277,285	101,964
Interest on lease liabilities	1,621	1,966
Interest on loan from non-controlling shareholder of a subsidiary	—	564
	<u>278,906</u>	<u>104,494</u>
Less: Interest capitalised	<u>(40,417)</u>	<u>(16,777)</u>
	<u><u>238,489</u></u>	<u><u>87,717</u></u>

7 PROFIT BEFORE INCOME TAX

The Group's profit before income tax is arrived at after charging/(crediting):

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
(a) Cost of sales		
Cost of inventories sold	8,685,069	8,978,268
Realised and unrealised fair value gains on derivative financial instruments, net	<u>(25,056)</u>	<u>(5,183)</u>
	<u><u>8,660,013</u></u>	<u><u>8,973,085</u></u>
(b) Staff costs (including directors' and chief executive's remuneration)		
Wages and salaries	719,375	669,876
Pension scheme contributions**	79,539	70,764
Other benefits	<u>78,458</u>	<u>58,525</u>
	<u><u>877,372</u></u>	<u><u>799,165</u></u>

	2023	2022
	RMB'000	<i>RMB'000</i>
(c) Other items		
Depreciation of property, plant and equipment	458,047	434,044
Depreciation of right-of-use assets	25,586	26,280
Amortisation of other intangible assets*	3,577	3,182
Research and development costs*	107,504	93,366
Impairment losses recognised/(reversed) under expected credit loss model, net:		
– Trade receivables*	442	1,292
– Prepayments, other receivables and other assets*	(8)	2,253
	<u>1,800</u>	<u>1,700</u>
Auditor's remuneration:		
– Audit service	1,800	1,700
– Non-audit services	700	700
	<u>2,500</u>	<u>2,400</u>

* The research and development costs, impairment losses of trade receivables, prepayments, other receivables and other assets are included in administrative expenses in the consolidated statement of profit or loss. Amortisation of other intangible assets is included in cost of sales and administrative expenses in the consolidation statement of profit or loss.

** As at 31 December 2023, there are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions (2022:Nil).

8 INCOME TAX EXPENSE

Hong Kong Profits Tax has not been provided as the Group did not generate any assessable profits arising in Hong Kong during the year (2022: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
PRC Enterprise Income tax		
Current tax	148,816	126,378
Over-provisions in respect of prior years	(27,848)	(16,905)
Overseas tax		
Current tax	166	–
Under-provisions in respect of prior years	–	9
Deferred tax	<u>19,680</u>	<u>1,933</u>
	<u><u>140,814</u></u>	<u><u>111,415</u></u>

Pursuant to the approvals issued by the State Administration of Taxation of the PRC during the year ended 31 December 2013, the Company and most of its subsidiaries registered in Hong Kong and the British Virgin Islands are regarded as Chinese Resident Enterprises (collectively the “CREs”) and the relevant enterprise income tax policies of the PRC are applicable to the CREs commencing from 1 January 2013.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries are 25% for both years. Four (2022: Four) of the Group’s subsidiaries operating in the PRC have granted a preferential EIT rate of 15%, by the relevant tax authorities. One (2022: One) of the Group’s subsidiary are qualified as high-tech enterprises in the PRC, and the relevant tax authorities have granted the subsidiary a preferential EIT rate of 15%. One (2022: One) of the Group’s subsidiaries are qualified as small enterprises earning low profits in the PRC, and the relevant tax authorities have granted the subsidiary preferential EIT rate of 2.5% (2022: 2.5%).

9 DIVIDENDS

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Interim – RMB0.122 (2022: RMB0.120) per ordinary share	135,838	133,611
Proposed final – RMBNil (2022: RMB0.098) per ordinary share	<u>–</u>	<u>109,115</u>
	<u><u>135,838</u></u>	<u><u>242,726</u></u>

No final dividend was proposed for ordinary equity holders of the Company in respect of the year ended 31 December 2023, nor has any dividend been proposed since the end of the reporting period.

The final dividend in respect of the year ended 31 December 2022 was proposed by the directors of the Company on 22 March 2023, and subsequently approved at the Company's Annual General Meeting on 30 May 2023 and recognised as distribution during the year ended 31 December 2023.

10 EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of RMB474,760,000 (2022: RMB486,512,000) and the weighted average number of ordinary shares of 1,113,423,000 (2022: 1,113,423,000) in issue during the year.

The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The diluted earnings per share for the years ended 31 December 2023 and 2022 was same as the basic earnings per share as there were no potential dilutive ordinary shares in existence in both years.

The calculations of basic and diluted earnings per share are based on:

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	<u><u>474,760</u></u>	<u><u>486,512</u></u>

	Number of shares	
	2023 <i>'000</i>	2022 <i>'000</i>
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	<u><u>1,113,423</u></u>	<u><u>1,113,423</u></u>

11 TRADE AND BILLS RECEIVABLES

	2023 RMB'000	2022 <i>RMB'000</i>
Trade receivables		
– From third parties	2,530,346	2,481,450
– From related parties	130,771	80,065
	2,661,117	2,561,515
Less: Impairments	(3,973)	(3,535)
	2,657,144	2,557,980
Bills receivables	162,377	180,221
Trade and bills receivables	2,819,521	2,738,201

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 to 180 (2022: 30 to 180) days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables related to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The Group's trade receivables from related parties are on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of impairment, is as follows:

	2023 RMB'000	2022 <i>RMB'000</i>
Within 3 months	2,094,075	1,855,754
3 to 12 months	724,908	881,735
Over 1 year	538	712
	2,819,521	2,738,201

12 TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	1,832,215	1,849,725
3 to 12 months	461,878	565,169
Over 1 year	<u>5,951</u>	<u>7,584</u>
	<u><u>2,300,044</u></u>	<u><u>2,422,478</u></u>

Trade and bills payables are non-interest-bearing and the credit terms are normally 30 to 90 (2022: 30 to 90) days.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS DESCRIPTION

The Group is principally engaged in the manufacturing and sale of packaging products used for consumer goods such as food, beverages and household chemical products, extensively covering the packaging markets of tea beverages, carbonated beverages, fruit and vegetable beverages, beer, dairy products, household chemical products and other consumer goods. In addition, the Group provides comprehensive packaging solutions including high technological packaging design, printing, logistics and comprehensive customer services. As a leading metal packaging provider in the PRC, the Group is committed to developing into the leader of the comprehensive consumer goods packaging industry in the PRC. The products of the Group mainly include aluminium packaging, tinplate packaging and plastic packaging. The Group carries out operations through 38 operating subsidiaries and their branches and 3 joint ventures (which are strategically located in different regions of the PRC), an offshore operating subsidiary and an offshore joint venture in order to serve customers more efficiently. Ranking first in multiple market segments, the Group has earned the appreciation and trust of many well-known brands domestically and abroad, and established a solid customer base, including domestically and internationally renowned enterprises in the high-end consumer goods industry.

- **Aluminium Packaging**

The Group uses aluminium as the main raw material for its aluminium packaging products, which mainly include two-piece beverage cans (two-piece cans) and one-piece cans. Aluminium packaging products are characterised by a high degree of automatic production and full product recyclability, etc., and has been one of the Company's core businesses in recent years.

In 2023, the Group proactively optimised its regional production capacity layout, and had its new plants and production lines commissioned one after another, laying a solid foundation for its development. In addition, it continued to promote internal tapping and efficiency enhancement, steadily releasing new production capacity, building regional multi-type can supply capacity and enhancing core competitiveness. In 2023, the Group's sales revenue from aluminium packaging was approximately RMB5,346 million (2022: approximately RMB5,368 million), which was basically flat from 2022, accounting for approximately 52.1% of the overall sales (2022: approximately 52.3%). The gross profit margin of the aluminium packaging business was approximately 14.6% in 2023 (2022: approximately 12.4%).

Two-Piece Beverage Cans (Two-Piece Cans)

Two-piece cans products are primarily used for the packaging of beer, carbonated drinks and tea beverages. In 2023, the Group's sales revenue from the two-piece can business was approximately RMB5,146 million (2022: approximately RMB5,186 million), which was basically flat from 2022. Renowned customers of the Group's two-piece can business include Anheuser-Busch InBev, Coca-Cola, CR Snow Breweries, JDB, Carlsberg and Tsingtao Brewery.

One-Piece Cans

One-piece cans products are primarily used for the packaging of household chemical products, beers, carbonated drinks and medical products. In 2023, the Group's sales revenue from one-piece can products was approximately RMB200 million (2022: approximately RMB182 million), representing an increase of 9.9% over 2022. Renowned customers of the Group's one-piece cans business include Anheuser-Busch InBev, Sinochem Group and Qingyuan Laptop (清遠立道), etc.

- **Tinplate Packaging**

The Group uses tinplate as the primary raw material for its tinplate packaging, the products of which include milk powder cans, aerosol cans, metal caps, steel barrels and other metal packaging. The Group is in a leading position in a number of market segments, with milk powder cans, twist caps, aerosol cans and steel barrels ranking No. 1 in market shares nationwide.

In 2023, the Group continued to promote internal tapping and achieved profitability enhancement through optimisation of supply chain management. In the meantime, the Group placed emphasis on the innovation and commercialization of new products to explore new avenues for growth in a proactive manner. In addition, the Group continued to consolidate its cooperation with core customers and maintained the leading position of its milk powder can business in the respective market segment. Steel barrels business further improved its regional business layout, thereby beefing up its scale advantage, and steadily increased its gross profit margin through integration and standardisation efforts as well as optimisation of its customer structure. In 2023, sales revenue from the Group's tinplate packaging business amounted to approximately RMB4,210 million (2022: approximately RMB4,213 million), which was basically flat from 2022, accounting for approximately 41.0% of the overall sales (2022: approximately 41.1%). The gross profit margin of the tinplate packaging business in 2023 was approximately 17.1% (2022: approximately 12.4%).

Milk Powder Cans

Milk powder cans are mainly used for the packaging of infant formula milk powder, health food and other products. The Group is the largest milk powder can manufacturer in the PRC. In 2023, the sales revenue from the milk powder can business amounted to approximately RMB774 million (2022: approximately RMB806 million), representing a year-on-year decrease of approximately 4.0%. Renowned customers of the Group's milk powder cans business include Feihe, Yili, Mengniu, Unilever and Nestle.

Aerosol Cans

Aerosol cans products are primarily used for the packaging of household chemical products (e.g. car maintenance products, alcohol disinfectant, air fresheners, personal care products and pesticides) and other chemical products. In 2023, the Group recorded sales revenue of approximately RMB568 million (2022: approximately RMB523 million), representing a year-on-year increase of approximately 8.6%. Renowned customers of the Group's aerosol cans business include Gunuo Tianjin, Zhongshan Aestar, Guangdong Theaoston, Johnson Shanghai and Shanghai Daizo.

Metal Caps

Metal caps products include twist caps and crown caps. In 2023, the Group's sales revenue from the metal caps business amounted to approximately RMB472 million (2022: approximately RMB548 million), representing a year-on-year decrease of approximately 13.9%. Renowned customers of the Group's metal caps business include Haiday, Huanlejjia, Jiajiahong, Linjia Puzi, Snow Breweries and Anheuser-Busch InBev.

Steel Barrels

The Group produces steel barrels with a volume of 200 litres or above, which are mainly used for carrying chemical products and raw food ingredients (e.g. bulk edible oil). In 2023, the sales revenue was approximately RMB1,508 million (2022: approximately RMB1,387 million), representing a year-on-year increase of approximately 8.7%. Renowned customers of the Group's steel barrels business include Wanhua, Shell, Sinopec, Exxon Mobil and Covestro, etc.

- **Plastic Packaging**

The Group's plastic packaging products are mainly used for the packaging of personal care, household chemical and food and beverage products. In 2023, the customer structure was continuously optimised and the sales proportion of food and beverage customers was increased. In terms of production operations, as application of intelligent manufacturing was promoted, the degree of automation of production processes continued to increase with the average length of production cycle and per capita output efficiency improved significantly. The sales revenue from the plastic packaging business was approximately RMB709 million in 2023 (2022: approximately RMB674 million), representing a year-on-year increase of approximately 5.2%, accounting for approximately 6.9% of the total revenue (2022: approximately 6.6%). The gross profit margin of the plastic packaging business in 2023 was approximately 14.4% (2022: approximately 13.8%). Renowned customers of the Group's plastic packaging business include P&G, Blue Moon, Unilever, Reckitt Benckiser, Haiday, Mengniu and Yili.

OUTLOOK FOR 2024

Looking ahead to 2024, the government remains committed to fostering the healthy development of the consumer market. The Ministry of Commerce has set the tone for 2024 as the "Consumption-Promoting Year (消費促進年)", in which it will adhere to the dual-wheeled drive of "policies + activities" and organise a series of consumption-promoting activities to promote a gradual transition of consumption from post-pandemic recovery to sustained expansion. The orderly implementation of these initiatives will boost China's consumer market, especially sectors of service consumption such as catering, cultural tourism and hospitality.

As the government champions the principles of sustainability and low carbon footprint, a discernible inclination towards eco-friendly consumption is emerging among young people. This evolution in consumption philosophy mirrors the more rational and mature consumption attitude of young people, which is in harmony with the prevailing consumer patterns in society. To cater to the dynamic desires of young people, we need to keenly observe and respond to their evolving consumption preferences and psychological shifts, ensuring that we deliver products and services that are more eco-conscious and of superior quality.

The Group is capitalizing on the "3+N" technology innovation system to step up its efforts in innovation and research and development, ensuring that we address the increasing consumer demand for low-carbon and environmentally responsible packaging. Meanwhile, we will enhance our existing domestic market share and explore opportunities in overseas markets by focusing on the domestic market and synchronising our efforts in overseas markets. In addition, we will intensify the application of intelligent manufacturing and digitisation in our production and operation activities to achieve a higher rate of return on investment.

FINANCIAL REVIEW

For the year ended 31 December 2023, revenue of the Group amounted to approximately RMB10,265 million (2022: approximately RMB10,255 million), which was basically flat from 2022. Gross profit margin reached approximately 15.6% in the year of 2023 (2022: approximately 12.5%), representing an increase of 3.1% as compared with the same period in the previous year. The increase which was primarily beneficial from the impact of technology cost reduction and the prices of raw material dropped.

For the year ended 31 December 2023, net profit amounted to approximately RMB485 million (2022: approximately RMB485 million), which was basically flat from 2022.

GROUP'S PROFIT

For the year ended 31 December 2023, the Group's profit before income tax was approximately RMB626 million (2022: approximately RMB596 million), representing an increase of approximately RMB30 million or 5.1% as compared to the same period in the previous year.

Finance costs were approximately RMB238 million (2022: approximately RMB88 million), representing an increase of approximately RMB151 million or 171.9% as compared to the same period in the previous year, which was mainly due to the increase in integrated financing interest rate.

Income tax expenses were approximately RMB141 million (2022: approximately RM111 million). The effective income tax rate of the Group in 2023 was approximately 22.5% (2022: approximately 18.7%).

CASH FLOW, FINANCIAL RESOURCES AND GEARING RATIO

In 2023, the Group's main sources of funding were cash generated from operating activities and bank loans.

	31 December 2023	31 December 2022
	<i>RMB (million)</i>	<i>RMB (million)</i>
Net assets	5,928	5,728
Cash and cash equivalents	2,392	2,380
Total borrowings	5,281	5,211
Equity attributable to equity holders of the Company	5,555	5,379
Current ratio	0.9	1.1
Gearing ratio*	<u>52.0%</u>	<u>52.6%</u>

* The gearing ratio is calculated as net borrowings divided by equity attributable to equity holders of the Company, in which the net borrowings are calculated as total borrowings less cash and cash equivalents.

As at 31 December 2023, the Group had net assets of approximately RMB5,928 million (31 December 2022: approximately RMB5,728 million). Equity attributable to equity holders of the Company was approximately RMB5,555 million, which has slightly increased as compared to approximately RMB5,379 million as at 31 December 2022.

The current ratio and gearing ratio as at 31 December 2023 were approximately 0.9 and approximately 52.0%, respectively (31 December 2022: approximately 1.1 and approximately 52.6%, respectively). The current ratio as at 31 December 2023 was approximately 0.9 decreased by 0.2 as compared to 31 December 2022. The decrease in gearing ratio from approximately 52.6% as at 31 December 2022 to approximately 52.0% as at 31 December 2023 was mainly due to the increase in equity attributable to equity holders of the Company. Interest-bearing bank loans were approximately RMB5,281 million as at 31 December 2023. As at 31 December 2023, certain of the Group's bank loans are secured by mortgages over the Group's properties, plants and equipments, which had a net carrying value at the end of the reporting period of approximately RMB344 million (31 December 2022: RMB325 million).

CAPITAL EXPENDITURE, COMMITMENTS AND CONTINGENT LIABILITIES

For the year ended 31 December 2023, the Group's capital expenditure was approximately RMB571 million, which was as follows:

	RMB million	Percentage of capital expenditure
Two-piece cans project	383	67.1%
Tinplate project	69	12.1%
Plastics project	36	6.3%
Steel barrels project	20	3.5%
Other equipment purchases	<u>63</u>	<u>11.0%</u>
Total	<u><u>571</u></u>	<u><u>100.0%</u></u>

As at 31 December 2023, the Group had the following capital commitments:

	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Contracted for, but not provided for in the consolidated financial statements:		
property, plant and equipment	225,667	463,023
Capital contribution payable to a joint venture	<u>51,242</u>	<u>–</u>

As at 31 December 2023, save as mentioned above, the Group had no other significant commitments and contingent liabilities.

FOREIGN EXCHANGE RISK

The Group's main operations are located in China. Other than some of the bank loans and bank deposits which are denominated in U.S. dollars, Euros and Hong Kong dollars, most of the assets, income, payments and cash balances are denominated in RMB. The Directors consider that exchange rate fluctuations have no significant impact on the Group's results.

HUMAN RESOURCES

As at 31 December 2023, the Group had 6,252 full-time employees (2022: 5,945), of which approximately 1,739 were engineers and technical staff or employees with higher education backgrounds. The table below shows the number of employees of the Group by function as at 31 December 2023:

Function	No. of employees	Percentage of total no. of employees
Management and Administration	651	10.4%
Sales and Marketing	221	3.5%
Research and Development in Technology and Engineering	892	14.3%
Production and Quality Control	4,488	71.8%
Total	6,252	100.0%

As at 31 December 2023, the Group's total staff cost was approximately RMB877 million, as compared to RMB799 million in the same period last year. The Group determined the salary of the employees based on their performance, the standard of salary in the respective regions, and the industry and market conditions. The benefits of the employees in the mainland China included pension fund, medical insurance, unemployment insurance, maternity insurance and employment-related injury insurance and housing fund contributions. In addition to the requirements of the PRC law, the Group has made voluntary contributions to an annuity plan, which was implemented with effect from 1 January 2009, for the benefit of the Group's employees when they reach certain seniority. The benefits of the employees in Hong Kong included mandatory provident fund, life insurance and medical insurance.

FINAL DIVIDENDS

As disclosed in the joint announcement (the “**Joint Announcement**”) published by the Company and Champion HOLDING (BVI) CO., LTD on 6 December 2023, the Company does not have any intention to announce, declare, make or pay any future dividend, other distribution or return of capital until the close of the Offer (as defined in the Joint Announcement). As such, the Directors do not recommend the payment of a final dividend (2022 final dividend: RMB0.098 (equivalent to HK11.0 cents)) for the year ended 31 December 2023. An interim dividend of RMB0.122 (equivalent to HK13.3 cents) per ordinary share was paid on 25 September 2023 (2022 interim dividend: RMB0.120 (equivalent to HK13.9 cents)).

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders’ eligibility to attend and vote at the 2024 AGM

Latest time to lodge transfer documents for registration	4:30 p.m. on 28 May 2024
Closure of Register of members	29 May 2024 to 3 June 2024 (both dates inclusive)
Record date	3 June 2024

In order to qualify for the attend the 2024 AGM, Shareholders should contact the Company’s Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on the matters such as transfer of shares, change of name or address, or loss of share certificates.

CORPORATE GOVERNANCE CODE

The Directors consider that the Company has complied with the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules during the year ended 31 December 2023.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules. Upon making specific enquiries of all Directors, the Directors confirmed that they had complied with the required standards as set out in the Model Code throughout the year ended 31 December 2023.

REMUNERATION COMMITTEE

The Company approved on 23 October 2009 the establishment of the remuneration committee of the Company (the “**Remuneration Committee**”) upon the listing of the Company’s shares on the Stock Exchange with written terms of reference to state its authority and duties. A majority of the members of the Remuneration Committee are independent non-executive Directors.

AUDIT COMMITTEE

The Company approved on 23 October 2009 the establishment of the audit committee of the Company (the “**Audit Committee**”) upon the listing of the Company’s shares on the Stock Exchange with written terms of reference to state its authority and duties. A majority of the members of the Audit Committee are independent non-executive Directors.

The Audit Committee reviewed with the senior management the accounting policies and practices adopted by the Group and discussed auditing, the internal control system and financial reporting matters. It has also reviewed the draft of consolidated financial statements of the Company for the year ended 31 December 2023, the draft of 2023 annual report of the Company, the draft of this preliminary announcement of the Group’s annual results for the year ended 31 December 2023 and the audit scope and fees for the year ended 31 December 2023. The Audit Committee has no disagreement on the annual results contained in this announcement.

NOMINATION COMMITTEE

The Company approved on 23 October 2009 the establishment of the nomination committee of the Company (the “**Nomination Committee**”) upon the listing of the Company’s shares on the Stock Exchange. The Board has also adopted the terms of reference for the Nomination Committee which are in line with the code provisions set out in the CG Code and are posted on the Stock Exchange’s website and the Company’s website. A majority of the members of the Nomination Committee are independent non-executive Directors.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee was established on 22 December 2016 and the Board has adopted the terms of reference for the Risk Management Committee which are in line with the code provisions set out in the CG Code and are published on the Stock Exchange’s website and the Company’s website. A majority of members of the Risk Management Committee are non-executive Directors.

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

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

SCOPE OF WORK OF BAKER TILLY HONG KONG LIMITED ON THE PRELIMINARY RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of cash flows and the related notes thereto for the year ended 31 December 2023 as set out in the preliminary announcement of the Group's 2023 annual results have been agreed by the Company's auditor, Baker Tilly Hong Kong Limited, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Company's auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standard on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company's auditor on the preliminary results announcement.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://www.cofco-pack.com>).

The 2023 annual report will be published on the websites of the Stock Exchange and the Company and also be dispatched to the Shareholders in due course.

By order of the Board
CPMC Holdings Limited
Zhang Xin
Chairman and Executive Director

Hong Kong, 20 March 2024

As at the date of this announcement, the chairman of the Board and executive Director is Mr. Zhang Xin, the executive Director is Mr. Zhang Ye, the non-executive Directors are Dr. Zhao Wei, Messrs. Meng Fanjie, Zhou Yuan and Shen Tao, and the independent non-executive Directors are Messrs. Cheng Yuk Wo, Pun Tit Shan and Chen Jihua.