



中國稀土控股有限公司 China Rare Earth Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock code 股份代號：00769

ANNUAL REPORT 年報 2023





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公司資料

CORPORATE INFORMATION

董事

執行董事

錢元英女士(主席)
蔣泉龍先生
蔣大偉先生(行政總裁)
蔣才南先生

獨立非執行董事

黃春華先生
金重先生
竇學宏先生(於二零二三年十二月三十日離世)

審核委員會

黃春華先生(主席)
金重先生
竇學宏先生(於二零二三年十二月三十日離世)

薪酬委員會

竇學宏先生(主席)
(於二零二三年十二月三十日離世)
黃春華先生
金重先生

提名委員會

金重先生(主席)
黃春華先生
竇學宏先生(於二零二三年十二月三十日離世)

公司秘書

朱健明先生(於二零二四年二月七日獲委任)
吳穎雯女士(於二零二三年八月一日獲委任及
於二零二四年二月七日辭任)
羅納德先生(於二零二三年八月一日辭任)

註冊辦事處

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

總辦事處及主要營業地點

中國江蘇省
宜興市丁蜀鎮

香港營業地點

香港九龍
尖沙咀加連威老道100號
港晶中心10樓1011室

DIRECTORS

Executive Directors

Ms. Qian Yuanying (Chairman)
Mr. Jiang Quanlong
Mr. Jiang Dawei (Chief Executive Officer)
Mr. Jiang Cainan

Independent Non-executive Directors

Mr. Huang Chunhua
Mr. Jin Zhong
Mr. Dou Xuehong (passed away on 30 December 2023)

AUDIT COMMITTEE

Mr. Huang Chunhua (Chairman)
Mr. Jin Zhong
Mr. Dou Xuehong (passed away on 30 December 2023)

REMUNERATION COMMITTEE

Mr. Dou Xuehong (Chairman) (passed away on 30 December 2023)
Mr. Huang Chunhua
Mr. Jin Zhong

NOMINATION COMMITTEE

Mr. Jin Zhong (Chairman)
Mr. Huang Chunhua
Mr. Dou Xuehong (passed away on 30 December 2023)

COMPANY SECRETARY

Mr. Chu Kin Ming (appointed on 7 February 2024)
Ms. Ng Wing Man (appointed on 1 August 2023 and
resigned on 7 February 2024)
Mr. Law Lap Tak (resigned on 1 August 2023)

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Dingshu Town, Yixing City
Jiangsu Province, the PRC

PLACE OF BUSINESS IN HONG KONG

Unit 1011, 10/F., Harbour Crystal Centre
100 Granville Road, Tsim Sha Tsui
Kowloon, Hong Kong

香港法律顧問

趙不渝 馬國強律師事務所

HONG KONG LEGAL ADVISERS

Chiu & Partners

核數師

天健德揚會計師事務所有限公司

AUDITOR

Ascenda Cachet CPA Limited

主要往來銀行

中國

中國建設銀行股份有限公司
招商銀行股份有限公司
中國交通銀行股份有限公司
中國農業銀行股份有限公司
中國銀行股份有限公司

PRINCIPAL BANKERS

PRC

China Construction Bank Corporation
China Merchants Bank Company Limited
China Bank of Communications Company Limited
Agricultural Bank of China Limited
Bank of China Limited

香港

中信銀行(國際)有限公司
法國巴黎銀行
中國銀行(香港)有限公司
南洋商業銀行有限公司

Hong Kong

China CITIC Bank International Limited
BNP Paribas
Bank of China (Hong Kong) Limited
Nanyang Commercial Bank, Limited

主要股份過戶登記處

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份過戶登記分處

香港中央證券登記有限公司
香港
皇后大道東183號
合和中心17樓

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
17th Floor, Hopewell Centre
183 Queen's Road East,
Hong Kong

公司網址

www.creh.com.hk

COMPANY WEBSITE

www.creh.com.hk

香港聯合交易所有限公司股份代號

769

STOCK CODE ON THE STOCK EXCHANGE OF HONG KONG LIMITED

769

公關顧問

偉達公共關係顧問

PUBLIC RELATIONS CONSULTANT

Hill and Knowlton

財務摘要

FINANCIAL HIGHLIGHTS

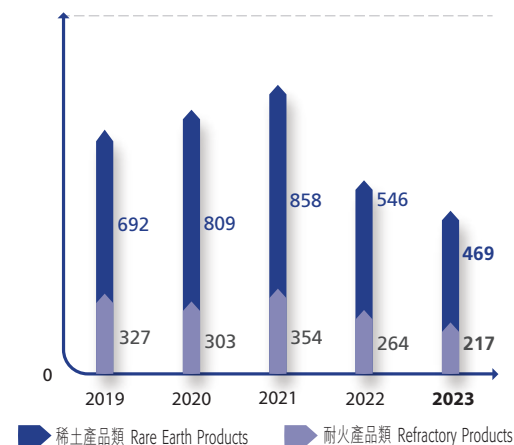
收入

REVENUE

截至十二月三十一日止年度
For the year ended 31 December

	百萬港元 HK\$'M
2019	1,019
2020	1,112
2021	1,212
2022	810
2023	686

百萬港元
HK\$'M



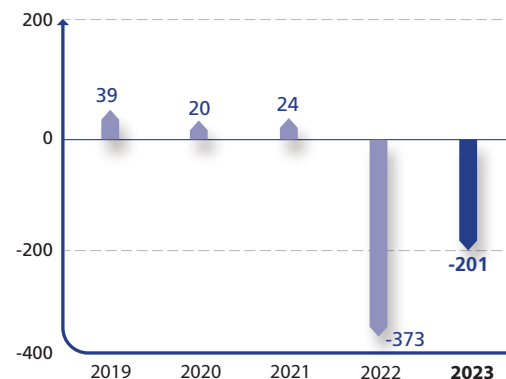
本公司擁有人應佔溢利／(虧損)淨額

NET PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

截至十二月三十一日止年度
For the year ended 31 December

	百萬港元 HK\$'M
2019	39
2020	20
2021	24
2022	(373)
2023	(201)

百萬港元
HK\$'M



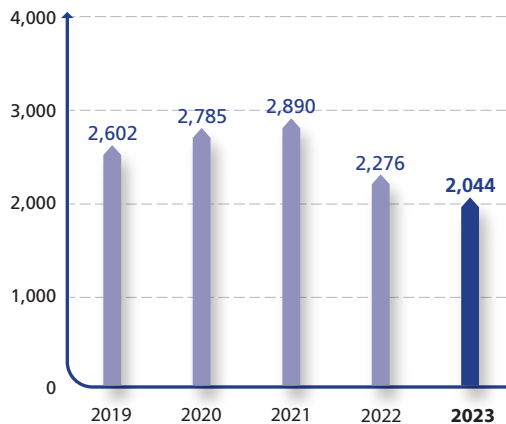
資產淨值

NET ASSETS

於十二月三十一日
As at 31 December

	百萬港元 HK\$'M
2019	2,602
2020	2,785
2021	2,890
2022	2,276
2023	2,044

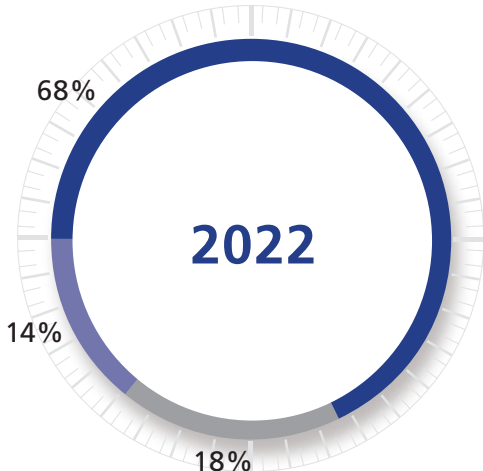
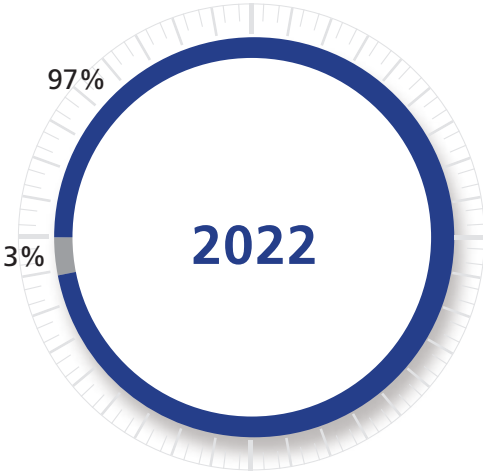
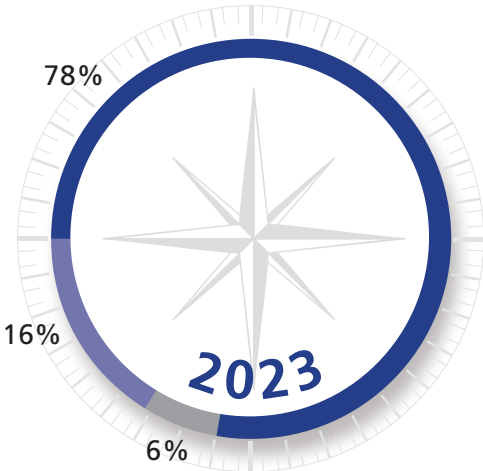
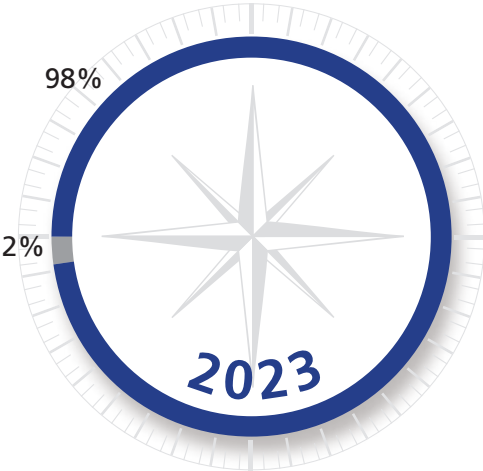
百萬港元
HK\$'M



收入 REVENUE

稀土產品類
Rare Earth Products

耐火產品類
Refractory Products



- ▲ 中華人民共和國 The People's Republic of China
- ▲ 日本 Japan
- ▲ 其他 Others



主席報告書

CHAIRMAN'S STATEMENT

致各位股東：

本人謹代表董事會（「董事會」）向各位股東提呈中國稀土控股有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至二零二三年十二月三十一日止全年業績報告。

回顧二零二三年，受利率持續走高、全球經濟疲弱及地緣局勢等多重因素影響，環球經濟及消費市場需求仍在復甦中。稀土材料作為眾多產品的重要生產元素，其需求亦難免受到影響。加上來自其他國家的稀土進口量於年內大幅增加，稀土行業出現供過於求的情況，稀土產品價格全年均價同比下跌。面對極具挑戰的市場前景，本集團持續優化營運架構，堅持提供高質量產品，努力提升整體的業績表現。而縱觀國家積極維護稀土產業的健康發展，材料的應用領域持續取得突破，預期稀土產業表現將逐步回升。

To Shareholders:

On behalf of the Board of Directors (the "Board"), I am pleased to present to you the annual results of China Rare Earth Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended 31 December 2023.

In 2023, the global economy and consumer market demand were still recovering due to a combination of factors such as persistently high interest rates, a weak global economy and geopolitical situation. As an important production element for many products, the demand for rare earth materials was inevitably affected. In addition, imports of rare earths from other countries increased significantly during the year, resulting in an oversupply of rare earths in the industry and a year-on-year drop in the average price of rare earth products. In the face of the challenging market prospect, the Group continued to optimize its operating structure and insisted on the provision of high quality products in an effort to enhance its overall performance. With the government actively safeguarding the healthy development of the rare earth industry and continued breakthroughs in the application of rare earth materials, it is expected that the performance of the rare earth industry will gradually rebound.

財務回顧

截至二零二三年十二月三十一日止年度，本集團錄得收入約686,073,000港元，較二零二二年同期810,413,000港元同比减少15%。稀土分部收入約為469,423,000港元，較去年同期減少14%，佔總收入約68%。耐火產品收入約為216,650,000港元，較二零二二年的263,798,000港元下跌18%，佔總收入約32%。

於二零二三年，本集團錄得毛損約151,315,000港元，主要來其稀土分部，由於中國稀土市場因需求不足及供應增加，導致價格大幅下跌所致。

於二零二三年，中國之稀土需求低於預期，包括若干依重稀土元素的產業（如電子製造及再生能源）放緩，以及貿易局勢緊張及全球市況等經濟因素。此外，下游磁性材料公司詢價有限，磁性材料廠房主要依賴消耗現有存貨。因此，稀土產品之整體需求持續下跌，稀土市場面臨下行壓力。

同時，全球稀土礦物供應增加，其中包括來自中國的稀土礦物供應。於近年，中國一直是稀土市場的主導者，佔全球產量的重大部分。然而，其他國家及礦業公司開始提高稀土產量，導致市場過剩。供應增加進一步加劇價格下調壓力。

需求不足及供應增加均造成稀土市場失衡，導致價格壓力，乃本集團截至二零二三年十二月三十一日止年度錄得毛損之主要因素。

FINANCIAL REVIEW

For the year ended 31 December 2023, the Group recorded revenue of approximately HK\$686,073,000, a 15% decrease from HK\$810,413,000 in 2022. Revenue from the Group's rare earth products recorded revenue of approximately HK\$469,423,000, a 14% decrease from that in last year, and accounted for about 68% of the Group's total revenue. As for refractory products, revenue was around HK\$216,650,000, a 18% decrease from HK\$263,798,000 in 2022, while accounting for about 32% of total revenue of the Group.

In 2023, the Group suffered a gross loss of approximately of HK\$151,315,000, which is mainly attributable by its rare earth segment because of the rare earth market in China experienced a sharp decline in prices primarily due to insufficient demand and increased supply.

The demand for rare earth minerals in China was lower than expected in 2023, including a slowdown in certain industries that heavily rely on rare earth elements, such as electronics manufacturing and renewable energy sectors and also the economic factors, such as trade tensions and global market conditions. Also, the downstream magnetic materials companies have shown limited inquiries, and magnetic material factories have primarily relied on consuming its existing inventories. As a result, the overall demand on the rare earth products continuously declined, putting downward pressure on the rare earth market.

At the same time, there was an increase in the global supply of rare earth minerals, including from China itself. In recent years, China has been the dominant player in the rare earth market, accounting for a significant portion of global production. However, other countries and mining companies started ramping up their rare earth production, leading to a surplus in the market. This increased supply further contributed to the downward pressure on prices.

The combination of insufficient demand and increased supply created an imbalance in the rare earth market, causing pressure on the prices which is the key factor for the gross loss of the Group for the year ended 31 December 2023.



主席報告書

CHAIRMAN'S STATEMENT

年度虧損約為209,604,000港元，同比減少47%，主要由於本集團於二零二二年下半年聘請獨立專業人士對其稀土生產廠區實施環境改善綜合維護項目，金額約為326,412,000港元。每股虧損錄得約8.56港仙，而二零二二年則為但本年無此項開支每股虧損15.94港仙。

面對市場的不穩定性，本集團採取審慎的財務策略，保持充裕的現金流，以維持穩健的財務實力。在營運上，積極優化生產、管理及銷售，實現降本增效，並以優質的產品及服務，保障與優質客戶的長遠友好合作關係。

業務回顧

稀土業務

稀土是國家重點管控和發展的戰略資源和優勢領域。在《中國製造2025》等國家中長期發展規劃中，一直將稀土功能材料列為關鍵戰略材料予以重點發展。

稀土元素的應用領域廣泛，是傳統電子產品、醫療及國防軍事設備，以至可再生能源的重要生產元素。稀土以其物理特性，添加於各式產品及技術上令其更高效可靠，具有極高的戰略價值。而隨著新能源產業鏈的不斷發展，國策有序推進碳达峰、碳中和，令風力發電機、太陽能電池、節能燈和電動汽車對稀土材料的需求持續上升，當中高性能釹鐵硼（「釹鐵硼」）永磁在終端滲透率長期增長的趨勢不變，更將有利於稀土行業長期穩定發展。

The loss for the year was approximately HK\$209,604,000, representing a decrease of 47% as compared to the previous year, which is mainly attributable to the fact that the Group engaged an independent professional party to implement a comprehensive maintenance project for the environment enhancement at the area of its rare earth production plant in the second half of 2022 amounts to approximately HK\$326,412,000 while no such expenses were incurred this year. The loss per share recorded at about HK8.56 cents, and the loss per share in 2022 was HK15.94 cents.

In the face of market instability, the Group adopts prudent financial strategies and maintains sufficient cash flow to maintain solid financial strength. In terms of operations, the Group actively optimize production, management and sales to reduce costs and increase efficiency, and ensure long-term friendly cooperative relationships with high-quality customers with high-quality products and services.

BUSINESS REVIEW

Rare Earth Business

Rare earths are strategic resources and advantageous areas that China focuses on control and development. In national medium- and long-term development plans such as "Made in China 2025", rare earth functional materials have always been listed as key strategic materials for focused development.

Rare earth elements are used in a wide range of applications and are important production elements for traditional electronic products, medical and military equipment, and even renewable energy. Rare earths, due to their physical properties, are added to various products and technologies to make them more efficient and reliable, and have extremely high strategic value. With the continuous development of the new energy industry chain and the national policy of orderly promotion of carbon peaking and carbon neutrality, the demand for rare earth materials in wind turbines, solar cells, energy-saving lamps and electric vehicles continues to rise. Among them, the long-term growth trend of end-user penetration rate of high-performance neodymium iron boron ("NdFeB") permanent magnets remains unchanged, which will be conducive to the long-term stable development of the rare earth industry.

然而回顧年度下半年，中國的輕稀土市場以剛需成交為主，因新增訂單較少，企業在採購上多採取觀望態度，並以消耗庫存為主，使得國內輕稀土市場價格承壓。年內稀土分部銷售額錄得約469,423,000港元，較去年同期減少14%。分部全年虧損約1.62億港元，較去年同期減少56%。

因應供給狀況及客戶需求，本集團的稀土業務運作模式以貿易加工為主。年內，稀土產品的銷售數量較二零二二年全年下跌30%至約470噸。主要稀土銷售產品如氧化銩、氧化鐳及新產品氧化鐳釹三項產品共佔稀土分部的整體銷售超過90%。當中氧化銩和氧化鐳的銷售單價隨市況波動而分別減少約10%及33%。

面對產業市場跌宕，本集團積極作出裝備，以優異的質量、穩定的交貨和良好的信譽，穩固了大批忠實的客戶，並在年內新增了新客戶，鞏固了銷售基礎。

地域市場分布方面，中國內銷市場佔稀土產品總收入的比例約98%。日本市場佔餘下的約2%。

However, in the second half of the Review Year, China's light rare earth market was dominated by rigid demand transactions. Due to fewer new orders, companies mostly adopted a wait-and-see approach to procurement and focused on depleting inventory, putting pressure on domestic light rare earth market prices. During the year, the sales generated from the rare earth segment was approximately HK\$469,423,000, a decrease of 14% compared with the same period last year. The segment suffered a full-year loss of approximately HK\$162,363,000, a decrease of 56% compared with the same period last year.

In response to the supply situation and customer demand, the Group's rare earth business operation model is mainly based on trading and processing. During the year, the sales volume of rare earth products fell by 30% compared with the full year of 2022 to approximately 470 tonnes. The three main rare earth sales products, such as terbium oxide, dysprosium oxide and the new product neodymium praseodymium oxide, together account for more than 90% of the overall sales of the rare earth segment. Among them, the sales unit prices of terbium oxide and dysprosium oxide decreased by approximately 10% and 33% respectively due to fluctuations in market conditions.

Facing the ups and downs of the industrial market, the Group actively made response and secured a large number of loyal customers with excellent quality, stable delivery and good reputation. It also acquired new customers during the year and consolidated its sales foundation.

In terms of geographical market distribution, China's domestic sales market accounts for approximately 98% of the total revenue of rare earth products, and Japan's market accounts for the remaining approximately 2%.



主席報告書

CHAIRMAN'S STATEMENT

耐火材料業務

面對全球經濟的波動、國內房地產的不景氣，鋼鐵、玻璃及水泥等產業所面臨的壓力亦伸延至耐火材料行業。但隨著近日汽車工業的復蘇，特別是電動汽車的穩步發展，鋼鐵和玻璃的應用備受關注。作為在製造鋼鐵、玻璃和水泥的高溫爐窯的必要組件，耐火材料的需求亦得到一定支撐。但行業競爭仍然激烈，「價格戰」影響了銷售價格，而部份鋼材生產商客戶的招標模式有所改變，直接對設備供應商的銷售價格構成壓力。年內耐火材料分部銷售額約216,650,000港元，同比減少了約18%。分部溢利約2,209,000港元，同比減少了90%。

耐火材料產品的銷售數量較二零二二年全年下跌10%至約22,150噸。主要產品平均價格錄得不同程度的下調。鎂砂業務方面，旗下海城市蘇海鎂礦有限公司（「蘇海鎂礦」）於二零二三年三月恢復生產，投入實踐工作計劃，有效帶動銷售數量明顯上升。年內售出了約20,800噸鎂砂產品。

於二零二三年十二月十五日，本集團與一名獨立第三方訂立協議，以出售蘇海鎂礦之100%股權，現金代價為人民幣29,500,000元（相當於約32,785,000港元）。出售事項已於二零二三年十二月二十七日完成。

地域市場分布方面，中國內銷市場佔耐火材料產品總收入的比例約78%。出口方面，受大環境影響，國外客戶用量下滑，並採取本國採購，因此，日本市場佔約16%。其他包括韓國等海外市場佔約6%。

Refractory Materials Business

In the face of global economic fluctuations and the sluggish domestic real estate industry, the pressure faced by industries such as steel, glass and cement has also extended to the refractory materials industry. However, with the recent recovery of the automobile industry, especially the stable development of electric vehicles, the application of steel and glass has attracted much attention. As a necessary component in high-temperature furnaces for manufacturing steel, glass and cement, the demand for refractory materials has also received certain support. However, competition in the industry remains fierce, with “price wars” affecting sales prices, and the bidding models of some steel manufacturer customers have changed, directly putting pressure on the sales prices of equipment suppliers. During the year, the sales generated from the refractory materials segment was approximately HK\$216,650,000, a year-on-year decrease of approximately 18%. Segment profit was approximately HK\$2,209,000, a year-on-year decrease of approximately 90%.

The sales volume of refractory products decreased by 10% compared with the full year of 2022 to approximately 22,150 tonnes. The average price of major products has been reduced to varying degrees. In terms of magnesium grains business, its subsidiary Haicheng City Suhai Magnesium Ore Co., Ltd. (“Suhai Magnesium”) resumed production in March 2023 and put into practice the work plan, effectively driving a significant increase in sales volume. Approximately 20,800 tonnes of magnesium grains products were sold during the year.

On 15 December 2023, the Group entered into an agreement with an independent third party to dispose of its 100% equity interest in Suhai Magnesium at a cash consideration of RMB29,500,000 (equivalent to approximately HK\$32,785,000). The disposal was completed on 27 December 2023.

In terms of geographical market distribution, China's domestic sales market accounts for approximately 78% of the total revenue of refractory products. In terms of exports, due to the impact of the general environment, there has been a decline in usage by foreign customers, who have resorted to domestic procurement. Therefore, the Japan market accounts for approximately 16%. Other overseas markets including Korea accounts for approximately 6%.

展望

展望二零二四年，宏觀經濟的不確定性將繼續影響各產業的復甦與發展。預計短期內稀土市場價格難免波動。但市場對長期走勢仍然樂觀正面，尤以工業機器人、新能源汽車、風力發電機等終端需求長期增長的趨勢不變，高性能釹鐵硼永磁在終端滲透率有望持續提升，有利於稀土行業長期穩定發展。

在「按需供給，有序分配」的背景下，國家會根據下游需求合理對稀土集團分配開採冶煉指標，二零二四年稀土行業供過於求的情況有望得到緩解。另外，今年一月，工信部提出，要增強高端產品供給能力，促進稀土在航空航天、電子資訊、新能源等領域高端應用。而今年三月，工信部等七個部門發佈《關於加快推動製造業綠色化發展的指導意見》，其中提出了提升稀土等戰略性礦產資源保障能力。隨著稀土的新能源屬性持續強化，其產業鏈終端需求有望改善。

配合近年中國稀土業界重組局勢及市場變化，本集團積極尋求合作夥伴，與中國北方稀土(集團)高科技股份有限公司達成戰略合作框架協議，彼此持續溝通，務求盡快落實實質性合作。而與隴川中鑫稀盛進出口有限公司於二零二二年中訂立的投資諒解備忘錄是本集團向稀土上游延伸發展的部署。此外，本集團將繼續關注緬甸礦源情況，期望藉此上游延伸策略，穩定礦源渠道，掌握原材料資源，加強競爭優勢。

PROSPECTS

Looking forward to 2024, macroeconomic uncertainty will continue to affect the recovery and development of various industries. It is expected that rare earth market prices will inevitably fluctuate in the short term. However, the market is still optimistic about the long-term trend. In particular, the long-term growth trend of end-user demand such as industrial robots, new energy vehicles, and wind turbines remains unchanged. The end-user penetration rate of high-performance NdFeB permanent magnets is expected to continue to increase, which is conducive to the long-term stable development of the rare earth industry.

In the context of “supply on demand and orderly distribution”, the government will reasonably allocate mining and smelting quotas to rare earth groups based on downstream demand. The oversupply situation in the rare earth industry is expected to be alleviated in 2024. In addition, in January this year, the Ministry of Industry and Information Technology proposed to enhance the supply capacity of high-end products and promote the high-end application of rare earths in aerospace, electronic information, new energy and other fields. In March this year, seven departments including the Ministry of Industry and Information Technology jointly issued the “Guiding Opinions on Accelerating the Green Development of the Manufacturing Industry”, which proposed improving the ability to secure strategic mineral resources such as rare earths. As the new energy attributes of rare earths continue to strengthen, the end-user demand of its industrial chain is expected to improve.

In line with the restructuring situation and market changes in China's rare earth industry in recent years, the Group has actively sought partners and reached a strategic cooperation framework agreement with China Northern Rare Earth (Group) High-Tech Co., Ltd., and continued to communicate with each other to implement substantive cooperation as soon as possible. The investment memorandum of understanding signed with Longchuan Zhongxin Xisheng Import and Export Co., Ltd. in mid-2022 was the Group's plan to extend its development to the upstream of rare earths. In addition, the Group will continue to pay attention to the mineral resources situation in Myanmar, hoping to use this upstream extension strategy to stabilize mineral source channels, master raw material resources, and strengthen its competitive strengths.



主席報告書

CHAIRMAN'S STATEMENT

耐火材料方面，有色行業開發的力度較去年有所增長。於二零二四年第一季度便成功中標新項目。在二零二三年整年度做到了客戶「零」投訴，得到了客戶一致好評的基礎上，二零二四年將繼續提高產品質量、加強市場營銷，為客戶提供更好的產品和服務。同時積極與各行業協會、設計院及大專院校合作，加強技術研發，努力開拓國內外市場。

此外，本集團更將加強環保、安全建設和改造，促進綠色和可持續發展。隨著二零二二年底的環境維護工程完成後，仍保持嚴謹審控措施，定期檢視生產設備，務求在需要時能快速進行改造或修復。本集團的生產設施位處太湖畔的宜興市，隨著宜興地區政府近年努力打造成綠色城市，為履行社會責任，本集團將持續監察環保設備，以長遠保護環境及為僱員提供安全的工作環境。

流動資金及財務資源

本集團繼續採取審慎的財務安排，並保留充裕的流動資金以應付未來投資及業務發展之用。於二零二三年十二月三十一日，本集團持有現金及銀行存款共約1,299,499,000港元，其中以人民幣計值並存放於國內的部分約1,297,601,000港元。所有現金及銀行存款比二零二二年末約1,452,386,000港元減少了約152,937,000港元，但仍有足夠資金應付日後發展需要。由於國內疫情嚴重影響經濟，客戶付款速度明顯放緩，影響了本集團的應收賬款賬齡滯延。是以本集團於年內增加了約4,938,000港元的應收賬款減值虧損撥備。縱使本集團認為有關的壞賬風險有限，但仍會密切留意情況發展及時催收。於二零二三年十二月三十一日，本集團的流動資產淨值約為1,823,383,000港元，比二零二二年末減少了約194,246,000港元。總負債對總資產的比率維持於約5%。

In terms of refractory materials, the development intensity of the non-ferrous industry has increased compared with last year. In the first quarter of 2024, the Group successfully won the bid for the new project. In 2023, we achieved “zero” customer complaints and received unanimous praise from customers. In 2024, we will continue to improve product quality, strengthen marketing, and provide customers with better products and services. At the same time, we actively cooperate with various industry associations, design institutes and colleges and universities to strengthen technology research and development and strive to develop domestic and foreign markets.

In addition, the Group will strengthen environmental protection and safety construction and renovation to promote green and sustainable development. With the completion of the environmental maintenance project at the end of 2022, strict review and control measures will still be maintained, and production equipment will be inspected regularly to ensure that it can be quickly modified or repaired when necessary. The Group's production facilities are located by Taihu Lake in Yixing City. As the Yixing regional government strives to build a green city in recent years and in order to fulfil our social responsibility, the Group will constantly monitor in environmental protection equipment so as to protect the environment in the long run and provide employees with a safety working environment.

LIQUIDITY AND FINANCIAL RESOURCES

The Group continues to adopt prudent financial measures and retains sufficient liquidity for future investments and business development. As at 31 December 2023, the Group held cash and bank deposits totalling approximately HK\$1,299,499,000. Among of which there was approximately HK\$1,297,601,000 denominated in Renminbi and placed in the PRC. Cash and bank deposits in total decreased by approximately HK\$152,937,000 from approximately HK\$1,452,386,000 at the end of 2022, but there are still sufficient funds to meet future development needs. Due to the severe impact of the pandemic on the economy, customers payment processes have slowed down significantly, which has affected the delay in the Group's aged trade receivables. As such, the Group increased the provision of impairment loss on trade receivables by about HK\$4,938,000 during the year. Although the Group believes that the risk of bad debts is limited, it will still pay close attention to the development of the situation and collect debts in a timely manner. As at 31 December 2023, the Group's net current assets amounted to approximately HK\$1,823,383,000, a decrease of approximately HK\$194,246,000 from the end of 2022. Total liabilities to total assets ratio remained at approximately 5%.

年內，本集團並無向任何銀行或財務機構借款。於二零二三年十二月三十一日，本集團繼續在國內一家銀行維持了人民幣150,000,000元（折合約165,526,000港元）的融資額度，並以帳面值合共約36,444,000港元的若干租賃土地和樓宇作抵押。該融資額度尚未被使用。此外，於年末時，本集團並無其他資產被抵押，亦未持有任何金融衍生工具產品。本集團並無重大的息率風險。匯率方面，本集團大部分的資產、負債及交易均以人民幣結算，另有部分以美元及港元列值。年內，人民幣匯率有所下跌，但並未對本集團的財務業績造成重大波動或影響。本集團將繼續關注匯率變化，盡量降低財務風險。

資本架構

本集團的資本架構包括已發行股本及儲備。截至二零二三年十二月三十一日止年度，本公司之法定股本並無變動，本公司之法定股本為400,000,000港元，可分為4,000,000,000股每股面值0.1港元的股份。

於二零二三年十二月三十一日，本公司已發行合共2,341,700,281股每股面值0.1港元的股份，所有股份均已繳足，並在所有方面享有同等權益。

僱員及薪酬

本集團一直根據業務發展需要調整人力資源架構。於二零二三年十二月三十一日，本集團僱用的各級員工合共約250人，較二零二二年底減少30%，主要由於在二零二三年十二月出售附屬公司蘇海鎂礦。年內，本集團的僱員成本包括董事酬金及權益結算以股份為基礎之付款合計約為35,986,000港元，較二零二二年有所減少，主要由於員工自然流失。本集團繼續為員工提供在職培訓及進修機會，以維持其專業水準。同時，本集團著手吸引人才，增強競爭力。

During the year, the Group did not borrow from banks or financial institutions. As at 31 December 2023, the Group has maintained a financing facility of RMB150,000,000 (equivalent to approximately HK\$165,526,000) with a domestic bank by pledging certain leasehold lands and buildings with a total carrying value of approximately HK\$36,444,000. The facility has not been utilised yet. In addition, at the end of the year, the Group had no charge on other assets nor holding any financial derivative products. The Group has no significant exposure to interest rate risk. For foreign exchange risk, most of the Group's assets, liabilities and transactions are denominated in Renminbi with the rest in US dollars and Hong Kong dollars. During the year, the Renminbi depreciated slightly which did not cause material fluctuation or impact on the Group's financial results. The Group will continue to monitor changes in exchange rates and strive to minimise financial risks.

CAPITAL STRUCTURE

The capital structure of the Group comprises issued share capital and reserves. For the year ended 31 December 2023, there was no change to the authorised share capital of the Company which is HK\$400,000,000 dividable into 4,000,000,000 shares in the par value of HK\$0.1 each.

As at 31 December 2023, the Company had issued a total of 2,341,700,281 shares in the par value of HK\$0.1 each, and all shares were fully paid and rank pari passu with each other in all respects.

STAFF AND REMUNERATION

The Group continued to adjust its manpower structure in line with business development needs. As at 31 December 2023, the Group employed a total of approximately 250 staff members, which is approximately 30% lower than the number at the end of 2022, mainly attributable to the disposal of the subsidiary, Suhai Magnesium, in December 2023. The Group's staff costs for the year, including directors' emoluments and the equity settled share-based payment, totalled approximately HK\$35,986,000, which is lower than that of 2022 mainly because staff wastage. The Group continues to provide on-the-job training and further education opportunities for its staff in order to maintain professional competence. At the same time, the Group is actively attracting talent to enhance its competitiveness.



主席報告書

CHAIRMAN'S STATEMENT

末期股息

董事會不建議就截至二零二三年十二月三十一日止年度派發末期股息(二零二二年：無)。

資產抵押

於二零二三年十二月三十一日，賬面值約36,444,000港元(二零二二年：38,502,000港元)之若干租賃土地及賬面值合共約零港元(二零二二年：零港元)之若干樓宇已抵押作為銀行融資之抵押品。

資本承擔

於二零二三年十二月三十一日，本集團並無就收購或興建物業、廠房及設備有任何已訂約但未撥備之資本承擔(二零二二年：無)。

或然負債

本集團於二零二三年十二月三十一日並無任何重大或然負債(二零二二年：無)。

重大投資、重大收購及出售附屬公司及聯屬公司以及重大投資或添置資本資產的未來計劃

於二零二三年十二月十五日，本公司與獨立第三方訂立協議以出售其於蘇海鎂礦之100%股權，現金代價為人民幣29,500,000元(相當於約32,785,000港元)(「出售事項」)。出售事項已於二零二三年十二月二十七日完成。

有關詳情已於本公司日期為二零二三年十二月十五日之公告披露。

除上述者外，於截至二零二三年十二月三十一日止年度，本集團並無任何重大投資、重大收購及出售附屬公司、聯營公司或合營企業及聯屬公司，於二零二三年十二月三十一日亦無任何重大投資或添置資本資產的未來計劃。

FINAL DIVIDEND

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

PLEDGE OF ASSETS

As at 31 December 2023, certain leasehold lands with carrying amount of approximately HK\$36,444,000 (2022: HK\$38,502,000) and certain buildings with aggregate carrying amount of approximately HK\$0 (2022: HK\$0) were pledged as collateral for banking facilities.

CAPITAL COMMITMENTS

As at 31 December 2023, the Group had no capital commitments in respect of the acquisition and construction of property, plant and equipment contracted but not provided for (2022: nil).

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 December 2023 (2022: nil).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR ADDITIONS OF CAPITAL ASSETS

On 15 December 2023, the Group entered into an agreement with an independent third party to dispose of its 100% equity interest in Suhai Magnesium at a cash consideration of RMB29,500,000 (equivalent to approximately HK\$32,785,000) (the "Disposal"). The Disposal was completed on 27 December 2023.

Details of which was disclosed in announcement of the Company dated 15 December 2023.

Except for the above, the Group did not have any significant investments, material acquisition or disposal of any subsidiaries, associates or joint ventures and affiliated companies during the year ended 31 December 2023, nor were there any future plans for material investments or additions of capital assets as at 31 December 2023.

購買、出售或贖回本公司的上市證券

本集團於截至二零二三年十二月三十一日止年度內概無購買、出售或贖回任何本公司的上市證券。

總結

展望未來，本集團將緊隨國家政策發展路徑，積極把握上游發展機遇，加強細分市場的開發力度，並時刻為提供高質量產品作好準備。

最後，本人謹向董事會成員、管理團隊及全體員工所做出的貢獻致以衷心謝意，並感謝股東及業務夥伴的信任及支持。

錢元英

主席

香港，二零二四年三月二十八日

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

There has been no purchase, sale or redemption of any of the Company's listed securities by the Group during the year ended 31 December 2023.

CONCLUSION

Looking ahead, the Group will follow the path of national policy development, actively seize upstream development opportunities, strengthen the development of market segments, and always be prepared to provide high-quality products.

Finally, I would like to express my sincere gratitude to the members of the Board of Directors, the management team, and all employees for their contributions, and to our shareholders and business partners for their trust and support.

Qian Yuanying

Chairman

Hong Kong, 28 March 2024



董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILE

執行董事

錢元英女士，65歲，為本集團創辦人及主席。錢女士負責制訂本集團整體業務發展政策。錢女士獲江蘇省人事廳評定具高級經濟師資格，另外亦獲得中國職業經理人資格。錢女士在稀土及耐火材料行業方面擁有逾三十年經驗。於創辦本集團之前，錢女士曾任職學校教師。錢女士亦為本公司主要股東YY Holdings Limited之董事。錢女士為本集團執行董事蔣泉龍先生之妻子及本集團總經理蔣鑫先生之母。

蔣泉龍先生，71歲，為本集團創辦人，曾擔任本集團主席直至二零一七年九月。蔣先生負責本集團對內及對外的協調及業務關係發展。蔣先生獲江蘇省人事廳評定具高級經濟師資格。蔣先生自二零一一年一月起獲委任為江蘇省稀土行業協會理事會名譽會長。蔣先生在稀土及耐火材料行業擁有逾三十年經驗。於創辦本集團之前，蔣先生曾擔任某耐火材料製造廠的經理及某玻璃陶瓷製造公司的營業經理。蔣先生亦為本公司主要股東YY Holdings Limited之董事。蔣先生為本集團主席錢元英女士之丈夫及本集團總經理蔣鑫先生之父。蔣先生自二零零六年八月十六日至二零一七年九月十五日為泛亞環保集團有限公司(其股份於香港聯合交易所有限公司上市(股份代號：0556))之主席兼執行董事。

蔣大偉先生，40歲，於二零零六年加入本集團，自二零一七年起獲委任為本集團行政總裁兼執行董事。蔣先生負責本集團整體管理及本集團業務的市場推廣。此前，蔣先生為宜興新威利成稀土有限公司銷售部主管。蔣先生擁有揚州大學工商管理學士學位。

EXECUTIVE DIRECTORS

Ms. Qian Yuanying, aged 65, is a founding member and the chairman of the Group. Ms. Qian is responsible for the formulation of the Group's overall business development policies. Ms. Qian is recognised as a senior economist by Jiangsu Provincial Personnel Department, and she is also qualified as a Chinese Career Manager. Ms. Qian has over 30 years of experience in the rare earth and refractory materials industries. Prior to the founding of the Group, Ms. Qian was a high school teacher. Ms. Qian is also a director of YY Holdings Limited, a substantial shareholder of the Company. Ms. Qian is the wife of Mr. Jiang Quanlong, an executive director of the Group, and the mother of Mr. Jiang Xin, the general manager of the Group.

Mr. Jiang Quanlong, aged 71, is a founding member and was previously the chairman of the Group until September 2017. Mr. Jiang is responsible for internal and external coordination and development of business relationship of the Group. Mr. Jiang is recognised as a senior economist by Jiangsu Provincial Personnel Department. Mr. Jiang has been appointed as the honorary chairman of the council of Jiangsu Rare Earth Industry Association since January 2021. Mr. Jiang has over 30 years of experience in the rare earth and refractory materials industries. Prior to the founding of the Group, Mr. Jiang had been a factory manager of a refractory materials production plant and a sales manager of a glass and ceramics manufacturing company. Mr. Jiang is also a director of YY Holdings Limited, a substantial shareholder of the Company. Mr. Jiang is the husband of Ms. Qian Yuanying, the chairman of the Group, and the father of Mr. Jiang Xin, the general manager of the Group. From 16 August 2006 to 15 September 2017, Mr. Jiang served as the chairman and an executive director of Pan Asia Environmental Protection Group Limited, the shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 0556).

Mr. Jiang Dawei, aged 40, joined the Group in 2006 and has been appointed as the chief executive officer and an executive director of the Group since 2017. Mr. Jiang is responsible for the overall management of the Group and the marketing aspect of the Group's business. Previously, Mr. Jiang was the head of the sales department of Yixing Xinwei Leeshing Rare Earth Company Limited. Mr. Jiang obtained a Bachelor degree of Business Administration from Yangzhou University.



董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILE

蔣才南先生，65歲，於一九八六年加入本集團，自二零零五年起獲委任為本集團執行董事。蔣先生兼為宜興新威利成耐火材料有限公司總經理，負責耐火材料業務之營運及銷售。蔣先生在耐火材料行業擁有逾三十年的經驗。

獨立非執行董事

黃春華先生，60歲，於二零零一年加入本集團，為本集團獨立非執行董事。黃先生擁有英國斯特克萊大學工商管理學碩士和市場學博士學位及武漢大學經濟學學士學位。黃先生為柏嘉金融公司之創辦人及主席以及美國英諾醫療集團創辦人。英諾醫療集團為全球二零一九新型冠狀病毒病快速檢測試劑及檢測解決方案之領先公司。黃先生於二零零二年十一月至二零零七年十月期間及二零一零年六月至二零二零年十二月期間為正道集團有限公司(其股份於香港聯合交易所有限公司上市(股份代號：1188))之副主席兼執行董事。黃先生於二零零七年五月至二零零九年四月期間為法國巴黎證券(亞洲)有限公司證券董事和中國資本市場策略師。此前，黃先生曾在多所證券公司任職分析師。黃先生在金融市場上擁有豐富的知識和經驗。

金重先生，72歲，於二零零四年加入本集團，為本集團獨立非執行董事。金先生在武漢鋼鐵學院材料工程學系耐火專業專科畢業，曾在貴陽市耐火材料廠總廠出任副總工程師。

Mr. Jiang Cainan, aged 65, joined the Group in 1986 and has been appointed as an executive director of the Group since 2005. Mr. Jiang is also the general manager of Yixing Xinwei Leeshing Refractory Materials Company Limited and is responsible for the operation and sales of refractory materials business. Mr. Jiang has over 30 years of experience in the refractory materials industry.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Huang Chunhua, aged 60, joined the Group in 2001 as an independent non-executive director of the Group. Mr. Huang obtained a Ph. D degree in Marketing and a Master degree in Business Administration from University of Strathclyde and a Bachelor degree in Economics from Wuhan University. Mr. Huang is the founder and chairman of Pasaca Capital Inc. and also founder of Innova Medical Group Inc., the global leader of COVID-19 rapid test kits and testing solutions. Mr. Huang was the deputy chairman and an executive director of Hybrid Kinetic Group Limited (stock code: 1188), the shares of which are listed on The Stock Exchange of Hong Kong Limited, for the periods from November 2002 to October 2007 and from June 2010 to December 2020. Mr. Huang was a director and China equity market strategist of BNP Paribas Securities (Asia) Limited for the period from May 2007 to April 2009. Prior to this, Mr. Huang was an analyst of various securities companies. Mr. Huang has extensive knowledge and experience in financial market.

Mr. Jin Zhong, aged 72, joined the Group in 2004 as an independent non-executive director of the Group. Mr. Jin graduated from the Faculty of Material Engineering of Wuhan Steel College, specialising in refractory studies. Mr. Jin was previously the deputy chief engineer of the head factory of Guiyang City Refractory Materials Factory.



董事及高級管理人員簡介

DIRECTORS AND SENIOR MANAGEMENT PROFILE

高級管理層

蔣鑫先生，39歲，於二零零八年加入本集團，自二零一二年起獲委任為本集團總經理。蔣先生負責本集團業務的市場推廣工作。蔣先生擁有英國曼徹斯特大學主修國際商業、金融及經濟之文學士學位及威爾斯大學主修商業研究之文學士學位。蔣先生亦於二零一六年十二月至二零二三年十一月曾出任泛亞環保集團有限公司（其股份在香港聯合交易所有限公司上市（股份代號：0556））之行政總裁、主席兼執行董事。蔣先生為本集團執行董事蔣泉龍先生及本集團主席錢元英女士之子。

蔣洪君先生，65歲，於二零零零年加入本集團，現任本集團副總經理，負責本集團日常行政事務。蔣先生在行政管理方面擁有逾三十年的經驗。

黃望先生，55歲，於二零一九年十一月加入本集團，現任宜興新威利成稀土有限公司的總經理兼總工程師。黃先生畢業於東北大學有色金屬冶金系。加入本集團前，黃先生曾在多家稀土公司出任總工程師或技術主管，在稀土及有色金屬行業的生產工藝上擁有豐富的經驗。

華占剛先生，47歲，於二零零一年加入本集團，現任無錫新威高溫陶瓷有限公司總經理，負責高溫陶瓷業務之營運。華先生畢業於景德鎮陶瓷大學材料工程系。華先生在耐火材料生產管理上擁有豐富的經驗。

SENIOR MANAGEMENT

Mr. Jiang Xin, aged 39, joined the Group in 2008 and has been appointed as the general manager of the Group since 2012. Mr. Jiang is responsible for the marketing aspect of the Group's business. Mr. Jiang obtained a Bachelor degree in Arts majoring in International Business, Finance and Economics from University of Manchester and a Bachelor degree in Arts majoring in Business Studies from University of Wales. From December 2016 to November 2023, Mr. Jiang also served as the chief executive officer, chairman and an executive director of Pan Asia Environmental Protection Group Limited, the shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 0556). Mr. Jiang is a son of Mr. Jiang Quanlong, an executive director of the Group and Ms. Qian Yuanying, the chairman of the Group.

Mr. Jiang Hongjun, aged 65, joined the Group in 2000. Mr. Jiang is the deputy general manager of the Group and is responsible for the daily administrative affairs of the Group. Mr. Jiang has over 30 years of experience in administrative management.

Mr. Huang Wang, aged 55, joined the Group in November 2019. Mr. Huang is the general manager and the chief engineer of Yixing Xinwei Leeshing Rare Earth Company Limited. Mr. Huang graduated from the Faculty of Nonferrous Metallurgy of Northeastern University. Prior to joining the Group, Mr. Huang was the chief engineer or technical director of various rare earth companies. Mr. Huang has extensive experience in production process of rare earth and non-ferrous metal industry.

Mr. Hua Zhangang, aged 47, joined the Group in 2001. Mr. Hua is the general manager of Wuxi Xinwei High Temperature Ceramics Company Limited and is responsible for the operation of the high temperature ceramics business. Mr. Hua graduated from the Faculty of Materials Science and Engineering of Jingdezhen Ceramic Institute. Mr. Hua has extensive experience in production management of refractory materials.

企業文化

本集團自八十年代在中國成立以來，憑藉國內豐富的資源和技術的優勢，一直專注於稀土和耐火材料業務的發展。直至一九九九年本公司成功在香港聯合交易所有限公司（「聯交所」）上市後，本集團更能有效地接觸海外不同的投資者和客戶等，透過多方面的合作和交流，希望能在業界內有長足的發展。

本集團同時亦致力建立良好的企業價值，互相關懷，維護道德，提倡廉正，追求卓越，使企業價值能夠體現於本集團員工日常業務上，並支持本集團的業務發展。本集團同時亦著重與員工的溝通，主動建立有效，持續及定期的溝通渠道，與員工分享企業價值及其體現，分享不合宜做法，不當行為及紀律的事例，並就企業文化進行公開交換意見。

另一方面，本集團亦十分重視企業內的人才。對於優秀的員工，本集團會積極提供優厚的福利，並於企業推行表現評核制度，建立適當的激勵措施，以獎勵及表揚表現優秀的人才，並協助其於本集團內發展事業。

CORPORATE CULTURE

Since its establishment in China in the 1980s, the Group has been focusing on the development of rare earth and refractory business with the advantages of rich domestic resources and technology. Until the Company was successfully listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in 1999, the Group could more effectively contact different overseas investors and customers. Through multi-faceted cooperation and exchanges, it hoped to make great progress in the industries.

At the same time, the Group is also committed to establishing good corporate value, caring for each other, maintaining morality, advocating integrity, and pursuing excellence, so that the corporate value can be reflected in the daily business of the Group’s employees and support the business development of the Group. At the same time, the Group also focuses on communication with employees, actively establishes effective, continuous and regular communication channels, shares the corporate value and its embodiment with employees, shares examples of inappropriate practices, misconduct and discipline, and conducts an open exchange of views on the corporate culture.

On the other hand, the Group also attaches great importance to talents in the enterprise. For excellent employees, the Group will actively provide generous benefits, and implement a performance evaluation system in the enterprise, establish appropriate incentives to reward and praise outstanding talents, and assist them to develop their careers within the Group.



企業管治報告

CORPORATE GOVERNANCE REPORT

企業管治常規

本公司致力於維持良好之企業管治常規及程序。

董事會認為，良好的企業管治標準對於為本公司保障股東利益、提高企業價值、制定業務戰略和政策以及提高透明度和問責制提供框架至關重要。

本公司已根據聯交所證券上市規則（「上市規則」）附錄C1所載的企業管治守則（「企業管治守則」）內的所有政策及原則而採納其本身之企業管治常規守則。董事會認為，本公司於截至二零二三年十二月三十一日止年度內一直遵守企業管治守則，惟下列除外：

於二零二三年六月二日舉行之本公司股東週年大會上，獨立非執行董事黃春華先生及金重先生以及前獨立非執行董事竇學宏先生因其他工作未能出席上述股東週年大會。

董事進行證券交易

本公司已採納不低於上市規則附錄C3所載之上市發行人董事進行證券交易的標準守則（「標準守則」）的守則（「公司守則」）。在本公司提出特定查詢後，所有董事均已確認於截至二零二三年十二月三十一日止年度內一直遵守標準守則及公司守則。

董事會

本公司由有效的董事會所領導，承擔起領導和控制的責任，並集體負責通過指導和監督本公司事務以促進本公司的成功。董事客觀地為本公司的最大利益作決定。

CORPORATE GOVERNANCE PRACTICES

The Company is committed to attending good corporate governance practices and procedures.

The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate business strategies and policies, and enhance transparency and accountability.

The Company has adopted its own code of corporate governance based on the principles and code provisions of the Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange. In the opinion of the Board, the Company has complied with the CG Code throughout the year ended 31 December 2023 except for the following:

At the annual general meeting of the Company held on 2 June 2023, Mr. Huang Chunhua and Mr. Jin Zhong, the independent non-executive Directors and Mr. Dou Xuehong, the former independent non-executive director, were unable to attend the above annual general meeting due to other work commitment.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct (the “Company’s Code”) regarding securities transactions by directors on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 of the Listing Rules. Having made specific enquiry, the Company confirms that all directors have complied with the required standards as stated in the Model Code and the Company’s Code throughout the year ended 31 December 2023.

BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsible for promoting the Company’s success by directing and supervising the Company’s affairs. Directors take decisions objectively in the best interests of the Company.

董事會擁有適合本公司業務要求的技能、經驗和觀點多樣性的平衡。董事會包括執行董事和獨立非執行董事的均衡組成，因此董事會中有強大的獨立元素，可以有效地作出獨立判斷。

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. The Board includes a balanced composition of executive directors and independent non-executive directors so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

董事會目前有六名成員，包括四名執行董事及兩名獨立非執行董事。

The Board currently comprises six members, consisting four executive directors and two independent non-executive directors.

董事會之組成及本年度董事會會議及股東大會之出席情況如下：

The composition of the Board and the attendance of the Board meetings and general meeting during the year are as follows:

董事 Director	會議出席／舉行數目 No. of meeting(s) attended/held	
	董事會 Board meeting	股東大會 General meeting
執行董事 Executive director		
錢元英女士 (主席) Ms. Qian Yuanying (Chairman)	7/7	1/1
蔣泉龍先生 Mr. Jiang Quanlong	7/7	1/1
蔣大偉先生 (行政總裁) Mr. Jiang Dawei (Chief Executive Officer)	7/7	1/1
蔣才南先生 Mr. Jiang Cainan	7/7	1/1
獨立非執行董事 Independent non-executive director		
黃春華先生 Mr. Huang Chunhua	7/7	0/1
金重先生 Mr. Jin Zhong	7/7	0/1
竇學宏先生 (於二零二三年十二月三十日離世) Mr. Duo Xuehong (passed away on 30 December 2023)	7/7	0/1



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除董事會會議外，主席於年內亦與獨立非執行董事在執行董事並不在場的情況下舉行了一次會議。

董事履歷資料載於本年報第16頁至17頁的「董事及高級管理人員簡介」內。

蔣泉龍先生乃錢元英女士之丈夫。除已披露者外，董事會成員之間概無任何關係（包括財務、業務、家庭或其他重大／相關關係）。

董事培訓及持續專業發展

董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

每名新獲委任董事於其任期開始時將會接受綜合、正規及特定之開導，以確保其適當地瞭解本公司之業務及營運，並完全知悉根據上市規則及有關法規所規定其須履行之責任及義務。

倘有需要，本公司亦有適當的安排向董事提供持續指導及專業發展。

於本年度，本公司每位董事包括錢元英女士、蔣泉龍先生、蔣大偉先生、蔣才南先生、黃春華先生及金重先生均閱讀了相關新聞、期刊、雜誌和相關出版物，已按照企業管治守則之守則條文第C.1.4條參與持續專業發展，發展並更新其知識及技能。本公司不時為董事提供有關法規修訂的資料，及於聯交所網頁摘取若干素材，讓董事自行研習以加深其對上市規則的理解。

Apart from Board meetings, the Chairman also held a meeting with the independent non-executive directors without the presence of executive directors during the year.

The biographical information of the directors are set out in “Directors and Senior Management Profile” on pages 16 to 17 of this annual report.

Mr. Jiang Quanlong is the husband of Ms. Qian Yuanying. Save as disclosed, none of the Board members has any relationship (including financial, business, family or other material/relevant relationships) between each other.

TRAINING AND CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant.

Each newly appointed director will receive comprehensive, formal and tailored induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

There are also arrangements in place for providing continuing briefing and professional development to directors whenever necessary.

During the year, each of the directors of the Company, including Ms. Qian Yuanying, Mr. Jiang Quanlong, Mr. Jiang Dawei, Mr. Jiang Cainan, Mr. Huang Chunhua and Mr. Jin Zhong has participated in continuous professional development to develop and refresh his/her knowledge and skills in accordance with code provision C.1.4 of the CG Code by reading relevant news, journals, magazines and relevant publications. The Company has provided information relating to the regulatory update and extracted certain materials from the website of the Stock Exchange to directors for their own study to strengthen their understanding on the Listing Rules from time to time.

會議常規及操守

董事會定期會議之通告至少於會議舉行日期前十四天送呈全體董事。就其他董事會及委員會會議而言，一般亦發出合理之通告。董事會定期會議應每年至少舉行四次，包括大多數董事親自或通過電子通信方式積極參與。

董事會文件連同所有合適、完整及可靠之資料均至少於每次董事會會議或委員會會議舉行日期前三天送呈全體董事，以讓董事評估本公司最近之發展及財務狀況，並讓彼等能夠作出知情決定。董事會及各位董事亦於必要時，分別及獨立接觸高級管理人員。

高級管理層通常會出席董事會定期會議，並在必要時參加其他董事會及委員會會議，就業務發展、財務和會計事項、法定和監管合規性、企業管治以及本公司其他主要方面提供建議。

公司秘書負責編撰及保管所有董事會會議及委員會會議記錄。記錄草稿一般於每次會議後，在合理的時間內給董事傳閱以發表意見，而最終版本將公開供董事查閱。

根據現時之董事會常規，任何涉及主要股東或董事利益衝突之重大交易將由董事會於正式召開之董事會會議上考慮及處理。

PRACTICES AND CONDUCT OF MEETINGS

Notices of regular Board meetings are served to all directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given. Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of directors.

Board papers together with all appropriate, complete and reliable information are sent to all directors at least 3 days before each Board meeting or committee meeting to keep the directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each director also have separate and independent access to the senior management whenever necessary.

The senior management normally will attend regular Board meetings and where necessary, other Board and committee meetings, to advise on business development, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company.

The Company Secretary is responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to directors for comment within a reasonable time after each meeting and the final version is open for directors' inspection.

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a director, will be considered and dealt with by the Board at a duly convened Board meeting.



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主席及行政總裁

企業管治守則之守則條文第C.2.1條規定，主席及行政總裁的角色應分開，不應由同一人履行。主席及行政總裁之間的責任分工應明確確定，並以書面形式闡述。

截至二零二三年十二月三十一日止年度，本集團主席及行政總裁的角色有所區分。錢元英女士擔任董事會主席，而蔣大偉先生擔任行政總裁。本公司董事會主席及行政總裁有不同的角色及職責。主席負責制定本集團之整體業務發展政策，而行政總裁則負責本集團業務之整體管理。董事會認為，本公司董事會主席及行政總裁的職責分別是明確和獨特的，因此沒有書面條款的必要。

獨立非執行董事

於竇學宏先生於二零二三年十二月三十日離世後，董事會於截至二零二三年十二月三十一日止年度內未能符合上市規則中有關委任至少三名獨立非執行董事，其中一名擁有適當專業資格或會計相關的財務管理經驗之規定。

本公司仍在物色合適人選以於切實可行的情況下盡快填補空缺，惟無論如何於竇先生離世後三個月內委任。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

During the year ended 31 December 2023, the roles of the Chairman of the Board and the Chief Executive Officer were held separately. Ms. Qian Yuanying is the Chairman of the Board and Mr. Jiang Dawei is the Chief Executive Officer. The Chairman of the Board and the Chief Executive Officer of the Company have different roles and responsibilities. The Chairman is responsible for the formulation of the Group's overall business development policies while the Chief Executive Officer is responsible for the overall management of the Group's business. The Board considers that the responsibilities of the Chairman of the Board and the Chief Executive Officer of the Company respectively are clear and distinctive and hence written terms thereof are not necessary.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Following the passing away of Mr. Dou Xuehong on 30 December 2023, the Board has failed to meet the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with one of whom possessing appropriate professional qualifications or accounting related financial management expertise throughout the year ended 31 December 2023.

The Company is still in the process of identifying a suitable candidate to fill the vacancy as soon as practicable and in any event within three months from Mr. Dou's passing away.

本公司之獨立非執行董事乃才能超卓之專業人士，具有財務管理及本集團相關業務方面之專業技術及經驗。彼等就策略發展向本公司提供建議，並使董事會能夠於遵守財務及其他強制性申報規定方面維持高水準，並提供足夠之檢查及平衡，以保護股東及本公司之整體利益。每位獨立非執行董事均已接受本公司的委任書，為期兩年。每位獨立非執行董事已根據上市規則第3.13條進行年度獨立性確認。董事會認為，所有獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，且屬獨立董事。

獨立性機制

於每次董事會會議，最少一位獨立非執行董事必須出席，以確保董事會可獲得獨立的觀點和意見。

如於董事會會議上有任何董事在討論的議題上有利益，該董事在會議上須申報其利益並棄權投票，而獨立非執行董事的意見須被注意。

所有獨立非執行董事在必要時均可尋求高級管理層提供協助或獨立的專業建議，費用由本公司承擔。

概無授予獨立非執行董事與業績掛鈎的股權薪酬，以避免其於決策中持有偏見，並影響其目標及獨立性。

本公司已於年內設立一個董事會獨立性評估機制，當中規定確保董事會有強大的獨立元素的過程及程序，使得董事會能夠有效地行使獨立判斷，以更能維護股東利益。

The independent non-executive directors of the Company are highly skilled professionals with expertise and experience in the field of financial management and businesses related to the Group. They advise the Company on strategy development and enable the Board to maintain high standards of compliance of financial and other mandatory reporting requirements and provide adequate checks and balances to safeguard the interests of shareholders and the Company as a whole. Each of the independent non-executive directors has accepted a letter of appointment with the Company for a term of two years. Each of the independent non-executive directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considers that all independent non-executive directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent.

INDEPENDENCE MECHANISM

For each Board meeting, there should be at least one independent non-executive director attended to ensure that independent views and input are available to the Board.

Should there be any director has interest in matters to be discussed in Board meeting, such director should declare his/her interests and be abstain from voting in meeting and any view from independent non-executive directors should be noted.

All independent non-executive directors may seek assistance from senior management or independent professional advice at the Company's expenses whenever necessary.

No equity-based remuneration with performance-related elements will be granted to independent non-executive directors to avoid bias in their decision-making and compromise their objective and independence.

The Company has established a Board Independence Evaluation Mechanism during the year which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.



企業管治報告

CORPORATE GOVERNANCE REPORT

年內獨立性機制的實施及有效性已經過檢討，結果令人滿意。

董事會及管理層職責、問責及貢獻

本公司由董事會規管，集體負責指導及監察本公司之事務，並監督本集團之業務、決策及表現。董事會保留與政策事項、戰略和預算、內部控制和風險管理、重大交易、財務匯報、董事任命和本公司其他重要運營事項有關的所有主要事項，供其決定。董事會委派管理層執行其決策及日常運作。

董事會直接及間接通過其委員會間接地領導和指導管理層，制定戰略並監督其實施，監測本集團的運營和財務業績，並確保健全的內部控制和風險管理系統到位。

所有董事均可全面並及時獲得本公司所有資料以及要求公司秘書及高級管理層提供服務及意見。在合理要求下，所有董事能夠在適當情況下尋求獨立的專業建議以履行其對本公司的職責，費用由本公司承擔。

對於因企業活動而對董事和高級管理層採取的任何法律行動，本公司已經安排了董事和高級管理層適當的責任保險。保險範圍將每年檢討一次。

Implementation and effectiveness of the independence mechanism during the year was reviewed and the results was satisfactory.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Company is governed by the Board which is collectively responsible for directing and supervising the Company's affairs and oversight of the Group's businesses, strategic decision and performance. The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions, financial reporting, appointment of directors and other significant operational matters of the Company. Execution of the Board's decisions and daily operations are delegated to the management.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All directors have full and timely access to all information of the Company as well as the services and advice from the Company Secretary and senior management. Upon reasonable request, all directors may seek independent professional advice in appropriate circumstances at the Company's expenses for discharging their duties to the Company.

The Company has arranged appropriate insurance coverage on directors' and senior managements' liabilities in respect of any legal actions taken against them arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

企業管治功能

董事會負責執行企業管治守則的第A.2.1條守則條文所載之功能。

於截至二零二三年十二月三十一日止年度，董事會已審閱本公司企業管治的政策及實施、董事及高級管理人員的培訓及持續專業發展、本公司就合法及合規要求、標準守則及企業管治守則的遵守而制定的政策及實施，及在本企業管治報告中披露。

董事會多元化政策

董事會已採納了董事會成員多元化政策以載列董事會達至多元化的途徑。董事會認為董事會成員多元化能透過考慮不同方面，包括但不限於性別、年齡、文化及教育背景、專業資格、技術知識及行業及區域經驗而達至。本公司目標於維持一個適當平衡與本公司業務發展相關的多元化觀點的董事會。

提名委員會及董事會認為現時之董事會組成足夠多元化，董事會並未定立任何可計量目標。

提名委員會將於適當情況下檢討董事會多元化政策，以確保其有效性，並將討論任何需對其作出的修訂，並向董事會提出修訂建議，供董事會考慮及通過。

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code.

During the year ended 31 December 2023, the Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance with the Model Code, and the compliance with the CG Code and disclosure in this Corporate Governance Report.

BOARD DIVERSITY POLICY

The Board has adopted a Board Diversity Policy setting out the approach to achieve diversity on the Board. The Board has considered that diversity of the Board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualification, skills, knowledge and industry and regional experience. The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company's business growth.

The Nomination Committee and the Board considered that the current composition of the Board is sufficiently diverse and the Board has not set any measurable objectives.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness and will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.



企業管治報告

CORPORATE GOVERNANCE REPORT

性別多元化

本公司重視本集團各層級的性別多元化。於二零二三年十二月三十一日，本集團勞動力（包括董事會）的性別比例如下：

	女性 Female	男性 Male
董事會 The Board	16%	84%
整體勞動力 Overall workforce	30%	70%

提名政策

董事會已採納了提名政策以載列相關甄選標準及提名程序以甄選或就甄選提名出任董事的人士提供推薦建議。甄選標準包括投入足夠時間及精神處理本公司事務的能力、誠信信譽、於相關行業的成就及經驗、可投入的時間及相關利益、於所有方面的多元化及有效履行董事會的職責。

於甄選董事時，提名委員會的秘書將召開提名委員會會議，並於會議前邀請董事會成員提名候選人（如有）以供提名委員會考慮。提名委員會亦可提名並非由董事會成員提名的候選人。

GENDER DIVERSITY

The Company values gender diversity across all levels of the Group. The gender ratio in the workforce of the Group, including the Board, as at 31 December 2023 is as follows:

NOMINATION POLICY

The Board has adopted a Nomination Policy setting out the relevant selection criteria and nomination procedures in order to select or make recommendations on the selection of individuals nominated for directorships. The selection criteria includes ability to devote sufficient time and attention to the affairs of the Company, reputation for integrity, accomplishment and experience in the relevant industries, commitment in respect of available time and relevant interest, diversity in all its respects and effectiveness in carrying out the responsibilities of the Board.

To nominate a director, the secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members.

就填補臨時空缺而言，提名委員會將提供推薦建議以供董事會考慮及審批。就於股東大會上提名候選人選舉而言，提名委員會將向董事會作出提名以供其考慮及提供推薦建議。

為提供獲董事會提名於股東大會上選舉的候選人的資料及邀請股東提名，將向股東寄發一份通函。通函將載列股東作出提名的提交期限。提名候選人的姓名、簡歷（包括資格及相關經驗）、獨立性、建議薪酬及根據適用法例、規則及規例所規定的任何其他資料將載於致股東的通函內。

於刊發通函之前，獲提名人士不得認為彼等已獲董事會提呈於股東大會上進行選舉。

候選人可於股東大會之前任何時間通過向本公司的公司秘書提交書面通知撤回其候選人資格。

對推薦候選人於股東大會上參選的所有事宜，董事會擁有最終決定權。

提名委員會將於適當情況下檢討提名政策，以確保其有效性。

For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

In order to provide information of the candidates nominated by the Board to stand for election at a general meeting, and to invite nominations from the shareholders of the Company, a circular will be sent to the shareholders. The circular will set out the lodgment period for the shareholders to make the nominations. The names, brief biographies (including qualifications and relevant experience), independence, proposed remuneration and any other information, as required pursuant to the applicable laws, rules and regulations, of the proposed candidates will be included in the circular to the shareholders.

Until the publication of the circular, the nominated persons shall not assume that they have been proposed by the Board to stand for election at the general meeting.

A candidate is allowed to withdraw his or her candidature at any time before the general meeting by serving a notice in writing to the Company Secretary of the Company.

The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

The Nomination Committee will review the Nomination Policy, as appropriate, to ensure its effectiveness.

股息政策

董事會已採納了股息政策以載列本公司目標股息支付比率的方法，由董事會全權決定，惟須符合下列條件：

1. 本公司憲章文件的規定；
2. 開曼群島公司法的償付能力規定；
3. 本公司擁有足夠的保留溢利和股份溢價支付股息；
4. 本公司若干財務安排及本公司不時受其約束的其他協議所存在的任何財務契約及其他限制；
5. 本公司及其附屬公司的盈利、財務狀況、經營業績、擴張計劃、營運資金需求及預期現金需求；
6. 附屬公司向本公司支付的現金股息；和
7. 董事會可能視為適當的其他因素。

董事會委員會

董事會已設立三個委員會，即審核委員會、薪酬委員會及提名委員會以處理本公司的特定事宜。本公司所有董事會委員會均設立了明確的書面職權範圍。董事會委員會之職權範圍已在本公司及聯交所網頁上刊載，及按要求提供予股東。

每一董事會委員會獲得了足夠資源以履行其職責，並在合理要求下，能夠在適當情況下尋求獨立的專業建議，費用由本集團承擔。

DIVIDEND POLICY

The Board has adopted a Dividend Policy setting out the approach to target dividend payout ratio of the Company, which is determined by the Board at its sole and absolute discretion, subject to:

1. the requirements of the Company's constitutional documents;
2. the solvency requirements of the Companies Act of the Cayman Islands;
3. there being sufficient amount of retained profits and share premium of the Company for the dividend payment;
4. any financial covenants and other restrictions that exist with respect to certain of the Company's financing arrangements and other agreements by which the Company is bound from time to time;
5. the earnings, financial position, results of operation, expansion plans, working capital requirements, and anticipated cash needs of the Company and its subsidiaries;
6. the payment by subsidiaries of cash dividends to the Company; and
7. other factors which the Board may deem appropriate.

BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, Remuneration Committee and Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of Board committees are posted on the websites of the Company and the Stock Exchange and are available to shareholders upon request.

Each Board committee has also been provided with sufficient resources to discharge its duties and, upon reasonable request, is able to seek independent profession advice in appropriate circumstances at the Group's expense.

審核委員會

審核委員會之主要職能為協助董事會審閱與本公司核數師之關係、財務資料、財務申報系統、風險管理系統及內部監控程序。

審核委員會之組成及本年度委員會會議之出席情況如下：

成員

Member

會議出席／舉行數目

No. of meetings attended/held

獨立非執行董事

Independent non-executive director

黃春華先生 (主席)	2/2
Mr. Huang Chunhua (Chairman)	2/2
金重先生	2/2
Mr. Jin Zhong	2/2
竇學宏先生 (於二零二三年十二月三十日離世)	2/2
Mr. Dou Xuehong (passed away on 30 December 2023)	2/2

在會議上，審核委員會審閱了本公司所採納之會計政策及慣例及討論審核、風險管理系統、內部監控及財務申報事宜，包括於執行董事缺席及核數師協助下，審閱了本公司之中期及全年業績。

薪酬委員會

薪酬委員會之主要職能為向董事會提供本公司董事及高級管理層薪酬政策及結構方面之意見，並檢討彼等之具體薪酬組合。

AUDIT COMMITTEE

The principal functions of the Audit Committee are to assist the Board in reviewing the relationship with the auditor of the Company, the financial information, the financial reporting system, risk management system and internal control procedures.

The composition of the Audit Committee and the attendance of the Committee meetings during the year are as follows:

會議出席／舉行數目

No. of meetings attended/held

獨立非執行董事

Independent non-executive director

黃春華先生 (主席)	2/2
Mr. Huang Chunhua (Chairman)	2/2
金重先生	2/2
Mr. Jin Zhong	2/2
竇學宏先生 (於二零二三年十二月三十日離世)	2/2
Mr. Dou Xuehong (passed away on 30 December 2023)	2/2

During the meetings, the Audit Committee reviewed the accounting principles and practices adopted by the Company and discussed auditing, risk management system, internal control and financial reporting matters, including the review of the interim and annual results of the Company with the assistance of the auditor without the presence of the executive directors.

REMUNERATION COMMITTEE

The principal functions of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for the remuneration of directors and senior management, and to review their specific remuneration packages.



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薪酬委員會之組成及本年度委員會會議之出席情況如下：

The composition of the Remuneration Committee and the attendance of the Committee meetings during the year are as follows:

成員 Member	會議出席／舉行數目 No. of meetings attended/held
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獨立非執行董事

Independent non-executive director

竇學宏先生（主席）（於二零二三年十二月三十日離世）	1/1
Mr. Dou Xuehong (<i>Chairman</i>) (passed away on 30 December 2023)	1/1
黃春華先生	1/1
Mr. Huang Chunhua	1/1
金重先生	1/1
Mr. Jin Zhong	1/1

薪酬委員會亦負責履行企業管治守則第E.1.2條守則條文所載的職能。

The Remuneration Committee is also responsible for performing the functions set out in the code provision E.1.2 of the CG Code.

於本年度，薪酬委員會曾召開1次會議，並完成以下工作：

During the Year, the Remuneration Committee held 1 meeting and had performed the works as follows:

- | | |
|----------------------|---|
| 1. 檢討本集團的薪酬政策及架構； | 1. reviewed the Group's remuneration policy and structure; |
| 2. 檢討全體董事的服務合約條款； | 2. reviewed the terms of service contracts of all Directors; |
| 3. 檢討董事及高級管理層的薪酬待遇；及 | 3. reviewed remuneration packages of the Directors and senior management; and |
| 4. 檢討本公司的購股權計劃。 | 4. reviewed the Share Option Scheme of the Company. |

董事的薪酬為董事袍金，惟僅執行董事獲酌情現金花紅及／或購股權。所有董事均受董事及高級職員責任保險保障。董事袍金乃參考彼等各自於本公司之職責及責任、本公司表現、當前市場情況及本集團的薪酬政策釐定。

The Directors are remunerated with Directors' fees and only executive Directors are remunerated with discretionary cash bonuses and/or share options. All Directors are covered by directors' and officers' liability insurance. Directors' fees are determined with reference to their respective duties and responsibility with the Company, the Company's performance, current market situation and the Group's remuneration policy.

提名委員會

提名委員會之主要職能為參考已採納的董事會成員多元化政策審閱董事會之組成、討論及協定以達至董事會成員多元化之可衡量目標、參考已採納的提名政策向董事會就董事委任及繼任提供意見、及評核獨立非執行董事之獨立性。

提名委員會之組成及本年度委員會會議之出席情況如下：

成員

Member

會議出席／舉行數目

No. of meetings attended/held

獨立非執行董事

Independent non-executive director

金重先生 (主席)	1/1
Mr. Jin Zhong (Chairman)	1/1
黃春華先生	1/1
Mr. Huang Chunhua	1/1
竇學宏先生 (於二零二三年十二月三十日離世)	1/1
Mr. Dou Xuehong (passed away on 30 December 2023)	1/1

在會議上，提名委員會參考董事會成員多元化政策和提名政策檢討了本公司之董事會組成及獨立非執行董事的獨立性。提名委員會認為本公司之董事會組成適當。

董事之重選

本公司的組織章程細則訂明每位董事須至少每三年輪值退任一次，及董事獲委任以填補空缺者須留任至本公司下屆股東週年大會。

根據細則第108(A)及(B)條，蔣泉龍先生、蔣大偉先生及金重先生將於即將舉行的股東週年大會上輪值退任，惟合資格並願意膺選連任。

NOMINATION COMMITTEE

The principal functions of the Nomination Committee are to review the Board composition with reference to the Board Diversity Policy adopted, discuss and agree on measurable objectives for achieving diversity on the Board, make recommendations to the Board on the appointment and succession planning of directors with reference to the Nomination Policy adopted, and assess the independence of independent non-executive directors.

The composition of the Nomination Committee and the attendance of the Committee meetings during the year are as follows:

成員

Member

會議出席／舉行數目

No. of meetings attended/held

獨立非執行董事

Independent non-executive director

金重先生 (主席)	1/1
Mr. Jin Zhong (Chairman)	1/1
黃春華先生	1/1
Mr. Huang Chunhua	1/1
竇學宏先生 (於二零二三年十二月三十日離世)	1/1
Mr. Dou Xuehong (passed away on 30 December 2023)	1/1

During the meetings, the Nomination Committee with reference to the Board Diversity Policy and Nomination Policy reviewed the Board composition and the independence of the independent non-executive directors of the Company. The Nomination Committee considered that the Board composition is appropriate.

RE-ELECTION OF DIRECTORS

The Company's Articles of Association specify that every director should be subject to retirement by rotation at least once every three years and the director appointed to fill a casual vacancy shall hold office only until the next annual general meeting of the Company.

In accordance with Articles 108(A) and (B), Mr. Jiang Quanlong, Mr. Jiang Dawei and Mr. Jin Zhong will retire by rotation from the Board at the forthcoming annual general meeting and being eligible, offer themselves for re-election.



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董事對財務報表所負之責任

董事確認彼等負責編制截至二零二三年十二月三十一日止年度財務報表的責任。編製真實及公平地反映本集團財務狀況及各個財政期間之業績及現金流量之財務報表乃董事之責任。於編製財務報表時，董事須確保採納適當會計政策。財務報表乃按持續經營基準編製。

本公司核數師就其於財務報表之報告責任載於本年報第56頁至68頁的獨立核數師報告內。

公司秘書

於截至二零二三年十二月三十一日止年度及直至本報告日期，羅納德先生已提呈辭任(i)公司秘書(「公司秘書」)；(ii)根據上市規則第3.05條之本公司授權代表(「授權代表」)；及(iii)根據公司條例(香港法例第622章)第16部在香港代表本公司接收法律程序文件或通知之授權代表(「法律程序文件代理人」)之職務，自二零二三年八月一日起生效。吳穎雯女士(「吳女士」)已獲委任為公司秘書、授權代表及法律程序文件代理人，自二零二三年八月一日起生效。

吳女士自二零二四年二月七日起辭任公司秘書、授權代表及法律程序文件代理人之職務後，朱健明先生(「朱先生」)已獲委任為公司秘書、授權代表及法律程序文件代理人，自二零二四年二月七日起生效。

朱先生為外聘服務供應商，獲本公司委任為本公司之公司秘書，負責就企業管治事項向董事會提供建議，並確保董事會的政策和程序以及適用的法律、規則和條例得到遵守。本公司與朱先生的主要聯絡人為董事會主席錢元英女士。朱先生為英國特許公認會計師公會資深會員。彼亦為香港會計師公會、香港公司治理公會(前稱為香港特許秘書公會)及英國特許公司治理公會(前稱為英國特許秘書及行政人員公會)之會員。朱先生於二零零三年取得香港理工大學會計學文學士學位，並於二零二二年取得香港中文大學行政人員工商管理碩士學位。朱先生於財務及公司秘書事務方面擁有逾二十年經驗。

DIRECTORS' RESPONSIBILITIES ON THE FINANCIAL STATEMENTS

The Directors acknowledged their responsibility for preparing the financial statements of the Company for the year ended 31 December 2023. It is the directors' responsibility to prepare financial statements which give a true and fair view of the state of affairs of the Group, the results and cash flows for each financial period. In preparing the financial statements, the directors have to ensure that appropriate accounting policies are adopted. The financial statements are prepared on a going concern basis.

The statement of the auditor of the Company about the reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 56 to 68 of this annual report.

COMPANY SECRETARY

During the year ended 31 December 2023 and up to the date of this report, Mr. Law Lap Tak tendered his resignation as the (i) company secretary (the "Company Secretary"), (ii) an authorised representative of the Company under Rule 3.05 of the Listing Rules (the "Authorised Representative"); and (iii) authorised representative for accepting service of process or notice on behalf of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Process Agent"), with effect from 1 August 2023. Ms. Ng Wing Man ("Ms. Ng") was appointed as the Company Secretary, an Authorised Representative and the Process Agent with effect from 1 August 2023.

Following Ms. Ng's resignation as the Company Secretary, an Authorised Representative and the Process Agent with effect from 7 February 2024, Mr. Chu Kin Ming ("Mr. Chu") was appointed as the Company Secretary, an Authorised Representative and the Process Agent with effect from 7 February 2024.

Mr. Chu is the external service provider and was engaged by the Company as the Company Secretary, is responsible for advising the Board on corporate governance matters and ensuring that the Board's policies and procedures, as well as the applicable laws, rules and regulations are followed. The primary contact person at the Company with Mr. Chu was Ms. Qiang Yuanying, the Chairman of the Board. Mr. Chu is a fellow member of The Association of Chartered Certified Accountants. He is also a member of The Hong Kong Institute of Certified Public Accountants, The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (previously known as the Institute of Chartered Secretaries and Administrators). Mr. Chu obtained a degree in bachelor of arts in accountancy from the Hong Kong Polytechnic University in 2003 and a degree in executive master of business administration from The Chinese University of Hong Kong in 2022. Mr. Chu has more than 20 years experience in financial and company secretarial field.

羅納德先生、吳女士及朱先生已確認，於截至二零二三年十二月三十一日止年度，彼等各自接受了不少於十五小時的相關專業培訓。

董事及高級管理層之薪酬

本公司建立了透明的程序來制定本集團董事及高級管理層之薪酬政策。

截至二零二三年十二月三十一日止年度已付或應付予高級管理層（不包括董事）的薪酬介乎於下列範圍：

Mr. Law Lap Tak, Ms. Ng and Mr. Chu had confirmed that each of them received no less than 15 hours of relevant professional training during the year ended 31 December 2023.

DIRECTORS AND SENIOR MANAGEMENT'S REMUNERATION

The Company has established a transparent procedure for formulating policies on remuneration of directors and senior management of the Group.

The remuneration paid or payable to senior management, excluding the directors, for the year ended 31 December 2023, are within the following bands:

	人數 No. of individuals
零 – 1,000,000港元	4
Nil – HK\$1,000,000	4
1,000,001港元 – 2,000,000港元	2
HK\$1,000,001 – HK\$2,000,000	2

截至二零二三年十二月三十一日止年度已付或應付予董事及高級管理層之薪酬詳情載於綜合財務報表附註10及11。

Details of the remuneration paid or payable to directors and senior management for the year ended 31 December 2023 are set out in notes 10 and 11 to the consolidated financial statements.

核數師之酬金

於本年度，本公司就核數師提供之審核服務（包括其他服務）支付之酬金為2,300,000港元。

AUDITOR'S REMUNERATION

During the year, the remuneration in respect of audit services (including other services) provided by the auditor of the Company was HK\$2,300,000.

風險管理及內部監控

本集團已制定風險管理組織架構，由本集團董事會、審核委員會及高級管理層組成。

RISK MANAGEMENT AND INTERNAL CONTROL

The Group has established a risk management framework, which consists of the Board, the Audit Committee and senior management of the Group.



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董事會釐定就達成本集團策略目標可接受的主要風險性質和程度，並確認其對維持合適及有效的風險管理及內部監控系統的全面責任。風險包括與業務、營運以及環境、社會及管治相關的重大風險。審核委員會協助董事會監察風險管理及內部監控系統的運作成效，而高級管理層則負責設計及執行有關程序。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

本集團已採納各式風險管理程序和指引以明確授權由主要營運單位或部門包括銷售與收款、採購與付款、生產與倉儲、財務與司庫及固定資產管理執行。各主要營運單位或部門均負責日常風險管理活動，包括鑒定可能對本集團表現造成影響的重大風險、根據可能受到的影響及出現的可能性評核及評估已識別的風險、制定及執行措施、監控及應對計劃，以管理及減輕該等風險。獲指派之高級管理人員負責就環境及社會有關事宜與地方政府聯絡。於每月例會上，主要營運單位或部門主管討論業務並向本集團行政總裁匯報風險管理及內部監控事宜，行政總裁直接向董事會負責。

鑑於司庫環節的重要性，原則上以職責分工處理及所有支付和資金管理均需要適當授權。各附屬公司將持續檢視其現金狀況，以確保其有足夠可用資金以支持其營運與發展。董事會主席與所有執行董事共同監察本集團的整體財務資源及進行資金分配。

The Board evaluates and determines the nature and extent of principal risks that are acceptable in achieving the Group's strategic objectives, and acknowledges its overall responsibility for maintaining appropriate and effective risk management and internal control systems. Risks include materials risks relating to business, operational as well as environmental, social and governance. The Audit Committee supports the Board in monitoring the operating effectiveness of the risk management and internal control systems, while the senior management is responsible for the design and implementation of relevant procedures. Such systems are designed 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.

The Group has adopted various risk management procedures and guidelines with defined authority for implementation by major units or departments, including sales and collection, procurement and payment, production and warehousing, finance and treasury as well as fixed assets management. Each major unit or department is responsible for daily risk management activities, including identifying major risks that might impact on the Group's performance, accessing and evaluating the identified risks according to their likely impacts and the likelihood of occurrence, formulating and implementing measures, controls and response plans to manage and mitigate such risks. Designated senior management is responsible for liaison with local authorities for the matters relating to environment and social issues. During monthly regular meetings, heads of major operation units or departments discuss the business and report the risk management and internal control matters to the Group's Chief Executive Officer, who is directly responsible to the Board.

In view of the importance of the treasury cycle, principally it is processed by segregation of duties and proper approval is needed for all payment and fund management. Each subsidiary will review its own cash position continuously to ensure that there is adequate fund available to support its operation and development. The Chairman of the Board will work together with all executive directors to monitor the overall financial resources of the Group and carry out fund allocation.

董事會已將持續監察風險管理及內部監控系統以及每年審閱該等系統成效的責任交託予審核委員會執行。為履行內部審核的職能，本集團於本年度內藉由獨立顧問的協助下進行了風險管理及內部監控系統的審閱，並將主要結果向審核委員會匯報。該審閱涵蓋有關財務、運作、合規及風險管理的主要及重要控制範疇。雖然仍有改進空間，惟於該審閱中並無確認重大內部監控失誤。

本集團維持內部指引以確保內幕消息根據適用法例及規則公平及適時地傳播予公眾人士。本集團投資關係、企業事務及財務管理職能的高級行政人員獲授權負責控制及監察內幕消息之披露。只限於相關高級管理層按情況需要方能獲取內幕消息，並提醒相關負責之員工及其他專業人士須將內幕消息保密直至已公開披露。

The Board has entrusted the Audit Committee with the responsibility to oversee the risk management and internal control systems on an on-going basis and to review the effectiveness of the systems annually. To perform the internal audit function, the Group has conducted a review of the effectiveness of the risk management and internal control systems with the assistance of an independent advisor during the year and reported the key findings to the Audit Committee. The review covers major and material controls in areas of financial, operational and compliance and risk management functions. Although there is room for improvement, no significant deficiency of the internal control has been identified in the review.

The Group has maintained internal guidelines for ensuring that inside information is disseminated to the public in an equal and timely manner in accordance with the applicable laws and regulations. Senior executives of the investor relations, corporate affairs and financial control functions of the Group are delegated with responsibilities to control and monitor the disclosure of inside information. Access to inside information is confined to relevant senior management on “need-to-know” basis. Relevant personnel and other professional parties involved are reminded to preserve confidentiality of the inside information until it is publicly disclosed.



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股東權利

股東大會

本公司股東大會為股東及董事會提供溝通之機會。董事會主席以及審核委員會、薪酬委員會及提名委員會之主席(或於其缺席之情況下,其正式委任之代表)將於股東大會上回答提問,本公司核數師亦被邀請出席本公司的股東週年大會(「股東週年大會」)及協助董事回答股東有關審核處理及獨立核數師報告之編製與內容之疑問。股東大會上將就各重大事宜(包括選舉個別董事)提呈單獨決議案。

股東週年大會及股東特別大會(「股東特別大會」)通告連同相關文件最少於個別大會前二十一日及十四日發送予股東,當中載列各提呈決議案的詳情、投票程序及其他有關資料。股東於股東大會上之所有投票按上市規則須以點票表決方式進行。大會主席將於股東大會上就所提呈之各項決議案要求以點票方式表決,並將於股東大會上就決議案進行投票前對有關權利及程序作出闡釋。會上將委任獨立監票員進行點票,而表決結果將刊載於本公司及聯交所網頁上。

SHAREHOLDERS' RIGHTS

General meeting

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. The Chairman of the Board as well as chairmen of the Audit Committee, Remuneration Committee and Nomination Committee, or in their absence, their duly appointed delegates are available to answer questions at the shareholders' meetings. Auditor of the Company is also invited to attend the Company's annual general meeting ("AGM") and is available to assist the directors in addressing queries from shareholders relating to the conduct of the audit and the preparation and contents of the Independent Auditor's Report. Separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors.

Notice of AGM and extraordinary general meetings ("EGM") together with related papers are sent to the shareholders at least 21 days and 14 days before the respective meetings, setting out details of each proposed resolution, voting procedures and other relevant information. All votes of shareholders at the general meeting will be decided by poll pursuant to the Listing Rules. The chairman of the meeting will demand that all resolutions put to the vote at general meetings be taken by poll and will explain such rights and procedures during the general meetings before voting on the resolutions. An independent scrutineer will be appointed to count the votes and the poll results will be posted on the websites of the Company and the Stock Exchange after the general meetings.

本公司股東可按本公司的組織章程細則第64條要求召開股東特別大會。股東召開股東特別大會之程序如下：

1. 於投遞請求書之日持有本公司具有權利於股東大會投票之繳足股本不少於十分之一的一名或以上股東（「請求人」）有權以書面通知要求本公司董事召開股東特別大會，以處理該請求書中指明之任何事項。
2. 有關請求書須以書面方式按以下全部地址向本公司董事或公司秘書作出：

本公司於香港之主要營業地點

地址： 香港九龍尖沙咀加連威老道100號
港晶中心10樓1011室

電郵： info@creh.com.hk

聯絡人： 公司秘書

本公司總辦事處

地址： 中華人民共和國江蘇省宜興市
丁蜀鎮

聯絡人： 公司秘書

本公司註冊辦事處

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

聯絡人： 公司秘書

股東須提供彼等的全名、聯絡詳情及身分，以便本公司回覆。股東資料可能根據法律規定而予以披露。

Shareholders of the Company can make a requisition to convene an EGM pursuant to Article 64 of the Company's Articles of Association. The procedures for the shareholders to convene an EGM are as follows:

1. One or more shareholders ("Requisitionist") holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings shall have the right, by written notice, to require an EGM to be called by the directors for the transaction of any business specified in such requisition.
2. Such requisition shall be made in writing to the directors or the Company Secretary of the Company at all of the following addresses:

Principal place of business of the Company in Hong Kong

Address: Unit 1011, 10/F., Harbour Crystal Centre, 100
Granville Road, Tsim Sha Tsui, Kowloon,
Hong Kong

Email: info@creh.com.hk

Attention: Company Secretary

Head office of the Company

Address: Dingshu Town, Yixing City, Jiangsu Province,
the People's Republic of China

Attention: Company Secretary

Registered office of the Company

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

Attention: Company Secretary

Shareholders must provide their full name, contact details and identification in order to given effect thereto. Shareholders' information may be disclosed as required by law.



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3. 股東特別大會須於有關請求書投遞後兩個月內舉行。
4. 倘董事未能於該投遞起計二十一日內召開該大會，一名或以上請求人本身可以相同方式召開，而請求人因董事未能行事而產生之一切合理開支須由本公司發還予請求人。

股東向本公司發表查詢之程序

對於董事會之事宜，股東可按以下方式與本公司聯絡：

地址： 香港九龍尖沙咀加連威老道100號港晶中心10樓1011室
電郵： info@creh.com.hk
電話： (852) 2869 6283
傳真： (852) 2136 0030
聯絡人： 公司秘書

對於股份登記相關事宜（如股份過戶及登記、更改姓名或地址、遺失股票或股息單），登記股東可聯絡：

本公司之香港股份過戶登記分處

香港中央證券登記有限公司

地址： 香港皇后大道東183號合和中心17樓

電話： (852) 2862 8555
傳真： (852) 2865 0990

股東於股東大會上提呈建議書之程序

為了於本公司股東大會上提呈建議，股東應以書面通知將建議書（「建議書」）連同其詳細之聯絡資料遞交本公司於香港之主要營業地點，地址為香港九龍尖沙咀加連威老道100號港晶中心10樓1011室。

3. The EGM shall be held within two months after the deposit of such requisition.
4. If the directors fail to proceed to convene such meeting within 21 days of such deposit, the Requisitionist himself may do so in the same manner, and all reasonable expenses incurred by the Requisitionist as a result of the failure of the directors shall be reimbursed to the Requisitionist by the Company.

Procedures for shareholders to direct enquiries to the Company

For matters in relation to the Board, shareholders can contact the Company at the following:

Address: Unit 1011, 10/F., Harbour Crystal Centre, 100 Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong
Email: info@creh.com.hk
Telephone: (852) 2869 6283
Fax: (852) 2136 0030
Attention: Company Secretary

For share registration related matters, such as share transfer and registration, change of name or address, loss of share certificates or dividend warrants, the registered shareholders can contact:

Hong Kong branch share registrar and transfer office

Computershare Hong Kong Investor Services Limited

Address: 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong

Telephone: (852) 2862 8555
Fax: (852) 2865 0990

Procedures for shareholders to put forward proposals at shareholders' meetings

To put forward proposals at a general meeting of the Company, a shareholder should lodge a written notice of his/her proposal ("Proposal") with his/her detailed contact information at the Company's principal place of business in Hong Kong at Unit 1011, 10/F., Harbour Crystal Centre, 100 Granville Road, Tsim Sha Tsui, Kowloon, Hong Kong.

該要求將交予本公司之香港股份過戶登記分處進行核證，建議書一經確定為妥當及適當，本公司董事會將被要求於股東大會之議程中載入建議書。

給予全體股東以考慮有關股東於股東大會上提出之建議書之通知期因應建議書之性質有以下差異：

1. 倘建議書須以本公司普通決議案批准，則至少十四日書面通知。
2. 倘建議書須以本公司特別決議案於本公司股東特別大會上或以本公司普通決議案於本公司股東週年大會上批准，則至少二十一日書面通知。

投資者關係

本公司繼續加強與其投資者之溝通及聯繫。獲指派之高級管理人員與機構投資者及分析師保持定期交談，以讓彼等瞭解本公司之最新發展情況。投資人之查詢以具資訊性及適時方式處理。

為促進有效溝通，本公司亦設有一個網頁，於 www.creh.com.hk，廣泛刊載本公司業務發展及營運之最新訊息、財務訊息及其他訊息。

股東通訊政策

本公司制定了股東通訊政策。該政策旨在制定條文，目的為確保股東及（在適當情況下）整體投資界可隨時取得適時、全面、相同及容易理解之本公司資料（包括其財務表現、策略目標及計劃、重大發展、企業管治及風險制度），使股東能夠在知情的情況下行使其權利，並使股東及投資界積極與本公司聯繫。董事會檢討了股東通訊政策的實施和有效性，結果令人滿意。

The request will be verified with the Company's branch share registrar in Hong Kong and upon their confirmation that the request is proper and in order, the Board will be asked to include the Proposal in the agenda for the general meeting.

The notice period to be given to all the shareholders for consideration of the Proposal raised by the shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

1. At least 14 days' notice in writing if the Proposal requires approval by way of an ordinary resolution of the Company.
2. At least 21 days' notice in writing if the Proposal requires approval by way of a special resolution of the Company in an EGM or an ordinary resolution of the Company in an AGM.

INVESTOR RELATIONS

The Company continues to enhance communications and relationships with its investors. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner.

To promote effective communication, the Company also maintains a website at www.creh.com.hk, where extensive information and updates on the Company's business developments and operations, financial information and other information are posted.

SHAREHOLDERS COMMUNICATION POLICY

The Company has in place a Shareholders Communication Policy. The policy aims to set out the provisions with the objective of ensuring that shareholders, and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments, governance and risk profile), in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders and the investment community to engage actively with the Company. The Board reviewed the implementation and effectiveness of the Shareholders Communication Policy and the results were satisfactory.



企業管治報告

CORPORATE GOVERNANCE REPORT

本公司建立了下列若干渠道與股東保持溝通：

1. 公司通訊

給予股東之公司通訊將以純文字及中、英文版發出以方便股東理解。

2. 公司網站

本公司網站(www.creh.com.hk)中設有「投資者關係」的投資者關係專欄。本公司網站之資料定期更新。本公司向聯交所發佈之資料亦稍後於本公司網站刊載。有關資料包括財務報表、業績公佈、通函及股東大會通告以及相關之說明文件等。

3. 股東大會

建議股東參與股東大會或(如彼等未能出席大會)委任代表代其出席大會並於會上投票。股東週年大會將會作出適當安排以鼓勵股東參與。本公司股東大會之程序將予定期監察及檢討，如有需要，將作出變動以確保盡量滿足股東之需要。董事會成員(尤其是董事委員會主席或其代表)、適當管理行政人員及外聘核數師將出席股東週年大會以回答股東提問。

章程文件

於本年度內，本公司之章程文件並無變動。

The Company has established certain channels for maintaining an on-going dialogue with its shareholders as follows:

1. Corporate communication

Corporate communication will be provided to shareholders in plain language and in both English and Chinese versions to facilitate shareholders' understanding.

2. Corporate website

A dedicated investor relations section titled "Investor Relations" is available on the Company website (www.creh.com.hk). Information on the Company's website is updated on a regular basis. Information released by the Company to the Stock Exchange is also posted on the Company's website immediately thereafter. Such information includes financial statements, results announcements, circulars and notices of general meetings and associated explanatory documents, etc.

3. Shareholders' meetings

Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. Appropriate arrangements for the annual general meetings shall be in place to encourage shareholders' participation. The process of the Company's general meetings will be monitored and reviewed on a regular basis, and if necessary, changes will be made to ensure that shareholders' needs are best served. Board members, in particular, the chairmen of Board committees or their delegates, appropriate management executives and external auditors will attend annual general meetings to answer shareholders' questions.

CONSTITUTIONAL DOCUMENTS

During the year, there was no change in the constitutional documents of the Company.

董事會同寅欣然呈報本集團截至二零二三年十二月三十一日止年度的年報及經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本集團的主要業務為稀土產品及耐火產品之製造及銷售。

附屬公司的主要業務載於綜合財務報表附註19。

分部資料

本集團分部資料的詳情載於綜合財務報表附註15。

業務審視

有關本集團業務於截至二零二三年十二月三十一日止年度之業務審視討論請參閱「主席報告」一節。

業績及分派

本集團於截至二零二三年十二月三十一日止年度的業績載於本年報第69頁的綜合損益表內。

就本年度未有宣佈及派發中期及末期股息。

其他分派詳情載於綜合財務報表附註27。

本公司可供分派之儲備

本公司可供派發之儲備包括股份溢價賬及保留溢利／累計虧損。於二零二三年十二月三十一日，本公司可供分派給股東的儲備為1,715,944,000港元。

The directors have pleasure in presenting the annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Group are manufacturing and sales of rare earth products and refractory products.

The principal activities of the subsidiaries are set out in note 19 to the consolidated financial statements.

SEGMENTAL INFORMATION

Details of segmental information of the Group are set out in note 15 to the consolidated financial statements.

BUSINESS REVIEW

Please refer to the section headed "Chairman's Statement" for the discussion of business review of the Group's businesses for the year ended 31 December 2023.

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 on page 69 of this annual report.

No interim and final dividend was declared and paid to the shareholders for the year.

Details of other appropriations are set out in note 27 to the consolidated financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution comprise the share premium account and retained profits/accumulated losses. As at 31 December 2023, the reserves of the Company available for distribution to shareholders amounted to HK\$1,715,944,000.



董事會報告

DIRECTORS' REPORT

財務概要

本集團於過去五個財政年度的業績概要載於本年報第172頁。

物業、廠房及設備

本集團於年內的物業、廠房及設備的變動詳情載於綜合財務報表附註17。

股本

本公司於年內的股本的變動詳情載於綜合財務報表附註27。

退休計劃

本集團的退休計劃詳情載於綜合財務報表附註12。

董事

年內及直至本報告刊行日期止本公司的董事為：

執行董事

錢元英女士(主席)
蔣泉龍先生
蔣大偉先生(行政總裁)
蔣才南先生

獨立非執行董事

黃春華先生
金重先生
竇學宏先生(於二零二三年十二月三十日離世)

根據本公司的組織章程細則第108(A)及(B)條，蔣泉龍先生、蔣大偉先生及金重先生將於即將舉行的股東週年大會上輪值退任，惟合資格並願意膺選連任。

於二零二三年十二月三十一日，概無董事與本公司訂立不可由本公司於一年內終止而毋須支付法定賠償以外的賠償的服務合約。

FINANCIAL SUMMARY

A summary of the results of the Group for the past five financial years is set out on page 172 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in note 17 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 27 to the consolidated financial statements.

RETIREMENT SCHEMES

Details of the retirement schemes of the Group are set out in note 12 to the consolidated financial statements.

DIRECTORS

The directors of the Company during the year and up to the date of this report are:

Executive directors

Ms. Qian Yuanying (*Chairman*)
Mr. Jiang Quanlong
Mr. Jiang Dawei (*Chief Executive Officer*)
Mr. Jiang Cainan

Independent non-executive directors

Mr. Huang Chunhua
Mr. Jin Zhong
Mr. Dou Xuehong (passed away on 30 December 2023)

In accordance with Articles 108(A) and (B) of the Company's Articles of Association, Mr. Jiang Quanlong, Mr. Jiang Dawei and Mr. Jin Zhong will retire by rotation from the Board at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

As at 31 December 2023, none of the directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

董事及主要行政人員的權益及淡倉

於二零二三年十二月三十一日，本公司依據證券及期貨條例（「證券及期貨條例」）第352條而存置之登記冊內所載，或依據上市公司董事進行證券交易的標準守則而通知本公司及聯交所的本公司董事及主要行政人員及其緊密關聯人士於本公司及其相聯公司之股份、相關股份及債券的權益及淡倉如下：

1. 於本公司股份權益

董事	權益性質／身份	股份數目	佔本公司已發行股本的百分比 % to the issued share capital of the Company
Director	Nature of interest/Capacity	Number of shares	
錢元英	信託之成立人	707,179,200 (附註1)	30.20%
Qian Yuanying	Founder of a trust	707,179,200 (Note 1)	30.20%
錢元英	受控公司之權益	21,000,000 (附註2)	0.90%
Qian Yuanying	Interest of controlled corporation	21,000,000 (Note 2)	0.90%
蔣泉龍	配偶之權益／受控公司之權益	728,179,200 (附註1及2)	31.10%
Jiang Quanlong	Interest of spouse/Interest of controlled corporation	728,179,200 (Notes 1 & 2)	31.10%
蔣大偉	實益擁有人	530,077 (附註3)	0.02%
Jiang Dawei	Beneficial owner	530,077 (Note 3)	0.02%

附註：

- 707,179,200股以好倉透過YY Holdings Limited持有，其全部已發行股本由YY Trust的受託人YYT (PTC) Limited所持有，而受益人為蔣泉龍先生的配偶錢元英女士及其子全資擁有的公司。按證券及期貨條例第XV部之定義錢元英女士為YY Trust的成立人。蔣泉龍先生及錢元英女士為YY Holdings Limited的董事。
- 21,000,000股以好倉透過Praise Fortune Limited持有，其39.93%的已發行股本由蔣泉龍先生的配偶錢元英女士持有。錢元英女士為Praise Fortune Limited的董事。
- 所有股份均以好倉持有。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS

As at 31 December 2023, the interests and short positions of the directors and chief executives of the Company and their respective close associates in the shares, underlying shares and debentures of the Company and its associated corporations as recorded in the register kept by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO") or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

1. Interests in shares of the Company

Notes:

- 707,179,200 shares are held in long position through YY Holdings Limited, the entire issued share capital of which is held by YYT (PTC) Limited, the trustee of YY Trust, the discretionary object of which is a company wholly owned by Ms. Qian Yuanying, the spouse of Mr. Jiang Quanlong, and her sons. Ms. Qian Yuanying is a founder of YY Trust within the meaning under Part XV of the SFO. Mr. Jiang Quanlong and Ms. Qian Yuanying are the directors of YY Holdings Limited.
- 21,000,000 shares are held in long position through Praise Fortune Limited, 39.93% of its issued share capital is held by Ms. Qian Yuanying, the spouse of Mr. Jiang Quanlong. Ms. Qian Yuanying is a director of Praise Fortune Limited.
- All the shares are held in long position.

董事會報告

DIRECTORS' REPORT

2. 於相聯公司股份、相關股份或股本權益

(a) 微科資源有限公司

董事	權益性質／身份	已發行股份數目及類別	佔該公司已發行股本中 該股份類別的百分比 % in the class of shares in the issued share capital of the company
Director	Nature of interest/Capacity	Number and class of issued shares	
錢元英	實益擁有人	無投票權遞延股份3,000,000股	30%
Qian Yuanying	Beneficial owner	3,000,000 non-voting deferred shares	30%
蔣泉龍	實益擁有人	無投票權遞延股份7,000,000股	70%
Jiang Quanlong	Beneficial owner	7,000,000 non-voting deferred shares	70%

(b) 宜興新威利成稀土有限公司

董事	權益性質／身份	股本權益百分比
Director	Nature of interest/Capacity	% equity interest
蔣泉龍	受控公司之權益	5%
Jiang Quanlong	Interest of controlled corporation	5%

附註：

該等權益乃透過宜興新威集團有限公司持有。該中國企業由蔣泉龍先生擁有90%權益，餘下的10%權益由其配偶錢元英女士持有。蔣泉龍先生亦為該企業的法定代表人。

Note:

The equity interest is held by Yixing Xinwei Group Co., Ltd., a PRC domestic enterprise 90% owned by Mr. Jiang Quanlong, with the remaining 10% owned by his spouse Ms. Qian Yuanying. Mr. Jiang Quanlong is also the legal representative of the enterprise.

(c) YY Holdings Limited

(c) YY Holdings Limited

董事	權益性質／身份	已發行股份數目及類別	佔該公司已發行股本中 該股份類別的百分比 % in the class of shares in the issued share capital of the company
Director	Nature of interest/Capacity	Number and class of issued shares	
錢元英	信託之成立人	普通股份1股	100%
Qian Yuanying	Founder of a trust	1 ordinary share	100%
錢元英	信託之成立人	優先股份25,000股	100%
Qian Yuanying	Founder of a trust	25,000 preference shares	100%
蔣泉龍	受控公司之權益	普通股份1股	100%
Jiang Quanlong	Interest of controlled corporation	1 ordinary share	100%
蔣泉龍	受控公司之權益	優先股份25,000股	100%
Jiang Quanlong	Interest of controlled corporation	25,000 preference shares	100%

附註：

YY Holdings Limited的全部已發行股本由YY Trust的受託人YYT (PTC) Limited所持有，而其受益人為蔣泉龍先生的配偶錢元英女士及其子全資擁有的公司。按證券及期貨條例第XV部之定義錢元英女士為YY Trust的成立人。蔣泉龍先生及錢元英女士為YYT (PTC) Limited的董事。

Note:

The entire issued share capital of YY Holdings Limited is held by YYT (PTC) Limited, the trustee of YY Trust, the discretionary object of which is a company wholly owned by Ms. Qian Yuanying, the spouse of Mr. Jiang Quanlong, and her sons. Ms. Qian Yuanying is a founder of YY Trust within the meaning under Part XV of the SFO. Mr. Jiang Quanlong and Ms. Qian Yuanying are the directors of YYT (PTC) Limited.

除上述披露外，於二零二三年十二月三十一日，根據證券及期貨條例第352條所存置之登記冊內所載，概無本公司董事或主要行政人員或其緊密關聯人士於本公司及其相聯公司之股份、相關股份及債券持有或被視為持有任何權益或淡倉。

Save as disclosed above, as at 31 December 2023, none of the directors or chief executives of the Company and their respective close associates had or was deemed to have any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations as recorded in the register kept under Section 352 of the SFO.

主要股東權益及淡倉

據董事會所知，於二零二三年十二月三十一日，本公司依據證券及期貨條例第336條而存置之登記冊內所載，除本公司董事及主要行政人員外，其他股東持有本公司的股份及相關股份的權益及淡倉如下：

1. 全部已發行股本由YYT (PTC) Limited所持有的公司YY Holdings Limited以實益擁有人身份持有本公司股份707,179,200股，約佔本公司已發行股份的30.20%。
2. YYT (PTC) Limited被視為持有其所擁有全部已發行股本的YY Holdings Limited所持有的本公司股份707,179,200股的權益。

除上述披露外，於二零二三年十二月三十一日，根據證券及期貨條例第336條所存置之登記冊內所載，除本公司董事或主要行政人員外，概無其他人士通知本公司於本公司之股份或相關股份持有任何權益或淡倉。

購股權計劃

由於先前於二零零四年六月四日採納的舊購股權計劃於二零一四年六月三日失效，本公司股東於二零一四年六月六日召開的股東週年大會批准採納現時生效的新購股權計劃（「新計劃」），旨在以提供獎勵鼓勵參與者向本集團作出貢獻。根據已修訂的上市規則第十七章（已於二零二三年一月一日生效），本公司將依賴為新計劃提供的過渡安排，並僅根據已修訂的上市規則第十七章（在適用範圍內）授出購股權。

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

So far as is known to the directors, as at 31 December 2023, the interests and short positions of shareholders, other than the directors or chief executives of the Company, in the shares and underlying shares of the Company as recorded in the register kept by the Company pursuant to Section 336 of the SFO were as follows:

1. YY Holdings Limited, the entire issued share capital of which is held by YYT (PTC) Limited, was holding 707,179,200 shares of the Company in long position, representing approximately 30.20% of the issued share capital of the Company as beneficial owner.
2. YYT (PTC) Limited was deemed to be interested in long position in 707,179,200 shares of the Company held by YY Holdings Limited, the entire issued share capital of which is held by YYT (PTC) Limited.

Save as disclosed above, no other party, other than the directors or chief executives of the Company, has notified the Company that he had any interest or short position in the shares or underlying shares of the Company as recorded in the register kept under Section 336 of the SFO as at 31 December 2023.

SHARE OPTION SCHEME

At the Company's annual general meeting held on 6 June 2014, the shareholders of the Company approved the adoption of a new share option scheme currently in force (the "New Scheme") after the old share option scheme, which was previously adopted on 4 June 2004, lapsed on 3 June 2014 for the purpose of providing incentives to participants for their contribution to the Group. Under the amended Chapter 17 of the Listing Rules, which has come into effect on 1 January 2023, the Company will rely on the transitional arrangements provided for the New Scheme and will only grant share options in compliance with the amended Chapter 17 of the Listing Rules (to the extent applicable).

新計劃之主要條款如下：

1. 新計劃旨在使本集團能向曾對本集團作出貢獻的合資格參與者授出購股權作為獎勵或回報。
2. 合資格參與者包括本公司或其任何附屬公司或本集團任何成員公司持有任何股權之任何實體之任何僱員（不論全職或兼職，包括任何執行董事）、任何非執行董事、任何股東、任何供應商及任何客戶，以及對本集團的發展及成長作出貢獻的任何人士。
3. 按新計劃，可予發行的總股份數目為167,264,305股，分別約佔於新計劃採納日期及本報告日期時本公司已發行股本的10%及7.14%。
4. 各參與者按新計劃在任何十二個月期間內可獲發行之股份數目不可超過本公司已發行股本之1%。
5. 授出購股權之可行使日期可由董事會釐定，但不可於要約日期十年後結束。
6. 任何授出購股權之要約可由參與者於要約日起二十一日內以付出代價1港元接納。
7. 行使價可由董事會釐定，但不可少於下列各項之最高者：
 - (i) 要約當日本公司股份於聯交所每日報價表所示之收市價；

The major terms of the New Scheme are as follows:

1. The purpose of the New Scheme is to enable the Group to grant options to the eligible participants as incentives or rewards for their contribution to the Group.
2. The eligible participants include any employee (whether full-time or part-time, including any executive director), any non-executive director, any shareholder, any supplier and any customer of the Company or any of its subsidiaries or any entity in which any member of the Group holds any equity interest, and any party having contributed to the development and growth of the Group.
3. Under the New Scheme, the total number of shares available for issue is 167,264,305 which represents approximately 10% and 7.14%, respectively, of the issued share capital of the Company as at the date of adoption of the New Scheme and as at the date of this report.
4. The maximum entitlement of each participant under the Scheme in any 12-month period should not exceed 1% of the issued share capital of the Company.
5. The exercisable period of an option granted may be determined by the directors and should not end later than 10 years after the date of offer.
6. Any offer for the grant of an option may be accepted by the participant within 21 days from the date of offer with a consideration of HK\$1 paid.
7. The exercise price may be determined by the directors provided that it should not be less than the highest of:
 - (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotation sheet on the date of offer;

董事會報告

DIRECTORS' REPORT

(ii) 緊接要約當日前五個營業日本公司股份於聯交所每日報價表所示之平均收市價；及

(iii) 本公司股份面價。

8. 新計劃自二零一四年六月六日，即新計劃被採納日起十年內有效。

於二零二三年十一月三十日，本集團五名擬聘僱員及五名現有僱員按新計劃被授出購股權。

年內按新計劃被授出購股權之變動細節如下：

(ii) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of offer; and

(iii) the nominal value of a share of the Company.

8. The New Scheme is valid and effective for a period of 10 years from 6 June 2014, the date on which the Scheme was adopted.

On 30 November 2023, five proposed employees and five existing employees of the Group were offered to grant options under the New Scheme.

Particulars of the movement of the options granted under the New Scheme during the year were as follows:

參與者	授出日期	行使期	每股行使價	購股權數目				
				於 二零二三年 一月一日 持有	於 年內 授出	於 年內 行使	於 年內 取消 或失效	於 二零二三年 十二月三十一日 持有
Participants	Date of grant	Exercise period	Exercise price per share	Held at 1 January 2023	Granted during the year	Exercised during the year	Cancelled or lapsed during the year	Held at 31 December 2023
僱員								
Employees								
合計	二零二二年十一月三十日	二零二三年十一月三十日至 二零二四年六月五日	0.51港元	44,000,000	-	-	(12,500,000)	31,500,000
In aggregate	30 November 2022	30 November 2023 to 5 June 2024	HK\$0.51	44,000,000	-	-	(12,500,000)	31,500,000
擬聘僱員								
Proposed employees								
合計	二零二二年十一月三十日	二零二三年十一月三十日至 二零二四年六月五日	0.51港元	56,000,000	-	-	-	56,000,000
In aggregate	30 November 2022	30 November 2023 to 5 June 2024	HK\$0.51	56,000,000	-	-	-	56,000,000
合共 Total				100,000,000	-	-	(12,500,000)	87,500,000

購股權被授出日本公司股份之收市價為0.51港元。

The closing price of the Company's shares on the date on which the options were granted was HK\$0.51.

被授出購股權之歸屬期為二零二二年十一月三十日至二零二三年十一月二十九日，而行使期為二零二三年十一月三十日至二零二四年六月五日。

The vesting period of the options granted is from 30 November 2022 to 29 November 2023, while the exercise period is from 30 November 2023 to 5 June 2024.

五名擬聘僱員及一名現有僱員之購股權之歸屬及行使附帶之條件及／或績效目標載列如下：

The vesting and exercise of the options granted to the five proposed employees and one existing employee carry conditions and/or performance target as follows:

五名擬聘僱員

五名擬聘僱員之購股權之歸屬及行使須待彼等獲接納為本集團僱員後方可作實。

The five proposed employees

The vesting and exercise of the options granted to the five proposed employees shall be conditional upon the acceptance of their employment offer as an employee of the Group.

一名現有僱員

一名現有僱員之購股權之歸屬及行使須待其達到由董事會薪酬委員會評核指定之績效目標後方可作實。

The one existing employee

The vesting and exercise of the options granted to the one existing employee shall be conditional upon the fulfillment of a performance target of achieving an appraisal target to be assessed by the Remuneration Committee of the Board.

年內，12,500,000份購股權已失效。於二零二三年一月一日及二零二三年十二月三十一日，尚未行使的購股權數目分別為100,000,000份及87,500,000份。

During the year, 12,500,000 share options was lapsed. As at 1 January 2023 and 31 December 2023, the number of share option outstanding was 100,000,000 and 87,500,000 respectively.

截至二零二三年十二月三十一日，根據購股權計劃已授出購股權可發行之股份總數為67,264,305股，佔於二零二三年十二月三十一日及本報告日期之已發行股份加權平均數約2.87%。

As at 31 December 2023, the total number of Shares that may be issued in respect of options granted under the Share Option Scheme was 67,264,305 Shares, representing approximately 2.87% of the weighted average number of Shares in issue as at 31 December 2023 and as at the date of annual report.



董事會報告

DIRECTORS' REPORT

除上述披露外，年內本公司或其附屬公司概無參與任何能夠使本公司之任何董事或主要行政人員或其配偶或未滿十八歲的子女藉購入本公司或任何其他法人團體之股份或債券而獲得利益之任何安排。

年內授出之購股權詳情載於綜合財務報表附註28。

董事於合約的權益

除於綜合財務報表附註29披露外，於年結日或年內任何時間各董事概無於本公司或其任何附屬公司訂立與其業務有關的任何重大合約中擁有直接或間接的實際權益。

董事於競爭業務的權益

年內，概無董事於與本集團之業務有直接或間接競爭或可能存在競爭之任何業務中擁有任何權益。

獲准許彌償條文

年內，本公司按開曼群島公司法的允許，備有以本公司董事為受益人的彌償條文。獲准許彌償條文載於本公司組織章程細則以及為董事及高級行政人員購買的責任保險內，有關保險就董事可能面對任何訴訟而產生相關的潛在責任和費用而作出賠償。

管理合約

年內，概無訂立或存在任何對本集團全部或重大部份之業務與管理及行政有關之合約。

購買、出售或贖回本公司的上市證券

本集團於年內概無購買、出售或贖回任何本公司之上市證券。

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement, which enables any of the directors or chief executives of the Company or their spouses or children under the age of 18 to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Details of the share options granted during the year are set out in note 28 to the consolidated financial statements.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in note 29 to the consolidated financial statements, no director had a beneficial interest, either direct or indirect, in any contract of significance to which the Company or any of its subsidiaries was a party at the year-end date or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the directors had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

PERMITTED INDEMNITY PROVISIONS

During the year, the Company has in force indemnity provisions as permitted under the Companies Act of the Cayman Islands for the benefit of the directors of the Company. The permitted indemnity provisions are provided for in the Company's Articles of Association and in the directors and officers liability insurance maintained in respect of potential liability and costs associated with any proceedings that may be brought against the directors.

MANAGEMENT CONTRACTS

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

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

There has been no purchase, sale or redemption of any of the Company's listed securities by the Group during the year.

主要客戶及供應商

本集團主要客戶及供應商於年內所佔的銷售及採購百分比如下：

銷售

– 最大客戶	31%
– 最大五名客戶合計	71%

採購

– 最大供應商	50%
– 最大五名供應商合計	77%

據各董事所知，各董事、彼等的緊密聯繫人及擁有本公司5%以上已發行股本的任何股東概無於本集團最大五名客戶或供應商的股本中擁有任何權益。

企業管治

本公司致力於發展及維持良好的企業管治常規以保障本公司股東利益，同時提高本公司價值、問責性及透明度。本公司採納的主要企業管治常規相關資料載於本年報第19頁至42頁的企業管治報告內。

優先購股權

根據本公司組織章程細則及開曼群島公司法，本公司並無對於發行新股設立任何優先購股權之規定。

足夠公眾持股量

根據本公司從公開途徑所得的資料及據董事會所知，本公司於年內一直維持上市規則所規定的足夠公眾持股量。

MAJOR CUSTOMERS AND SUPPLIERS

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

Sales

– the largest customer	31%
– five largest customers combined	71%

Purchases

– the largest supplier	50%
– five largest suppliers combined	77%

None of the directors, their respective close associates or any shareholders who own more than 5% of the Company's issued share capital to the knowledge of the directors, have any interest in the share capital of any of the five largest customers or suppliers of the Group.

CORPORATE GOVERNANCE

The Company is committed to developing and maintaining robust corporate governance practices to safeguard the interests of its shareholders and to enhance corporate value, accountability and transparency of the Company. Information on the principal corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 19 to 42 of this annual report.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and the Companies Act of the Cayman Islands in relation to the issue of new shares by the Company.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained sufficient public float as required under the Listing Rules during the year.



董事會報告

DIRECTORS' REPORT

股權掛鈎協議

截至二零二三年十二月三十一日止年度期間，本公司並無訂立任何股權掛鈎協議。

不遵守上市規則

於竇學宏先生於二零二三年十二月三十日離世後，本公司不符合(其中包括)(i)董事會須包括至少三名獨立非執行董事；(ii)本公司審核委員會須至少由三名成員組成；及(iii)本公司薪酬委員會(「薪酬委員會」)之組成低於上市規則第3.25條之規定，其中規定薪酬委員會必須由獨立非執行董事擔任主席，且必須由獨立非執行董事佔大多數的規定。截至本報告日期，本公司仍在物色合適人選以於切實可行的情況下盡快填補空缺，惟無論如何應於其離世後三個月內委任。

核數師

截至二零二三年十二月三十一日止年度的綜合財務表已經由天健德揚會計師事務所有限公司審核。

天健德揚會計師事務所有限公司將任滿告退，惟合資格並願意膺選連任。有關續聘天健德揚會計師事務所有限公司為本公司核數師的決議案將於本公司應屆股東週年大會上提呈。於過去三年並無變更核數師。

報告期後事項

董事會並不知悉於二零二三年十二月三十一日後直至本報告日期發生對本集團產生重大影響的任何重大事件。

EQUITY-LINKED AGREEMENTS

The Company did not enter into any equity-linked agreement during the year ended 31 December 2023.

NON-COMPLIANCE WITH THE LISTING RULES

Following the passing away of Mr. Dou Xuehong on 30 December 2023, the Company is not in compliance with among others, the requirement that (i) the Board must include at least three independent non-executive Directors; (ii) the audit committee of the Company must comprise a minimum of three members, and (iii) the composition of the remuneration committee of the Company (the "Remuneration Committee") is below the requirement under Rule 3.25 of the Listing Rules, which stipulates the Remuneration Committee must be chaired by an independent non-executive director and must comprise a majority of independent non-executive directors. The Company is still in the process of identifying a suitable candidate to fill the vacancy as soon as practicable and in any event within three months from his passing away as at the date of this report.

AUDITOR

The consolidated financial statements for the year ended 31 December 2023 have been audited by Ascenda Cachet CPA Limited.

Ascenda Cachet CPA Limited will retire and, being eligible, offer itself for re-appointment. A resolution for the re-appointment of Ascenda Cachet CPA Limited will be proposed at the forthcoming annual general meeting of the Company. There has been no change of auditor in the past three years.

EVENTS AFTER THE REPORTING PERIOD

The Board are not aware of any significant event which had material effect on the Group subsequent to 31 December 2023 and up to the date of this report.

股東週年大會

本公司將於二零二四年六月二十一日舉行二零二三年股東週年大會（「股東週年大會」）。召開股東週年大會的通告及所有其他相關文件將根據上市規則的規定於適當時候刊登及寄發予本公司股東。

暫停辦理股份過戶登記手續

本公司將於二零二四年六月十八日（星期二）至二零二四年六月二十一日（星期五），包括首尾兩天，暫停辦理股份過戶登記手續，期間將不會進行任何股份之過戶登記。為保證股東有權出席股東週年大會及於會上表決，股東須於二零二四年六月十七日（星期一）下午四時三十分前將其付訖印花稅的轉讓文據，連同有關股票交付本公司股份過戶登記處香港分處「香港中央證券登記有限公司」，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室，以供登記有關轉讓。

代表董事會

錢元英
主席

香港，二零二四年三月二十八日

ANNUAL GENERAL MEETING

The 2023 Annual General Meeting (the "AGM") will be held on 21 June 2024. A notice convening the AGM and all other relevant documents will be published and dispatched to the shareholders of the Company in accordance with the requirements of the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

The Company's register of members will be closed from Tuesday, 18 June 2024 to Friday, 21 June 2024, both days inclusive, during which period no transfer of shares will be registered. To ensure that shareholders are entitled to attend and vote at the AGM, shareholders must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 17 June 2024 for registration of the relevant transfer.

On behalf of the Board

Qian Yuanying
Chairman

Hong Kong, 28 March 2024



獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



10/F Tien Chu Commercial Bldg.
173 Gloucester Road
Wanchai Hong Kong
香港灣仔
告士打道173號
天廚商業大廈10樓

獨立核數師報告

致中國稀土控股有限公司各股東

(於開曼群島註冊成立之有限公司)

意見

吾等已審核第69頁至171頁所載中國稀土控股有限公司(「貴公司」)及其附屬公司(下文統稱「貴集團」)之綜合財務報表,包括於二零二三年十二月三十一日之綜合財務狀況表及截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及附註,包括重大會計政策資料及其他解釋資料。

吾等認為,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」)真實公平地反映貴集團於二零二三年十二月三十一日之綜合財務狀況及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。

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHINA RARE EARTH HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of China Rare Earth Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 69 to 171 which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory 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 ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見基礎

吾等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。在該等準則下，吾等之責任在吾等之報告內「核數師就審計綜合財務報表承擔之責任」一節進一步闡述。根據香港會計師公會之「專業會計師道德守則」（「守則」），吾等獨立於貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得之審核憑證能充足及適當地為吾等之審核意見提供基礎。

關鍵審計事項

根據吾等之專業判斷，關鍵審計事項為吾等審核於本期間之綜合財務報表中最重要之事項。吾等在審核綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。就下文各事項而言，有關吾等審核時處理此等事項的描述僅適用於此等情況。

吾等已履行本報告「核數師就審計綜合財務報表承擔之責任」一節闡述之責任，包括與該等關鍵審計事項相關之責任。相應地，吾等之審計工作包括執行為應對評估綜合財務報表重大錯誤陳述風險而設計之審計程序。吾等執行審計程序之結果，包括應對下述事項所執行之程序，為綜合財務報表發表審計意見提供基礎。

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.

KEY AUDIT MATTERS

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

We have fulfilled the responsibilities described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

貴集團存貨估值

Valuation of the Group's inventories

請參閱綜合財務報表附註2(h)及4(a)之董事披露有關會計政策、判斷及估計以及綜合財務報表附註20之進一步資料。

Refer to notes 2(h) and 4(a) to the consolidated financial statements for the directors' disclosures of the related accounting policies, judgements and estimates and note 20 to the consolidated financial statements for further information.

關鍵審計事項

Key Audit Matter

於二零二三年十二月三十一日，貴集團存貨的賬面值約為203,068,000港元。

The carrying amount of the Group's inventories was approximately HK\$203,068,000 as at 31 December 2023.

管理層使用日常業務過程中之估計售價減估計完成之成本及進行銷售所需之估計成本釐定存貨之可變現淨值，當中涉及重大估計及假設。

Management determined the net realisable value of the inventories by using the estimated selling prices in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale, which involved significant estimates and assumptions.

釐定撇減基準屬重大判斷，乃根據過往存貨虧損經驗及預期日後售價而作出。

The determination of the basis of write-down is a significant judgement based on historical experience of stock losses and expected future selling prices.

貴集團於二零二三年十二月三十一日進行存貨審查，並於截至二零二三年十二月三十一日止年度撥備約65,320,000港元，以將存貨撇減至彼等的可變現淨值。

The Group carried out the inventory review as at 31 December 2023 and provided allowances of approximately HK\$65,320,000 to write down inventories to their net realisable value during the year ended 31 December 2023.

於審計中處理關鍵審計事項之方法

How our audit addressed the Key Audit Matter

吾等就管理層對貴集團存貨之賬面值評估進行之程序包括(其中包括)以下各項：

Our procedures in relation to management's assessment of the carrying amount of the Group's inventories included, among others, the followings:

- 了解管理層估計存貨可變現淨值的方法，及評估管理層過往對撥備估計的準確性；
- Obtaining an understanding of how management estimated the net realisable value of inventories and evaluating the historical accuracy of the allowance estimation by management;
- 與管理層討論及評估管理層估計其後售價、完成之成本及進行銷售所需之成本所採用的基準；
- Discussing with management and assessing the basis of the management's estimation of subsequent selling prices, costs of completion and costs necessary to make the sale;
- 評估計算存貨可變現淨值所使用的方法及假設；及重新計算存貨撇減撥備及撥備撥回金額；
- Assessing the methodology and assumptions used in the calculation of the net realisable value of the inventories; and recalculating the allowance and reversal of allowances for write-down of inventories;

貴集團存貨估值（續）

Valuation of the Group's inventories (Continued)

關鍵審計事項

Key Audit Matter

根據管理層所釐定存貨之可變現淨值，管理層認為於二零二三年十二月三十一日 貴集團之存貨估值屬恰當。

Based on the management's determination of the net realisable value of the inventories, the management concluded that the valuation of the Group's inventories was fairly stated as at 31 December 2023.

由於所涉及結餘的規模以及於評估存貨之可變現淨值時需要重大會計判斷及估計，我們選擇此為關鍵審計事項。

We selected this as a key audit matter due to the magnitude of the balance involved and the significant accounting judgements and estimates required in assessing the net realisable value of inventories.

於審計中處理關鍵審計事項之方法

How our audit addressed the Key Audit Matter

- 抽查存貨於報告期末後的售價、完成之成本及進行銷售所需之成本的準確性及相關性；及
- Checking, on a sample basis, the accuracy and relevance of the selling prices of the inventories subsequent to the end of the reporting period, the costs of completion and the costs necessary to make the sale; and
- 評估倘若於二零二三年十二月三十一日的估計可變現淨值低於成本的撥備是否足夠。
- Assessing the sufficiency of allowances where the estimated net realisable value was lower than the cost as at 31 December 2023.

貴集團應收賬款的減值

Impairment of the Group's trade receivables

請參閱綜合財務報表附註2(g)(i)、2(j)及4(a)之董事披露有關會計政策、判斷及估計以及綜合財務報表附註21及33(a)之進一步資料。

Refer to notes 2(g)(i), 2(j) and 4(a) to the consolidated financial statements for the directors' disclosures of the related accounting policies, judgements and estimates and notes 21 and 33(a) to the consolidated financial statements for further information.

關鍵審計事項

Key Audit Matter

於二零二三年十二月三十一日，貴集團應收賬款的賬面值約為418,613,000港元，扣除減值虧損約58,266,000港元。

The carrying amount of the Group's trade receivables was approximately HK\$418,613,000 as at 31 December 2023, net of impairment losses of approximately HK\$58,266,000.

根據預期信貸虧損（「預期信貸虧損」）模式評估應收賬款之減值需要管理層應用重大判斷及估計。應收賬款之預期信貸虧損乃對擁有信貸減值之債務人單獨進行評估，並使用撥備矩陣進行集體評估。

The assessment of impairment of trade receivables under the expected credit loss ("ECL") model requires the application of significant judgement and estimates by management. The ECL on trade receivables are assessed individually for debtors which are credit impaired and collectively using a provision matrix.

管理層亦已考慮可能會影響客戶償還未償還結餘能力之前瞻性資料，以就減值評估估計預期信貸虧損。

Management also considered forward-looking information that may impact the customers' ability to repay the outstanding balances in order to estimate the expected credit losses for the impairment assessment.

於審計中處理關鍵審計事項之方法

How our audit addressed the Key Audit Matter

吾等就管理層對貴集團應收賬款之減值評估進行之程序包括（其中包括）以下各項：

Our procedures in relation to management's impairment assessment on the Group's trade receivables included, among others, the followings:

- 了解貴集團根據預期信貸虧損模式對信貸監控、收債及減值評估之關鍵控制之設計、實施及營運之成效；
- Understanding the design, implementation and operating effectiveness of the Group's key controls over credit control, debt collection and impairment assessment under the ECL model;
- 評估管理層於制定撥備矩陣時所使用資料之合理性及合適性，包括應收賬款之賬齡分析，方法為以抽樣方式將分析中個別項目與相關銷售發票進行比較；
- Evaluating the reasonableness and appropriateness of the information used by the management to develop the provision matrix including ageing analysis of trade receivables, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices;

貴集團應收賬款的減值 (續)

Impairment of the Group's trade receivables (Continued)

關鍵審計事項

Key Audit Matter

截至二零二三年十二月三十一日止年度期間，貴集團確認應收賬款之減值虧損淨額約為4,938,000港元。

The Group recognised net impairment loss on trade receivables amounting to approximately HK\$4,938,000 during the year ended 31 December 2023.

根據管理層對預期信貸虧損模式下應收賬款之減值評估，管理層得出結論認為於二零二三年十二月三十一日之應收賬款減值虧損屬足夠。

Based on the management's assessment on the impairment of trade receivables under the ECL model, the management concluded that the impairment loss on trade receivables was adequate as at 31 December 2023.

由於應收賬款結餘的規模、較高程度的估計不確定性及釐定應收賬款預期虧損撥備所涉及管理層判斷的主觀性，我們選擇此作為關鍵審計事項。

We selected this as a key audit matter due to the magnitude of the trade receivable balances, the higher degree of estimation uncertainty and the subjectivity in management's judgement involved in determining the expected loss allowance of the trade receivables.

於審計中處理關鍵審計事項之方法

How our audit addressed the Key Audit Matter

- 通過檢查管理層所使用之資料，包括審閱管理層對信貸減值應收賬款之識別、測試過往違約數據之準確性、評估過往虧損率是否根據現行經濟狀況及前瞻性資料進行合適調整及檢查本年度所記錄之實際減值虧損，以評估管理層於釐定二零二三年十二月三十一日應收賬款之減值虧損時所作出判斷及估計之合理性；
- Assessing the reasonableness of management's judgement and estimates in determining impairment loss on trade receivables as at 31 December 2023 by examining the information used by management, including review of management's identification of trade receivables with credit impaired, testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information, and examining the actual impairment losses recorded during the current year;
- 重新計算於二零二三年十二月三十一日之應收賬款減值虧損；及
- Recalculating the impairment losses on trade receivables as at 31 December 2023; and
- 於報告期末後，以抽樣方式檢查客戶就應收賬款之其後結算情況。
- Checking, on a sample basis, the subsequent settlement of trade receivables by the customer after the end of the reporting period.



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貴集團物業、廠房及設備以及使用權資產之減值

Impairment of the Group's property, plant and equipment and right-of-use assets

請參閱綜合財務報表附註2(e)、2(f)、2(g)(ii)及4(a)之董事披露有關會計政策、判斷及估計以及綜合財務報表附註17及18之進一步資料。

Refer to notes 2(e), 2(f), 2(g)(ii), and 4(a) to the consolidated financial statements for the directors' disclosures of the related accounting policies, judgements and estimates and notes 17 and 18 to the consolidated financial statements for further information.

關鍵審計事項

Key Audit Matter

貴集團於二零二三年十二月三十一日之物業、廠房及設備以及使用權資產分別約為131,610,000港元及82,519,000港元，當中 貴集團稀土業務及耐火業務的現金產生單位（「現金產生單位」）中該等資產於二零二三年十二月三十一日之賬面值分別約為83,593,000港元及129,549,000港元。

The Group's property, plant and equipment, and right-of-use assets were approximately HK\$131,610,000 and HK\$82,519,000, respectively, as at 31 December 2023, of which the carrying amounts of these assets in the Group's cash generating units ("CGUs") of rare earth business and refractory business were approximately HK\$83,593,000 and HK\$129,549,000, respectively, as at 31 December 2023.

於各報告期末，貴集團根據內部及外部資料審查 貴集團的現金產生單位以評估現金產生單位是否出現減值跡象。倘出現有關跡象，貴集團將估計現金產生單位的可收回款額。

At the end of each reporting period, the Group performed a review on the Group's CGUs based on internal and external sources of information to assess whether there is any indication that the CGU may be impaired. If any such indication exists, the Group will estimate the recoverable amount of the CGU.

管理層結論為，於二零二三年十二月三十一日，並無就耐火業務現金產生單位的該等資產作出減值撥備。

The management concluded that there is no provision for impairment in respect of these assets for the CGU of refractory business as at 31 December 2023.

於審計中處理關鍵審計事項之方法

How our audit addressed the Key Audit Matter

吾等就 貴集團的現金產生單位的該等資產的減值評估所進行之程序包括（其中包括）以下各項：

Our procedures in relation to impairment assessment of these assets on the Group's CGUs included, among others, the followings:

- 根據 貴集團的會計政策及吾等對 貴集團業務的了解，評估管理層對現金產生單位的識別；
- Assessing management's identification of CGUs based on the Group's accounting policies and our understanding of the Group's businesses;
- 審閱管理層對 貴集團現金產生單位減值跡象之評估；
- Reviewing management's assessment of impairment indication on the Group's CGUs;
- 評估估值師的資格、能力及客觀程度（如適用）；
- Assessing the competence, capabilities and objectivity of the Valuer (if applicable);
- 評估估值師所使用估值技巧的相關性及合理性（如適用）；
- Assessing the relevance and reasonableness of valuation techniques used by the Valuer (if applicable);

貴集團物業、廠房及設備以及使用權資產之減值 (續)

Impairment of the Group's property, plant and equipment and right-of-use assets (Continued)

關鍵審計事項

Key Audit Matter

就稀土業務現金產生單位而言，由於管理層於二零二三年十二月三十一日確認減值跡象，因此已進行減值評估。二零二三年十二月三十一日，稀土業務現金產生單位的可收回金額乃由 貴集團參考 貴集團委聘的獨立合資格專業估值師(「估值師」)按使用價值計算後釐定。

For the CGU of rare earth business, impairment assessment was conducted by the management as a result of impairment indication identified as at 31 December 2023. The recoverable amount of the CGU of rare earth business as at 31 December 2023 was determined by the Group with reference to the value in use calculations performed by an independent qualified professional valuer (the "Valuer") engaged by the Group.

就評估減值而言，該等資產分配至相關現金產生單位，而各現金產生單位之可收回金額由管理層使用管理層所批准之現金流量預測按使用價值計算釐定。於進行減值評估時，管理層會採用重大判斷以識別現金產生單位及釐定使用價值計算涉及之關鍵假設，包括現金流量預測中使用之收入增長率及最終增長率以及使未來現金流量回到其現值之貼現率。

For the purpose of assessing the impairment, these assets were allocated to corresponding CGUs, in which, the recoverable amount of each CGU was determined by management based on value-in-use calculations using cash flow projections approved by management. In carrying out the impairment assessments, significant management judgement was used to appropriately identify CGUs and to determine the key assumptions, including revenue growth rates, terminal growth rates used in the cash flow projection and the discount rate applied to bring the future cash flows back to their present values.

於審計中處理關鍵審計事項之方法

How our audit addressed the Key Audit Matter

- 評估財務預算中採用的關鍵估計及假設(包括管理層採用的收入增長率及最終增長率)的合理性，對比歷史結果以及最新經濟及行業預測；
- Assessing the reasonableness of key estimates and assumptions applied in the financial budget including revenue growth rates and terminal growth rate applied by management by comparing them with historic results and latest economic and industry forecasts;
- 測試使用價值計算的運算準確性及核對管理層使用的輸入數據到管理層批准的實際結果及財務預算等支持證據；及
- Testing the mathematical accuracy of the value-in-use calculation and agreed input data used by management to supporting evidence such as actual results and financial budget approved by management; and



獨立核數師報告

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貴集團物業、廠房及設備以及使用權資產之減值（續）

Impairment of the Group's property, plant and equipment and right-of-use assets (Continued)

關鍵審計事項

Key Audit Matter

根據估值評估，於二零二三年十二月三十一日，並無就稀土業務現金產生單位的該等資產作出減值撥備。

Based on the impairment assessment, there is no provision for impairment in respect of these assets for the CGU of rare earth business as at 31 December 2023.

由於結餘之財務重要性，且涉及判斷之主觀性及估計不確定性，我們選擇此為關鍵審計事項。

We selected this as a key audit matter due to the financial significance of the balances, subjectivity of judgements and estimation uncertainty involved.

於審計中處理關鍵審計事項之方法

How our audit addressed the Key Audit Matter

- 通過調整管理層減值評估中的關鍵假設進行敏感度分析，並考慮任何合理可能的調整（單獨或組合）是否會導致可收回金額發生重大變化。
- Performing sensitivity analyses by making adjustments to the key assumptions in management's impairment assessment and considering whether any reasonably possible adjustments, in isolation or as a combination, would result in material change in recoverable amounts.

綜合財務報表及其核數師報告以外的資料

貴公司董事為其他資料負責。其他資料包括年報所載之所有資料，惟綜合財務報表及吾等就此發出之核數師報告除外。

吾等對綜合財務報表表達之意見並不涵蓋其他資料，吾等亦不會就此表達任何形式之保證結論。

就吾等對綜合財務報表進行之審計工作而言，吾等負責審閱其他資料，並考慮其他資料是否與綜合財務報表或吾等從審計工作所獲得資料之間出現重大不相符情況，又或在其他方面出現重大錯誤陳述。

倘吾等基於所進行工作而得出其他資料有重大錯誤陳述之結論，則吾等須匯報有關情況。就此，吾等並無須匯報之事宜。

董事就綜合財務報表須承擔之責任

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之披露要求，編製真實公平地反映情況之綜合財務報表，及董事釐定對編製綜合財務報表屬必要之有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，貴公司董事負責評估貴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宜，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，或別無其他實際替代方案。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors of the Company are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our 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 THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors 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.



獨立核數師報告

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貴公司董事於審核委員會的協助下，履行監管貴集團財務申報程序的責任。

核數師就審計綜合財務報表須承擔之責任

吾等之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核證，並出具載有吾等意見之核數師報告。吾等乃根據委聘之協定條款僅向全體股東報告，不作其他用途。吾等並不就本報告之內容對任何其他人士負責或承擔責任。

合理核證屬高層次之核證，惟根據香港審計準則進行之審核工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

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

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當之審計憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部監控，以設計適當之審計程序，惟並非旨在對貴集團內部監控之有效性發表意見。

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

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. The report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism 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.

- 評估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，並根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對 貴集團之持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提醒使用者注意綜合財務報表中之相關披露。倘有關披露不足，則修訂吾等意見。吾等結論乃基於截至核數師報告日期止所取得之審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯地反映相關交易和事項。
- 就 貴集團內實體或業務活動之財務資料獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計之方向、監督和執行。吾等為審核意見承擔全部責任。
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial 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.

吾等與審核委員會就(其中包括)審計之計劃範圍、時間安排及重大審計發現溝通，該等發現包括吾等在審計過程中識別之內部監控之任何重大缺失。

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



獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

吾等亦向審核委員會作出聲明，指出吾等已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性之所有關係及其他事宜，以及消除威脅所採取之行動或防範措施（如適用）。

從與審核委員會溝通之事項中，吾等釐定對本期間綜合財務報表之審計最為重要的事項，因而構成關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見之情況下，倘合理預期在吾等報告中溝通某事項造成之負面後果超出產生之公眾利益，則吾等決定不應在報告中傳達該事項。

出具獨立核數師報告之審計項目董事為黎永業。

天健德揚會計師事務所有限公司

執業會計師

香港，二零二四年三月二十八日

黎永業

執業證書編號 P07296

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

The engagement director on the audit resulting in this independent auditor's report is Lai Wing Ip.

Ascenda Cachet CPA Limited

Certified Public Accountants

Hong Kong, 28 March 2024

Lai Wing Ip

Practising Certificate Number P07296

綜合損益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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



			二零二三年	二零二二年
			2023	2022
		附註	千港元	千港元
		Note	HK\$'000	HK\$'000
收入	Revenue	5	686,073	810,413
銷售成本	Cost of sales		(837,388)	(809,297)
(毛損)/毛利	Gross (loss)/profit		(151,315)	1,116
其他收入	Other income	6	2,862	4,920
銷售及分銷費用	Selling and distribution expenses		(9,823)	(11,815)
管理費用	Administrative expenses		(46,035)	(36,794)
其他虧損淨值	Other net loss	7	(11,264)	(22,664)
其他經營開支	Other operating expenses	7	–	(326,412)
出售附屬公司之收益	Gain on disposal of a subsidiary	30	5,719	–
經營業務虧損	Loss from operations		(209,856)	(391,649)
財務成本	Finance costs	8(a)	(309)	(297)
除稅前虧損	Loss before taxation	8	(210,165)	(391,946)
所得稅抵免/(支出)	Income tax credit/(charge)	9	561	(1,731)
本年度虧損	Loss for the year		(209,604)	(393,677)
下列人士應佔本年度虧損：	Loss for the year attributable to:			
本公司擁有人	Owners of the Company		(200,545)	(373,296)
非控股權益	Non-controlling interests		(9,059)	(20,381)
			(209,604)	(393,677)
每股虧損	Loss per share			
– 基本及攤薄	– Basic and diluted	14	HK(8.56) cents港仙	HK(15.94) cents港仙

第76頁至171頁之附註構成綜合財務報表其中一部份。

The notes on pages 76 to 171 form part of these consolidated financial statements.

綜合損益及其他全面收益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
	附註 Note		
本年度虧損	Loss for the year	(209,604)	(393,677)
本年度其他全面虧損	Other comprehensive loss for the year		
可於其後重分類至損益賬的項目：	<i>Items that may be reclassified subsequently to profit or loss:</i>		
— 換算海外業務財務報表之匯兌差額	– Exchange differences on translation of financial statements of foreign operations	(29,952)	(221,094)
— 出售附屬公司後撥回匯兌儲備	– Release of translation reserve upon disposal of a subsidiary 30	(1,784)	–
本年度全面虧損總值	Total comprehensive loss for the year	(241,340)	(614,771)
下列人士應佔本年度全面虧損總值：	Total comprehensive loss for the year attributable to:		
本公司擁有人	Owners of the Company	(232,507)	(594,499)
非控股權益	Non-controlling interests	(8,833)	(20,272)
		(241,340)	(614,771)

第76頁至171頁之附註構成綜合財務報表其中一部份。

The notes on pages 76 to 171 form part of these consolidated financial statements.

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零二三年十二月三十一日 As at 31 December 2023

			二零二三年 2023	二零二二年 2022
		附註 Note	千港元 HK\$'000	千港元 HK\$'000
非流動資產	Non-current assets			
商譽	Goodwill	16	–	–
物業、廠房及設備	Property, plant and equipment	17	131,610	164,273
使用權資產	Right-of-use assets	18	82,519	88,741
遞延稅項資產	Deferred tax assets	25(b)	7,273	6,813
			221,402	259,827
流動資產	Current assets			
存貨	Inventories	20	203,068	191,410
應收賬款及其他應收款	Trade and other receivables	21	423,774	492,031
預付款項及按金	Prepayments and deposits	21	5,281	13,065
可收回稅項	Tax recoverable	25(a)	729	911
現金及現金等值項目	Cash and cash equivalents	22	1,299,449	1,452,386
			1,932,301	2,149,803
流動負債	Current liabilities			
應付賬款	Trade payables	23	74,792	84,631
應計款項及其他應付款	Accruals and other payables	23	21,224	37,123
應付董事款項	Amounts due to directors	24	10,097	7,505
租賃負債	Lease liabilities	26	391	371
應付稅項	Tax payable	25(a)	2,414	2,544
			108,918	132,174
流動資產淨值	Net current assets		1,823,383	2,017,629
資產總值減流動負債	Total assets less current liabilities		2,044,785	2,277,456
非流動負債	Non-current liabilities			
租賃負債	Lease liabilities	26	629	1,020
資產淨值	NET ASSETS		2,044,156	2,276,436

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零二三年十二月三十一日 As at 31 December 2023

			二零二三年 2023	二零二二年 2022
		附註 Note	千港元 HK\$'000	千港元 HK\$'000
股本及儲備	CAPITAL AND RESERVES	27		
股本	Share capital		234,170	234,170
儲備	Reserves		1,830,204	2,053,651
本公司擁有人應佔權益	Equity attributable to owners of the Company		2,064,374	2,287,821
非控股權益	Non-controlling interests		(20,218)	(11,385)
權益總值	TOTAL EQUITY		2,044,156	2,276,436

第69頁至171頁之綜合財務報表經由董事會於二零二四年三月二十八日批准及授權刊發，並由以下人士代表簽署：

The consolidated financial statements on pages 69 to 171 were approved and authorised for issue by the board of directors on 28 March 2024, and are signed on its behalf by:

蔣泉龍
董事

錢元英
董事

Jiang Quanlong
Director

Qian Yuanying
Director

第76頁至171頁之附註構成綜合財務報表其中一部份。

The notes on pages 76 to 171 form part of these consolidated financial statements.

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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



		本公司擁有人應佔權益 Attributable to owners of the Company									
		股本	股份溢價	資本儲備	法定儲備	匯兌儲備	購股權儲備	累計虧損	小計	非控股權益	總值
		Share capital	Share premium	Capital reserve	Statutory reserves	Translation reserve	option reserve	Accumulated losses	Sub-total	Non-controlling interests	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	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於二零二二年一月一日	At 1 January 2022	234,170	2,093,306	22,348	232,253	478,687	-	(179,403)	2,881,361	8,887	2,890,248
二零二二年之權益變動:	<i>Changes in equity for 2022:</i>										
本年度虧損	Loss for the year	-	-	-	-	-	-	(373,296)	(373,296)	(20,381)	(393,677)
其他全面虧損	Other comprehensive loss										
- 換算海外業務財務報表之匯兌差異	- Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(221,203)	-	-	(221,203)	109	(221,094)
本年度全面虧損總值	Total comprehensive loss for the year	-	-	-	-	(221,203)	-	(373,296)	(594,499)	(20,272)	(614,771)
確認權益結算以股份為基礎之付款(附註28)	Recognition of equity-settled share-based payments (note 28)	-	-	-	-	-	959	-	959	-	959
於二零二二年十二月三十一日	At 31 December 2022	234,170	2,093,306	22,348	232,253	257,484	959	(552,699)	2,287,821	(11,385)	2,276,436
於二零二三年一月一日	At 1 January 2023	234,170	2,093,306	22,348	232,253	257,484	959	(552,699)	2,287,821	(11,385)	2,276,436
二零二三年之權益變動:	<i>Changes in equity for 2023:</i>										
本年度虧損	Loss for the year	-	-	-	-	-	-	(200,545)	(200,545)	(9,059)	(209,604)
其他全面虧損	Other comprehensive loss										
- 換算海外業務財務報表之匯兌差異	- Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(30,178)	-	-	(30,178)	226	(29,952)
出售附屬公司後撥回匯兌儲備(附註30)	Release of translation reserves upon disposal of a subsidiary (note 30)	-	-	-	-	(1,784)	-	-	(1,784)	-	(1,784)
本年度全面虧損總值	Total comprehensive loss for the year	-	-	-	-	(31,962)	-	(200,545)	(232,507)	(8,833)	(241,340)
確認權益結算以股份為基礎之付款(附註28)	Recognition of equity-settled share-based payments (note 28)	-	-	-	-	-	9,060	-	9,060	-	9,060
購股權失效(附註28)	Lapse of share options (note 28)	-	-	-	-	-	(451)	451	-	-	-
出售附屬公司後撥回匯兌儲備	Release of reserve upon disposal of a subsidiary	-	-	-	(6,195)	-	-	6,195	-	-	-
於二零二三年十二月三十一日	At 31 December 2023	234,170	2,093,306	22,348	226,058	225,522	9,568	(746,598)	2,064,374	(20,218)	2,044,156

第76頁至171頁之附註構成綜合財務報表其中一部份。

The notes on pages 76 to 171 form part of these consolidated financial statements.

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

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

			二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
		附註 Note		
經營活動	Operating activities			
除稅前虧損	Loss before taxation		(210,165)	(391,946)
調整項目：	Adjustments for:			
財務成本	Finance costs	8(a)	309	297
利息收入	Interest income	6	(2,862)	(4,872)
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	8(c)	30,505	34,744
使用權資產之折舊	Depreciation of right-of-use assets	8(c)	3,393	3,551
出售附屬公司之收益	Gain on disposal of a subsidiary	30	(5,719)	–
出售物業、廠房及設備之收益淨額	Net gain on disposal of property, plant and equipment	7	–	(397)
確認應收賬款之減值虧損淨額	Net impairment losses recognised on trade receivables	7	4,938	15,244
確認其他應收款之減值虧損淨額	Net impairment losses recognised on other receivables	7	4	44
存貨撇減	Write-down of inventories	20(b)	65,320	417
存貨撇減撥回	Reversal of write-down of inventories	20(b)	–	(45)
權益結算以股份為基礎之付款	Equity-settled share-based payments	28	9,060	959
			(105,217)	(342,004)
營運資金變動	Changes in working capital			
存貨(增加)/減少	(Increase)/decrease in inventories		(82,872)	125,792
應收賬款及其他應收款減少	Decrease in trade and other receivables		8,483	8,682
預付款項及按金減少/(增加)	Decrease/(increase) in prepayments and deposits		7,648	(7,542)
應付賬款增加/(減少)	Increase/(decrease) in trade payables		11,224	(13,911)
應計款項及其他應付款(減少)/增加	(Decrease)/increase in accruals and other payables		(11,446)	3,997
應付董事款項增加/(減少)	Increase/(decrease) in amounts due to directors		2,533	(618)
經營使用的現金	Cash used in operations		(169,647)	(225,604)
已付所得稅	Income tax paid	25(a)	(129)	(4,891)
經營活動使用的現金淨值	Net cash used in operating activities		(169,776)	(230,495)

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

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



			二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
	附註 Note			
投資活動		Investing activities		
購置物業、廠房及設備		Purchase of property, plant and equipment	(18)	(6,957)
出售物業、廠房及設備之所得款項		Proceeds from disposal of property, plant and equipment	-	1,029
已收利息		Interest received	2,862	4,872
出售附屬公司之所得款項	30	Proceed from disposal of a subsidiary	32,761	-
投資活動所得/(使用)的現金淨值		Net cash generated from/(used in) investing activities	35,605	(1,056)
融資活動		Financing activities		
已付租賃租金之資本部份	34	Capital element of lease rentals paid	(371)	(353)
已付租賃租金之利息部份	34	Interest element of lease rentals paid	(61)	(79)
已付利息	34	Interest paid	(248)	(218)
融資活動使用的現金淨值		Net cash used in financing activities	(680)	(650)
現金及現金等值項目減少淨值		Net decrease in cash and cash equivalents	(134,851)	(232,201)
年初現金及現金等值項目		Cash and cash equivalents at beginning of the year	1,452,386	1,819,833
匯率變動之影響		Effect of changes in exchange rate	(18,086)	(135,246)
年末現金及現金等值項目	22	Cash and cash equivalents at end of the year	1,299,449	1,452,386

第76頁至171頁之附註構成綜合財務報表其中一部份。

The notes on pages 76 to 171 form part of these consolidated financial statements.



綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. 一般資料

中國稀土控股有限公司（「本公司」）於開曼群島註冊成立為一間獲豁免的有限責任公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點於本年報「公司資料」一節中披露。

本公司之直接母公司及最終控股人士為YY Holdings Limited（「YY Holdings」），該公司於英屬處女群島註冊成立。YY Holdings並無編製可供公眾人士使用之財務報表。

本公司及其附屬公司（統稱為「本集團」）從事製造及銷售稀土產品及耐火產品以及投資控股。本集團之主要業務於年內並無任何變動。

本綜合財務報表以港元（「港元」）列示，即本公司及其於香港經營之附屬公司之功能貨幣，而本公司於中華人民共和國（「中國」）成立之附屬公司之功能貨幣為人民幣（「人民幣」）。本公司董事認為，就控制及監察本集團業績及財務狀況以及向YY Holdings（其功能貨幣亦為港元）報告而言，以港元列示綜合財務報表更為得宜。

1. GENERAL

China Rare Earth Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the Company’s registered office and principal place of business are disclosed in the “Corporate information” section of this annual report.

The immediate parent and the ultimate controlling party of the Company is YY Holdings Limited (“YY Holdings”), which was incorporated in the British Virgin Islands. YY Holdings does not produce financial statements available for public use.

The Company and its subsidiaries (collectively referred to as the “Group”) are engaged in manufacturing and sales of rare earth products and refractory products, and investment holding. There have been no changes in the principal activities of the Group during the year.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the functional currency of the Company and its subsidiaries operating in Hong Kong, while the functional currency of the Company’s subsidiaries established in the People’s Republic of China (the “PRC”) is Renminbi (“RMB”). The directors of the Company consider that presenting the consolidated financial statements in Hong Kong dollars is preferable when controlling and monitoring the performance and financial position of the Group and in reporting to YY Holdings whose functional currency is also Hong Kong dollars.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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



2. 重大會計政策

a) 遵守聲明

此等綜合財務報表是按照所有個別適用香港財務報告準則（「香港財務報告準則」），該統稱包括所有由香港會計師公會（「香港會計師公會」）頒佈的個別適用的《香港財務報告準則》、《香港會計準則》（「香港會計準則」）及詮釋以及香港公認會計原則及香港公司條例（「公司條例」）之披露規定而編製。此等綜合財務報表亦符合香港聯合交易所有限公司證券上市規則（「上市規則」）之適用披露規定。本集團採納之重大會計政策披露於下文。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則，有關準則自本集團的本會計期間初次生效或可供提前採用。有關初步應用該等準則導致會計政策任何變動之資料載於附註3內，惟以該等準則於此等綜合財務報表所反映之現有及過往會計期間與本集團有關者為限。

b) 綜合財務報表編製基準

截至二零二三年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司。

編製綜合財務報表所採用之計量基準為歷史成本法，惟於下文會計政策所載之若干金融工具以公平值列賬除外。

2. MATERIAL ACCOUNTING POLICIES

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable individual Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual 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 disclosure requirements of the Hong Kong Companies Ordinance (“CO”). These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). Material accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and amended HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

b) Basis of preparation of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2023 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for certain financial instruments, which are stated at their fair value as explained in the accounting policies set out below.



綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

2. 重大會計政策(續)

b) 綜合財務報表編製基準(續)

編製此等符合香港財務報告準則之綜合財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策之應用及所申報之資產、負債、收入及開支等數額。該等估計及有關假設乃根據過往經驗及管理層相信於該等情況下乃屬合理之各項其他因素為基準而作出，所得結果構成管理層就目前未能從其他來源而得出的資產及負債之賬面值所作出估計之基準。實際數字或會有別於估計數字。

本集團持續就所作估計及相關假設作出評估。會計估計之變動如僅影響當期，則有關會計估計變動將於當期確認，或如有關變動影響現行及未來期間，則在變動期間及未來期間確認。

管理層在應用香港財務報告準則時所作出並對綜合財務報表有重大影響之判斷，以及估計不確定因素之主要來源，詳述於附註4。

c) 附屬公司及非控股權益

附屬公司是指集團控制之實體。當集團對某實體有控制權，是指集團能夠或有權享有來自參與該實體業務之浮動回報，並能運用其權力以影響該等回報。附屬公司之業績由取得控制權當日起合併入綜合財務報表內，直至控制權結束當日止。

2. MATERIAL ACCOUNTING POLICIES (Continued)

b) Basis of preparation of the consolidated financial statements (Continued)

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 4.

c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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



2. 重大會計政策(續)

c) 附屬公司及非控股權益(續)

集團內公司間之結餘、交易及集團內公司間之交易所產生之任何未變現收益及開支(貨幣換算收益或虧損除外)將予以抵銷。集團內公司間之交易所產生之未變現虧損按與未變現盈利相同之方式抵銷，惟只限於未變現虧損並不顯示存在減值的情況。

就各項業務合併而言，本集團可選擇按公平值或非控股權益(「非控股權益」)應佔附屬公司可識別資產淨值之比例計量任何非控股權益。非控股權益於綜合財務狀況表之權益內與公司權益股東應佔權益分開呈列。本集團業績內之非控股權益於綜合損益表及綜合損益及其他全面收益表內，呈列為年內損益總額以及全面收益總額在非控股權益與公司權益股東之間的分配。

本集團於附屬公司的權益變動，如不構成失去控制權，有關變動會被視為權益交易。

當本集團失去附屬公司的控制權時，其會終止確認附屬公司的資產及負債、任何有關非控制權益及其他權益項目。任何因而產生的收益或虧損在損益確認。於失去控制權時，任何於前附屬公司的保留權益以公平值計量。

在本公司財務狀況表內的附屬公司投資乃按成本減減值虧損列賬(見附註2(g)(ii))，惟分類為持作出售(或計入分類為持作出售之出售集團內)則除外。

2. MATERIAL ACCOUNTING POLICIES (Continued)

c) Subsidiaries and non-controlling interests (Continued)

Intra-Group balances, transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("NCI") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the company. NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(g)(ii)), unless it is classified as held for sale (or included in a disposal Group classified as held for sale).



綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2. 重大會計政策(續)

d) 商譽

業務收購所產生之商譽乃按成本值減累計減值虧損計量，並每年進行減值測試(見附註1(g)(ii))。

e) 物業、廠房及設備

物業、廠房及設備(在建工程除外)按成本值減累計折舊及任何累計減值虧損入賬(見附註2(g)(ii))。

自行興建之物業、廠房及設備之成本，包括材料成本、直接工資、初步估計之拆卸及搬遷項目以及恢復項目所在地原貌之成本(如適用)，以及適當比例之其他成本及貸款成本(見附註2(s))。

物業、廠房及設備項目之折舊乃使用直線法按其如下估計可使用年期撇銷其成本值減估計剩餘價值(如有)：

– 持作自用之樓宇	20年
– 機器及設備	10年
– 辦公室設備及裝置	5年
– 汽車	5年

當一項物業、廠房及設備之各部份有不同的可使用年期，此項目各部份之成本值將按合理基礎分配，而每部份將作個別折舊。資產之可使用年期及其剩餘價值(如有)會每年進行檢討。

2. MATERIAL ACCOUNTING POLICIES (Continued)

d) Goodwill

Goodwill arising on acquisition of businesses is measured at cost less accumulated impairment losses and is tested annually for impairment (see note 1(g)(ii)).

e) Property, plant and equipment

Property, plant and equipment, other than construction-in-progress, are stated at cost less accumulated depreciation and any accumulated impairment losses (see note 2(g)(ii)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(s)).

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

– Buildings held for own use	20 years
– Machinery and equipment	10 years
– Office equipment and fixtures	5 years
– Motor vehicles	5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2. 重大會計政策(續)

e) 物業、廠房及設備(續)

報廢或出售物業、廠房及設備項目所產生之收益或虧損，乃以出售所得款項淨額與項目賬面值之差異釐定，並於報廢或出售日期於損益確認。

在建工程指興建中和有待安裝的物業、廠房及設備，按成本值減累計減值虧損(如有)列賬(見附註2(g)(ii))。成本包括樓宇建築成本、機器及設備成本以及在興建或安裝及測試期間為收購該等資產融資貸款所產生的利息費用。在建工程截至相關資產建設完成且可作擬定用途前不會計提折舊。有關資產可作擬定用途時，該等成本會撥歸其他物業、廠房及設備類別，並按上文所載的政策折舊。

f) 租賃資產

訂立合約時，本集團評估合約是否為租賃或包含租賃。如果合約轉達了一段時間以控制對已識別資產的使用的權利換取代價，則合約為租賃或包含租賃。當客戶有權主導該項已識別資產的使用，且從使用中獲取幾乎所有的經濟利益時，控制權被轉移。

作為承租人

倘合約包含租賃組成部分及非租賃組成部分，本集團已選擇不分拆非租賃組成部分，並對每個租賃組成部分和任何相關的非租賃組成部分作為一項單一的租賃進行會計處理。

2. MATERIAL ACCOUNTING POLICIES (Continued)

e) Property, plant and equipment (Continued)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Construction-in-progress represents property, plant and equipment under construction and pending installation and is stated at cost less accumulated impairment losses (see note 2(g)(ii)), if any. Cost includes the costs of construction of buildings, the costs of machinery and equipment and interest charges arising from borrowings used to finance the acquisition of these assets during the period of construction or installation and testing. No provision for depreciation is made on construction-in-progress until such time as the relevant assets are completed and are available for their intended use. When the assets concerned are ready for intended use, the costs are transferred to other categories of property, plant and equipment and depreciated in accordance with the policy as stated above.

f) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.



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2. 重大會計政策(續)

f) 租賃資產(續)

作為承租人(續)

於租賃開始日，本集團確認使用權資產和租賃負債，但租賃期為12個月或以下的短期租賃和低價值資產的租賃除外。當本集團就一項低價值資產訂立租賃時，本集團決定是否以逐項租賃為基礎將租賃資本化。與未資本化的租賃相關的租賃付款在租賃期內有系統地確認為費用。

若租賃被資本化，則租賃負債以租賃期內應付租賃付款的現值進行初始確認，並使用該項租賃的內含利率折現；或如果內含利率無法輕易釐定，則使用相關的增量借款利率。初始確認後，租賃負債以攤銷成本計量，且利息費用則採用實際利率法計算。不取決於指數或利率的可變租賃付款並不包含於租賃負債的計量中，並因此於其產生的會計期間計入損益。

租賃資本化時已確認的使用權資產按成本進行初始計量，其中包括租賃負債的初始金額加上任何於開始日或之前作出的租賃付款，以及產生的任何初始直接費用。在適用的情況下，使用權資產的成本亦包括將拆卸、搬移相關資產或復原相關資產或資產所在地點的費用估算折現至其現值，減去已收到的租賃優惠。使用權資產隨後按成本值減去累計折舊和減值虧損列賬(參閱附註2(g)(ii))。

2. MATERIAL ACCOUNTING POLICIES (Continued)

f) Leased assets (Continued)

As a lessee (Continued)

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 2(g)(ii)).

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2. 重大會計政策(續)

f) 租賃資產(續)

作為承租人(續)

可退還租金按金根據適用於以攤銷成本列賬的非股權證券投資的會計政策，與使用權資產分開列賬。按金面值超出初始公平值的任何部分以額外租賃付款入賬，併計入使用權資產成本內。

當指數或利率變動引起未來租賃付款發生變動；或本集團就餘值擔保下預計應付的金額發生變化；或由於重新評估本集團是否合理地行使購買、延期或終止選擇權而產生變化時，承租人重新計量租賃負債。當租賃負債以此方式重新計量時，對使用權資產的賬面價值作出相應調整，或倘使用權資產的賬面價值減記至零，則計入損益。

於綜合財務狀況表中，長期租賃負債的即期部分被釐定為應於報告期後12個月內到期結算的合約付款的現值。

2. MATERIAL ACCOUNTING POLICIES (Continued)

f) Leased assets (Continued)

As a lessee (Continued)

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost. Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.



綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

2. 重大會計政策(續)

g) 信貸虧損及資產減值

i) 金融工具及合約資產之信貸虧損

本集團就下列各項的預期信貸虧損(「預期信貸虧損」)確認虧損撥備：

- 按攤銷成本計量的金融資產(包括現金及現金等值項目以及應收賬款及其他應收款)；及
- 香港財務報告準則第15號所界定之合約資產(見附註2(ii))。

預期信貸虧損計量

預期信貸虧損為信貸虧損的概率加權估算。一般而言，信貸虧損按合約金額與預期金額之間的所有預期現金短缺的現值計量。

倘影響屬重大，預期現金短缺將使用以下貼現率貼現：

- 固定利率金融資產、應收賬款及其他應收款及合約資產：初始確認釐定時的實際利率或其近似值；及
- 浮動利率金融資產：現行實際利率。

於估計預期信貸虧損時考慮的最長期間為本集團承受信貸風險的最長合約期間。

2. MATERIAL ACCOUNTING POLICIES (Continued)

g) Credit losses and impairment of assets

i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (“ECLs”) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see note 2(ii)).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following discount rates if the effect is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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



2. 重大會計政策(續)

g) 信貸虧損及資產減值(續)

i) 金融工具及合約資產之信貸虧損(續)

預期信貸虧損計量(續)

在計量預期信貸虧損時，本集團考慮合理及有理據而毋須付出不必要的成本或努力獲得的資料。這包括過去事件、當前狀況和未來經濟狀況預測等資料。

預期信貸虧損基於下列其中一個基準計量：

- 十二個月之預期信貸虧損：預期於報告日期後十二個月內可能發生的違約事件而導致的虧損；及
- 整個存續期之預期信貸虧損：預期於採用預期信貸虧損模式的項目在預期年限內所有可能發生的違約事件而導致的虧損。

應收賬款及合約資產的虧損撥備一般乃按等同於整個存續期的預期信貸虧損的金額計量。這些金融資產的預期信貸虧損是利用基於本集團過往信貸虧損經驗的撥備矩陣進行估算，並按於報告日期債務人的個別因素及對當前及預測整體經濟狀況的評估進行調整。

對於所有其他金融工具，本集團確認相當於十二個月之預期信貸虧損的虧損撥備，除非自初始確認以來金融工具的信貸風險顯著增加，在這種情況下，虧損撥備計量等於整個存續期的預期信貸虧損的金額。

2. MATERIAL ACCOUNTING POLICIES (Continued)

g) Credit losses and impairment of assets (Continued)

i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs (Continued)

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.



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2. 重大會計政策(續)

g) 信貸虧損及資產減值(續)

i) 金融工具及合約資產之信貸虧損(續)

信貸風險大幅上升

當釐定金融工具的信貸風險自初步確認後有否大幅增加，並於估計預期信貸虧損時，本集團會考慮相關及無需付出過多成本或努力即可獲得的合理及可靠資料，包括根據本集團的過往經驗及已知信貸評估得出的定量及定性資料及分析，亦包括前瞻性資料。

倘一項金融資產逾期超過60日，則本集團假設該金融資產的信貸風險大幅增加。

本集團於以下情況下認為金融資產違約：

- 債務人不大可能在本集團無追索權採取行動(如變現抵押品)(倘持有)之情況下向本集團全數支付其信貸責任；或
- 金融資產逾期90日。

預期信貸虧損於各報告日期重新計量，以反映金融工具自初始確認以來的信貸風險變動。預期信貸虧損金額的任何變動於損益中確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對其賬面值作出相應調整。

2. MATERIAL ACCOUNTING POLICIES (Continued)

g) Credit losses and impairment of assets (Continued)

i) Credit losses from financial instruments and contract assets (Continued)

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is 90 days past due.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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2. 重大會計政策(續)

g) 信貸虧損及資產減值(續)

i) 金融工具及合約資產之信貸虧損(續)

信貸減值金融資產

於各報告日期，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現信貸減值。

金融資產信貸減值的證據包括下列可觀察事件：

- 債務人出現重大財務困難；
- 違約，如拖欠或逾期超過90日；
- 本集團以原應不予考慮的條款重組貸款或墊款；
- 債務人有可能破產或進行其他財務重組；或
- 因發行人出現財務困難而導致證券失去活躍市場。

2. MATERIAL ACCOUNTING POLICIES (Continued)

g) Credit losses and impairment of assets (Continued)

i) Credit losses from financial instruments and contract assets (Continued)

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2. 重大會計政策(續)

g) 信貸虧損及資產減值(續)

i) 金融工具及合約資產之信貸虧損(續)

撇銷政策

若日後實際上不可收回款項，則會撇銷(部分或全部)金融資產或合約資產的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

ii) 其他非流動資產之減值

本集團會於每個報告期末審閱內部及外界所得資料，以確定下列資產(商譽除外)是否出現減值或先前已確認之減值虧損不再存在或已經減少：

- 商譽；
- 物業、廠房及設備；
- 使用權資產；及
- 本公司財務狀況表之於附屬公司之投資。

2. MATERIAL ACCOUNTING POLICIES (Continued)

g) Credit losses and impairment of assets (Continued)

i) Credit losses from financial instruments and contract assets (Continued)

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- goodwill;
- property, plant and equipment;
- right-of-use assets; and
- investments in subsidiaries in the Company's statement of financial position.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2. 重大會計政策(續)

g) 信貸虧損及資產減值(續)

ii) 其他非流動資產之減值(續)

倘出現任何該等跡象，則估計資產之可收回數額。此外，就商譽而言，其可收回數額會每年估計（不論有否出現減值跡象）。

- 可收回數額計算
資產之可收回數額乃指公平值減出售成本與使用價值兩者中之較高者。在評估使用價值時，估計日後現金流量乃根據除稅前貼現率貼現至現值，而該貼現率須能反映市場現行對款項的時間價值及資產獨有風險之評估。倘某項資產之現金流量大致上不能獨立於其他資產之現金流量，則就可獨立產生現金流量之最小資產組別（即現金產生單位）釐定可收回數額。
- 減值虧損確認
倘資產或其所屬之現金產生單位之賬面值超過其可收回數額，則於損益確認減值虧損。就現金產生單位確認之減值虧損而言，其首先用作減少已分配至現金產生單位（或現金產生單位組別）之任何商譽之賬面值，其後按比例基準用作減少現金產生單位（或現金產生單位組別）內其他資產之賬面值；惟資產之賬面值將不得減少至低於其個別公平值減出售成本（如能計量）或使用價值（如能計算）。

2. MATERIAL ACCOUNTING POLICIES (Continued)

g) Credit losses and impairment of assets (Continued)

ii) Impairment of other non-current assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).
- Recognition of impairment losses
An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of cash-generating units) and then, to reduce the carrying amount of the other assets in the cash-generating unit (or group of cash-generating units) on a pro-rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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2. 重大會計政策(續)

g) 信貸虧損及資產減值(續)

ii) 其他非流動資產之減值(續)

- 減值虧損撥回
就商譽以外的資產而言，倘用作釐定可收回數額之估計出現有利變動，則須撥回減值虧損。商譽之減值虧損不會撥回。

減值虧損撥回只限於該資產並未計算過往年度所確認之減值虧損時之賬面值。減值虧損撥回之數於確認有關撥回之年度計入損益內。

h) 存貨

存貨按成本值及可變現淨值(以較低者為準)列賬。

成本根據加權平均成本公式計算，包括所有採購成本以及使存貨達至現址和現況所產生之轉換成本及其他成本。

可變現淨值乃於日常業務過程中之估計售價減估計完成成本及進行銷售所必要之估計成本。

2. MATERIAL ACCOUNTING POLICIES (Continued)

g) Credit losses and impairment of assets (Continued)

ii) Impairment of other non-current assets (Continued)

- Reversals of impairment losses
In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

h) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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



2. 重大會計政策(續)

h) 存貨(續)

當售出存貨時，該等存貨之賬面值乃於確認相關收入之期間確認為一項開支。任何存貨撇減至可變現淨值之金額及存貨之所有虧損均於發生撇減或虧損之期間確認為一項開支。任何存貨撇減之回撥金額乃於回撥發生之期間確認為先前已列為一項開支之存貨金額之減少。

i) 合約資產及合約負債

根據合約所載列的付款條款有權無條件獲取代價前，於集團確認收入時確認為合約資產。合約資產是根據附註2(g)(i)所載之會計政策就預期信貸虧損進行評估，並於收取代價款的權利成為無條件時重新分類為應收款(見附註2(j))。

合約負債於客戶在本集團確認相關收入前支付不可退回代價時確認。倘本集團於本集團確認相關收入前擁有無條件接納不可退回代價之權利，則確認合約負債。在此情況下，亦將確認相應的應收款(見附註2(j))。

當合約包含重大融資成分時，合約結餘額包括按實際利率法計算的應計利息(見附註2(q)(ii))。

2. MATERIAL ACCOUNTING POLICIES (Continued)

h) Inventories (Continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

i) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 2(g)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 2(j)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(j)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(q)(ii)).



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2. 重大會計政策(續)

j) 應收賬款及其他應收款

應收款於本集團有無條件權利收取代價及代價僅隨時間推移即會到期支付時確認。

並無重大融資組成部分的業務應收款項初始按其交易價格計量。包含重大融資組成部分的業務應收款項及其他應收款項初始按公平值加交易成本計量。所有應收款項其後按攤銷成本列賬(見附註1(g)(i))。

k) 計息貸款

計息貸款初步按公平值減交易成本確認。其後，該等貸款按攤銷成本採用實際利率法列賬。利息開支根據本集團有關借貸成本之會計政策(見附註2(s))確認。

l) 應付賬款及其他應付款

應付賬款及其他應付款初步按公平值確認，其後按攤銷成本列賬，除非貼現之影響並不重大，於此情況下則按成本列賬。

2. MATERIAL ACCOUNTING POLICIES (Continued)

j) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost (see note 1(g)(i)).

k) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 2(s)).

l) Trade and other payables

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



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2. 重大會計政策(續)

m) 現金及現金等值項目

現金及現金等值項目包括銀行及手頭之現金、存放於銀行及其他金融機構之活期存款，以及於購入時至到期日為三個月以內之可輕易轉換為已知數額現金且價值變動風險不大之短期高流動性投資。就綜合現金流量表而言，須按求償還及構成本集團現金管理整體一部份之銀行透支，亦列為現金及現金等值項目之組成部份。現金及現金等值項目根據附註2(g)(i)所載之政策進行預期信貸虧損評估。

n) 僱員福利

i) 短期僱員福利

短期僱員福利在提供相關服務時計入費用。倘本集團現時因僱員過往提供的服務而有支付該等金額的法律或推定義務且該等義務能夠可靠的估計，則預計將支付的金額確認為負債。

2. MATERIAL ACCOUNTING POLICIES (Continued)

m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in note 2(g)(i).

n) Employee benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

2. 重大會計政策(續)

n) 僱員福利(續)

ii) 界定供款退休福利

本集團根據強制性公積金計劃條例，為其所有合資格僱員設立一項既定供款之強制性公積金退休保障計劃(「強積金計劃」)。按強積金計劃規則，供款額須按僱員薪金、津貼及其他福利之若干百分比計算，並於應付時在損益表中列賬。強積金計劃之資產與本集團之資產乃分開處理，並由獨立管理基金負責管理。本集團之僱主供款全數與僱員供款歸屬於強積金計劃內，惟根據強積金計劃規則，屬本集團之僱主自願性供款則除外，該等供款乃僱員於供款全數歸屬前離職之情況下退還本集團。

中國公司之僱員參加由人力資源和社會保障部地方當局設立及管理之基本養老金計劃。基本養老金之每月繳費乃根據相關地方當局所規定之基數及比例計算。於僱員退休時，相關地方當局有責任向其支付基本養老金。根據上述計算方法得出之金額於僱員提供服務之會計期間確認為負債，並相應計入當期損益表或相關資產成本內。

2. MATERIAL ACCOUNTING POLICIES (Continued)

n) Employee benefits (Continued)

ii) Defined contribution retirement benefits

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all eligible employees. Contributions are made based on a percentage of the employees' salaries, allowances and other benefits and are charged to the statement of 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, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

The employees of companies in the PRC participate in the basic pension plan set up and administered by local authorities of Ministry of Human Resource and Social Security. Monthly payments of premiums on the basic pensions are calculated according to prescribed bases and percentage by the relevant local authorities. When employees retire, the relevant local authorities are obliged to pay the basic pensions to them. The amounts based on the above calculations are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the income statement for the current period or the cost of relevant assets.

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2. 重大會計政策(續)

n) 僱員福利(續)

iii) 以股份為基礎之付款

授予僱員的權益結算以股份為基礎之付款於授出日期的公平值使用採用Hull-white模式計算。有關金額一般確認為開支，並於獎勵的歸屬期內相應增加權益。確認為開支的金額將作調整，以反映相關服務及非市場表現狀況預期將獲達成之獎勵的數目，使最終確認為開支的金額按於歸屬日期符合相關服務的獎勵數目計算。

iv) 終止福利

當本集團不能再取消提供該等福利時及本集團確認重組成本時(以較早者為準)，則支銷終止福利。

o) 所得稅

所得稅開支包括即期稅項及遞延稅項。即期稅項及遞延稅項在損益內確認，惟倘該等項目與業務合併或已直接於權益或其他全面收益確認的項目有關則除外。

即期稅項包括年內應課稅收入或虧損的估計應繳或應收稅項，以及就以往年度對應付或應收稅項作出的任何調整。應繳或應收即期稅項的金額為預期將予支付或收取稅項金額的最佳估計，該金額反映與所得稅有關的任何不明朗因素。即期稅項按報告日期已實施或實際上已實施的稅率計算。即期稅項亦包括宣派股息導致的任何稅項。

2. MATERIAL ACCOUNTING POLICIES (Continued)

n) Employee benefits (Continued)

iii) Share-based payments

The grant-date fair value of equity-settled share-based payments granted to employees is measured using the Hull-white model. The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date.

iv) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

o) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.



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2. 重大會計政策(續)

o) 所得稅(續)

即期稅項資產及負債僅於達成若干條件後方獲抵銷。

遞延稅項就財務報告目的資產及負債賬面值與稅務用途之間的暫時差異被確認。概不會就以下暫時性差異確認遞延稅項：

- 在一項非業務合併的交易中的資產或負債初始確認，及並不影響會計或應課稅盈利或虧損及不會產生相同應課稅及可扣稅金額的暫時性差異；
- 有關於附屬公司、聯營公司及合營企業的投資的暫時性差異，惟以本集團控制暫時性差異的撥回時間及於可見將來應不會撥回為限；
- 商譽初始確認引起的應課稅暫時性差異；及
- 有關因實施由經濟合作與發展組織發佈的支柱二模型規例而頒佈或實質性頒佈的稅法產生的所得稅。

2. MATERIAL ACCOUNTING POLICIES (Continued)

o) Income tax (Continued)

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

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2. 重大會計政策(續)

o) 所得稅(續)

遞延稅項資產就未使用稅項虧損、未使用稅項抵免及可扣稅暫時性差異被確認，惟可能有未來應課稅溢利可用以抵銷該等應課稅溢利。未來應課稅溢利乃根據相關應課稅暫時性差異的撥回釐定。倘若應課稅暫時性差異的金額不足以全額確認遞延所得稅資產，則根據本集團就個別附屬公司的業務計劃，考慮對現有暫時性差異的轉回進行調整的未來應納稅所得額。遞延稅項資產於各報告日期進行檢討，並於不再可能實現相關稅項利益時減少；當未來應稅利潤的可能性提高時，這種減少就會轉回。

遞延稅項資產僅於達成若干條件後方獲抵銷。

p) 撥備及或然負債

倘若本集團須就已發生之事件承擔法律或推定責任，而履行該責任預期會導致含有經濟效益之資源外流，並可作出可靠之估計，便會計提撥備。如金錢的時間價值重大，則按預計履行責任所需開支之現值計提撥備。

倘若含有經濟效益之資源外流之可能性很低，或是無法對有關款額作出可靠之估計，便會將該責任披露為或然負債；但假如這類資源外流之可能性極低則除外。須視乎某宗或多宗未來事件是否發生才能確定存在與否之潛在責任，亦會披露為或然負債；但假如這類資源外流之可能性極低則除外。

2. MATERIAL ACCOUNTING POLICIES (Continued)

o) Income tax (Continued)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

p) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.



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2. 重大會計政策(續)

q) 收入及其他收入

本集團將其日常業務過程中源自銷售貨品、提供服務或其他人士根據租賃使用本集團資產所產生的收益分類為收入。

本集團收益及其他收入確認政策的進一步詳情載列如下：

(i) 客戶合約收益

本集團為其收益交易的主事人及按總額基準確認收益，包括銷售外部採購的電子產品。釐定本集團是否作為主事人或作為代理人行事時，考慮其是否於將產品轉移至客戶前取得對產品的控制權。控制權指本集團能否直接使用及取得絕大部分由產品產生的剩餘利益。

當產品或服務的控制權按本集團預期有權獲取的承諾代價數額(不包括代表第三方收取的金額，例如增值稅或其他銷售稅)轉移至客戶時，收益予以確認。

2. MATERIAL ACCOUNTING POLICIES (Continued)

q) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

The Group is the principal for its revenue transactions and recognises revenue on a gross basis, including the sale of electronic products that are sourced externally. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognised when control over a product or service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

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2. 重大會計政策(續)

q) 收入及其他收入(續)

(i) 客戶合約收益(續)

(a) 銷售商品

當客戶持有並接受產品時確認收入。付款條款與條件因客戶而異，並基於與客戶訂立的合同或採購訂單中確定的賬單時間表，但本集團一般給予客戶的信貸期為客戶接受後最多一年。本集團利用香港財務報告準則第15號第63段中的可行權宜法，及並無就融資期為12個月或以下的重大融資組成部分的任何影響調整代價。就原訂預期期限為一年或以內之銷售合約，本集團已根據香港財務報告準則第15號第121(a)段並無披露有關分配予剩餘履約責任交易價之總額之資料。

(ii) 其他資源之收益及其他收入

(a) 利息收入

利息收入使用實際利率法確認。「實際利率」為於金融資產之預計年期內準確貼現估計未來現金收入至金融資產之賬面總額之利率。在計算利息收入時，有效利率應用於資產的賬面值總額(當資產並非信貸減值時)。然而，就初始確認後成為信貸減值的金融資產而言，透過將有效利率應用於該金融資產的攤銷成本而計算利息收入。若資產不再屬信貸減值，則恢復使用總額基準計算利息收入。

2. MATERIAL ACCOUNTING POLICIES (Continued)

q) Revenue and other income (Continued)

(i) Revenue from contracts with customers (Continued)

(a) Sale of goods

Revenue is recognised when the customer takes possession of and accepts the products. Payment terms and conditions vary by customers and are based on the billing schedule established in the contracts or purchase orders with customers, but the Group generally provides credit terms to customers up to 1 year upon customer acceptance. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component as the period of financing is 12 months or less. For sales contracts that had an original expected duration of one year or less, the Group has not disclosed the information related to the aggregated amount of the transaction price allocated to the remaining performance obligations in accordance with paragraph 121(a) of HKFRS 15.

(ii) Revenue from other sources and other income

(a) Interest income

Interest income is recognised using the effective interest method. The “effective interest rate” is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.



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2. 重大會計政策(續)

r) 外幣換算

外幣交易按交易日期之匯率換算為本集團旗下公司各功能貨幣。

於報告日期以外幣計值之貨幣資產及負債按當日匯率換算為功能貨幣。按公平值計量的外幣計值的非貨幣資產及負債按該公平值釐定的匯率換算為功能貨幣。以外幣列值按歷史成本計量的非貨幣資產及負債於交易日期按匯率換算。匯兌差額一般於損益確認。

然而，因換算以下項目產生之外幣差額於其他全面收益確認：

- 指定為透過其他全面收益按公平值計量之股本證券之投資；
- 指定為屬有效對沖之海外業務投資淨額對沖之金融負債；及
- 有效對沖之合資格現金流對沖。

海外業務之資產及負債(包括收購產生之商譽及公平值調整)按報告日期之匯率換算為港元。海外業務之收入及開支按交易日期之匯率換算為港元。

2. MATERIAL ACCOUNTING POLICIES (Continued)

r) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an investment in equity securities designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Hong Kong dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Hong Kong dollars at the exchange rates at the dates of the transactions.

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2. 重大會計政策(續)

r) 外幣換算(續)

匯兌差額於其他全面收益確認並於匯兌儲備內累計。惟匯兌差額分配至非控股權益除外。

倘全部或部分出售海外業務而喪失控制權、重大影響力或共同控制權，與海外業務相關之匯兌儲備累計金額重新分類為損益，作為出售收益或虧損之一部分。於出售包含海外業務之附屬公司時，非控股權益應佔海外業務相關匯兌差額之累計金額應終止確認，惟不得重新分類至損益。倘本集團出售附屬公司的部分權益惟保留控制權，累計金額之相關部分應歸屬於非控股權益。當本集團僅出售聯營公司或合營公司並保留重大影響力或共同控制權，累計金額之相關部分重新分類為損益。

s) 貸款成本

直接涉及收購、建造或生產資產(須經相當長時間方能準備就緒以作預期用途或出售之資產)之借貸成本資本化作為該資產成本之一部分。其他借貸成本於產生期間列支。

2. MATERIAL ACCOUNTING POLICIES (Continued)

r) Translation of foreign currencies (Continued)

Foreign currency differences are recognised in OCI and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.



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2. 重大會計政策(續)

t) 關連人士

- (a) 倘若該名人士屬以下情況，則該人士或該人士之家族之近親乃與本集團有關連：
- i) 對本集團擁有控制權或共同控制權；
 - ii) 對本集團擁有重大影響力；或
 - iii) 為本集團或本集團之母公司之主要管理人員之成員。
- (b) 倘若以下任何條件適用，則該實體乃與本集團有關連：
- i) 該實體與本集團均為相同集團之成員(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
 - ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為集團旗下成員公司之聯營公司或合營企業之成員公司)。
 - iii) 兩間實體均為同一第三方之合營企業。
 - iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - v) 附註2(t)(a)(i)所識別人士對實體擁有重大影響力或屬該實體(或該實體之母公司)之主要管理人員成員。
 - vi) 向本集團或本集團母公司提供主要管理人員服務之實體或其所屬集團之任何成員公司。

2. MATERIAL ACCOUNTING POLICIES (Continued)

t) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- i) has control or joint control over the Group;
 - ii) has significant influence over the Group; or
 - iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii) Both entities are joint ventures of the same third party.
 - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v) A person identified in note 2(t)(a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - vi) 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 Group's parent.

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2. 重大會計政策(續)

t) 關連人士(續)

該名人士之近親家庭成員為於與該實體進行交易時可能預期影響該名人士或可能被該名人士影響之該等家族成員。

u) 分部報告

綜合財務報表所呈報之經營分部及各分部項目之款項乃於為分配資源予本集團不同業務及地區以及評估該等業務及地區之表現而定期向本集團首席營運決策人提供之財務資料中確認。

就財務報告而言，個別重大經營分部不會合併，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務之方法以及監管環境性質方面相類似則除外。倘並非個別重大之經營分部符合大部份此等準則，則該等經營分部可能合併處理。

2. MATERIAL ACCOUNTING POLICIES (Continued)

t) Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

u) 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 chief operating decision maker 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.



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3. 會計政策之變動

於本年度，本集團於編製綜合財務報表時，已首次應用香港會計師公會（「香港會計師公會」）頒佈並於二零二三年一月一日或之後開始之年度期間強制生效之下列新訂及經修訂香港財務報告準則之修訂本：

香港會計準則第1號 會計政策之披露
之修訂本及香港
財務報告準則實
務報告第2號

香港會計準則第8號 會計估計之定義
之修訂本

香港會計準則第12 與單一交易產生的資
號之修訂本 產和負債相關之遞
延所得稅

香港會計準則第12 國際租稅變革 – 支柱
號之修訂本 二規則範本

香港財務報告準則 保險合約
第17號

香港財務報告準則 修訂香港財務報告準
第17號之修訂本 則第17號

香港財務報告準則 初次應用香港財務報
第17號之修訂本 告準則第17號及香
港財務報告準則第9
號 - 比較資料

於本年度應用新訂及經修訂香港財務報告準則之修訂本對本集團於本年度及過往年度的財務狀況及表現及／或該等綜合財務報表所載之披露並無重大影響。

3. CHANGES IN ACCOUNTING POLICIES

In the current year, the Group has applied the following new and amended HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2023 for the preparation of the consolidated financial statements:

Amendments to HKAS 1 and Disclosure of Accounting
HKFRS Practice Statement 2 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

HKFRS 17 Insurance Contracts

Amendments to HKFRS 17 Amendments to HKFRS 17

Amendments to HKFRS 17 Initial Application of
HKFRS 17 and HKFRS 9
– Comparative Information

The application of the new and amended HKFRSs in the current year 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.



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4. 關鍵會計判斷及估計不確定性之主要來源

a) 估計不確定性之主要來源

於應用附註2所述之本集團會計政策之過程中，管理層已作出若干主要假設，該等假設涉及未來及於報告期末估計不確定性之其他主要來源，該等假設可能存在導致資產及負債之賬面值於下個財政年度作出重大調整之重大風險，有關詳情討論如下。

i) 物業、廠房及設備之可使用年期及剩餘價值

管理層釐定物業、廠房及設備的估計可用年期及有關折舊費用。該估計乃根據類似性質及性能資產的實際可用年期作出。其可能會因為重大技術創新及競爭對手因應行業週期所採取的行動而出現重大變化。如可用年期少於原先估計，管理層會增加折舊費用，或會撤銷或撤減已被棄用或出售在技術上已過時或屬非策略性之資產。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

a) Key sources of estimation uncertainty

In the process of applying the Group's accounting policies which are described in note 2, management has made certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as discussed below.

i) *Useful lives and residual values of property, plant and equipment*

Management determines the estimated useful lives of and related depreciation charges for its property, plant and equipment. This estimate is based on the actual useful lives of assets of similar nature and functions. It could change significantly as a result of significant technical innovations and competitor actions in response to industry cycles. Management will increase the depreciation charges where useful lives are less than previously estimated, or will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.



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4. 關鍵會計判斷及估計不確定性之主要來源(續)

a) 估計不確定性之主要來源(續)

ii) 物業、廠房及設備減值之估算

倘有跡象顯示物業、廠房及設備項目之賬面值不能收回，則資產可能視為「已減值」，並按附註2(g)(ii)所述有關物業、廠房及設備減值之本集團會計政策於損益確認減值虧損。資產賬面值會定期進行檢討以評估可收回金額有否降低至低於賬面值。倘有事件或情況轉變顯示資產入賬之賬面值可能無法收回，即會對有關資產進行減值測試。若出現有關減值情況，則會將賬面值減至可收回金額。

可收回金額乃公平值減出售成本與使用價值之較高者。釐定使用價值時，會將資產產生之預期未來現金流量貼現至其現值，此需要對收入水平及經營成本金額作出重大判斷。本集團利用所有可得資料(包括基於合理及有力假設之估計以及對收入水平及經營成本金額之預測)，釐定可收回金額之合理近似金額。該等估計之變動可能對資產賬面值產生重大影響，並可能導致於未來期間之額外減值虧損或撥回減值。於二零二三年十二月三十一日，物業、廠房及設備之賬面值約為131,610,000港元(二零二二年：164,273,000港元)。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

a) Key sources of estimation uncertainty (Continued)

ii) *Estimation of impairment of property, plant and equipment*

If circumstances indicate that the carrying value of an item of the property, plant and equipment may not be recoverable, the asset may be considered “impaired”, and an impairment loss may be recognised in profit or loss in accordance with the Group’s accounting policy for impairment of property, plant and equipment as described in note 2(g)(ii). The carrying amounts of assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount.

The recoverable amount is the greater of the fair value less costs of disposal and the value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to the level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of the level of revenue and amount of operating costs. Changes in these estimates could have a significant impact on the carrying value of the assets and could result in additional impairment loss or reversal of impairment in future periods. As at 31 December 2023, the carrying amount of property, plant and equipment is approximately HK\$131,610,000 (2022: HK\$164,273,000).

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4. 關鍵會計判斷及估計不確定性之主要來源(續)

a) 估計不確定性之主要來源(續)

iii) 使用權資產減值之估算

本集團根據附註2(g)(ii)所載之本集團會計政策，每年對該等資產是否出現減值進行評估。現金產生單位之可收回金額乃根據使用價值計算而釐定。該等計算需要使用管理層對業務之未來營運作出之估計及假設、稅前貼現率以及其他有關使用價值計算之假設。於二零二三年十二月三十一日，使用權資產之賬面值約為82,519,000港元(二零二二年：88,741,000港元)。

iv) 應收賬款減值之估算

本集團透過評估預期信貸虧損估計應收賬款的減值虧損撥備。這需要運用估計及判斷。預期信貸虧損乃根據跟本集團的過往信貸虧損經驗，就具體債務人的因素作出之調整及於報告期末對當前及預期整體經濟狀況作出的評估得出。倘估計與初始估計出現差異，有關差異將影響應收賬款的賬面值，因此，有關估計期間的減值虧損會出現變動。本集團會在預期期限內持續評估應收賬款的預期信貸虧損。於二零二三年十二月三十一日，應收賬款之賬面值約為418,613,000港元(二零二二年：476,680,000港元)。有關應收賬款減值之詳情於附註21及33(a)披露。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

a) Key sources of estimation uncertainty (Continued)

iii) Estimation of impairment of right-of-use assets

The Group performs annual assessments on whether there has been impairment of these assets in accordance with the Group's accounting policy stated in note 2(g)(ii). The recoverable amounts of cash-generating units are determined based on value in use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value in use calculations. As at 31 December 2023, the carrying amount of right-of-use assets is approximately HK\$82,519,000 (2022: HK\$88,741,000).

iv) Estimation of impairment of trade receivables

The Group estimates the impairment loss allowances for trade receivables by assessing the ECLs. This requires the use of estimates and judgements. ECLs are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, and an assessment of both the current and forecast general economic conditions at the end of the reporting period. Where the estimation is different from the original estimate, such difference will affect the carrying amount of trade receivables and thus the impairment loss in the period in which such estimate is changed. The Group keeps assessing the expected credit loss of trade receivables during their expected lives. As at 31 December 2023, the carrying amount of trade receivables is approximately HK\$418,613,000 (2022: HK\$476,680,000). Details of the impairment of trade receivables are disclosed in notes 21 and 33(a).



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4. 關鍵會計判斷及估計不確定性之主要來源(續)

a) 估計不確定性之主要來源(續)

v) 存貨之可變現淨值

存貨乃按成本與可變現淨值之較低者列賬。可變現淨值乃根據日常業務過程中之估計售價，減估計完成成本及進行銷售所需之估計成本釐定。該等估計是根據目前市況及製造和銷售同類產品之過往經驗而作出。本公司董事主要根據最近期之發票價格及現時市況估計存貨之可變現淨值。截至二零二三年十二月三十一日止年度，本公司董事按逐項產品基準對存貨進行定期檢討，並撇減存貨約65,320,000港元(二零二二年：417,000港元)及並無撥回撇減存貨(二零二二年：45,000港元)。

b) 在應用本集團會計政策時所作之重大會計判斷

在釐定若干資產及負債之賬面值時，本集團就不確定的未來事件對各報告期末資產及負債之影響作出假設。有關估計涉及對現金流量及所用貼現率之假設。本集團根據過往經驗及對未來事件之預計作出估計及假設，並定期檢討。除對未來事件之假設及估計外，本集團在應用會計政策時亦作出判斷。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

a) Key sources of estimation uncertainty (Continued)

v) Net realisable value of inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is determined on the basis of the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated cost necessary to make the sale. These estimates are based on the current market conditions and the historical experience of manufacturing and selling products of similar nature. The directors of the Company estimate the net realisable value for inventories based primarily on the latest invoice prices and current market conditions. During the year ended 31 December 2023, the directors of the Company performed periodic review on a product-by-product basis and made a write-down of its inventories of approximately HK\$65,320,000 (2022: HK\$417,000) and no reversal of write-down of inventories was made (2022: HK\$45,000).

b) Critical accounting judgements in applying the Group's accounting policies

In determining the carrying amounts of certain assets and liabilities, the Group makes assumptions for the effects of uncertain future events on those assets and liabilities at the end of each reporting period. These estimates involve assumptions about such items as cash flows and discount rates used. The Group's estimates and assumptions are based on historical experience and expectations of future events and are reviewed periodically. In addition to assumptions and estimations of future events, judgements are also made during the process of applying the Group's accounting policies.

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4. 關鍵會計判斷及估計不確定性之主要來源(續)

b) 在應用本集團會計政策時所作之重大會計判斷(續)

i) 所得稅及遞延稅項

本集團在香港須繳付所得稅，而在中國須繳付不同稅項。於釐定稅項撥備時須作出重大判斷。於一般業務過程中存有頗多交易及計算，使得最終稅務釐定存在不確定性。本集團根據對是否須繳納額外稅項之估計就預期稅務事宜確認負債。倘上述事宜之最終稅務結果與最初記錄之金額有所不同，有關差額將影響作出有關釐定期間之所得稅及遞延稅項撥備。

有關若干暫時差異之遞延稅項資產，乃於管理層認為日後可能有可動用應課稅溢利抵銷暫時差異或稅項虧損之情況下予以確認。倘該項預期有別於原來估計，該等差額將影響更改有關改變估計期間所確認之遞延稅項資產及稅項支出。就此而言，本集團於二零二三年十二月三十一日確認遞延稅項資產約7,273,000港元(二零二二年：6,813,000港元)。

ii) 分派股息所產生之預扣稅

本集團乃根據派付股息的時間判斷釐定是否應計若干附屬公司分派的股息產生的預扣稅(根據相關稅務法例及規定徵收)。本集團認為，倘該等附屬公司於可預見未來將不會分派溢利，則毋須就有關預扣稅提供撥備。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

b) Critical accounting judgements in applying the Group's accounting policies (Continued)

i) Income taxes and deferred taxation

The Group is subject to income tax in Hong Kong and various taxes in the PRC. Significant judgement is required in determining the provision for taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional tax 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 income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and tax charge in the periods in which such estimate is changed. In this regard, the Group recognised deferred tax assets of approximately HK\$7,273,000 (2022: HK\$6,813,000) as at 31 December 2023.

ii) Withholding tax arising from distribution of dividends

The Group's determination as to whether to accrue for withholding tax arising from distribution of dividends from certain subsidiaries according to the relevant tax law and regulations is subject to judgement on the timing of the payment of dividends. The Group considers that if the profits of these subsidiaries will not be distributed in the foreseeable future, then no withholding tax should be provided.

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5. 收入

收入指供應予客戶之貨品銷售價值(不包括增值稅及其他銷售稅項)，並扣除任何退貨及貿易折扣。

來自合約客戶之收入於某時間點確認。來自合約客戶之收入之分析如下：

5. REVENUE

Revenue represents the sales value of goods supplied to customers which excludes value-added and other sales taxes, and is after deduction of any goods returns and trade discounts.

Revenue from contracts with customers are recognised at point in time and the disaggregation of revenue from contracts with customers are as follows:

		稀土分部		耐火分部		總計	
		Rare Earth Segment		Refractory Segment		Total	
		二零二三年	二零二二年	二零二三年	二零二二年	二零二三年	二零二二年
		2023	2022	2023	2022	2023	2022
		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
主要產品類別	Types of major products						
銷售稀土產品	Sales of rare earth products						
– 稀土氧化物	– Rare earth oxides	469,423	546,615	–	–	469,423	546,615
銷售耐火產品	Sales of refractory products						
– 耐火材料	– Refractory materials	–	–	167,237	205,999	167,237	205,999
– 鎂砂	– Magnesium grains	–	–	49,413	57,799	49,413	57,799
小計	Sub-total	–	–	216,650	263,798	216,650	263,798
總計	Total	469,423	546,615	216,650	263,798	686,073	810,413
地區市場	Geographical markets						
中國	The PRC	461,023	531,872	168,447	179,457	629,470	711,329
日本	Japan	8,400	14,351	34,617	48,239	43,017	62,590
歐洲	Europe	–	–	1,083	786	1,083	786
其他	Others	–	392	12,503	35,316	12,503	35,708
總計	Total	469,423	546,615	216,650	263,798	686,073	810,413

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5. 收入 (續)

有關本集團履約表現之資料

銷售稀土及耐火產品之履約表現於貨品交付至客戶之處所而客戶接納貨品及所有權相關之風險及回報之時間點獲履行。與客戶之交易條款主要以信貸方式，惟新客戶則一般須預付款項。信貸期一般介乎交付後0至180日，而信譽良好之客戶則為最多365日。

5. REVENUE (Continued)

Information about the Group's performance obligation

The performance obligation for sales of rare earth and refractory products is satisfied upon delivery of the goods at the customers' premises which is taken to be the point in time when the customers have accepted the goods and the related risks and rewards of ownership. The trading terms with customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally ranged from 0 to 180 days and up to 365 days for reputable customers upon delivery.

6. 其他收入

6. OTHER INCOME

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
銀行存款利息收入	Interest income from bank deposits	2,862	4,872
政府補助 (附註)	Government grants (note)	-	48
		2,862	4,920

附註：截至二零二二年十二月三十一日止年度內，本集團就香港特別行政區政府推出用於支付僱員工資之保就業計劃獲得補貼合共48,000港元(二零二三年：無)。

Note: During the year ended 31 December 2022, the Group was granted subsidies of HK\$48,000 (2023: Nil) in total under the Employment Support Scheme launched by the Government of the Hong Kong Special Administrative Region for the payment of wages of employees.

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7. 其他虧損淨值及其他經營開支

7. OTHER NET LOSS AND OTHER OPERATING EXPENSES

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
其他虧損淨值	Other net loss		
匯兌收益/(虧損)淨額	Net exchange gain/(loss)	611	(7,925)
確認下列各項之減值虧損淨額：	Net impairment losses recognised on:		
– 應收賬款	– trade receivables	(4,938)	(15,244)
– 其他應收款	– other receivables	(4)	(44)
出售物業、廠房及設備之 收益淨額	Net gain on disposal of property, plant and equipment	–	397
其他	Others	(6,933)	152
		(11,264)	(22,664)
其他經營開支	Other operating expenses		
土壤污染修復工程成本(附註)	Cost of remedial works for soil pollution (note)	–	(326,412)

附註：截至二零二二年十二月三十一日止年度，於當地政府於年內實施新的環境保護規例後，本集團對宜興新威利成稀土有限公司(於宜興成立之附屬公司)廠區及其周邊地區之土壤及地下水進行環境調查。根據報告，相關土壤之若干污染物已超標，需要進行若干維護工作。獨立第三方已進行補救工程，包括清除污染土壤、維護工程及安全檢查，並已於二零二二年十二月完成，而當地政府部門對結果感到滿意。因此，於截至二零二二年十二月三十一日止年度期間確認相關成本約326,412,000港元為其他經營開支。

Note: During the year ended 31 December 2022, the Group conducted an environmental investigation on the soil and groundwater at the area of the factory of Yixing Xinwei Leeshing Rare Earth Company Limited, a subsidiary established at Yixing, and its surrounding area upon the implementation of the new environmental protection regulations by the local government in the year. It was reported that certain excessive pollutants on the related soil was noted and certain maintenance works was necessary. Remedial works including removal of polluted soil, maintenance works and safety check were carried out by an independent third party and completed in December 2022 and the local government authority was satisfied with the results. As such, the related cost at approximately HK\$326,412,000 was recognised as other operating expenses during the year ended 31 December 2022.

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8. 除稅前虧損

除稅前虧損已扣除下列各項：

8. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
a) 財務成本	a) Finance costs		
貼現票據之利息	Interest on discounted bills	248	218
租賃負債之利息	Interest on lease liabilities	61	79
		309	297
b) 員工成本(包括附註10所載之董事酬金) #	b) Staff costs (including directors' remuneration in note 10) #		
薪金及工資	Salaries and wages	30,179	33,059
權益結算以股份為基礎之付款開支(附註28)	Equity-settled share-based payment expenses (note 28)	3,474	959
退休福利計劃供款(附註12)	Retirement benefits scheme contributions (note 12)	2,333	2,362
		35,986	36,380
c) 其他項目	c) Other items		
核數師酬金	Auditor's remuneration		
– 審核服務	– audit services	2,000	2,410
– 其他服務	– other services	300	575
		2,300	2,985
存貨成本(附註20(b)) #	Cost of inventories (note 20(b)) #	837,388	809,297
物業、廠房及設備之折舊 #	Depreciation of property, plant and equipment #	30,505	34,744
使用權資產之折舊 #	Depreciation of right-of-use assets #	3,393	3,551

截至二零二三年十二月三十一日止年度內，存貨成本包括有關員工成本、物業、廠房及設備折舊以及使用權資產折舊約47,660,000港元(二零二二年：54,086,000港元)，有關款項亦已就各類別費用計入上文獨立披露之總額內。

During the year ended 31 December 2023, cost of inventories included approximately HK\$47,660,000 (2022: HK\$54,086,000) relating to staff costs, depreciation of property, plant and equipment and depreciation of right-of-use assets which amounts were also included in the respective total amounts disclosed separately above for each of these types of expenses.

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9. 綜合損益表內之所得稅

a) 綜合損益表內之所得稅指：

9. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

a) Income tax in the consolidated statement of profit or loss represents:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
本期稅項－中國企業所得稅	Current tax – PRC Enterprise Income Tax		
本年度撥備(附註25(a))	Provision for the year (note 25(a))	–	(2,456)
遞延稅項	Deferred taxation		
暫時性差異之產生及撥回 (附註25(b))	Origination and reversal of temporary differences (note 25(b))	561	725
所得稅抵免/(支出)	Income tax credit/(charge)	561	(1,731)

本公司及其附屬公司分別於開曼群島及英屬處女群島註冊成立，根據彼等各自註冊成立國家之規則及規定，毋須繳付任何所得稅。

由於截至二零二三年及二零二二年十二月三十一日止年度於香港產生之估計應評稅溢利被結轉之累計稅項虧損所抵銷，因此並無就該年度之香港利得稅計提撥備。

截至二零二三年及二零二二年十二月三十一日止年度內，中國企業所得稅乃根據本公司於中國成立之附屬公司之估計應評稅溢利按法定所得稅率25%計算。

The Company and its subsidiaries incorporated in the Cayman Islands and the British Virgin Islands, respectively, are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.

No provision for Hong Kong Profits Tax was made for the years ended 31 December 2023 and 2022 as the estimated assessable profits arising in Hong Kong for the year were offset with the accumulated tax losses brought forward.

PRC Enterprise Income Tax is calculated at the statutory income tax rate of 25% on the estimated assessable profits of the Company's subsidiaries established in the PRC during the years ended 31 December 2023 and 2022.

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9. 綜合損益表內之所得稅(續)

a) (續)

中國企業所得稅法亦規定自二零零八年一月一日起中國附屬公司向其海外(包括香港)股東分派溢利時須按5%或10%稅率繳納預扣稅。

b) 所得稅支出與會計虧損之間按適用稅率計算之對賬如下：

9. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (Continued)

a) (Continued)

The PRC Enterprise Income Tax Law also requires withholding tax of 5% or 10% upon distribution of profits by the PRC subsidiaries since 1 January 2008 to its overseas (including Hong Kong) shareholders.

b) Reconciliation between income tax charge and accounting loss at applicable tax rates is as follows:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
除稅前虧損	Loss before taxation	(210,165)	(391,946)
除稅前虧損按各稅務司法權區適用法定稅率計算之名義稅項	Notional tax on loss before taxation, calculated at statutory tax rates applicable to the respective tax jurisdictions concerned	(51,989)	(100,380)
不可抵扣支出之稅務影響	Tax effect of non-deductible expenses	19,677	2,076
毋須課稅收入之稅務影響	Tax effect of non-taxable income	(1,624)	–
未確認稅務虧損之稅務影響	Tax effect of tax losses not recognised	32,120	101,054
未確認暫時差異之稅務影響	Tax effect of temporary differences not recognised	1,384	1,446
動用先前未確認稅務虧損之稅務影響	Tax effect of utilisation of tax losses previously not recognised	(129)	(153)
中國附屬公司獲授優惠稅率之稅務影響	Tax effect of concessionary tax rate granted to a PRC subsidiary	–	–
稅率變動之稅務影響	Tax effect on change in tax rate	–	(2,312)
所得稅(抵免)/支出	Income tax (credit)/charge	(561)	1,731

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10. 董事酬金

根據公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露的董事酬金如下：

10. DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the CO and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

		二零二三年				
		2023				
董事袍金	薪金、津貼及 實物福利 Salaries, allowances and benefit- in-kind	酌情花紅 Discretionary bonus	退休福利 計劃供款 Retirement scheme contributions	以股份為 基礎之付款 Share- based payments	總計 Total	
Directors' fees	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
執行董事	Executive directors					
錢元英女士(附註(i))	Ms. Qian Yuanying (note (i))	-	1,099	-	-	1,099
蔣泉龍先生	Mr. Jiang Quanlong	-	1,430	-	-	1,430
蔣大偉先生(附註(ii))	Mr. Jiang Dawei (note (ii))	-	211	-	9	220
蔣才南先生	Mr. Jiang Cainan	-	302	-	-	302
		-	3,042	-	9	3,051
獨立非執行董事	Independent non-executive directors					
黃春華先生	Mr. Huang Chunhua	72	-	-	-	72
金重先生	Mr. Jin Zhong	40	-	-	-	40
竇學宏先生(附註(iii))	Mr. Dou Xuehong (note (iii))	67	-	-	-	67
		179	-	-	-	179
總計	Total	179	3,042	-	9	3,230

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10. 董事酬金 (續)

10. DIRECTORS' EMOLUMENTS (Continued)

		二零二二年 2022					
		薪金、津貼及 實物福利 Salaries, allowances and benefit- in-kind	酌情花紅 Discretionary bonus	退休福利 計劃供款 Retirement benefits scheme contributions	以股份為 基礎之付款 Share- based payments	總計 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	
執行董事	Executive directors						
錢元英女士 (附註(i))	Ms. Qian Yuanying (note (i))	-	1,099	-	-	1,099	
蔣泉龍先生	Mr. Jiang Quanlong	-	1,430	-	-	1,430	
蔣大偉先生 (附註(ii))	Mr. Jiang Dawei (note (ii))	-	205	-	9	214	
蔣才南先生	Mr. Jiang Cainan	-	317	-	-	317	
		-	3,051	-	9	3,060	
獨立非執行董事	Independent non-executive directors						
黃春華先生	Mr. Huang Chunhua	72	-	-	-	72	
金重先生	Mr. Jin Zhong	42	-	-	-	42	
竇學宏先生 (附註(iii))	Mr. Dou Xuehong (note (iii))	70	-	-	-	70	
		184	-	-	-	184	
總計	Total	184	3,051	-	9	3,244	

附註：

- (i) 錢元英女士亦為本公司之主席。
- (ii) 蔣大偉先生亦為本公司之行政總裁。
- (iii) 竇學宏先生於二零二三年十二月三十日離世。

Notes:

- (i) Ms. Qian Yuanying is also the Chairman of the Company.
- (ii) Mr. Jiang Dawei is also the Chief Executive Officer of the Company.
- (iii) Mr. Dou Xuehong passed away on 30 December 2023.

截至二零二三年及二零二二年十二月三十一日止年度內，概無董事向本集團收取任何酬金，作為鼓勵加入本集團或加入本集團時之獎勵或離職補償。於該兩個年度，概無董事放棄或同意放棄任何酬金。

During the years ended 31 December 2023 and 2022, no director received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for loss of office. No director has waived or agreed to waive any emoluments during both years.

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11. 最高薪人士及高級管理人員酬金

a) 五名最高薪人士

截至二零二三年十二月三十一日止年度，本集團五名最高薪人士中，其中兩名（二零二二年：兩名）為本公司董事，其酬金於附註10披露。其餘三名（二零二二年：三名）最高薪人士之酬金總額如下：

11. INDIVIDUALS WITH HIGHEST EMOLUMENTS AND SENIOR MANAGEMENT'S EMOLUMENTS

a) Five highest paid individuals

During the year ended 31 December 2023, out of the five highest paid individuals in the Group, two (2022: two) are directors of the Company whose emoluments are disclosed in note 10. The aggregate emoluments in respect of the remaining three (2022: three) highest paid individuals are as follows:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
薪金及其他酬金	Salaries and other emoluments	1,261	2,152
酌情花紅	Discretionary bonus	–	–
退休福利計劃供款	Retirement benefits scheme contributions	110	161
權益結算以股份為基礎之付款開支	Equity-settled share-based payment expenses	2,290	120
		3,661	2,433

其餘三名（二零二二年：三名）最高薪人士之酬金介乎於下列範圍：

The emoluments of the remaining three (2022: three) highest paid individuals are within the following band:

		二零二三年 2023 人數 Number of individuals	二零二二年 2022 人數 Number of individuals
範圍：	Bands:		
零 – 1,000,000港元	Nil – HK\$1,000,000	–	2
1,000,001港元 – 1,500,000港元	HK\$1,000,001 – HK\$1,500,000	3	1
		3	3

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11. 最高薪人士及高級管理人員酬金(續)

a) 五名最高薪人士(續)

截至二零二三年及二零二二年十二月三十一日止年度，本集團並無向五位最高薪人士支付或應付任何酬金，作為鼓勵其加入或於加入本集團時的報酬或離職補償。

b) 高級管理人員酬金

已付或應付予高級管理人員(不包括董事)(包括上文所披露之兩名(二零二二年：三名)最高薪人士)之酬金介乎於下列範圍：

11. INDIVIDUALS WITH HIGHEST EMOLUMENTS AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

a) Five highest paid individuals (Continued)

No emoluments were paid or payable by the Group to the five highest paid individuals as inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2023 and 2022.

b) Senior management's emoluments

The emoluments paid or payable to senior management, excluding the directors, (including two (2022: three) highest paid individuals as disclosed above) are within the following bands:

		二零二三年 2023 人數 Number of individuals	二零二二年 2022 人數 Number of individuals
範圍：	Bands:		
零 – 1,000,000港元	Nil – HK\$1,000,000	4	4
1,000,001港元 – 1,500,000港元	HK\$1,000,001 – HK\$1,500,000	2	1
		6	5

截至二零二三年十二月三十一日止年度期間，一名高級管理人員辭任(二零二二年：無)。

During the year ended 31 December 2023, one individual of senior management resigned (2022: Nil).



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12. 僱員退休福利

如中國有關規則及條例的規定，本公司於中國成立之附屬公司須為其全體僱員根據僱員基本薪金的若干百分比參與國家資助退休計劃（一項界定供款退休金計劃）。僱員退休後的生活津貼由國家資助退休計劃負責支付。該等附屬公司除每年供款外，毋須支付實際退休金，亦毋須負責僱員的退休後福利。截至二零二三年十二月三十一日止年度，退休計劃供款額約為2,211,000港元（二零二二年：2,221,000港元）。該計劃供款即時歸屬。

本集團自二零零零年十二月一日起已參與強制性公積金計劃（「強積金計劃」）。該計劃為界定供款退休金計劃。本集團每月按僱員基本薪金若干百分比向該計劃供款。截至二零二三年十二月三十一日止年度，本集團向強積金計劃供款約122,000港元（二零二二年：141,000港元）。強積金的資產與本集團的資產分開持有，並由獨立專業基金經理管理。該計劃供款即時歸屬。

截至二零二三年及二零二二年十二月三十一日止年度，本集團於中國之退休福利計劃及於香港之強積金計劃項下並無沒收供款可用作減少聯交所證券上市規則附錄16第26(2)段所述現有供款水平。

12. EMPLOYEE RETIREMENT BENEFITS

As stipulated by the relevant rules and regulations in the PRC, the Company's subsidiaries established in the PRC are required to participate in a state-sponsored retirement plan, which is a defined contribution pension scheme, for all of their employees based on certain percentages of the employees' basic salaries. The state-sponsored retirement plan is responsible for the entire pension obligations payable to retired employees and these subsidiaries have no further obligations for the actual pension payments or other post-retirement benefits beyond the annual contributions. For the year ended 31 December 2023, the retirement plan contribution amounted to approximately HK\$2,211,000 (2022: HK\$2,221,000). Contributions to the plan vest immediately.

The Group has participated in Mandatory Provident Fund Scheme ("MPF Scheme"), which is a defined contribution pension scheme, since 1 December 2000. The Group makes monthly contribution to the scheme based on certain percentage of the employees' basic salaries. For the year ended 31 December 2023, the Group's contributions to the MPF Scheme were approximately HK\$122,000 (2022: HK\$141,000). The assets of the fund are held separately from the Group and are managed by independent professional fund managers. Contributions to the scheme vest immediately.

During the years ended 31 December 2023 and 2022, the Group had no forfeited contributions under its retirement benefit scheme in the PRC and under the MPF Scheme in Hong Kong which may be used to reduce the existing level of contributions as described in paragraph 26(2) of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

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13. 股息

本公司董事不建議派付截至二零二三年十二月三十一日止年度之股息(二零二二年：無)。

13. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend for the year ended 31 December 2023 (2022: Nil).

14. 每股虧損

每股基本虧損

本公司擁有人之每股基本虧損乃根據下列數據計算：

14. LOSS PER SHARE

Basic loss per share

The calculation of the basic loss per share to owners of the Company is based on the following data:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
計算每股基本虧損之本公司擁有人應佔本年度虧損	Loss for the year attributable to owners of the Company for the purpose of calculating basic loss per share	200,545	373,296
		股份數目 Number of shares	
		二零二三年 2023 千股 '000	二零二二年 2022 千股 '000
計算每股基本虧損之普通股份加權平均數	Weighted average number of ordinary shares for the purpose of calculating basic loss per share	2,341,700	2,341,700

每股攤薄虧損

由於截至二零二三年及二零二二年十二月三十一日止年度行使本公司尚未行使購股權具有反攤薄影響，因此每股攤薄虧損與每股基本虧損相同。

Diluted loss per share

Diluted loss per share equals to the basic loss per share as the exercise of the Company's outstanding share options would have anti-dilutive effect during the year ended 31 December 2023 and 2022.



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15. 分部報告

本集團按業務性質劃分分部及進行管理。於採納香港財務報告準則第8號「經營分部」及與向被確認為本集團首席營運決策人（「首席營運決策人」）之行政總裁內部呈報用以資源分配及表現評估之資料一致，本集團呈列了兩個呈報分部。並無合併經營分部以形成下列呈報分部：

稀土：製造及銷售稀土產品

耐火：製造及銷售耐火產品

a) 分部業績、資產及負債

就評估分部表現及分部間分配資源而言，本集團之首席營運決策人按照下列基準監察各個呈報分部應佔之業績、資產及負債：

分部資產包括所有有形及無形資產及流動資產，但不包括遞延稅項資產、可收回稅項、未分配現金及現金等值項目以及未分配至個別呈報分部之其他企業資產。分部負債包括個別分部之製造及銷售活動應佔之應付賬款及其他應付款以及租賃負債。

15. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by business lines. On adoption of HKFRS 8 “Operating segments”, and in a manner consistent with the way in which information is reported internally to the Chief Executive Officer, who has been identified as the Group’s chief operating decision maker (“CODM”), for the purposes of resource allocation and performance assessment, the Group has presented two reportable segments. No operating segments have been aggregated to form the following reportable segments:

Rare earth: Manufacture and sales of rare earth products

Refractory: Manufacture and sales of refractory products

a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group’s CODM monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible and intangible assets, and current assets with the exception of deferred tax assets, tax recoverable, unallocated cash and cash equivalents, and other corporate assets which are unallocated to an individual reportable segment. Segment liabilities include trade and other payables, and lease liabilities attributable to the manufacturing and sales activities of the individual segments.

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15. 分部報告(續)

a) 分部業績、資產及負債(續)

收入及開支乃經參考呈報分部之銷售額及開支或該等分部應佔資產之折舊或攤銷所引致之開支，分配至該等分部。

呈報分部溢利／(虧損)所使用之計量方法為「經調整扣除利息、稅項、折舊及攤銷前溢利」(「經調整EBITDA」)。為計算經調整EBITDA，本集團之溢利／(虧損)會就並非特定個別呈報分部應佔之項目作出進一步調整，如董事酬金、核數師酬金及其他未分配企業開支。

除獲得有關經調整EBITDA之分部資料外，本集團首席營運決策人亦獲提供有關收入(包括分部間銷售)、折舊、攤銷、由分部直接管理之銀行結餘及借貸之利息收入及開支、減值虧損、出售物業、廠房及設備之收益／(虧損)及分部於營運中所使用之非流動分部資產添置之分部資料。分部間銷售參考就同類訂單收取外部第三方之價格訂價。

15. SEGMENT REPORTING (Continued)

a) Segment results, assets and liabilities (Continued)

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit/(loss) is “adjusted profit before interest, taxes, depreciation and amortisation” (“Adjusted EBITDA”). To arrive at the Adjusted EBITDA, the Group’s profit/(loss) further adjusted for items not specifically attributed to an individual reportable segment, such as directors’ emoluments, auditor’s remuneration and other unallocated corporate expenses.

In addition to the receiving of segment information concerning the Adjusted EBITDA, the Group’s CODM is provided with segment information concerning revenue (including inter-segment sales), depreciation, amortisation, interest income and expenses from bank balances and borrowings managed directly by the segments, impairment losses, gain/(loss) on disposal of property, plant and equipment and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

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15. 分部報告 (續)

a) 分部業績、資產及負債 (續)

年內，就提供予本集團首席營運決策人用作分配資源及評估分部表現之本集團呈報分部資料載列如下：

15. SEGMENT REPORTING (Continued)

a) Segment results, assets and liabilities (Continued)

Information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resource allocation and assessment of segment performance for the year is as follows:

		稀土		耐火		總計	
		二零二三年	二零二二年	二零二三年	二零二二年	二零二三年	二零二二年
		2023	2022	2023	2022	2023	2022
		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
來自對外客戶之收入	Revenue from external customers	469,423	546,615	216,650	263,798	686,073	810,413
分部間收入	Inter-segment revenue	-	-	-	-	-	-
呈報分部收入	Reportable segment revenue	469,423	546,615	216,650	263,798	686,073	810,413
呈報分部(虧損)/溢利 (經調整EBITDA)	Reportable segment (loss)/profit (Adjusted EBITDA)	(162,363)	(370,062)	2,209	22,810	(160,154)	(347,252)
利息收入	Interest income	442	1,942	2,419	2,929	2,861	4,871
財務成本	Finance costs	-	-	(248)	(218)	(248)	(218)
物業、廠房及設備 之折舊	Depreciation of property, plant and equipment	(15,210)	(17,061)	(15,223)	(17,612)	(30,433)	(34,673)
使用權資產之折舊	Depreciation of right-of-use assets	(1,622)	(1,706)	(1,403)	(1,476)	(3,025)	(3,182)
(確認)/撥回下列各項 之減值虧損淨額：	Net impairment loss (recognised/ reversed on:						
- 應收賬款	- trade receivables	(5,467)	(10,440)	529	(4,804)	(4,938)	(15,244)
- 其他應收款	- other receivables	66	2	(70)	(46)	(4)	(44)
出售物業、廠房及設備 之(虧損)/收益	(Loss)/gain on disposal of property, plant and equipment	-	(269)	-	667	-	398
出售附屬公司之收益	Gain on disposal of a subsidiary	-	-	5,719	-	5,719	-
呈報分部資產	Reportable segment assets	816,823	1,016,066	1,707,882	1,776,121	2,524,705	2,792,187
添置非流動 分部資產：	Additions to non-current segment assets:						
- 物業、廠房及設備	- Property, plant and equipment	-	562	8	6,395	8	6,957
呈報分部負債	Reportable segment liabilities	390,126	402,141	78,678	103,589	468,804	505,730

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15. 分部報告(續)

b) 呈報分部收入、溢利或虧損、資產及負債之對賬

15. SEGMENT REPORTING (Continued)

b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
收入	Revenue		
呈報分部收入	Reportable segment revenue	686,073	810,413
撇銷分部間收入	Elimination of inter-segment revenue	-	-
綜合收入	Consolidated revenue	686,073	810,413
溢利或虧損	Profit or loss		
呈報分部虧損	Reportable segment loss	(160,154)	(347,252)
撇銷分部間溢利或虧損	Elimination of inter-segment profit or loss	-	-
來自本集團對外客戶之 呈報分部虧損	Reportable segment loss derived from Group's external customers	(160,154)	(347,252)
利息收入	Interest income	2,862	4,872
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	(30,505)	(34,744)
使用權資產之折舊	Depreciation of right-of-use assets	(3,393)	(3,551)
權益結算以股份為基礎之付款 開支	Equity-settled share-based payment expenses	(9,060)	(959)
財務成本	Finance costs	(309)	(297)
未分配企業開支	Unallocated corporate expenses	(9,606)	(10,015)
綜合除稅前虧損	Consolidated loss before taxation	(210,165)	(391,946)
所得稅抵免/(支出)	Income tax credit/(charge)	561	(1,731)
綜合除稅後虧損	Consolidated loss after taxation	(209,604)	(393,677)

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15. 分部報告 (續)

b) 呈報分部收入、溢利或虧損、資產及負債之對賬 (續)

15. SEGMENT REPORTING (Continued)

b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (Continued)

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
資產	Assets		
呈報分部資產	Reportable segment assets	2,524,705	2,792,187
撇銷分部間應收款	Elimination of inter-segment receivables	(381,130)	(392,314)
		2,143,575	2,399,873
未分配現金及現金等值項目	Unallocated cash and cash equivalents	932	73
未分配企業資產	Unallocated corporate assets	1,194	1,960
遞延稅項資產	Deferred tax assets	7,273	6,813
可收回稅項	Tax recoverable	729	911
綜合資產總值	Consolidated total assets	2,153,703	2,409,630
負債	Liabilities		
呈報分部負債	Reportable segment liabilities	468,804	505,730
撇銷分部間應付款	Elimination of inter-segment payables	(381,130)	(392,314)
		87,674	113,416
未分配企業負債	Unallocated corporate liabilities	19,459	17,234
應付稅項	Tax payable	2,414	2,544
綜合負債總值	Consolidated total liabilities	109,547	133,194

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15. 分部報告(續)

c) 地區資料

i) 來自對外客戶之收入

下表載列有關本集團來自對外客戶之收入所在地區的資料。客戶所在地區按貨品付運地點劃分。

15. SEGMENT REPORTING (Continued)

c) Geographical information

i) Revenue from external customers

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the goods were delivered.

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
中國(註冊地點)	The PRC (place of domicile)	629,470	711,329
日本	Japan	43,017	62,590
歐洲	Europe	1,083	786
其他	Others	12,503	35,708
		56,603	99,084
		686,073	810,413

ii) 特定非流動資產

本集團之特定非流動資產，包括物業、廠房及設備、使用權資產及商譽。

該等特定非流動資產之地區位置乃根據(i)資產實際所在地點(就物業、廠房及設備及使用權資產而言)；及(ii)所分配之營運所在地點(就商譽而言)劃分。

ii) Specified non-current assets

The Group's specified non-current assets comprise property, plant and equipment, right-of-use assets and goodwill.

The geographical location of these specified non-current assets is based on (i) the physical location of the assets, in the case of property, plant and equipment, and right-of-use assets and (ii) the location of the operation to which they are allocated, in the case of goodwill.

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15. 分部報告(續)

c) 地區資料(續)

ii) 特定非流動資產(續)

該等特定非流動資產之地區位置
載列如下：

		二零二三年	二零二二年
		2023	2022
		千港元	千港元
		HK\$'000	HK\$'000
中國(註冊地點)	The PRC (place of domicile)	213,142	251,596
香港	Hong Kong	987	1,418
		214,129	253,014

d) 有關主要客戶之資料

來自個別對外客戶之收入佔本集團總
收入10%或以上如下：

		稀土		耐火		總計	
		Rare earth		Refractory		Total	
		二零二三年	二零二二年	二零二三年	二零二二年	二零二三年	二零二二年
		2023	2022	2023	2022	2023	2022
		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
客戶A	Customer A	213,636	87,358	-	-	213,636	87,358
客戶B	Customer B	134,101	89,235	-	-	134,101	89,235
客戶C	Customer C	-	173,893	-	-	-	173,893

15. SEGMENT REPORTING (Continued)

c) Geographical information (Continued)

ii) Specified non-current assets (Continued)

The geographical locations of these specified
non-current assets are set out below:

d) Information about major customers

Revenue from external customers individually
contributing 10% or more of the Group's total revenue is
as follows:

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16. 商譽

16. GOODWILL

		千港元 HK\$'000
成本	Cost	
於二零二二年一月一日	At 1 January 2022	216,900
匯兌差異	Exchange differences	(6,810)
於二零二二年十二月三十一日 及二零二三年一月一日	At 31 December 2022 and 1 January 2023	210,090
出售附屬公司後取消確認	Derecognised upon disposal of a subsidiary	(72,280)
匯兌差異	Exchange differences	(1,270)
於二零二三年十二月三十一日	At 31 December 2023	136,540
累計減值	Accumulated impairment	
於二零二二年一月一日	At 1 January 2022	216,900
匯兌差異	Exchange differences	(6,810)
於二零二二年十二月三十一日 及二零二三年一月一日	At 31 December 2022 and 1 January 2023	210,090
出售附屬公司後取消確認	Derecognised upon disposal of a subsidiary	(72,280)
匯兌差異	Exchange differences	(1,270)
於二零二三年十二月三十一日	At 31 December 2023	136,540
賬面值	Carrying amount	
於二零二三年及 二零二二年十二月三十一日	At 31 December 2023 and 2022	-

收購下列附屬公司之全部股權所產生之商譽指收購成本超過本集團於收購日期所收購可識別資產及負債之公平值權益之款項：

The goodwill arising from the acquisition of equity interests in the following subsidiaries represented the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities acquired at the date of acquisition:

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16. 商譽(續)

附屬公司名稱 Name of subsidiary	收購日期 Date of acquisition	分部 Segment	主要業務 Principal activities
無錫新威高溫陶瓷有限公司(「高溫陶瓷」)	二零零四年 一月二十九日	耐火分部	製造及銷售高溫陶瓷產品
Wuxi Xinwei High Temperature Ceramics Co., Ltd. (“High Temperature Ceramics”)	29 January 2004	Refractory segment	Manufacturing and sales of high temperature ceramics products

收購高溫陶瓷之股權所產生之商譽已於以往年度全數減值。

16. GOODWILL (Continued)

The goodwill arising from the acquisition of equity interests in High Temperature Ceramics has been fully impaired in previous years.

17. 物業、廠房及設備

17. PROPERTY, PLANT AND EQUIPMENT

持作 自用樓宇 Buildings held for own use 千港元 HK\$'000	機器及設備 Machinery and equipment 千港元 HK\$'000	辦公室設備 及裝置 Office equipment and fixtures 千港元 HK\$'000	汽車 Motor vehicles 千港元 HK\$'000	在建工程 Construction- in-progress 千港元 HK\$'000	總值 Total 千港元 HK\$'000		
成本	Cost						
於二零二二年一月一日	At 1 January 2022	259,691	696,254	4,203	8,354	45,655	1,014,157
添置	Additions	463	1,789	22	351	4,332	6,957
處置	Disposal	-	(18,988)	(976)	(742)	-	(20,706)
由在建工程轉入	Transfer from construction-in-progress	-	47,965	-	-	(47,965)	-
匯兌差異	Exchange differences	(22,027)	(60,304)	(287)	(691)	(2,022)	(85,331)
於二零二二年 十二月三十一日及 二零二三年一月一日	At 31 December 2022 and 1 January 2023	238,127	666,716	2,962	7,272	-	915,077
添置	Additions	-	-	18	-	-	18
撤銷	Written off	-	(45,899)	(14)	-	-	(45,913)
出售附屬公司後取消確認	Derecognised upon disposal of a subsidiary	(20,544)	(37,795)	(284)	(1,974)	-	(60,597)
匯兌差異	Exchange differences	(3,454)	(9,283)	(38)	(110)	-	(12,885)
於二零二三年 十二月三十一日	At 31 December 2023	214,129	573,739	2,644	5,188	-	795,700

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17. 物業、廠房及設備 (續)

17. PROPERTY, PLANT AND EQUIPMENT (Continued)

		持作 自用樓宇 Buildings held for own use 千港元 HK\$'000	機器及設備 Machinery and equipment 千港元 HK\$'000	辦公室設備 及裝置 Office equipment and fixtures 千港元 HK\$'000	汽車 Motor vehicles 千港元 HK\$'000	在建工程 Construction- in-progress 千港元 HK\$'000	總值 Total 千港元 HK\$'000
累計折舊及減值	Accumulated depreciation and impairment						
於二零二二年一月一日	At 1 January 2022	232,593	561,470	3,978	6,913	–	804,954
本年度計提	Charge for the year	5,189	29,206	90	259	–	34,744
處置撥回	Written back on disposal	–	(18,988)	(975)	(111)	–	(20,074)
匯兌差異	Exchange differences	(19,931)	(48,012)	(284)	(593)	–	(68,820)
於二零二二年 十二月三十一日及 二零二三年一月一日	At 31 December 2022 and 1 January 2023	217,851	523,676	2,809	6,468	–	750,804
本年度計提	Charge for the year	3,484	26,800	85	136	–	30,505
撤銷時對銷	Eliminated on written off	–	(45,899)	(14)	–	–	(45,913)
出售附屬公司後取消 確認	Derecognised upon disposal of a subsidiary	(20,530)	(37,781)	(280)	(1,952)	–	(60,543)
匯兌差異	Exchange differences	(3,189)	(7,437)	(37)	(100)	–	(10,763)
於二零二三年 十二月三十一日	At 31 December 2023	197,616	459,359	2,563	4,552	–	664,090
賬面值	Carrying amount						
於二零二三年 十二月三十一日	At 31 December 2023	16,513	114,380	81	636	–	131,610
於二零二二年 十二月三十一日	At 31 December 2022	20,276	143,040	153	804	–	164,273

附註：

- (i) 於二零二三年及二零二二年十二月三十一日，持作自用樓宇乃位於中國根據中期租賃持有之土地。
- (ii) 於二零二三年及二零二二年十二月三十一日，賬面總額約零港元之若干樓宇已抵押予一家銀行作為銀行融資之抵押品。

Notes:

- (i) As at 31 December 2023 and 2022, the buildings held for own use were situated on lands held under medium-term leases in the PRC.
- (ii) As at 31 December 2023 and 2022, certain buildings with aggregate carrying amount of zero were pledged to a bank as collateral for banking facilities.

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18. 使用權資產

18. RIGHT-OF-USE ASSETS

		租賃土地 Leasehold lands 千港元 HK\$'000	租賃物業 Leased properties 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零二二年一月一日	At 1 January 2022	98,874	1,662	100,536
年內折舊計提(附註(i))	Depreciation charge for the year (note (i))	(3,182)	(369)	(3,551)
匯兌差異	Exchange differences	(8,244)	–	(8,244)
於二零二二年 十二月三十一日及 二零二三年一月一日	At 31 December 2022 and 1 January 2023	87,448	1,293	88,741
年內折舊計提(附註(i))	Depreciation charge for the year (note (i))	(3,025)	(368)	(3,393)
出售附屬公司後取消確認	Derecognition upon disposal of a subsidiary	(1,600)	–	(1,600)
匯兌差異	Exchange differences	(1,229)	–	(1,229)
於二零二三年 十二月三十一日	At 31 December 2023	81,594	925	82,519
			二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
償付租賃負債	Settlement of lease liabilities		432	432
短期租賃相關開支	Expenses relating to short-term leases		889	935
租賃之現金流出總額	Total cash outflows for leases		1,321	1,367



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18. 使用權資產(續)

使用權資產按直線基準於其估計可使用年期及租賃期(以較短者為準)內計提折舊。

於二零二三年及二零二二年十二月三十一日，租賃土地位於中國以中期租賃持有。

附註：

- (i) 折舊計提約533,000港元(二零二二年：561,000港元)及2,860,000港元(二零二二年：2,990,000港元)分別計入截至二零二三年十二月三十一日止年度綜合損益表中銷售成本及管理費用內。
- (ii) 於二零二三年十二月三十一日，賬面值約36,444,000港元(二零二二年：38,502,000港元)之若干租賃土地已抵押予一家銀行作為銀行融資之抵押品。

18. RIGHT-OF-USE ASSETS (Continued)

The right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease terms.

As at 31 December 2023 and 2022, leasehold lands were located in the PRC with medium-term leases.

Notes:

- (i) The depreciation charges of approximately HK\$533,000 (2022: HK\$561,000) and HK\$2,860,000 (2022: HK\$2,990,000) were included in cost of sales and administrative expenses, respectively, in the consolidated statement of profit or loss for the year ended 31 December 2023.
- (ii) As at 31 December 2023, certain leasehold lands with carrying amount of approximately HK\$36,444,000 (2022: HK\$38,502,000) were pledged to a bank as collateral for banking facilities.

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19. 附屬公司之投資

於二零二三年十二月三十一日，本公司附屬公司之詳情如下：

19. INVESTMENTS IN SUBSIDIARIES

As at 31 December 2023, the particulars of the Company's subsidiaries are as follows:

附屬公司名稱 Name of subsidiary	註冊成立/成立 之地點及日期 Place and date of incorporation/ establishment	業務地點 Place of business	已發行及已繳足 股本之詳情 Particulars of issued and paid up capital	所有權權益比例 Proportion of ownership interest			主營業務 Principal activities
				本集團 實際權益 Effective interest of the Group %	本公司持有 Held by the Company %	一間附屬 公司持有 Held by a subsidiary %	
利成控股有限公司	英屬處女群島 一九九八年十二月三日	附註(d)	20股每股面值 1美元之普通股	100	100	-	投資控股
Lee Shing Holdings Limited	British Virgin Islands 3 December 1998	Note (d)	20 ordinary shares of US\$1 each	100	100	-	Investment holding
龍科國際貿易(上海)有限公司 (附註(a))	中國 二零二零年二月二十四日	中國	註冊資本 200,000美元	100	100	-	貿易稀土產品
Wellfire (Shanghai) Company Limited (note (a))	The PRC 24 February 2000	The PRC	Registered capital US\$200,000	100	100	-	Trading of rare earth products
Dynamic Goal Worldwide Inc.	英屬處女群島 二零二零年五月三十一日	附註(d)	2股每股面值 1美元之普通股	100	-	100	投資控股
Dynamic Goal Worldwide Inc.	British Virgin Islands 31 May 2000	Note (d)	2 ordinary shares of US\$1 each	100	-	100	Investment holding
宜興新威利成稀土有限公司 (附註(b))	中國 一九九三年七月十七日	中國	註冊資本 15,660,000美元	95	-	95	製造及銷售稀土產品
Yixing Xinwei Leeshing Rare Earth Company Limited (note (b))	The PRC 17 July 1993	The PRC	Registered capital US\$15,660,000	95	-	95	Manufacturing and sales of rare earth products
利成耐火(附註(a))	中國 一九九九年七月三十日	中國	註冊資本 17,000,000美元	100	-	100	製造及銷售耐火產品
Leeshing Refractory (note (a))	The PRC 30 July 1999	The PRC	Registered capital US\$17,000,000	100	-	100	Manufacturing and sales of refractory products
微科資源有限公司	香港 一九九八年十月二十三日	香港	普通股 2港元	100	-	100	貿易稀土產品
Microtech Resources Limited	Hong Kong 23 October 1998	Hong Kong	Ordinary shares HK\$2	100	-	100	Trading of rare earth products
中國稀土貿易有限公司	香港 二零二零年三月二十四日	香港	普通股 2港元	100	-	100	暫無業務
China Rare Earth Trading Limited	Hong Kong 24 March 2000	Hong Kong	Ordinary shares HK\$2	100	-	100	Inactive
高溫陶瓷(附註(a))	中國 二零二零年四月一日	中國	註冊資本 30,000,000港元	100	-	100	製造及銷售高溫陶瓷產品
High Temperature Ceramics (note (a))	The PRC 1 April 2002	The PRC	Registered capital HK\$30,000,000	100	-	100	Manufacturing and sales of high temperature ceramics products

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19. 附屬公司之投資(續)

19. INVESTMENTS IN SUBSIDIARIES (Continued)

附屬公司名稱 Name of subsidiary	註冊成立/成立 之地點及日期 Place and date of incorporation/ establishment	業務地點 Place of business	已發行及已繳足 股本之詳情 Particulars of issued and paid up capital	所有權權益比例 Proportion of ownership interest			主營業務 Principal activities
				本集團 實際權益 Effective interest of the Group %	本公司持有 Held by the Company %	一間附屬 公司持有 Held by a subsidiary %	
宜興威爾發非金屬材料有限公司 (附註(a)) Yixing Wellfire Nonmetal Materials Co., Ltd. (note (a))	中國 二零零六年九月二十七日 The PRC 27 September 2006	中國 The PRC	註冊資本 3,000,000美元 Registered capital US\$3,000,000	100	-	100	製造及銷售耐火相關產品 Manufacturing and sales of refractory related products
金茂控股有限公司 Golden Mile Holdings Limited	香港 二零一零年十二月六日 Hong Kong 6 December 2010	香港 Hong Kong	普通股 1港元 Ordinary share HK\$1	100	-	100	投資控股 Investment holding
宜興新威利成科技發展有限公司 (附註(a)) Yixing Xinwei Leeshing Technology Development Co., Ltd. (note (a))	中國 二零一八年二月二十三日 The PRC 23 February 2018	中國 The PRC	不適用 (附註(e)) N/A (note (e))	100	-	100	尚未開展業務 Not yet commenced business
宜興新威新材料有限公司 (附註(c)) Yixing Xinwei New Materials Co., Ltd. (note (c))	中國 二零二一年十一月十五日 The PRC 15 November 2021	中國 The PRC	不適用 (附註(e)) N/A (note (e))	95	-	95	尚未開展業務 Not yet commenced business

附註：

- a) 該等公司根據中國法例註冊成立為外商獨資企業。
- b) 該公司根據中國法例註冊成立為中外合營企業。
- c) 該等公司根據中國法例註冊成立為有限責任公司。
- d) 該等公司為並無特定業務地點之投資控股公司。
- e) 於二零二三年及二零二二年十二月三十一日，該等公司之註冊資本並未由本集團注資。

概無附屬公司擁有任何於年結日或年內任何時間持續有效之債務證券。

截至二零二三年及二零二二年十二月三十一日止年度，本集團並無附屬公司持有重大非控股權益。

Notes:

- a) These companies are registered under the laws of the PRC as wholly-owned foreign enterprises.
- b) This company is registered under the laws of the PRC as a sino-foreign equity enterprise.
- c) These companies are registered under the laws of the PRC as a limited liability enterprise.
- d) These companies are investment holding companies which have no specific principal place of business.
- e) As at 31 December 2023 and 2022, the registered capital of these companies has not been injected by the Group.

None of the subsidiaries had any debt securities subsisting at the end of the year or within any time during the year.

The Group had no subsidiary which has material non-controlling interests for the years ended 31 December 2023 and 2022.

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20. 存貨

a) 綜合財務狀況表之存貨包括：

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
原材料	Raw materials	4,630	10,146
在製品	Work in progress	5,511	60,343
產成品	Finished goods	192,927	120,921
		203,068	191,410

b) 確認為開支之存貨金額之分析如下：

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
已售存貨之賬面值	Carrying amount of inventories sold	772,068	808,925
存貨撇減	Write-down of inventories	65,320	417
存貨撇減撥回	Reversal of write-down of inventories	-	(45)
		837,388	809,297

由於市況轉變導致年內若干產品之估計可變現淨值增加，因此產生存貨撇減撥回。

a) Inventories in the consolidated statement of financial position comprise:

b) The analysis of the amount of inventories recognised as an expense is as follows:

The reversal of write-down of inventories arose due to an increase in the estimated net realisable value of certain products during the year as a result of change in market conditions.

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21. 應收賬款及其他應收款、預付款項及按金

21. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
應收賬款	Trade receivables	476,879	530,813
減：應收賬款之減值虧損	Less: Impairment loss on trade receivables	(58,266)	(54,133)
應收賬款淨額	Trade receivables, net	418,613	476,680
其他應收款	Other receivables	2,544	2,196
減：其他應收款之減值虧損	Less: Impairment loss on other receivables	(1,197)	(1,211)
其他應收款淨額	Other receivables, net	1,347	985
其他可退回稅項	Other tax refundable	419,960	477,665
		3,814	14,366
應收賬款及其他應收款	Trade and other receivables	423,774	492,031
預付款項及按金	Prepayments and deposits	5,281	13,065
總計	Total	429,055	505,096

附註：所有應收賬款及其他應收款、預付款項及按金預期可於一年內收回或確認為開支。

Note: All of the trade and other receivables, prepayments and deposits are expected to be recovered or recognised as expense within one year.

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21. 應收賬款及其他應收款、預付款項及按金(續)

應收賬款按發票日期(與收入確認日期相若)呈列之賬齡分析如下:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
六個月以內	Less than 6 months	230,558	249,877
六個月至一年以內	6 months to less than 1 year	163,275	147,634
一至兩年以內	1 year to less than 2 years	18,676	119,253
兩年以上	Over 2 years	64,370	14,049
		476,879	530,813
減: 應收賬款之減值虧損	Less: Impairment loss on trade receivables	(58,266)	(54,133)
		418,613	476,680

於截至二零二三年及二零二二年十二月三十一日止年度,本集團一般給予其客戶平均介乎0至180日之信貸期,而信譽良好之客戶則最多為365日。

本集團信貸於評估客戶的財政能力及付款往績後授出。本集團為所有客戶制定信貸限額,僅在管理層之批准下方可超過信貸限額。管理層亦監督已逾期之應收賬款並跟進收回該等應收款項。

21. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

The presentation of ageing analysis of the trade receivables based on the invoice date, which is approximate to the revenue recognition date, is as follows:

During the years ended 31 December 2023 and 2022, the Group generally allows a credit period ranging from 0 to 180 days to its customers and allows up to 365 days to reputable customers.

Credit is offered to customers following an assessment of their financial abilities and payment track record. Credit limits are set out for all customers and these can be exceeded only with the approval from management. Management also monitors overdue trade receivables, and follows up the collection of these receivables.

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21. 應收賬款及其他應收款、預付款項及按金(續)

減值虧損撥備之變動如下：

21. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS (Continued)

The movements of loss allowances for impairment are as follows:

		應收賬款之減值 Impairment of trade receivables		其他應收款之減值 Impairment of other receivables	
		二零二三年 2023	二零二二年 2022	二零二三年 2023	二零二二年 2022
		千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於一月一日	At 1 January	54,133	43,195	1,211	1,471
已確認減值虧損淨額	Net impairment losses recognised	4,938	15,244	4	44
撇銷不可收回款項	Written off as unrecoverable	-	-	-	(185)
匯兌差異	Exchange differences	(805)	(4,306)	(18)	(119)
於十二月三十一日	At 31 December	58,266	54,133	1,197	1,211

本集團應用香港財務報告準則第9號所規定之預期信貸虧損模式，預期信貸虧損模式之減值方法載於附註33(a)。

The Group applied the ECL model prescribed by HKFRS 9, and the impairment methodology of ECL model is set out in note 33(a).

22. 現金及現金等值項目

22. CASH AND CASH EQUIVALENTS

		二零二三年 2023	二零二二年 2022
		千港元 HK\$'000	千港元 HK\$'000
銀行結餘及現金	Bank balances and cash	1,299,449	1,452,386

現金及現金等值項目包括本集團持有之現金及按現行市場年利率介乎0%至1.0%（二零二二年：0%至0.3%）計息之銀行結餘。

Cash and cash equivalents comprise cash held by the Group and bank balances at prevailing market interest rates ranging from 0% to 1.0% (2022: 0% to 0.3%) per annum.

於二零二三年十二月三十一日，本集團不可自由轉換或須遵守中國外匯管制之人民幣計值銀行結餘及現金約為1,297,601,000港元（二零二二年：1,451,402,000港元）。

As at 31 December 2023, the Group had bank balances and cash denominated in RMB that were either not freely convertible or were subject to exchange controls in the PRC amounting to approximately HK\$1,297,601,000 (2022: HK\$1,451,402,000).

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23. 應付賬款、應計款項及其他應付款

23. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
應付賬款	Trade payables	74,792	84,631
預提費用及其他應付款	Accrued expenses and other payables	16,131	22,490
應付關聯方款項(附註(i))	Amounts due to related parties (note (i))	4,647	403
合約負債(附註(ii))	Contract liabilities (note (ii))	446	14,146
其他應付稅項	Other tax payable	–	84
應計款項及其他應付款	Accruals and other payables	21,224	37,123
總計	Total	96,016	121,754

附註：

- (i) 應付關聯方款項為非貿易性質、無抵押、免息及須按要求時償還。
- (ii) 有關金額主要指尚未交付銷售貨品之客戶預付款。

Notes:

- (i) The amounts due to related parties are non-trade in nature, unsecured, interest-free and repayable on demand.
- (ii) The amounts primarily represent the advance payments from customers for sales of goods not yet delivered.

應付賬款按發票日期呈列之賬齡分析如下：

The presentation of ageing analysis of the trade payables based on the invoice date is as follows:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
六個月以內	Less than 6 months	37,334	54,672
六個月至一年以內	6 months to less than 1 year	21,706	11,016
一至兩年以內	1 year to less than 2 years	5,425	8,756
兩年以上	Over 2 years	10,327	10,187
		74,792	84,631

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23. 應付賬款、應計款項及其他應付款 (續)

合約負債之變動如下：

23. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES (Continued)

The movement of contract liabilities are as follows:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
於一月一日	At 1 January	14,146	10,076
於年初計入合約負債之年內 已確認收入	Revenue recognised during the year that was included in contract liabilities at the beginning of the year	(14,044)	(9,640)
因已收現金而增加，不包括 已確認為收入之金額	Increase due to cash received, excluding amounts recognised as revenue	449	14,771
匯兌差異	Exchange differences	(105)	(1,061)
於十二月三十一日	At 31 December	446	14,146

24. 應付董事款項

24. AMOUNTS DUE TO DIRECTORS

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
錢元英女士	Ms. Qian Yuanying	4,791	3,494
蔣泉龍先生	Mr. Jiang Quanlong	5,306	3,877
蔣才南先生	Mr. Jiang Cainan	-	134
		10,097	7,505

應付董事款項為無抵押、免息及按要求時償還。

The amounts due to directors are unsecured, interest-free and repayable on demand.

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25. 於綜合財務狀況表之所得稅

- a) 綜合財務狀況表之應付／(可收回)稅項之變動如下：

25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

- a) The movement of tax payable/(recoverable) in the consolidated statement of financial position are as follows:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
於一月一日	At 1 January	1,633	4,108
本年度撥備(附註9(a))	Provision for the year (note 9(a))		
— 中國企業所得稅	— PRC Enterprise Income Tax	—	2,456
本年度已付所得稅	Income tax paid during the year		
— 中國企業所得稅	— PRC Enterprise Income Tax	(129)	(4,891)
出售附屬公司後取消確認	Derecognised upon disposal of a subsidiary	168	—
		1,672	1,673
匯兌差異	Exchange differences	13	(40)
於十二月三十一日	At 31 December	1,685	1,633
於綜合財務狀況表確認之 可收回稅項	Tax recoverable recognised in the consolidated statement of financial position	(729)	(911)
於綜合財務狀況表確認之 應付稅項	Tax payable recognised in the consolidated statement of financial position	2,414	2,544
應付稅項淨值	Net tax payable	1,685	1,633

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25. 於綜合財務狀況表之所得稅(續)

b) 已確認之遞延稅項資產

已確認遞延稅項資產之主要組成部份及其變動如下：

所產生之遞延稅項：	稅務虧損	應收賬款及 其他應收款之 減值虧損 Impairment loss on trade and other receivables	總計
Deferred tax arising from:	Tax losses	receivables	Total
	千港元 HK\$'000	千港元 HK\$'000	千港元 HK\$'000
於二零二二年一月一日	At 1 January 2022	–	6,685
計入損益表(附註9(a))	Credited to profit or loss (note 9(a))	–	725
匯兌差異	Exchange differences	–	(597)
於二零二二年十二月三十一日 及二零二三年一月一日	At 31 December 2022 and 1 January 2023	–	6,813
計入/(扣除自)損益表 (附註9(a))	Credited/(charged) to profit or loss (note 9(a))	1,598	(1,037)
匯兌差異	Exchange differences	(11)	(90)
於二零二三年十二月三十一日	At 31 December 2023	1,587	5,686
		5,686	7,273

c) 尚未確認之遞延稅項資產

於二零二三年十二月三十一日，未於該等綜合財務報表確認有關稅項虧損之可扣減暫時差異約為925,566,000港元(二零二二年：859,840,000港元)。由於難以預測未來溢利來源，故並無就有關可扣減暫時差異確認遞延稅項資產。上述已計入僅可結轉最多五年之稅項虧損約為497,760,000港元(二零二二年：431,252,000港元)。其他虧損可無限期結轉。

25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

b) Deferred tax assets recognised

The major components of deferred tax assets recognised and movement thereon are as follows:

c) Deferred tax assets not recognised

As at 31 December 2023, deductible temporary differences in respect of tax losses not recognised in these consolidated financial statements were approximately HK\$925,566,000 (2022: HK\$859,840,000). No deferred tax asset has been recognised in respect of such deductible temporary differences due to the unpredictability of future profits streams. Included in the above are tax losses of approximately HK\$497,760,000 (2022: HK\$431,252,000) which can only be carried forward for a maximum period of five years. Other losses may be carried forward indefinitely.



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25. 於綜合財務狀況表之所得稅(續)

d) 尚未確認之遞延稅項負債

根據於二零零八年一月一日起生效之中國企業所得稅法，並無於中國成立或設有業務之非駐居企業或於中國成立或設有業務但相關收入並非實際與於中國成立或設有業務相關，則將須就各類被動收入(如源自中國之股息)按10%稅率繳納預扣所得稅。於二零零八年二月二十二日，財政部及國家稅務總局批准財稅(2008)1號，據此，於二零零七年十二月三十一日前自外資企業保留溢利作出之股息分派將獲豁免繳納預扣所得稅。

於二零二三年十二月三十一日，有關於中國成立之附屬公司自二零零八年之未分配溢利之暫時差異約為386,232,000港元(二零二二年：504,671,000港元)。由於本集團能控制該等附屬公司之股息政策，從而控制暫時差異之撥回時間，且於可見將來不大可能撥回暫時差異，故尚未就該等暫時差異確認遞延稅項負債約38,623,000港元(二零二二年：50,467,000港元)。

25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

d) Deferred tax liabilities not recognised

Under the PRC Enterprise Income Tax Law with effect from 1 January 2008 onwards, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business but the relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding income tax at the rate of 10% on various types of passive income such as dividends derived from sources in the PRC. On 22 February 2008, the Ministry of Finance and State Administration of Tax approved Caishui (2008) No. 1, pursuant to which dividend distributions out of retained profits of foreign investment enterprises prior to 31 December 2007 will be exempted from withholding income tax.

As at 31 December 2023, temporary differences relating to the undistributed profits of subsidiaries established in the PRC since 2008 amounted to approximately HK\$386,232,000 (2022: HK\$504,671,000). Deferred tax liabilities of approximately HK\$38,623,000 (2022: HK\$50,467,000) have not been recognised in respect of these temporary differences as the Group is able to control the dividend policy of these subsidiaries and in turn to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

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26. 租賃負債

26. LEASE LIABILITIES

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
應付租賃負債：	Lease liabilities payables:		
一年內	Within 1 year	391	371
一年後但兩年內	After 1 year but within 2 years	411	391
兩年後但五年內	After 2 years but within 5 years	218	629
		1,020	1,391
減：流動負債項下顯示 於十二個月內到期償還 之款項	Less: Amounts due for settlement within 12 months shown under current liabilities	(391)	(371)
非流動負債項下顯示 於十二個月後到期償還 之款項	Amounts due for settlement after 12 months shown under non-current liabilities	629	1,020

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27. 股本及儲備

- a) 本集團綜合權益之各項部份於年初及年末結餘之對賬載於綜合權益變動表內。有關本公司權益之個別部份於年初至年末期間之變動詳情載列如下：

27. CAPITAL AND RESERVES

- a) The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

		本公司擁有人應佔 Attributable to owners of the Company				
		股本	股份溢價	購股權儲備	累計虧損	總值
		Share capital	Share premium	Share option reserve	Accumulated losses	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
於二零二二年一月一日	At 1 January 2022	234,170	2,243,256	-	(82,935)	2,394,491
二零二二年之權益變動：	Changes in equity for 2022:					
本年度虧損	Loss for the year	-	-	-	(428,411)	(428,411)
本年度其他全面收益	Other comprehensive income for the year	-	-	-	-	-
本年度全面虧損總值	Total comprehensive loss for the year	-	-	-	(428,411)	(428,411)
確認權益結算以股份為基礎之付款(附註28)	Recognition of equity-settled share-based payments (note 28)	-	-	959	-	959
於二零二二年十二月三十一日 及二零二三年一月一日	At 31 December 2022 and 1 January 2023	234,170	2,243,256	959	(511,346)	1,967,039
二零二三年之權益變動：	Changes in equity for 2023:					
本年度虧損	Loss for the year	-	-	-	(16,417)	(16,417)
本年度其他全面收益	Other comprehensive income for the year	-	-	-	-	-
本年度全面虧損總額	Total comprehensive loss for the year	-	-	-	(16,417)	(16,417)
確認權益結算以股份為基礎之付款(附註28)	Recognition of equity-settled share-based payment (note 28)	-	-	9,060	-	9,060
購股權失效(附註28)	Lapse of share option (note 28)	-	-	(451)	451	-
於二零二三年十二月三十一日	At 31 December 2023	234,170	2,243,256	9,568	(527,312)	1,959,682

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27. 股本及儲備(續)

b) 法定及已發行股本

27. CAPITAL AND RESERVES (Continued)

b) Authorised and issued share capital

	股份數目 Number of shares 千股 '000	金額 Amount 千港元 HK\$'000
每股面值0.10港元之普通股		
法定		
於二零二二年一月一日、	At 1 January 2022,	
二零二二年十二月三十一日及	31 December 2022, and	
二零二三年十二月三十一日	31 December 2023	4,000,000
		400,000
已發行及繳足		
於二零二二年一月一日、	At 1 January 2022,	
二零二二年十二月三十一日及	31 December 2022, and	
二零二三年十二月三十一日	31 December 2023	2,341,700
		234,170

普通股持有人有權獲得不時宣派之股息及於本公司會議上享有每股一票之投票權。所有普通股對本公司之剩餘資產均享有相等權益。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

c) 儲備之性質及目的

i) 股份溢價

根據開曼群島公司法，股份溢價賬可供分派予本公司股東，惟於緊隨建議分派股息之日期後，本公司將有能力於日常業務過程中償還其到期債務。

c) Nature and purpose of reserves

i) Share premium

Under the Companies Act of the Cayman Islands, the share premium account is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.



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27. 股本及儲備(續)

c) 儲備之性質及目的(續)

i) 股份溢價(續)

本公司之股份溢價包括實繳盈餘約149,950,000港元，即本公司交換利成控股有限公司全部已發行股本所發行股份之面值，與本公司於一九九九年九月二十九日收購利成控股有限公司所持有附屬公司當日彼等之相關淨資產價值之差額。

ii) 資本儲備

資本儲備指本集團因應集團重組而已資本化之分配至法定儲備之總額。

iii) 法定儲備

自保留溢利撥至法定儲備乃根據有關之中國規則及規例以及本公司於中國成立之附屬公司之公司章程而作出，並經由各自之董事會批准。

法定儲備可用於抵銷過往年度之虧損(如有)並可轉換為實繳資本，惟於進行該轉換後之法定儲備結餘不得少於實體註冊資本之25%。

本公司若干於中國之附屬公司須最低限度向法定儲備轉撥按中國會計規則及規例釐定之純利之10%，直至該儲備結餘達至註冊資本之50%為止。作出之轉撥須於向擁有人分派股息之前進行。

27. CAPITAL AND RESERVES (Continued)

c) Nature and purpose of reserves (Continued)

i) Share premium (Continued)

The share premium of the Company included the contribution surplus of approximately HK\$149,950,000 which represented the difference between the nominal value of the shares of the Company issued in exchange for the entire issued share capital of Lee Shing Holdings Limited and the value of the underlying net assets of the subsidiaries held by Lee Shing Holdings Limited at the date they were acquired by the Company on 29 September 1999.

ii) Capital reserve

The capital reserve represents the capitalised aggregate appropriations to the statutory reserves made by the Group as a result of group reorganisation.

iii) Statutory reserves

Transfers from retained profits to statutory reserves were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries established in the PRC and were approved by the respective boards of directors.

Statutory reserves can be used to offset previous years' losses, if any, and may be converted into paid-up capital provided that the balance of the statutory reserves after such conversion is not less than 25% of the entity's registered capital.

The Company's certain subsidiaries in the PRC are required to transfer a minimum of 10% of their net profits, as determined in accordance with the PRC accounting rules and regulations to the statutory reserves until the reserve balance reaches 50% of the registered capital. The transfer must be made before distribution of dividends to owners.

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27. 股本及儲備(續)

c) 儲備之性質及目的(續)

iv) 匯兌儲備

匯兌儲備包括因換算海外業務之財務報表而產生之所有匯兌差異。該儲備乃根據附註2(r)所載之會計政策予以處理。

v) 購股權儲備

購股權儲備於本公司授出購股權時產生，並根據附註2(n)(iii)所載之會計政策予以處理。

d) 儲備之可供分派情況

於二零二三年十二月三十一日，可供分派予本公司擁有人之本公司儲備總額約為1,715,944,000港元(二零二二年：1,731,910,000港元)，其中包括本公司股份溢價約2,243,256,000港元(二零二二年：2,243,256,000港元)及抵銷累計虧損約527,312,000港元(二零二二年：511,346,000港元)。該等儲備可作出分派，惟緊隨建議宣派股息之日，本公司必須有能力償還於日常業務中到期的債項，方能作出分派。

e) 資本管理

本集團管理資本之主要目標乃保障本集團持續經營之能力以為股東帶來回報及讓其他股權持有人獲益，並維持優化之資本架構以減少資金成本。

本集團會積極及定期審閱及管理其資本架構，以在盡可能提高股東回報與穩健資本狀況可承受之較高貸款水平帶來的好處及保障之間取得平衡，並因應經濟狀況之變動對資本架構作出調整。為維持或調整資本架構，本集團可透過調整向股東支付之股息金額、發行新股、退還資本予股東或出售資產以減債。

27. CAPITAL AND RESERVES (Continued)

c) Nature and purpose of reserves (Continued)

iv) Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2(r).

v) Share option reserve

The share option reserve arose upon the grant of share options of the Company and is dealt with in accordance with the accounting policies set out in note 2(n)(iii).

d) Distributability of reserves

As at 31 December 2023, the aggregate amount of the Company's reserves available for distribution to owners of the Company was approximately HK\$1,715,944,000 (2022: HK\$1,731,910,000) which included the Company's share premium of approximately HK\$2,243,256,000 (2022: HK\$2,243,256,000), and offsetting with accumulated losses of approximately HK\$527,312,000 (2022: HK\$511,346,000). These reserves are available for distribution provided that immediately following the date on which the dividend is proposed, the Company will be able to pay off its debts as they fall due in the ordinary course of business.

e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher stakeholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders or sell assets to reduce debt.



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27. 股本及儲備(續)

e) 資本管理(續)

與業界慣例一致，本集團以資產負債比率監控資本架構。該比率以本集團之借貸減現金及現金等值項目除以本公司擁有人應佔權益總值計算。本集團於二零二三年及二零二二年十二月三十一日並無淨債項。截至二零二三年十二月三十一日止年度期間，本集團之策略與二零二二年相同。

本公司及其任何附屬公司毋須遵守外界實施之資本規定。

28. 購股權計劃

於二零一四年六月六日舉行之股東週年大會上，本公司股東批准採納一項購股權計劃（「購股權計劃」），將於採納日期起計十年有效。

根據購股權計劃，本公司董事可向對本集團之發展及增長有所貢獻或將有貢獻之合資格人士，包括本公司及其附屬公司之董事、任何股東、供應商、客戶、專家顧問、顧問及合作夥伴或業務聯盟在該計劃條款及條件之規限下接受購股權認購本公司股份。合資格參與者將就每次授出之購股權支付象徵式代價。購股權可於本公司董事在提出要約時所釐定及指定予各承授人之期間內任何時間行使，惟不得超過各購股權授出日起計十年之期間，惟可遵照購股權計劃予以提早終止。

27. CAPITAL AND RESERVES (Continued)

e) Capital management (Continued)

Consistent with industry practice, the Group monitors its capital structure on the basis of the gearing ratio. This ratio is calculated as the Group's borrowings less cash and cash equivalents over its total equity attributable to owners of the Company. There were no net debt for the Group as at 31 December 2023 and 2022. During the year ended 31 December 2023, the Group's strategy was unchanged from year 2022.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

28. SHARE OPTION SCHEME

At the annual general meeting of the Company held on 6 June 2014, the shareholders of the Company approved the adoption of a share option scheme (the "Share Option Scheme"), which will be valid for 10 years from the date of its adoption.

Under the Share Option Scheme, the directors of the Company may grant share options to eligible persons, including the directors of the Company and its subsidiaries, any of its shareholders, suppliers, customers, consultants, advisers and joint venture partners or business alliance who have contributed or will contribute to the development and growth of the Group, to take up options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. A nominal consideration will be paid by eligible participants for each lot of share options granted. An option may be exercised at any time during a period to be determined and identified by the directors of the Company to each grantee at the time of making the offer, but in any event, shall not exceed the period of 10 years from the date of grant of the particular option, subject to the early termination of the Share Option Scheme.



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28. 購股權計劃(續)

於二零二三年及二零二二年十二月三十一日，根據購股權計劃之計畫授權限額可供授予之購股權數目為67,264,305股本公司股份。

於二零二二年十一月三十日，本公司向本集團五名現有僱員及五名擬聘僱員授出100,000,000份購股權，當中12,500,000份購股權授予主要管理人員，以行使價每股0.51港元認購本公司股本中每股面值0.10港元之普通股。已授出購股權之歸屬期為授出日期起計一年。

承授人可於二零二三年十一月三十日至二零二四年六月五日(包括首尾兩天)行使購股權以認購本公司股份。然而，承授人須達到若干條件方可行使購股權，包括一名現有僱員達到本公司薪酬委員會評核之若干績效目標及五名擬聘僱員獲接納為本集團僱員。否則，購股權將告失效。

本公司股份於二零二二年十一月三十日(即授出日期)的收市價為每股股份0.51港元。

根據Hull-White模式，於授出日期釐定的購股權的公平總值約為10,935,000港元。

28. SHARE OPTION SCHEME (Continued)

As at 31 December 2023 and 2022, the number of options available for grant under the scheme mandate limit of the Share Option Scheme was 67,264,305 shares of the Company.

On 30 November 2022, the Company granted 100,000,000 share options to five existing members of staff and five proposed members of staff within the Group, in which, 12,500,000 share options were granted to key management personnel, to subscribe for ordinary shares of HK\$0.10 each in the share capital of the Company at an exercise price of HK\$0.51 per share. The vesting period of the share options granted is one year from the date of grant.

The grantees may exercise the share options to subscribe for the Company's shares from 30 November 2023 to 5 June 2024 (both days inclusive). However, certain conditions must be met before the grantees can exercise the share options, including one existing staff member achieving certain performance targets evaluated by the Company's remuneration committee, and the five proposed staff members being accepted as staff of the Group. Otherwise, the share options will lapse.

The closing price of the Company's shares on 30 November 2022, being the date of grant, was HK\$0.51 per share.

The aggregate fair value of the share options determined at the date of grant based on the Hull-White model, was approximately HK\$10,935,000.



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28. 購股權計劃(續)

以下假設乃用以計算於二零二二年十一月三十日所授出購股權的公平值：

授出日期股價(每股股份)	0.51港元
行使價(每股股份)	0.51港元
合約年期	1.52年
預期波幅(%)	28.00%
股息率(%)	0%
無風險利率(%)	4.68%

Hull-White模式已用於估計購股權的公平值。計算購股權公平值所使用的變量及假設乃基於本公司董事的最佳估計。變量及假設的變動可能導致購股權公平值有所變動。

截至二零二三年十二月三十一日止年度期間，本集團確認以股份為基礎之付款約9,060,000港元(二零二二年：959,000港元)，並已從綜合損益表扣除。於截至二零二三年及二零二二年十二月三十一日止年度期間並無購股權獲行使。於截至二零二三年十二月三十一日止年度期間，12,500,000份(二零二二年：無)購股權已失效。於年末可予行使的購股權數目為87,500,000份(二零二二年：100,000,000份)，佔截至二零二三年十二月三十一日止年度之已發行股份加權平均數之3.74%(二零二二年：4.27%)。

28. SHARE OPTION SCHEME (Continued)

The following assumptions were used to calculate the fair values of share options granted on 30 November 2022:

Grant date share price (per share)	HK\$0.51
Exercise price (per share)	HK\$0.51
Contractual life	1.52 years
Expected volatility (%)	28.00%
Dividend yield (%)	0%
Risk-free interest rate (%)	4.68%

The Hull-White model has been used to estimate the fair value of the share options. The variables and assumptions used in computing the fair value of the share options are based on the best estimate of the directors of the Company. Changes in variables and assumptions may result in changes in the fair value of the share options.

During the year ended 31 December 2023, the Group recognised share-based payments of approximately HK\$9,060,000 (2022: HK\$959,000), which has been charged to the consolidated statement of profit or loss. There were no share options exercised during the year ended 31 December 2023 and 2022. During the year ended 31 December 2023, 12,500,000 (2022: Nil) share options were lapsed. The number of share options exercisable at the end of the year is 87,500,000 (2022: 100,000,000), representing 3.74% (2022: 4.27%) of the weighted average number of share in issue for the year ended 31 December 2023.

29. 重大關連人士交易

a) 與關連人士之交易

除該等綜合財務報表其他地方所披露之交易及結餘外，本公司董事認為，下列為截至二零二三年及二零二二年十二月三十一日止年度內本集團訂立之重大關連人士交易：

關連人士名稱	與本集團之關係	交易性質	二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
Name of related party	Relationship with the Group	Nature of transaction		
蔣磊先生	本公司執行董事之 近親家庭成員	本集團已付根據香港財務報告準則 第16號與短期租賃相關開支	800	842
Mr. Jiang Lei	Close family member of executive director of the Company	Expenses relating to short-term leases under HKFRS 16 paid by the Group	800	842
蔣鑫先生	本公司執行董事之 近親家庭成員	本集團購買物業、廠房及設備之 付款	-	351
Mr. Jiang Xin	Close family member of executive director of the Company	Payment for purchase of property, plant and equipment by the Group	-	351

本公司董事認為，上述交易乃於一般業務過程中根據規管該等交易之協議條款訂立。

29. MATERIAL RELATED PARTY TRANSACTIONS

a) Transactions with related parties

In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the directors of the Company consider that the followings are the material related party transactions entered into by the Group during the years ended 31 December 2023 and 2022:

The directors of the Company are of the opinion that the above transactions were entered into under the normal course of business and in accordance with the terms of the agreements governing such transactions.

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29. 重大關連人士交易 (續)

b) 與主要管理人員之交易

主要管理人員之酬金(包括支付予附註10所披露之本公司董事及附註11所披露之最高薪酬人士及高級管理人員之金額)如下:

29. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

b) Transactions with key management personnel

Emoluments for key management personnel, including amounts paid to the Company's directors as disclosed in note 10, and the highest paid employees and senior management as disclosed in note 11 are as follows:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
短期僱員福利	Short-term employee benefits	4,352	5,626
退休後福利	Post-employment benefits	135	178
權益結算以股份為基礎之付款	Equity-settled share-based payment	1,193	120
		5,680	5,924

30. 出售附屬公司

於二零二三年十二月十五日，本公司與獨立第三方訂立協議以出售其於海城市蘇海鎂礦有限公司(「蘇海鎂礦」)之100%股權，現金代價為人民幣29,500,000元(相當於約32,785,000港元)(「出售事項」)。蘇海鎂礦主要從事製造及銷售鎂產品。出售事項已於二零二三年十二月二十七日完成。

30. DISPOSAL OF A SUBSIDIARY

On 15 December 2023, the Group entered into an agreement with an independent third party to dispose of its 100% equity interest in Haicheng City Suhai Magnesium Ore Co., Ltd. ("Suhai Magnesium") at a cash consideration of RMB29,500,000 (equivalent to approximately HK\$32,785,000) (the "Disposal"). Suhai Magnesium was principally engaged in manufacturing and sales of magnesium products. The Disposal was completed on 27 December 2023.

a) 已收代價

a) Consideration received

		千港元 HK\$'000
已收現金及現金等值項目代價	Consideration received in cash and cash equivalents	32,785

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30. 出售附屬公司(續)

b) 失去控制權之蘇海鎂礦資產及負債之分析

30. DISPOSAL OF A SUBSIDIARY (Continued)

b) Analysis of assets and liabilities of Suhai Magnesium over which control was lost

		千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	54
使用權資產	Right-of-use assets	1,600
存貨	Inventories	3,036
應收賬款及其他應收款	Trade and other receivables	47,878
可收回稅項	Tax recoverable	168
現金及現金等值項目	Cash and cash equivalents	24
應付賬款	Trade payables	(19,785)
應計款項及其他應付款	Accruals and other payables	(4,125)
		28,850
出售之資產淨值	Net assets disposed of	28,850

c) 出售附屬公司之收益

c) Gain on disposal of a subsidiary

		千港元 HK\$'000
已收代價	Consideration received	32,785
出售之資產淨值	Net assets disposed of	(28,850)
就失去附屬公司之控制權由權益重分類至損益之附屬公司資產淨值之累計匯兌收益	Cumulative exchange gain in respect of the net assets of the subsidiary reclassified from equity to profit or loss on loss of control in the subsidiary	1,784
		5,719
於損益中確認出售附屬公司之收益	Gain on disposal of a subsidiary recognised in profit or loss	5,719

d) 出售附屬公司之現金流入淨額

d) Net cash inflows on disposal of a subsidiary

		千港元 HK\$'000
已收現金及現金等值項目代價	Consideration received in cash and cash equivalents	32,785
減：出售之現金及現金等值項目	Less: Cash and cash equivalents disposed of	(24)
		32,761
出售之現金流入淨額	Net cash inflows on disposal	32,761

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31. 承擔

於二零二三年及二零二二年十二月三十一日，本集團並無有關物業、廠房及設備之收購及建造之已訂約但未撥備的資本承擔。

31. COMMITMENTS

As at 31 December 2023 and 2022, the Group did not have any capital commitment in respect of the acquisition and construction of property, plant and equipment contracted but not provided for.

32. 按類別劃分之金融工具

於各報告期末，各類別金融工具之賬面值載列如下：

32. FINANCIAL INSTRUMENTS BY CATEGORIES

The carrying amounts of each of the categories of financial instruments at the end of each reporting period are as follows:

		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
金融資產	Financial assets		
應收賬款	Trade receivables	418,613	476,680
其他應收款	Other receivables	1,347	985
現金及現金等值項目	Cash and cash equivalents	1,299,449	1,452,386
按攤銷成本計量之 金融資產	Financial assets measured at amortised cost	1,719,409	1,930,051
		二零二三年 2023 千港元 HK\$'000	二零二二年 2022 千港元 HK\$'000
金融負債	Financial liabilities		
應付賬款	Trade payables	74,792	84,631
預提費用及其他應付款	Accrued expenses and other payables	16,131	22,490
應付關聯方款項	Amounts due to related parties	4,647	403
應付董事款項	Amounts due to directors	10,097	7,505
租賃負債	Lease liabilities	1,020	1,391
按攤銷成本計量之 金融負債	Financial liabilities measured at amortised cost	106,687	116,420

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33. 財務風險管理及金融工具之公平值

金融工具之風險包括本集團在日常業務過程中產生之信貸風險、流動資金風險、利率風險及貨幣風險。本集團承擔該等風險的狀況及本集團管理該等風險所採用的財務風險管理政策及慣例載列於下文。

a) 信貸風險

信貸風險指交易對手無法履行合約責任導致本集團財務虧損之風險。本集團信貸風險主要來自應收賬款、其他應收款及銀行結餘。管理層已實施信貸政策，並持續監察該等信貸風險。

最大風險及年終階段

下表顯示於十二月三十一日基於本集團信貸政策的信貸質素及最大信貸風險，主要根據逾期資料（除非無需額外成本或努力即可獲得的其他資料）及年終階段分類。

所呈列金額為金融資產之賬面總值及財務擔保合約所面對的信貸風險。

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

The risks associated with the financial instruments include credit risk, liquidity risk, interest rate risk and currency risk arise in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables, other receivables and bank balances. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

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33. 財務風險管理及金融工具之公平值 (續)

a) 信貸風險(續)

最大風險及年終階段(續)

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

a) Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

		二零二三年 2023				
		十二個月 之預期 信貸虧損 12-month ECLs				總計 Total 千港元 HK\$'000
		整個存續期之預期信貸虧損 Lifetime ECLs			簡化方法 Simplified approach 千港元 HK\$'000	
		第一階段 Stage 1 千港元 HK\$'000	第二階段 Stage 2 千港元 HK\$'000	第三階段 Stage 3 千港元 HK\$'000		總計 Total 千港元 HK\$'000
應收賬款	Trade receivables	-	-	-	476,879	476,879
其他應收款	Other receivables	1,347	-	1,197	-	2,544
銀行結餘	Bank balances	1,299,410	-	-	-	1,299,410
		1,300,757	-	1,197	476,879	1,778,833
		二零二二年 2022				
		十二個月 之預期 信貸虧損 12-month ECLs				總計 Total 千港元 HK\$'000
		整個存續期之預期信貸虧損 Lifetime ECLs			簡化方法 Simplified approach 千港元 HK\$'000	
		第一階段 Stage 1 千港元 HK\$'000	第二階段 Stage 2 千港元 HK\$'000	第三階段 Stage 3 千港元 HK\$'000		總計 Total 千港元 HK\$'000
應收賬款	Trade receivables	-	-	-	530,813	530,813
其他應收款	Other receivables	985	-	1,211	-	2,196
銀行結餘	Bank balances	1,452,084	-	-	-	1,452,084
		1,453,069	-	1,211	530,813	1,985,093

33. 財務風險管理及金融工具之公平值
(續)

a) 信貸風險(續)

(i) 應收賬款

為盡量減低應收賬款之信貸風險，管理層已訂立一項信貸政策，並對有關信貸風險進行持續監察。本集團會定期對各主要客戶之財務狀況及條件進行信貸評估。該等評估針對客戶過往支付到期款項之歷史及目前之支付能力，並考慮客戶特定資料及客戶經營所處經濟環境之資料。本集團並無就其金融資產要求任何抵押品。

本集團須承受之信貸風險主要受各客戶之個別特點所影響。客戶所經營行業及國家之拖欠風險亦會對信貸風險有所影響，但程度較低。於報告期末，應收賬款總額中40.6%（二零二二年：29.3%）及70.3%（二零二二年：64.3%）分別來自本集團之最大客戶及五大客戶。

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE
OF FINANCIAL INSTRUMENTS (Continued)

a) Credit risk (Continued)

(i) Trade receivables

In respect of trade receivables, in order to minimise credit risk, the management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and conditions are performed on each major customer periodically. These evaluations focus on the customers' past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. The Group does not require collateral in respect of its financial assets.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and the country in which customers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, 40.6% (2022: 29.3%) and 70.3% (2022: 64.3%) of the total trade receivables were due from the Group's largest customer and the five largest customers respectively.



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33. 財務風險管理及金融工具之公平值 (續)

a) 信貸風險(續)

(i) 應收賬款(續)

最高信貸風險指經扣除任何減值虧損後綜合財務狀況表內各金融資產的賬面值。於二零二三年及二零二二年十二月三十一日，本集團未提供將使本集團承受信貸風險的任何擔保。

本集團根據香港財務報告準則第9號評估應收賬款之整個存續期之預期信貸虧損，以確保就發生違約之可能性或風險顯著增加而作出足夠之減值虧損。已就債務人之應收賬款預期信貸虧損使用適當組別之撥備矩陣進行個別或集體評估。作為本集團信貸風險管理之部份，本集團使用債務人之賬齡評估減值虧損，乃由於該等客戶包括大量有共同風險特徵的客戶，而該風險特徵代表客戶根據合約條款悉數支付到期款項的能力。估計虧損率乃基於債務人於預期年期的過往觀察所得的違約率估計，並在毋須付出繁重成本或努力下可取得的前瞻性資料調整。

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

a) Credit risk (Continued)

(i) Trade receivables (Continued)

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position after deducting any impairment loss. As at 31 December 2023 and 2022, the Group did not provide any guarantees which would expose the Group to credit risk.

The Group assesses lifetime ECLs for trade receivables under HKFRS 9 to ensure that adequate impairment losses are made for significant increase in the likelihood or risk of a default occurring. The ECLs on trade receivables are assessed for debtors individually or collectively using a provision matrix with appropriate groupings. As part of the Group's credit risk management, the Group uses debtors' ageing to assess with the impairment loss because these customers consist of a large number of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The estimated loss rates are estimated on historical observed default rates over the expected lives of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

33. 財務風險管理及金融工具之公平值
(續)

a) 信貸風險(續)

(i) 應收賬款(續)

下表提供有關本集團就應收賬款所承擔信貸風險及預期信貸虧損之資料：

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE
OF FINANCIAL INSTRUMENTS (Continued)

a) Credit risk (Continued)

(i) Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

		二零二三年 2023		
		預期虧損率 Expected loss rate	賬面總額 Gross carrying amount 千港元 HK\$'000	減值之虧損撥備 Loss allowances for impairment 千港元 HK\$'000
即期(未逾期)	Current (not yet past due)	4.90%	114,982	5,632
逾期少於六個月	Less than 6 months past due	10.82%	296,880	32,131
逾期超過六個月但少於一年	More than 6 months but less than 1 year past due	12.98%	51,125	6,637
逾期超過一年但少於兩年	More than 1 year but less than 2 years past due	56.67%	60	34
逾期超過兩年	Over 2 years past due	100%	13,832	13,832
			476,879	58,266
		二零二二年 2022		
		預期虧損率 Expected loss rate	賬面總額 Gross carrying amount 千港元 HK\$'000	減值之虧損撥備 Loss allowances for impairment 千港元 HK\$'000
即期(未逾期)	Current (not yet past due)	7.53%	131,407	9,897
逾期少於六個月	Less than 6 months past due	6.16%	341,408	21,025
逾期超過六個月但少於一年	More than 6 months but less than 1 year past due	24.47%	45,845	11,220
逾期超過一年但少於兩年	More than 1 year but less than 2 years past due	66.66%	485	323
逾期超過兩年	Over 2 years past due	100%	11,668	11,668
			530,813	54,133



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33. 財務風險管理及金融工具之公平值 (續)

a) 信貸風險(續)

(i) 應收賬款(續)

預期虧損率乃根據過往兩年的實際虧損經驗得出。該等比率會作出調整以反映已蒐集歷史數據的期間的經濟狀況、當前狀況及本集團對應收款項於預期年限的經濟狀況的觀點的差異。

有關本集團來自應收賬款之信貸風險之進一步量化披露載於附註21。

(ii) 銀行結餘

本集團透過在信貸評級卓著的金融機構存款減低信貸風險。由於銀行信貸評級良好，管理層預計任何對手方均不會不履行其責任。

b) 流動資金風險

本集團旗下之獨立營運實體須負責其各自之現金管理，包括現金盈餘之短期投資及籌措貸款以滿足預期現金需求，惟須獲董事會批准後，方可作實。本集團之政策為定期監察當前及預計之流動資金需求，以及遵守貸款契諾，確保本集團能維持充裕的現金及從主要金融機構取得足夠的承諾信貸融資，以滿足其短期及較長期流動資金需要。

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

a) Credit risk (Continued)

(i) Trade receivables (Continued)

Expected loss rates are based on actual loss experience over the past 2 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in note 21.

(ii) Bank balances

The Group mitigates its exposure to credit risk by placing deposits with financial institutions with established credit rating. Given the high credit ratings of the banks, the management does not expect any counterparty to fail to meet its obligations.

b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short-term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to the approval from board of directors. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants to ensure that it maintains sufficient amount of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

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33. 財務風險管理及金融工具之公平值 (續)

b) 流動資金風險(續)

下表載列本集團之金融負債於報告期末，基於合約未貼現現金流量(包括使用合約利率計得之利息付款或，如按浮息，則按報告期末之利率計)及本集團可被要求償還之最早日期所得之餘下合約期：

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

b) Liquidity risk (Continued)

The following tables set out the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates at the end of the reporting period) and the earliest date the Group can be required to pay:

		二零二三年 2023				
		合約未貼現現金流出 Contractual undiscounted cash outflow				
		一年內或 按要求償還	一年後但 兩年內	兩年後但 五年內	總計	賬面值
		Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount
		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
非衍生金融負債	Non-derivative financial liabilities					
應付賬款	Trade payables	74,792	-	-	74,792	74,792
預提費用及其他應付款	Accrued expenses and other payables	16,131	-	-	16,131	16,131
應付關聯方款項	Amounts due to related parties	4,647	-	-	4,647	4,647
應付董事款項	Amounts due to directors	10,097	-	-	10,097	10,097
租賃負債	Lease liabilities	432	432	221	1,085	1,020
		106,099	432	221	106,752	106,687

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33. 財務風險管理及金融工具之公平值 (續)

b) 流動資金風險(續)

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

b) Liquidity risk (Continued)

		二零二二年 2022				
		合約未貼現現金流出 Contractual undiscounted cash outflow				
		一年內或 按要求償還	一年後但 兩年內 More than 1 year but	兩年後但 五年內 More than 2 years but less than 5 years	總計 Total	賬面值 Carrying amount
		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
非衍生金融負債	Non-derivative financial liabilities					
應付賬款	Trade payables	84,631	-	-	84,631	84,631
預提費用及其他應付款	Accrued expenses and other payables	22,490	-	-	22,490	22,490
應付關聯方款項	Amount due to a related party	403			403	403
應付董事款項	Amounts due to directors	7,505	-	-	7,505	7,505
租賃負債	Lease liabilities	432	432	653	1,517	1,391
		115,461	432	653	116,546	116,420

c) 利率風險

本集團之利率風險主要來自現金及現金等值項目。由於現金及現金等值項目之利率預期不會重大變動，因此本集團預期將不會存在重大利率風險。

c) Interest rate risk

The Group's interest rate risk arises primarily from cash and cash equivalents. The Group does not anticipate significant interest rate risk to cash and cash equivalents because the interest rates of these balances are not expected to change significantly.

33. 財務風險管理及金融工具之公平值 (續)

c) 利率風險 (續)

i) 利率組合

下表詳細載列本集團的現金及現金等值項目於報告期末的利率組合：

	二零二三年 2023		二零二二年 2022	
	實際利率 Effective interest rate	千港元 HK\$'000	實際利率 Effective interest rate	千港元 HK\$'000
現金及現金等值項目 Cash and cash equivalents	0%-1%	1,299,449	0%-0.3%	1,452,386

ii) 敏感度分析

於二零二三年十二月三十一日，在所有其他變數保持不變的情況下，估計利率整體上升/下降50個基點將減少/增加本集團本年度除稅後虧損及減少/增加本集團累計虧損約4,874,000港元（二零二二年：5,450,000港元）。利率整體上升或下降對綜合權益的其他部份並無影響。

上述敏感度分析乃根據於報告期末所承擔之利率風險而釐定。有關分析乃假設於報告期末之未償還金融工具於整個年度尚未償還而編製。50個基點上升或下降為內部向主要管理人員匯報利率風險所使用之基點，並為管理層對利率的合理可能變動的評估。二零二二年已以相同基準作出分析。

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

c) Interest rate risk (Continued)

i) Interest rate profile

The following table details the interest rate profile of the Group's cash and cash equivalents at the end of the reporting period:

	二零二三年 2023		二零二二年 2022	
	實際利率 Effective interest rate	千港元 HK\$'000	實際利率 Effective interest rate	千港元 HK\$'000
Cash and cash equivalents	0%-1%	1,299,449	0%-0.3%	1,452,386

ii) Sensitivity analysis

As at 31 December 2023, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's loss after taxation for the year and decrease/increase the Group's accumulated losses by approximately HK\$4,874,000 (2022: HK\$5,450,000). Other components of consolidated equity would not be changed in response to the general increase or decrease in interest rates.

The sensitivity analysis above has been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. The 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible changes in interest rates. The analysis is performed on the same basis for year 2022.

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33. 財務風險管理及金融工具之公平值 (續)

d) 貨幣風險

本集團主要因以與有關集團實體的功能貨幣以外的貨幣進行買賣所產生應收款、應付款及現金及現金等值項目而面對貨幣風險。導致貨幣風險之貨幣主要為美元(「美元」)。

i) 所承擔之貨幣風險

下表詳列本集團就來自以與集團實體有關之功能貨幣以外貨幣計值之已確認資產或負債所承擔貨幣風險。

所承擔之貨幣風險

Exposure to currency risk

		美元 US\$ 二零二三年 2023 千港元 HK\$'000	美元 US\$ 二零二二年 2022 千港元 HK\$'000
應收賬款及其他應收款	Trade and other receivables	6,304	7,647
現金及現金等值項目	Cash and cash equivalents	1,409	1,102
應付賬款及其他應付款	Trade and other payables	(6,886)	(8,276)
所承擔之整體貨幣風險	Overall exposure to currency risk	827	473

本集團現時並無就外幣應收款及債務採取外幣對沖政策。本集團將密切監察外幣風險，並將在有需要時考慮對沖重大貨幣風險。

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables, and cash and cash equivalents that are denominated in a currency other than the functional currency of the group entities to which they relate. The currency giving rise to currency risk is primarily United States dollars ("US\$").

i) Exposure to currency risk

The following table details the Group's exposure to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the group entities to which they relate.

The Group currently does not have a foreign currency hedging policy in respect of its foreign currency receivables and debts. The Group will monitor its foreign currency exposure closely and will consider hedging significant currency exposure should the need arises.

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33. 財務風險管理及金融工具之公平值 (續)

d) 貨幣風險(續)

ii) 敏感度分析

下表列示本集團之除稅後虧損及累計虧損因應本集團於報告期末面對重大風險之外幣匯率於該日可能出現之合理變動而隨即產生之變動，並假定其他風險變數維持不變。

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

d) Currency risk (Continued)

ii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after taxation and accumulated losses that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	外幣匯率 增加/(減少)	除稅後虧損 減少/(增加)	外幣匯率 增加/(減少)	除稅後虧損 減少/(增加)	
		及累計虧損 減少/(增加)		及累計虧損 減少/(增加)	
		Decrease/ (increase) in loss after taxation and decrease/ (increase) in accumulated losses		Decrease/ (increase) in loss after taxation and decrease/ (increase) in accumulated losses	
		二零二三年 2023 千港元 HK\$'000		二零二二年 2022 千港元 HK\$'000	
美元	US\$	5% (5%)	11 (11)	5% (5%)	6 (6)



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33. 財務風險管理及金融工具之公平值 (續)

d) 貨幣風險(續)

ii) 敏感度分析(續)

上表所示之分析結果代表對本公司於中國成立之各附屬公司按各自之功能貨幣計算並按各報告期末之匯率換算為港元以供呈列之用的除稅後(虧損)/溢利及權益之即時影響總和。

上述敏感度分析乃假設外幣匯率之變動已用於重新計量本集團於報告期末所持有之金融工具而釐定。此項分析依二零二二年之相同基準進行。

e) 公平值計量

按公平值以外價值計量之金融資產及負債之公平值

於二零二三年及二零二二年十二月三十一日，本集團按成本或攤銷成本計量之金融工具之賬面值與彼等之公平值並無重大差異。

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

d) Currency risk (Continued)

ii) Sensitivity analysis (Continued)

Results of the analysis as presented in the above table represent an aggregate of the instantaneous effects on (loss)/profit after taxation and equity for each of the Company's subsidiaries established in the PRC measured in their respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of each reporting period for presentation purposes.

The sensitivity analysis above has been determined assuming that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group at the end of the reporting period. The analysis is performed on the same basis for year 2022.

e) Fair value measurement

Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2023 and 2022.

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34. 融資活動所產生負債之對賬

下表詳列本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動所產生負債乃現金流量已於或未來現金流量將於綜合現金流量表分類為融資活動產生之現金流量。

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flows as cash flows from financing activities.

		租賃負債 Lease liabilities 千港元 HK\$'000	貼現票據 Discounted bills 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零二二年一月一日	At 1 January 2022	1,744	-	1,744
融資現金流量之變動：	Changes from financing cash flows:			
已付租賃租金之資本部份	Capital element of lease rentals paid	(353)	-	(353)
已付租賃租金之利息部份	Interest element of lease rentals paid	(79)	-	(79)
已付利息	Interest paid	-	(218)	(218)
其他變動：	Other changes:			
利息開支(附註8(a))	Interest expenses (note 8(a))	79	218	297
於二零二二年十二月三十一日 及二零二三年一月一日	At 31 December 2022 and 1 January 2023	1,391	-	1,391
融資現金流量之變動：	Changes from financing cash flows:			
已付租賃租金之資本部份	Capital element of lease rentals paid	(371)	-	(371)
已付租賃租金之利息部份	Interest element of lease rentals paid	(61)	-	(61)
已付利息	Interest paid	-	(248)	(248)
其他變動：	Other changes:			
利息開支(附註8(a))	Interest expenses (note 8(a))	61	248	309
於二零二三年十二月三十一日	At 31 December 2023	1,020	-	1,020

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35. 公司層面之財務狀況表

35. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

		二零二三年 2023	二零二二年 2022
		千港元 HK\$'000	千港元 HK\$'000
		附註 Note	
非流動資產	Non-current assets		
設備	Equipment	62	125
使用權資產	Right-of-use assets	925	1,293
附屬公司之投資	Investments in subsidiaries	151,707	151,707
		152,694	153,125
流動資產	Current assets		
預付款項及按金	Prepayments and deposits	208	241
應收附屬公司款項	Amounts due from subsidiaries	1,827,226	1,832,523
現金及現金等值項目	Cash and cash equivalents	598	42
		1,828,032	1,832,806
流動負債	Current liabilities		
應計款項及其他應付款	Accruals and other payables	8,343	8,338
應付董事款項	Amounts due to directors	9,460	6,927
應付附屬公司款項	Amounts due to subsidiaries	2,221	2,236
租賃負債	Lease liabilities	391	371
		20,415	17,872
流動資產淨值	Net current assets	1,807,617	1,814,934
資產總值減流動負債	Total assets less current liabilities	1,960,311	1,968,059
非流動負債	Non-current liabilities		
租賃負債	Lease liabilities	629	1,020
資產淨值	NET ASSETS	1,959,682	1,967,039
股本及儲備	CAPITAL AND RESERVES	27	
股本	Share capital	234,170	234,170
儲備	Reserves	1,725,512	1,732,869
權益總值	TOTAL EQUITY	1,959,682	1,967,039

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36. 於截至二零二三年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之可能影響

截至此等綜合財務報表刊發日期，香港會計師公會已頒佈下列於截至二零二三年十二月三十一日止年度尚未生效且並無於此等綜合財務報表中採納的修訂本及新訂準則。其中包括以下可能與本集團有關者。

香港會計準則第1號之修訂本	負債分類為流動或非流動 ¹
香港會計準則第1號之修訂本	附帶契諾之非流動負債 ¹
香港財務報告準則第16號之修訂本	售後租回之租賃負債 ¹
香港詮釋第5號	財務報表的呈列—借款人對載有按求償還條款的定期貸款的分類 ¹
香港會計準則第7號及香港財務報告準則第7號之修訂本	供應商財務安排 ¹
香港會計準則第21號之修訂本	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號之修訂本	投資者與其聯營公司或合營企業間資產出售或投入 ³

¹ 於二零二四年一月一日或之後開始的年度期間生效。

² 於二零二五年一月一日或之後開始的年度期間生效。

³ 國際會計準則委員會釐定的生效日期

本集團現正評估該等變動於初始應用期間之預期影響。截至目前，本集團認為採納該等修訂本不大可能對本集團之綜合財務報表造成重大影響。

36. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2023

Up to the date of issuance of these consolidated financial statements, the HKICPA has issued a number of amendments and new standard which are not yet effective for the year ended 31 December 2023 and which have not been adopted in these consolidated financial statements. These include the following which may be relevant to the Group.

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ¹
Amendments to HKAS 1	Non-current Liabilities with Covenants ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ¹
HK Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ¹
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ¹
Amendments to HKAS 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

¹ Effective for annual periods beginning on or after 1 January 2024.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective date to be determined by the IASB.

The Group is in the process of making an assessment of what the impact of these developments are expected to be in the period of initial application. So far the Group has concluded that the adoption of them is unlikely to have significant impact on the Group's consolidated financial statements.

財務概要

FINANCIAL SUMMARY

		截至十二月三十一日止年度				
		For the year ended 31 December				
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		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
收入	Revenue	686,073	810,413	1,212,471	1,112,317	1,018,535
銷售成本	Cost of sales	(837,388)	(809,297)	(1,126,488)	(1,036,492)	(941,427)
(毛損)/毛利	Gross (loss)/profit	(151,315)	1,116	85,983	75,825	77,108
除稅前(虧損)/溢利	(Loss)/profit before taxation	(210,165)	(391,946)	28,083	26,495	40,908
所得稅抵免/(支出)	Income tax credit/(charge)	561	(1,731)	(2,647)	(5,887)	(1,321)
本年度(虧損)/溢利	(Loss)/profit for the year	(209,604)	(393,677)	25,436	20,608	39,587
應佔：	Attributable to:					
本公司擁有人	Owners of the Company	(200,545)	(373,296)	24,274	19,710	38,885
非控股權益	Non-controlling interests	(9,059)	(20,381)	1,162	898	702
		(209,604)	(393,677)	25,436	20,608	39,587
		於十二月三十一日				
		As at 31 December				
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		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
流動資產	Current assets	1,932,301	2,149,803	2,730,581	2,679,928	2,464,774
非流動資產	Non-current assets	221,402	259,827	316,424	252,585	267,282
資產總值	Total assets	2,153,703	2,409,630	3,047,005	2,932,513	2,732,056
流動負債	Current liabilities	108,918	132,174	155,366	145,842	127,102
非流動負債	Non-current liabilities	629	1,020	1,391	2,102	3,345
負債總值	Total liabilities	109,547	133,194	156,757	147,944	130,447
資產淨值	Net assets	2,044,156	2,276,436	2,890,248	2,784,569	2,601,609
股本	Share capital	234,170	234,170	234,170	234,170	234,170
儲備	Reserves	1,830,204	2,053,651	2,647,191	2,542,911	2,361,275
本公司擁有人應佔權益	Equity attributable to owners of the Company	2,064,374	2,287,821	2,881,361	2,777,081	2,595,445
非控股權益	Non-controlling interests	(20,218)	(11,385)	8,887	7,488	6,164
權益總值	Total equity	2,044,156	2,276,436	2,890,248	2,784,569	2,601,609



中國稀土控股有限公司

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