



Perennial Energy Holdings Limited 久泰邦達能源控股有限公司

(incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock Code 股份代號 : 2798



2022 年報
ANNUAL REPORT

CONTENTS 目錄

| | | |
|---|--------------|-----|
| Corporate Information | 公司資料 | 2 |
| Financial Highlights | 財務摘要 | 5 |
| Chairman's Statement | 主席報告書 | 7 |
| Directors' and Senior Management's Biographical Details | 董事及高級管理層履歷詳情 | 11 |
| Management Discussion and Analysis | 管理層討論及分析 | 17 |
| Report of the Directors | 董事會報告 | 32 |
| Corporate Governance Report | 企業管治報告 | 53 |
| Environmental, Social and Governance Report | 環境、社會及管治報告 | 77 |
| Independent Auditor's Report | 獨立核數師報告 | 102 |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 綜合損益及其他全面收益表 | 108 |
| Consolidated Statement of Financial Position | 綜合財務狀況表 | 109 |
| Consolidated Statement of Changes in Equity | 綜合權益變動表 | 111 |
| Consolidated Statement of Cash Flows | 綜合現金流量表 | 113 |
| Notes to the Consolidated Financial Statements | 綜合財務報表附註 | 115 |
| Five-Year Financial Summary | 五年財務概要 | 209 |
| Summary of Mine Properties | 採礦物業概述 | 210 |

CORPORATE INFORMATION*

公司資料*

Board of Directors

Executive Directors

Mr. YU Bangping (*Chairman and Chief Executive Officer*)

Mr. SUN Dawei

Mr. WANG Shize

Mr. LI Xuezhong (*Chief Operating Officer*)

Mr. LAM Chik Shun, Marcus

(*resigned on 1 June 2022*)

Mr. LAU Kai Ming (*Chief Financial Officer*)

(*appointed on 1 June 2022*)

Mr. YU Zhilong

Mr. YU Xiao

Independent non-executive Directors

Mr. FONG Wai Ho

Mr. Punnya Niraan DE SILVA

Ms. CHEUNG Suet Ting, Samantha

Mr. WANG Xiufeng

Audit Committee

Mr. FONG Wai Ho (*Chairman*)

Mr. Punnya Niraan DE SILVA

Ms. CHEUNG Suet Ting, Samantha

Nomination Committee

Mr. YU Bangping (*Chairman*)

Mr. FONG Wai Ho

Ms. CHEUNG Suet Ting, Samantha

Remuneration Committee

Mr. FONG Wai Ho (*Chairman*)

Mr. Punnya Niraan DE SILVA

Mr. LAM Chik Shun, Marcus

(*resigned on 1 June 2022*)

Mr. LAU Kai Ming

(*appointed on 1 June 2022*)

Company Secretary

Mr. CHAN Kwong Leung, Eric

董事會

執行董事

余邦平先生(*主席兼行政總裁*)

孫大煒先生

王世澤先生

李學忠先生(*首席營運官*)

林植信先生

(*於2022年6月1日辭任*)

劉啟銘先生(*首席財務官*)

(*於2022年6月1日委任*)

余支龍先生

余瀟先生

獨立非執行董事

方偉豪先生

Punnya Niraan DE SILVA先生

張雪婷女士

王秀峰先生

審核委員會

方偉豪先生(*主席*)

Punnya Niraan DE SILVA先生

張雪婷女士

提名委員會

余邦平先生(*主席*)

方偉豪先生

張雪婷女士

薪酬委員會

方偉豪先生(*主席*)

Punnya Niraan DE SILVA先生

林植信先生

(*於2022年6月1日辭任*)

劉啟銘先生

(*於2022年6月1日委任*)

公司秘書

陳鄭良先生

* As at 21 March 2023

* 於二零二三年三月二十一日

CORPORATE INFORMATION (Continued)
公司資料(續)**Authorized Representatives**

Mr. LAM Chik Shun, Marcus
(resigned on 1 June 2022)

Mr. LAU Kai Ming
(appointed on 1 June 2022)

Mr. CHAN Kwong Leung, Eric

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor
35/F, One Pacific Place
88 Queensway
Hong Kong

Legal Advisers

As to Hong Kong Laws:
Lau, Horton & Wise LLP in Association with
CMS Hasche Sigle, Hong Kong LLP
8th Floor, Nexus Building
41 Connaught Road Central
Hong Kong

As to People's Republic of China Laws:
Commerce & Finance Law Offices
6/F, NCI Tower
A12 Jianguomenwai Avenue
Chaoyang District
Beijing
China

As to Cayman Islands Laws:
Maples and Calder (Hong Kong) LLP
53rd Floor, The Center
99 Queen's Road Central
Hong Kong

Registered Office

P.O. Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

法定代表

林植信先生
(於2022年6月1日辭任)

劉啟銘先生
(於2022年6月1日委任)

陳鄭良先生

核數師

德勤•關黃陳方會計師行
執業會計師
註冊公眾利益實體核數師
香港
金鐘道88號
太古廣場第一座35樓

法律顧問

有關香港法律：
劉賀韋律師事務所有限法律責任合夥
(與CMS德和信律師事務所聯盟)
香港
干諾道中41號
盈置大廈8樓

有關中華人民共和國法律：
通商律師事務所
中國
北京
朝陽區
建國門外大街甲12號
新華保險大廈6樓

有關開曼群島法律：
邁普達律師事務所(香港)有限法律責任合夥
香港
皇后大道中99號
中環中心53樓

註冊辦事處

P.O. Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

CORPORATE INFORMATION (Continued)
公司資料(續)

Principal Place of Business

Head Office in China

Office building next to E'Lang Pu Leisure Square
Hongguo Economic Development Area
Liupanshui City, Guizhou Province, China

Hong Kong Office

Unit 1003, 10th Floor
Tower 2, Lippo Centre
89 Queensway
Hong Kong

Cayman Islands Principal Share Registrar and Transfer Office

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square, Grand Cayman
KY1-1102, Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

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

Principal Bankers

Bank of China Limited
(Panzhou County Branch, Liupanshui City, China)
Bank of Communications Co., Limited, Hong Kong

Place of Listing and Stock Code

Main Board of The Stock Exchange of Hong Kong Limited/2798

Company's Website

www.perennialenergy.hk

主要營運地點

中國總部

中國貴州省六盤水市
紅果經濟開發區
蛾螂鋪休閒廣場旁寫字樓

香港辦事處

香港
金鐘道89號
力寶中心第2座
10樓1003室

開曼群島主要股份過戶登記處

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square, Grand Cayman
KY1-1102, Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
夏愨道16號
遠東金融中心17樓

主要往來銀行

中國銀行有限公司
(中國六盤水市盤州縣支行)
交通銀行股份有限公司香港分行

上市地點及股份代號

香港聯合交易所有限公司主板/2798

公司網站

www.perennialenergy.hk



FINANCIAL HIGHLIGHTS

財務摘要

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

| | | 2020 2020年 (RMB'000) (人民幣千元) | 2021 2021年 (RMB'000) (人民幣千元) | 2022 2022年 (RMB'000) (人民幣千元) |
|--|-------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | 收益 | 1,402,604 | 1,541,399 | 1,784,033 |
| Gross profit | 毛利 | 716,004 | 918,483 | 1,117,635 |
| Gross profit margin | 毛利率 | 51.0% | 59.6% | 62.6% |
| Profit and total comprehensive income for the year | 年內溢利及全面收入總額 | 345,480 | 301,770 | 743,955 |
| Adjusted profit and total comprehensive income for the year ⁽¹⁾ | 年內經調整溢利及全面收入總額 ⁽¹⁾ | 361,552 | 610,288 | 764,364 |
| Basic earnings per Share (HK cents) | 每股基本盈利(港仙) | 21.59 | 18.86 | 46.50 |
| Dividend per Share (HK cents) | 每股股息(港仙) | 3.75 | 3.75 | 12.50 |
| Return on equity ⁽²⁾ | 權益回報率 ⁽²⁾ | 22.7% | 17.1% | 30.2% |
| Return on total assets ⁽³⁾ | 總資產回報率 ⁽³⁾ | 12.9% | 9.3% | 18.2% |
| Net cash from operation | 經營所得現金淨額 | 492,267 | 553,428 | 180,742 |

As at 31 December
於12月31日

| | | 2020 2020年 (RMB'000) (人民幣千元) | 2021 2021年 (RMB'000) (人民幣千元) | 2022 2022年 (RMB'000) (人民幣千元) |
|---|-----------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Total assets | 總資產 | 2,675,408 | 3,237,621 | 4,080,004 |
| of which: | 其中: | | | |
| Bank balances and cash | 銀行結餘及現金 | 139,603 | 180,854 | 202,057 |
| Total liabilities | 總負債 | 1,156,280 | 1,469,877 | 1,617,361 |
| of which: | 其中: | | | |
| Bank and other borrowings | 銀行及其他借款 | 376,864 | 522,015 | 785,972 |
| Total equity | 總權益 | 1,519,128 | 1,767,744 | 2,462,643 |
| Number of shares in issue (million shares) | 已發行股份數目(百萬股) | 1,600 | 1,600 | 1,600 |
| Net assets per Share (RMB) | 每股資產淨值(人民幣) | 0.949 | 1.105 | 1.539 |
| Gearing ratio ⁽⁴⁾ | 資產負債比率 ⁽⁴⁾ | 24.8% | 29.5% | 31.9% |

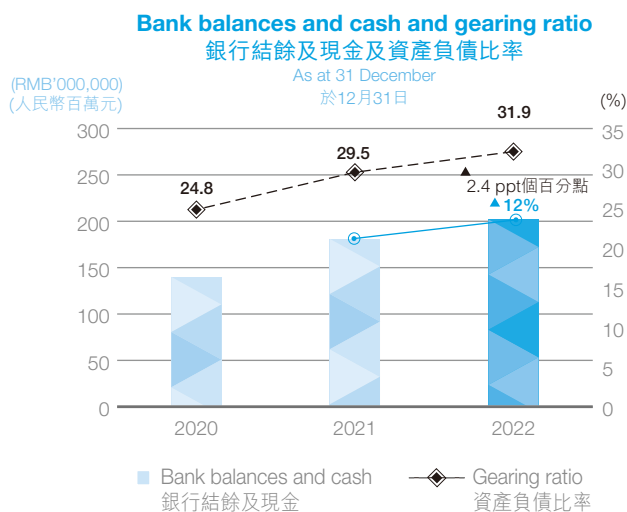
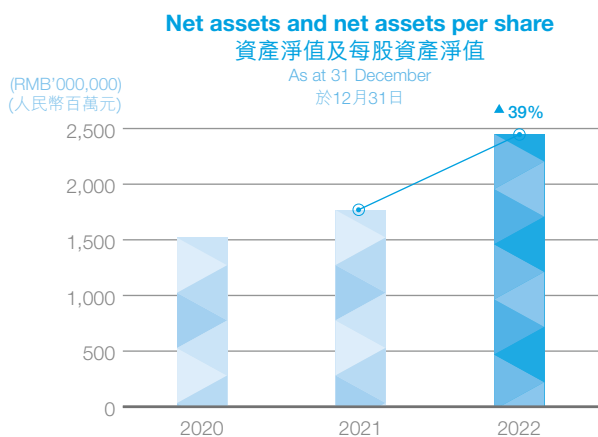
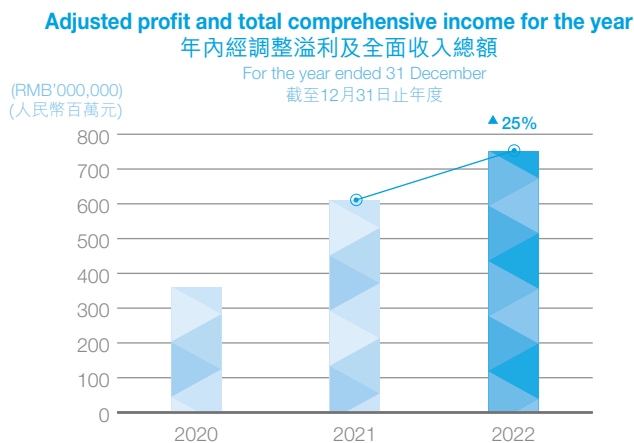
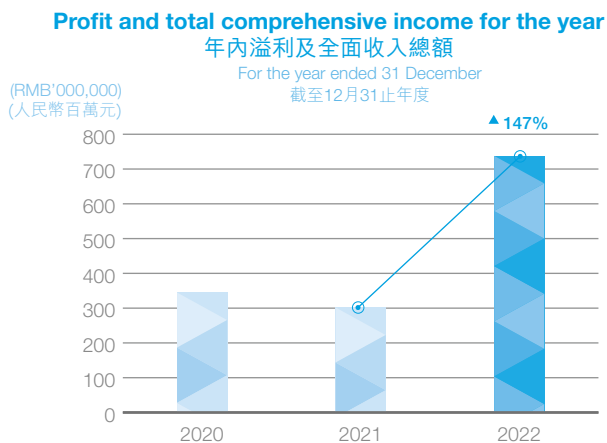
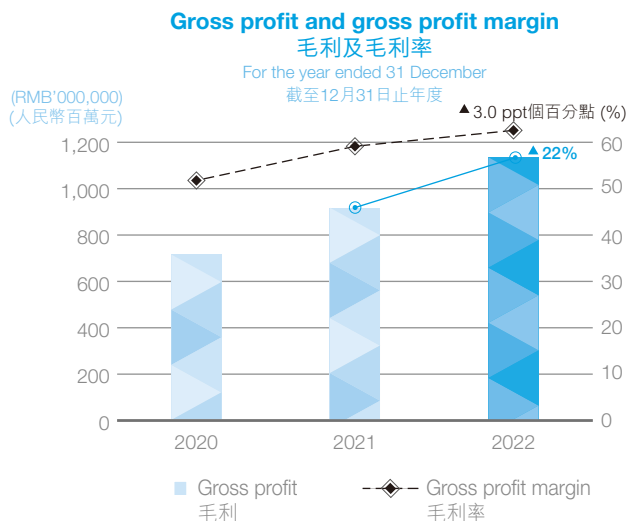
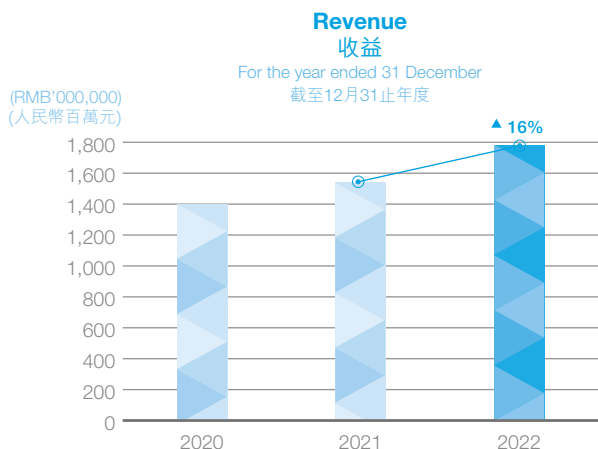
Notes:

- Adjusted profit and total comprehensive income for the year is calculated by profit and total comprehensive income for the year less fair value change on contingent consideration payables.
- Return on equity is calculated by dividing profit and total comprehensive income for the year by total equity.
- Return on assets is calculated by dividing profit and total comprehensive income for the year by total assets.
- Gearing ratio is calculated by dividing bank and other borrowings by total equity.

附註:

- 年內經調整溢利及全面收入總額乃按年內溢利及全面收入總額減應付或然代價公平值變動計算得出。
- 權益回報率乃將年內溢利及全面收入總額除以總權益計算得出。
- 總資產回報率乃將年內溢利及全面收入總額除以總資產計算得出。
- 資產負債比率乃將銀行及其他借款除以總權益計算得出。

FINANCIAL HIGHLIGHTS (Continued)
財務摘要(續)



CHAIRMAN'S STATEMENT 主席報告書

Dear Shareholders,

I would like to express my gratitude for your interest in and support for Perennial Energy Holdings Limited (“Perennial Energy” or the “Company”).

Over the past year, the Company has sought opportunities in a changing market environment to drive steady business growth amidst macroeconomic pressures and recurring pandemic. On behalf of the board of directors of the Company (the “Board”), I am pleased to present to our shareholders the annual results and operation position of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2022 (the “year under review”).

Industry Review

Energy supply is critical to national economy, people’s livelihood and national security. The coal industry remains the anchor of China’s energy supply over the year. China’s raw coal production throughout the year amounted to 4.45 billion tonnes, representing a growth of 8% over last year.

With the support of national policies, Guizhou Province successfully stabilised its economic fundamentals and achieved an annual economic growth of 2.0%. Of which, the primary, secondary and tertiary industries grew by approximately 4%, 2% and 1.5% respectively, demonstrating the importance of the primary and secondary industries (including energy, mining, steel making and manufacturing industries) in the region. The energy supply in Guizhou Province was strong, with annual raw coal production reaching 128,136,000 tonnes.

In 2022, coal prices continued to run high due to various factors such as market supply and demand. The demand for coking coal in the Southwest region is driven by the continued robust development of infrastructure and industrial activities.

各位尊敬的股東：

衷心感謝各位對久泰邦達能源控股有限公司（「久泰邦達」或「本公司」）的關注和支持。

過去一年，宏觀經濟承壓、疫情反復，本公司在變換的市場環境中尋求機遇，推動業務穩步發展。在此，我謹代表本公司董事會（「董事會」）欣然向各位股東提呈本公司及其附屬公司（「本集團」）截至2022年12月31日止年度（「回顧年度」）的業績表現和運營情況。

行業回顧

能源供給攸關國計民生和國家安全，煤炭行業在過去一年繼續擔任中國能源供給「壓艙石」的重要角色，全國原煤產量全年達44.5億噸，按年增長8%。

貴州省在國家政策的支持下，成功穩住了經濟的基本盤，取得了全年經濟增長2.0%的成績，其中，一、二、三產業分別增長4%、2%和1.5%左右，可見第一二產業（包括能源、採礦、煉鋼、製造等行業）在區內的重要地位。貴州省能源保供力度大，全年原煤產量達12,813.6萬噸。

2022年，受市場供求關係等各種因素影響，煤炭價格持續高位運行。西南地區因基礎建設、工業活動等持續旺盛發展，推動焦煤市場需求。



CHAIRMAN'S STATEMENT (Continued)
主席報告書(續)

Business Review

The Group mainly owns and operates three underground coal mines, namely Hongguo Coal Mine, Baogushan Coal Mine, and Xiejiahegou Coal Mine, in Panzhou City, Guizhou Province, of which the permitted annual production capacity of each of Hongguo Coal Mine and Baogushan Coal Mine is 600,000 tonnes respectively, while the Xiejiahegou Coal Mine is a relatively new asset, with a permitted annual production capacity of 450,000 tonnes.

During the year under review, raw coal production of the Group was 1,382,519 tonnes, representing an increase of approximately 0.9% over 1,369,544 tonnes last year. Total sales volume of coal products from the Group's three self-operated underground coal mines was approximately 1,066,877 tonnes, which remained relatively stable as compared to approximately 1,065,233 tonnes last year.

The annual average selling price of clean coal of the Group was approximately RMB2,347.09 per tonne, representing an increase of approximately 21.8% over approximately RMB1,926.85 last year. Stable production volume and higher sales prices drove the growth of the Group's revenue. As a result, the Group recorded revenue of approximately RMB1,784.0 million during the year under review, representing an increase of approximately 15.7% over RMB1,541.4 million last year. Gross profit and gross profit margin was approximately RMB1,117.6 million and approximately 62.6% respectively, representing an increase of approximately 21.7% and 3.0 percentage points respectively over last year.

業務回顧

本公司主要擁有及經營位於貴州省盤州市的三個地下煤礦，即紅果煤礦、苞谷山煤礦，及謝家河溝煤礦。其中紅果煤礦及苞谷山煤礦各自的許可年產能為600,000噸，而謝家河溝煤礦作為較新的資產，其許可年產能為450,000噸。

於回顧年度，本集團原煤產量約1,382,519噸，較去年之約1,369,544噸上漲約0.9%。本集團自營的三個地下煤礦生產的煤炭產品總銷售量達約1,066,877噸，較去年之約1,065,233噸保持相對平穩。

本集團全年精煤平均售價達每噸約人民幣2,347.09元，較上年之人民幣約1,926.85元增加約21.8%。穩定的產量和較高的銷售價格帶動集團收益的增長，因此，本集團於回顧年度錄得收益約人民幣1,784.0百萬元，較去年之約人民幣1,541.4百萬元上漲約15.7%，毛利和毛利率分別為約人民幣1,117.6百萬元及約62.6%，較去年分別上漲約21.7%和3.0百分點。



CHAIRMAN'S STATEMENT (Continued)
主席報告書(續)

Prospects

With the adjustment of the pandemic control policies and the implementation of policies to support the real estate industry, it is conducive to improving the production capacity and profitability of the steel industry and the operation of coking coal enterprises.

According to the “Opinions of the State Council on Supporting Guizhou to Break New Paths in the Development of Western in the New Era”, Guizhou will continue to maintain the development path set by the 14th Five-Year Plan, build a solid foundation for the long-term development of the region, and further deepen the strategic restructuring of the coal industry. The acceleration of infrastructure investment and industrial investment in southwest China after the pandemic has driven the increase in energy demand and demand for coking coal for steel making.

Following a prudent and optimistic development approach, the Company will adhere to our business motto of “safety first, customers first”, pay close attention to market conditions and adjust our operating strategies in a timely manner. We will strengthen our production safety management, organise production carefully, and strive to seize more development opportunities for the Group.

展望

隨著疫情管控政策的調整，以及支持房地產行業的政策落地，有利於鋼鐵行業產能和盈利的提高，有利於焦煤企業經營。

貴州省將繼續堅持十四五訂立的發展路線，根據《國務院關於支持貴州在新時代西部大開發上闖新路的意見》，為區域的長遠發展打造堅實的基礎，進一步深化煤炭產業結構戰略性調整。西南地區疫後基建投資和工業投資的加快，帶動能源需求增加和煉鋼用焦煤需求。

我們將在謹慎樂觀發展思路的引導下，堅持「安全第一、客戶至上」的經營原則，密切關注市場行情，適時調整經營策略。加強安全生產管理，精心組織生產，力爭為本集團贏得更多發展機遇。



CHAIRMAN'S STATEMENT (Continued)
主席報告書(續)

Acknowledgement

With generous support from government departments at all levels, long-term trust from business partners, and the concerted efforts of our entire employees, I firmly believe that we will be able to achieve better business results in the coming year. I would like to express my utmost appreciation for the support and assistance from across various sectors that the Group enjoyed.

Yu Bangping

Chairman of the Board and Chief Executive Officer

Hong Kong, 21 March 2023

致謝

我堅信：本集團有各級政府部門的大力支持，有商業夥伴的長期信任、有全體員工的齊心努力，我們一定能在未來一年取得更好的經營業績。在此，我向給予本集團支持和幫助的各界人士致以最誠摯的謝意！

余邦平

董事會主席兼行政總裁

香港，2023年3月21日



DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL DETAILS 董事及高級管理層履歷詳情

The Company's directors (the "Directors") and senior management of the Group as at 21 March 2023 are as follows:

Directors

Mr. Yu Bangping, aged 54, the Chairman, Chief Executive Officer and executive Director of the Company, joined the Group in 1990 and is a founder of the Group. Mr. Yu is also the chairman of the nomination committee of the Company (the "Nomination Committee"). He is also a director of 貴州久泰邦達能源開發有限公司 (Jiutai Bangda Energy Development Co., Ltd*) ("Jiutai Bangda"), a wholly-owned subsidiary of the Company. He is responsible for the overall management and strategic planning and development of the Group, including day-to-day business management, overseeing sales and marketing matters as well as managing external relationships with business partners.

Mr. Yu has more than 31 years of experience in the coal mining industry. He has acted as the legal representative of both Hongguo Coal Mine and Baogushan Coal Mine since the acquisition of such mines.

Apart from Mr. Yu's contributions to the Group, he was appointed as the vice president of the township enterprises association in Liupanshui in 2004, appointed as a deputy of the National People's Congress of Pan county in March 2005, recognised as a "Model Labourer" by the Liupanshui township in April 2005, recognised as the 2008 outstanding private entrepreneur in Guizhou Province, recognised as one of the top 10 influential entrepreneurs in 2009, recognised as the "Guizhou Star of Entrepreneurship" in 2010 and recognised as a "Model Labourer" in Guizhou in April 2010. Mr. Yu has also been recognised for his social contributions to his community. He was recognised for his individual support of social welfare in April 2007, recognised for his outstanding contributions for disaster relief in April 2008 and recognised as the "Moral Model" for helping others in Liupanshui in November 2010.

Mr. Yu graduated from 貴州省普通中等專業學校 (Guizhou Province Professional Secondary School*) majoring in underground mining. He is the father of Mr. Yu Zhilong, an executive Director.

於二零二三年三月二十一日，本公司董事（「董事」）及本集團高級管理層如下：

董事

余邦平先生，54歲，為本公司主席、行政總裁兼執行董事，於1990年加入本集團，並為本集團創始人。余先生亦為本公司提名委員會（「提名委員會」）主席。彼亦為貴州久泰邦達能源開發有限公司（「久泰邦達」，本公司一間全資附屬公司）之董事。彼負責本集團的整體管理及策略規劃與發展，包括日常業務管理、監督銷售及市場營銷事宜以及管理與業務合作夥伴的外部關係。

余先生於煤礦行業擁有逾31年經驗。彼自收購紅果煤礦及苞谷山煤礦以來為該等煤礦的法定代表。

除余先生對本集團的貢獻外，彼於2004年獲委任為六盤水城鎮企業協會副會長，於2005年3月獲委任為盤縣人大代表，於2005年4月獲六盤水鎮評為「勞動模範」，於2008年被貴州省評為優秀民營企業家，於2009年獲評為十大最具影響力的企業家之一，於2010年獲評為「貴州創業之星」及於2010年4月獲評為貴州「勞動模範」。余先生亦因對其社區的社會貢獻而獲表彰。彼於2007年4月因其個人對社會福利的支持而獲表彰，於2008年4月抗洪救災中作出突出貢獻而獲表彰，並於2010年11月獲評為六盤水助人為樂「道德模範」。

余先生畢業於貴州省普通中等專業學校，專業為地下採礦。彼為執行董事余支龍先生的父親。

* For identification purpose only

* 僅供識別

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL DETAILS (Continued)

董事及高級管理層履歷詳情(續)

Mr. Sun Dawei, aged 50, joined the Group in 2008 and was appointed as executive Director in March 2018. He is also a director of Jiutai Bangda. Mr. Sun is responsible for the daily business operations of the Group. He has over 13 years of experience in coal mining industry. Mr. Sun graduated from Dafang County Vocational High School.

Mr. Wang Shize, aged 54, joined the Group in 2003 and was appointed as executive Director in March 2018. He is also a director of Jiutai Bangda. Mr. Wang is responsible for the daily business operations of the Group. He is also responsible for administration and human resources management of the Group. Mr. Wang has over 18 years of experience in the coal mining industry. From June 2011 to November 2017, he was the supervisor of 貴州邦達能源開發有限公司 (Guizhou Bangda Energy Development Co., Ltd.)* (“**Guizhou Bangda**”). Mr. Wang holds a diploma in economic management awarded by Guizhou Provincial Party School.

Mr. Li Xuezhong, aged 54, joined the Group in 2018 and was appointed as executive Director and the Chief Operating Officer of the Group in March 2018 and April 2019 respectively. Mr. Li assists the Chief Executive Officer in handling PRC legal matters of the Group. He has taken senior management roles in different enterprises in China and possesses years of experience in corporate management. Mr. Li holds a bachelor's degree in economics awarded by Shaanxi Institute of Finance and Economics. He obtained his accountant qualification from Ministry of Personnel of the People's Republic of China.

Mr. Lau Kai Ming, aged 39, joined the Group in March 2021 as the Chief Financial Officer and was appointed as executive Director in June 2022. Mr. Lau is also a member of the remuneration committee of the Company (the “**Remuneration Committee**”). He also acts as a director of certain subsidiaries of the Group. Mr. Lau holds a bachelor's degree in Commerce awarded by Curtin University of Technology and Master's degree in science awarded by City University of Hong Kong and Manchester Metropolitan University respectively. He is a member of each of the Hong Kong Institute of Certified Public Accountants, the CPA Australia, the Hong Kong Chartered Governance Institute, the Chartered Governance Institute and the Chartered Institute of Management Accountant. Mr. Lau has extensive experience in financial management, auditing and company secretarial matters. Prior to joining the Group, he served as the Financial Controller of a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

孫大煒先生，50歲，於2008年加入本集團，並於2018年3月獲委任為執行董事。彼亦為久泰邦達之董事。孫先生負責本集團的日常業務營運。彼於煤礦行業擁有逾13年經驗。孫先生畢業於大方縣職業高中。

王世澤先生，54歲，於2003年加入本集團，並於2018年3月獲委任為執行董事。彼亦為久泰邦達之董事。王先生負責本集團的日常業務營運，彼亦負責本集團的行政及人力資源管理。王先生於採煤行業擁有逾18年經驗。自2011年6月至2017年11月，彼為貴州邦達能源開發有限公司(「貴州邦達」)監事。王先生持有由貴州省委黨校頒發的經濟管理文憑。

李學忠先生，54歲，於2018年加入本集團，並分別於2018年3月及2019年4月獲委任為本集團執行董事及首席營運官。李先生協助行政總裁處理本集團的中國法律事務。彼曾於中國不同企業擔任高管職務，擁有多年的企業管理經驗。李先生持有由陝西財經學院頒發的經濟學學士學位。彼取得由中華人民共和國人事部頒發的會計師資格。

劉啟銘先生，39歲，於2021年3月加入本集團及擔任首席財務官並於2022年6月獲委任為執行董事。劉先生亦為本公司薪酬委員會(「**薪酬委員會**」)成員。彼亦擔任本公司若干附屬公司的董事。劉先生分別持有科廷科技大學(Curtin University of Technology)頒發的商業學士學位、香港城市大學及曼徹斯特都會大學(Manchester Metropolitan University)頒發的理學碩士學位。彼為香港會計師公會、澳洲會計師公會、香港公司治理公會、英國特許公司治理公會及英國皇家特許管理會計師公會等公會會員。劉先生於財務管理、審計及公司秘書事務等方面擁有豐富經驗。加入本集團前，彼於一間香港聯合交易所有限公司(「**聯交所**」)主板上市公司擔任財務總監。

* For identification purpose only

* 僅供識別

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL DETAILS (Continued)
董事及高級管理層履歷詳情(續)

Mr. Yu Zhilong, aged 35, was appointed as executive Director in September 2019. He was appointed as the manager of 貴州久泰邦達能源開發有限公司機電分公司 (Guizhou Jiutai Bangda Energy Development Co., Ltd. Electricity and Machinery Branch*), the branch office of an indirect wholly-owned subsidiary of the Company, in July 2016. He is also a director and the legal representative of 貴州富邦達諮詢服務有限公司 (Guizhou Fu Bangda Consultancy Services Co., Ltd.*) ("Guizhou Fu Bangda"), an indirect wholly-owned subsidiary of the Company. He graduated from Guizhou University and holds a bachelor's degree in business management. He also obtained a bachelor's degree in mining engineering awarded by 中國礦業大學 (China University of Mining and Technology*). Mr. Yu Zhilong is the son of Mr. Yu Bangping, the Chairman of the Company.

Mr. Yu Xiao, aged 40, was appointed as executive Director in September 2019. Mr. Yu Xiao acted as the deputy general manager of Guizhou Bangda from March 2017 to February 2019. He was appointed as the chief executive officer of Jiutai Bangda in March 2019. Mr. Yu Xiao was appointed to certain posts including accounting clerk, account manager and chief accountant in finance department of 貴州黔桂天能焦化有限責任公司 (Guizhou Qianguai Tianneng Coking Co., Ltd.*) from September 2006 to February 2017. Mr. Yu Xiao currently acts as a committee member of 盤縣農村信用合作聯社 (Pan County Rural Credit Union*). He graduated from Guizhou University and holds a bachelor degree in management.

Mr. Fong Wai Ho, aged 42, was appointed as an independent non-executive Director in November 2018. Mr. Fong is also the chairman of each of the audit committee of the Company (the "Audit Committee") and the Remuneration Committee and a member of the Nomination Committee. He has 18 years of experience in auditing and business advisory services, he is the founder and practitioner of UBC & Co., Certified Public Accountants from March 2013 to present. Mr. Fong was the practicing director of Andes Glacier CPA Limited from March 2017 to March 2020. He holds a bachelor's degree in business administration (Honours) in accountancy and management information systems awarded by City University of Hong Kong. Mr. Fong is a practicing Certified Public Accountant in Hong Kong, a member of the Association of Chartered Certified Accountants as well as a fellow of the Hong Kong Institute of Certified Public Accountants. He is a member of the Chartered Professional Accountants of British Columbia and the Chartered Professional Accountants of Canada, respectively.

余支龍先生，35歲，於2019年9月獲委任為執行董事。彼於2016年7月獲委任為本公司間接全資附屬公司的分辦事處貴州久泰邦達能源開發有限公司機電分公司的經理。彼亦為貴州富邦達諮詢服務有限公司(「貴州富邦達」，本公司一間間接全資附屬公司)之董事及法定代表。彼畢業於貴州大學，持有工商管理學士學位。彼亦取得中國礦業大學頒授的採礦工程學士學位。余支龍先生為本公司主席余邦平先生的兒子。

余瀟先生，40歲，於2019年9月獲委任為執行董事。余瀟先生自2017年3月至2019年2月出任貴州邦達的副總經理。彼於2019年3月獲委任為久泰邦達的首席執行官。余瀟先生自2006年9月至2017年2月獲委出任貴州黔桂天能焦化有限責任公司財務部門的若干職位，包括會計人員、會計經理及總會計師。余瀟先生目前為盤縣農村信用合作聯社的委員。彼畢業於貴州大學，持有管理學學士學位。

方偉豪先生，42歲，於2018年11月獲委任為獨立非執行董事。方先生亦為本公司審核委員會(「審核委員會」)及薪酬委員會各自的主席以及提名委員會成員。彼於審計及商業諮詢服務方面擁有18年經驗。自2013年3月至今，彼於其創辦的樺卓會計師事務所擔任執業會計師。方先生於2017年3月至2020年3月擔任思捷會計師行有限公司執業董事。彼持有由香港城市大學頒發的工商管理榮譽學士(會計與管理資訊系統)學位。方先生為香港執業會計師、英國特許公認會計師公會會員及香港會計師公會資深會員。彼分別為英屬哥倫比亞特許專業會計師協會(Chartered Professional Accountants of British Columbia)及加拿大特許專業會計師協會會員。

* For identification purpose only

* 僅供識別

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL DETAILS (Continued)
董事及高級管理層履歷詳情(續)

Mr. Fong is currently an independent non-executive director of Global Sweeteners Holdings Limited (stock code: 3889) and Great Wall Terroir Holdings Limited (formerly known as Great Wall Belt & Road Holdings Limited) (stock code: 524), the shares of which are listed on the Stock Exchange. He was an independent non-executive director of CT Environmental Group Limited from August 2020 to September 2021, the shares of which were delisted on the Stock Exchange with effect from 10 September 2021.

Mr. Punnya Niraan De Silva, aged 38, was appointed as an independent non-executive Director in November 2018. Mr. De Silva is also a member of each of the Audit Committee and the Remuneration Committee. He has over 15 years of experience in the financial industry. From November 2017 to present, Mr. De Silva worked as a consultant for Ho Chi Minh City Development Joint Stock Commercial Bank. He holds a bachelor's degree in commerce and economics awarded by Monash University Australia.

Ms. Cheung Suet Ting, Samantha, aged 40, was appointed as an independent non-executive Director in November 2018. Ms. Cheung is also a member of each of the Audit Committee and the Nomination Committee. She has over 10 years of experience in private equity investments and mergers and acquisitions. From November 2017 to May 2019, Ms. Cheung worked as finance executive at Breakthrough Innovation Lab, a venture builder of many promising and innovative tech startups. She currently acts as investment manager of Animoca Brands Corporation Limited (ASX: AB1). Ms. Cheung holds a bachelor's degree in Economics and Mathematics awarded by Brandeis University.

Mr. Wang Xiufeng, aged 65, was appointed as an independent non-executive Director in September 2019. Mr. Wang has over 33 years' experience in coal mining industry. He had worked in 貴州省煤礦設計研究院 (Guizhou Coal Mine Design and Research Institute*) ("Guizhou Coal Mine Institute") and has been the mine design project leader in various coal mines. Mr. Wang was the chairman of the board of directors and legal representative of 貴州煤設地質工程有限責任公司 (Guizhou Coal Mine Geological Engineering Co., Ltd.*) from December 2012 to April 2018. He was also the vice president of Guizhou Coal Mine Institute from March 2003 to April 2018. Mr. Wang was the senior engineer of Guizhou Coal Mine Institute from March 1997 to April 2018. He obtained a certificate of Registered Mining Mineral Exploration & Design Engineer from the Ministry of Construction of the People's Republic of China.

方先生現為大成糖業控股有限公司(股份代號：3889)及長城天下控股有限公司(前稱長城一帶一路控股有限公司(股份代號：524))的獨立非執行董事，該等公司的股份於聯交所上市。彼於2020年8月至2021年9月擔任中滙環保集團有限公司的獨立非執行董事，該公司的股份自2021年9月10日於聯交所除牌。

Punnya Niraan De Silva先生，38歲，於2018年11月獲委任為獨立非執行董事。De Silva先生亦為審核委員會及薪酬委員會各自的成員。彼於金融業擁有逾15年經驗。自2017年11月至今，De Silva先生於胡志明城市發展商業銀行有限公司(Ho Chi Minh City Development Joint Stock Commercial Bank)擔任顧問。彼持有由澳洲莫納什大學(Monash University Australia)頒發的商業與經濟學學士學位。

張雪婷女士，40歲，於2018年11月獲委任為獨立非執行董事。張女士亦為審核委員會及提名委員會各自的成員。彼於私募股權投資及併購方面擁有逾10年經驗。自2017年11月至2019年5月，張女士於Breakthrough Innovation Lab擔任財務行政人員，Breakthrough Innovation Lab為眾多前景光明的創新初創企業的風險投資方。彼現為Animoca Brands Corporation Limited(澳洲證券交易所：AB1)的投資經理。張女士持有由布蘭戴斯大學頒發的經濟及數學學士學位。

王秀峰先生，65歲，於2019年9月獲委任為獨立非執行董事。王先生於煤礦行業擁有逾33年經驗。彼曾任職於貴州省煤礦設計研究院(「貴州煤礦院」)，並擔任多個煤礦的煤礦設計項目負責人。王先生自2012年12月至2018年4月擔任貴州煤設地質工程有限責任公司的董事長及法定代表人。彼自2003年3月至2018年4月擔任貴州煤礦院的副院長。王先生自1997年3月至2018年4月擔任貴州煤礦院高級工程師。彼獲得中華人民共和國建設部註冊採礦／礦產勘探設計工程師證書。

* For identification purpose only

* 僅供識別

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL DETAILS (Continued)
董事及高級管理層履歷詳情(續)

He is currently an independent non-executive director of Feishang Anthracite Resources Limited (stock code: 1738) which is listed on the Main Board of the Stock Exchange. He graduated from Chongqing University and holds a bachelor's degree in underground coal mining.

Senior Management

Mr. Liu Yongfu, aged 51, joined the Group in 2017 and has been the Financial Director since April 2017. Mr. Liu is responsible for the financial management of the Group. From April 2017 to present, he has acted as financial controller at Jiutai Bangda. Mr. Liu obtained the qualification as certified public accountant in China. He obtained the qualification as an intermediate accountant in China. Mr. Liu obtained a diploma in material management from 貴州省物資學校 (Guizhou Materials School*). He graduated from 中央黨校 (Central Party School*) with diploma in economic management.

Mr. Yu Honggang, aged 49, joined the Group in 2008 and has been the General Manager of the Group since September 2016. Mr. Yu is responsible for the Group's production and safety management. From 2015 to present, He has been the general manager of the Hongguo Coal Mine and Baogushan Coal Mine. From 2008 to 2015, Mr. Yu worked at Hongguo Coal Mine during which he acted as chief of Hongguo Coal Mine from 2013 to 2015. Mr. Yu holds a bachelor's degree in coal mining technology awarded by Hunan University of Science and Technology. He also graduated from 貴州省普通中等專業學校 (Guizhou Province Professional Secondary School*) majoring in mining technology.

Mr. Tong Yu, aged 49, joined the Group in 2017 and has been the Deputy General Manager since June 2017. Mr. Tong is responsible for the sales and business development of the Group. He has over 17 years of experience in the coal mining industry. From June 2017 to present, Mr. Tong has acted as deputy general manager of Jiutai Bangda. He graduated from Guizhou University with a diploma in business management. Mr. Tong also obtained a bachelor's degree in marketing at Xinan University. He received his qualification certificate of specialty and technology specializing in business economics.

彼現為飛尚無煙煤資源有限公司(股份代號：1738)的獨立非執行董事，該公司在聯交所主板上市。彼畢業於重慶大學，持有地下採煤學士學位。

高級管理層

劉永富先生，51歲，於2017年加入本集團，自2017年4月起出任財務總監。劉先生負責本集團的財務管理。自2017年4月至今，彼於久泰邦達擔任財務總監。劉先生獲得中國註冊會計師資格，並取得中國中級會計師資格。劉先生自貴州省物資學校取得材料管理文憑。彼畢業於中央黨校並獲得經濟管理文憑。

余紅岡先生，49歲，於2008年加入本集團，並自2016年9月起出任本集團總經理。余先生負責本集團的生產及安全管理。自2015年至今，彼一直擔任紅果煤礦及苞谷山煤礦的總經理。自2008年至2015年，余先生就職於紅果煤礦，期間，彼於2013年至2015年擔任紅果煤礦主管。余先生持有由湖南科技大學頒發的煤礦開採技術學士學位。彼亦畢業於貴州省普通中等專業學校採礦技術專科。

童宇先生，49歲，於2017年加入本集團並自2017年6月起出任副總經理。童先生負責本集團的銷售及業務發展。彼於採煤行業積逾17年經驗。自2017年6月至今，童先生擔任久泰邦達副總經理。彼於貴州大學企業管理專科畢業。童先生亦於西南大學取得市場學學士學位。彼獲得商業經濟學專業技術資格證書。

* For identification purpose only

* 僅供識別

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHICAL DETAILS (Continued)

董事及高級管理層履歷詳情(續)

Mr. Wan Weiping, aged 60, joined the Group in 2009 and has been the Chief Engineer and Technical Manager since September 2016. Mr. Wan is responsible for the technical supervision of the Group. He graduated from 湘潭礦業學院 (Xiangtan Mining Institute*) (now known as the Hunan University of Science and Technology) with a bachelor's degree in engineering. Mr. Wan was qualified the professional technical position as senior engineer by the personnel department of Guizhou Province.

Mr. Wang Long, aged 48, joined the Group in 2011 and has been the Chief Accountant since September 2016. Mr. Wang is responsible for accounting supervision of the Group. From September 2016 to present, he has worked in the financial affairs department of Jiutai Bangda as Chief Accountant. Mr. Wang holds a diploma in economics and bank management. He was qualified as registered accountant.

萬維平先生，60歲，於2009年加入本集團，自2016年9月起出任總工程師及技術經理。萬先生負責本集團的技術監管。彼畢業於湘潭礦業學院(現稱湖南科技大學)並獲得工程學學士學位。萬先生取得由貴州省人事廳頒發的高級工程師專業技術職務資格。

王龍先生，48歲，於2011年加入本集團，自2016年9月起出任總會計師。王先生負責本集團的會計監管。自2016年9月至今，彼於久泰邦達財務部擔任總會計師。王先生持有經濟學與銀行管理文憑。彼獲頒發註冊會計師。

* For identification purpose only

* 僅供識別

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Industry Review

As geopolitical conflicts and inflation overshadow global recovery, 2022 also presented significant challenges to China. Amid an unstable international environment, China had to deal with its own weakened demand, disrupted supply chains, as well as the most broad-spread waves of novel coronavirus (“COVID-19”) outbreaks since the country brought the virus under control years ago. Overcoming the unprecedented pressure, China still concluded 2022 with a 3.0% YoY GDP growth, a sharp slowdown compared to the impressive growth rate a year ago, but still outstanding among peers. In contrast with the dampened retail consumption, the value added of China’s industrial enterprises above the designated size (enterprises with revenue from the principal business over RMB20 million) increased by 3.6% compared to the year before, providing strong support for the overall economy. The country’s crude steel output also reached 1,013 million tonnes during the year, showing a solid demand in the coking coal market.

Guizhou’s economic development entered a new phase where the quality of the economic structure outweighs the mere growth rate, as the province exhibited resilience against extreme weather conditions and its biggest COVID-19 disruptions, and grew its GDP by 2.0%. Among all sectors, its industrial investment in 2022 grew by 9.1% compared to a year ago. As the region’s industry grows and the need for infrastructure and steel persists, the demand for coking coal remained strong for the year. On the other hand, the international energy shortages also coincided with the domestic demand-supply unbalance, pushing the coal price to new highs. Though the price was eventually brought under control by sufficient government policies, the coal market indeed benefitted the upstream miners and manufacturers during the year.

行業回顧

隨著地緣政治衝突及通脹阻礙全球復甦，2022年亦為中國帶來重大挑戰。在不穩定的國際環境下，中國需要應對自身需求減弱、供應鏈中斷，以及國內疫情受控多年以來最廣泛的新型冠狀病毒（「COVID-19」）爆發浪潮。在前所未見的壓力下，中國於2022年結束時仍然能夠取得GDP同比增長3.0%，與去年顯著的增長率相比大幅放緩，惟仍領先於全球。對比零售消費低迷，中國規模以上企業（主營業務收益達人民幣20萬元以上的企業）工業增加值較去年增長3.6%，為整體經濟提供有力支持。年內全國粗鋼產量亦達至1,013百萬噸，反映焦煤市場需求穩固。

貴州的經濟發展進入新的階段，經濟結構的質量比單純的增長率更為重要。該省面對極端天氣條件及COVID-19爆發以來給省內帶來的最嚴重干擾，展現了韌性，GDP增長了2.0%。在所有行業中，2022年工業投資同比增長9.1%。隨著該地區的工業發展以及對基礎設施及鋼鐵的需求持續，本年度對焦煤的需求依然強勁。另一方面，國際能源短缺的同時，國內供需失衡，推動煤炭價格屢創新高。儘管價格最終在政府的有力政策下受到控制，惟煤炭市場於年內確實讓上游礦場及製造商受益。



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

Business Review

The Group mainly owns and operates three underground coal mines in Panzhou City, Guizhou Province, including 盤縣紅果鎮紅果煤礦 (Pan County Hongguo Town Hongguo Coal Mine*) (“Hongguo Coal Mine”), 盤縣紅果鎮苞谷山煤礦 (Pan County Hongguo Town Baogushan Coal Mine*) (“Baogushan Coal Mine”) and 盤縣羊場鄉謝家河溝煤礦 (Pan County Yangchang Village Xiejiahegou Coal Mine*) (“Xiejiahegou Coal Mine”).

Acquisition of Xiejiahegou Coal Mine

Xiejiahegou Coal Mine was acquired by Jiutai Bangda, an indirect wholly-owned subsidiary of the Company, on 1 January 2020. As stated in the Company’s announcements dated 5 November 2019, 22 November 2019, 26 November 2019 and 2 January 2020 and the Company’s circular dated 19 December 2019, the vendors of the Xiejiahegou Coal Mine (the “Vendors”) guarantee to Jiutai Bangda that each of audited net profit for the years ended 31 December 2020, 2021 and 2022 generated by the Xiejiahegou Coal Mine shall not be less than RMB150.0 million (the “Profit Guarantee”). In the event of breach of the Profit Guarantee, the Vendors shall pay the compensation(s) to Jiutai Bangda, subject to an overall cap of RMB300.0 million. On the other hand, in the event where any of the audited net profit for the year ended 31 December 2020, 31 December 2021 and 31 December 2022 generated by the Xiejiahegou Coal Mine is greater than RMB150.0 million, Jiutai Bangda shall pay bonus(es) to the Vendors, subject to an overall cap of RMB300.0 million.

The audited net profit of the Xiejiahegou Coal Mine for the year ended 31 December 2022 (the “year under review”) exceeded RMB150 million, meeting the Profit Guarantee for the year ended 31 December 2022.

For the year under review, a fair value loss of contingent consideration payable of approximately RMB20.4 million (2021: RMB308.5 million) is incurred. Since there is no significant change in the financial forecast and the actual financial performance for the year under review, the amount was adjusted only according to the discounting of the expected cash settlement over the contractual term of the consideration payables at a discount rate, which represented additional payment pertaining to the Group’s overall cap amount of consideration payables.

業務回顧

本集團主要擁有及經營位於貴州省盤州市的三個地下煤礦，即盤縣紅果鎮紅果煤礦（「紅果煤礦」）、盤縣紅果鎮苞谷山煤礦（「苞谷山煤礦」），及盤縣羊場鄉謝家河溝煤礦（「謝家河溝煤礦」）。

收購謝家河溝煤礦

謝家河溝煤礦乃由久泰邦達（本公司的間接全資附屬公司）於2020年1月1日收購。誠如本公司日期為2019年11月5日、2019年11月22日、2019年11月26日及2020年1月2日之公告，以及本公司日期為2019年12月19日之通函，謝家河溝煤礦之賣方（「賣方」）向久泰邦達保證，截至2020年、2021年及2022年12月31日止年度各年謝家河溝煤礦產生的經審核純利將不少於人民幣150.0百萬元（「溢利保證」）。倘未能達成溢利保證，賣方須向久泰邦達支付補償金額，最高限額為人民幣300.0百萬元。另一方面，倘謝家河溝煤礦於截至2020年12月31日、2021年12月31日及2022年12月31日止年度任何一年所產生經審核純利大於人民幣150.0百萬元，久泰邦達向賣方支付獎金，最高限額為人民幣300.0百萬元。

謝家河溝煤礦於截至2022年12月31日止年度（「回顧年度」）之經審核純利超過人民幣150百萬元，達到截至2022年12月31日止年度之溢利保證。

於回顧年度產生或然應付代價之公平值虧損約人民幣20.4百萬元（2021年：人民幣308.5百萬元）。由於回顧年度的財務預測及實際財務業績並無重大變動，該金額僅根據預計現金結算於應付代價的合約期限內按貼現率進行貼現而調整，其代表與本集團整體應付代價上有限有關的額外款項。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

Resource and Reserve

The following table indicates the resource and reserve data of the three mines:

資源及儲備

下表顯示三個煤礦的資源量及儲量數據：

| | | Hongguo Coal Mine 紅果煤礦 | Baogushan Coal Mine 苞谷山煤礦 | Xiejiahegou Coal Mine 謝家河溝煤礦 |
|---|-------------------------------------|------------------------------|---------------------------------|------------------------------------|
| Resource data under the JORC Code | 根據JORC規則概覽的資源量 | | | |
| Summary (as at 31 December 2022)¹ | 數據(於2022年12月31日)¹ | | | |
| Measured resources (kt) | 探明資源量(千噸) | 17,076 | 10,198 | – |
| Indicated resources (kt) | 控制資源量(千噸) | 7,800 | 24,700 | 15,470 |
| Inferred resources (kt) | 推斷資源量(千噸) | 13,000 | 7,000 | 10,360 |
| Reserve data under the JORC Code | 根據JORC規則概覽的儲量數 | | | |
| Summary (as at 31 December 2022)¹ | 據(於2022年12月31日)¹ | | | |
| Proved reserves (kt) | 證實儲量(千噸) | 12,606 | 7,368 | – |
| Probable reserves (kt) | 概略儲量(千噸) | 5,910 | 18,790 | 9,590 |
| Marketable reserves ² | 可銷售儲量 ² | | | |
| – Clean coal (kt) ³ | – 精煤(千噸) ³ | 9,757 | 13,733 | 5,526 |
| – Middling coal (kt) | – 中煤(千噸) | 3,425 | 4,865 | 1,070 |
| – Sludge coal (kt) | – 泥煤(千噸) | 1,061 | 1,569 | 1,271 |

Notes:

- (1) The resource and reserve data of the Hongguo Coal Mine and Baogushan Coal Mine are based on the resource and reserve review report provided by Dr. C.S. Kong of Ravia Global Appraisal Advisory Limited (“Ravia”) as of 31 December 2021 while the resource and reserve data of the Xiejiahegou Coal Mine are based on the resource and reserve review report provided by Mr. Leung Karfai of BAW Mineral Partners Limited (“BAW”) as of 31 December 2022. The resource and reserve data as of 31 December 2022 of the Hongguo Coal Mine and Baogushan Coal Mine have been adjusted by the measured resource data and the proved reserve data as at 31 December 2021, after deducting the respective data extracted from the mining activities between 1 January 2022 and 31 December 2022.
- (2) The marketable reserves of each of the three final products (clean coal, middling coal and sludge coal) of the Hongguo Coal Mine, Baogushan Coal Mine and Xiejiahegou Coal Mine were estimated by using the historical average recoveries of coal preparation from 1 January 2022 to 31 December 2022.
- (3) The clean coal produced from the Hongguo Coal Mine and Baogushan Coal Mine are mostly 1/3 coking coal whereas the clean coal produced from the Xiejiahegou Coal Mine are mostly coking coal.

附註：

- (1) 紅果煤礦及苞谷山煤礦截至2021年12月31日的資源量及儲量數據根據陳根瑞豐環球評估諮詢有限公司(「瑞豐」)的江志成博士提供的資源量及儲量審查報告，而謝家河溝煤礦截至2022年12月31日的資源量及儲量數據則根據寶萬礦產有限公司(「寶萬」)的梁嘉輝先生提供的資源儲量審查報告。紅果煤礦及苞谷山煤礦截至2022年12月31日的資源量及儲量數據已根據於2021年12月31日的探明儲量數據及證實儲量作出調整，並扣除自2022年1月1日至2022年12月31日期間的採礦活動得出的相關數據。
- (2) 紅果煤礦、苞谷山煤礦及謝家河溝煤礦三項最終產品(精煤、中煤及泥煤)各自的可銷售儲量透過使用2022年1月1日至2022年12月31日洗煤的歷史平均回收率進行估計。
- (3) 紅果煤礦及苞谷山煤礦所生產的精煤大部分為1/3焦煤，而謝家河溝煤礦所生產的精煤大部分為焦煤。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Production

As at 31 December 2022, each of the Hongguo Coal Mine and Baogushan Coal Mine had a permitted annual capacity of 600,000 tonnes, whereas the Xiejiahegou Coal Mine had a permitted annual capacity of 450,000 tonnes, totalling 1.65 million tonnes for the overall permitted annual capacity of the Group's mines. Below sets forth the actual production and utilisation rate for the Group's coal mines for the year ended 31 December 2022 and 2021:

| | | Annual Capacity 年產能 (tonnes) (噸) | 2022 | | 2021 | |
|-----------------------|--------|---|--|--|--|--|
| | | | Actual production 實際產量 (tonnes) (噸) | Utilisation rate 使用率 (Percentage) (百分比) | Actual production 實際產量 (tonnes) (噸) | Utilisation rate 使用率 (Percentage) (百分比) |
| Hongguo Coal Mine | 紅果煤礦 | 600,000 | 509,100 | 84.8% | 520,549 | 86.8% |
| Baogushan Coal Mine | 苞谷山煤礦 | 600,000 | 463,911 | 77.3% | 439,228 | 73.2% |
| Xiejiahegou Coal Mine | 謝家河溝煤礦 | 450,000 | 409,508 | 91.0% | 409,767 | 91.1% |
| | | | 1,382,519 | 83.8% | 1,369,544 | 83.0% |

For the year under review, the Group's total raw coal production was 1,382,519 tonnes, of which 509,100 tonnes, 463,911 tonnes and 409,508 tonnes of raw coal were produced by Hongguo Coal Mine, Baogushan Coal Mine, and Xiejiahegou Coal Mine, respectively, representing a decrease of approximately 2.2%, an increase of approximately 5.6% and a decrease of approximately 0.1% YoY, respectively. The changes in actual annual production are relatively mild and fall within reasonable year-to-year fluctuations. The utilisation rate of Hongguo Coal Mine, Baogushan Coal Mine, and Xiejiahegou Coal Mine was approximately 84.8%, 77.3% and 91.0%, respectively, representing a decrease of approximately 2.0 percentage points ("ppt"), an increase of approximately 4.1 ppt and a decrease of 0.1 ppt YoY, respectively. In total, all three mines produced 1,382,519 tonnes of raw coal, which increased by approximately 0.9% from 1,369,544 tonnes in 2021.

生產

於2022年12月31日，紅果煤礦及苞谷山煤礦各自的許可年產能為600,000噸，而謝家河溝煤礦的許可年產能為450,000噸，本集團煤礦的整體許可年產能共為1.65百萬噸。下表載列於截至2022年及2021年12月31日止年度本集團煤礦之實際產量及使用率：

於回顧年度，本集團的原煤總產量為1,382,519噸，當中509,100噸、463,911噸及409,508噸原煤乃分別由紅果煤礦、苞谷山煤礦及謝家河溝煤礦生產，分別同比減少約2.2%、增加約5.6%及減少約0.1%。實際年產量變化相對較小，處於合理的同比波動範圍內。紅果煤礦、苞谷山煤礦及謝家河溝煤礦的使用率分別約為84.8%、77.3%及91.0%，分別同比減少約2.0個百分點(「百分點」)、增加約4.1個百分點及減少約0.1個百分點。總計而言，三個煤礦合共生產了1,382,519噸原煤，較2021年的1,369,544噸增加約0.9%。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)**Coal Processing**

The Group operates its own coal preparation plant, 松山洗煤廠 (Songshan Coal Preparation Plant*) and 謝家河溝洗煤廠 (Xiejiahegou Coal Preparation Plant*) for processing the raw coal extracted from its coal mines. As at 31 December 2022, the capacity held by Songshan Coal Preparation Plant is 2.4 million tonnes per annum. Newly launched during the year under review, Xiejiahegou Coal Preparation Plant currently holds a capacity of approximately 1.8 million tonnes per annum.

Before the completion of the construction of Xiejiahegou Coal Preparation Plant, in order to reduce the operation costs of Xiejiahegou Coal Mine, the Group and 貴州邦達能源開發有限公司盤縣淤泥鄉昌興煤礦 (Guizhou Bangda Energy Development Company Limited Pan County Yunixiang Changxing Coal Mine*) (“Changxing Coal Mine”), a connected person of the Company, entered into the coal washing and processing service agreement on 26 May 2020, pursuant to which the Xiejiahegou Coal Mine commissioned the Changxing Coal Mine for coal washing and processing services for a term from 1 June 2020 to 31 December 2022. Details were set out in the announcement of the Company dated 26 May 2020.

During the year under review, a total of 1,367,083 tonnes of raw coal was processed, of which 970,202 tonnes, 58,558 tonnes and 338,323 tonnes were processed by Songshan Coal Preparation Plant, Changxing Coal Mine, and Xiejiahegou Coal Preparation Plant, respectively.

煤炭加工

本集團自營洗煤廠松山洗煤廠及謝家河溝洗煤廠，將其煤礦開採的原煤進行加工。於2022年12月31日，松山洗煤廠全年洗煤能力為2.4百萬噸。於回顧年度內新落成的謝家河溝洗煤廠目前的洗煤能力約為每年1.8百萬噸。

於謝家河溝洗煤廠完成建造前，為減低謝家河溝煤礦之經營成本，於2020年5月26日，本集團與本公司關連人士貴州邦達能源開發有限公司盤縣淤泥鄉昌興煤礦(「昌興煤礦」)訂立原煤委託洗選加工合同，據此，謝家河溝煤礦委託昌興煤礦提供洗煤及加工服務，期限為2020年6月1日至2022年12月31日。有關詳情載於本公司日期為2020年5月26日的公告。

於回顧年度洗煤總量為1,367,083噸，當中松山洗煤廠、昌興煤礦及謝家河溝洗煤廠的洗煤量分別為970,202噸、58,558噸及338,323噸。



MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Sales Volume and Average Selling Price

Below sets forth the sales volumes and average selling prices of the Group's coal products for the year ended 31 December 2022 and 2021, respectively:

銷量及平均售價

下表分別載列本集團煤炭產品於截至2022年及2021年12月31日止年度的銷量及平均售價：

For the year ended 31 December

截至12月31日止年度

| | | Unit 單位 | 2022 | | 2021 | |
|----------------------------------|-----------|-----------------------|-----------------------|--|-----------------------|--|
| | | | Sales volume 銷量 | Average selling price 平均售價 (RMB/unit) (人民幣/單位) | Sales volume 銷量 | Average selling price 平均售價 (RMB/unit) (人民幣/單位) |
| Clean coal – internally produced | 精煤 – 內部生產 | tonne 噸 | 719,079 | 2,347.09 | 744,173 | 1,926.85 |
| Middling coal | 中煤 | tonne 噸 | 223,963 | 317.98 | 268,988 | 364.49 |
| Sludge coal | 泥煤 | tonne 噸 | 109,039 | 153.26 | 41,034 | 70.53 |
| Raw coal | 原煤 | tonne 噸 | 14,796 | 239.32 | 11,038 | 314.28 |
| Sales of coalbed methane gas | 煤層氣銷售額 | cubic meter 立方米 | 26,597,991 | 0.18 | 17,119,187 | 0.18 |

The coal market has experienced significant volatility during the year under review. The Group's average selling price of clean coal increased by approximately 21.8% YoY to approximately RMB2,347.09/tonne (2021: approximately RMB1,926.85/tonne). The average selling price of middling coal decreased by approximately 12.8% YoY to approximately RMB317.98/tonne (2021: approximately RMB364.49/tonne). As a result of policies aiming to improve the supply-demand balance and a continuous improvement in the domestic economy with the pandemic under control in Mainland China, the average coal price in the market experienced volatility, with that of clean coal products continuing in an upward trend. Such trends were reflected in the average selling price of the Group's products.

於回顧年度，煤炭市場經歷重大波動。本集團的精煤平均售價同比上升約21.8%至每噸約人民幣2,347.09元(2021年：每噸約人民幣1,926.85元)。中煤平均售價同比下降約12.8%至每噸約人民幣317.98元(2021年：每噸約人民幣364.49元)。受供需平衡政策以及國內經濟在疫情受控後持續好轉的雙重影響，隨著中國內地疫情受控而持續好轉，市場上煤炭的平均售價出現波動，精煤產品的價格持續呈上升趨勢。該等趨勢也反映在本集團產品的平均售價上。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

The Group's raw coal is washed and cleaned into clean coal at Songshan Coal Preparation Plant, Changxing Coal Mine and Xiejiahegou Coal Preparation Plant before the coal products are sold to the customers. During the year under review, the sales volume of clean coal internally produced amounted to 719,079 tonnes, representing a slight drop of approximately 3.4% YoY from approximately 744,173 tonnes in 2021. The sales volume of middling coal dropped by approximately 16.7% YoY to 223,963 tonnes (2021: approximately 268,988 tonnes). The sales volume of sludge coal increased by approximately 165.7% YoY to approximately 109,039 tonnes (2021: approximately 41,034 tonnes). The sales volume of raw coal increased by approximately 34.0% to approximately 14,796 tonnes (2021: approximately 11,038 tonnes). In total, the sales volume of coal products amounted to approximately 1,066,877 tonnes (2021: approximately 1,065,233 tonnes), and remained relatively stable.

本集團的原煤於松山洗煤廠、昌興煤礦及謝家河溝洗煤廠經過清洗及加工為精煤後，煤炭產品方會銷售予客戶。於回顧年度，內部生產的精煤銷量為719,079噸，較2021年約744,173噸同比輕微減少約3.4%。中煤銷量同比減少約16.7%至223,963噸(2021年：約268,988噸)。泥煤銷量同比增加約165.7%至約109,039噸(2021年：約41,034噸)。原煤銷量增加約34.0%至約14,796噸(2021年：約11,038噸)。煤炭產品銷量合共約為1,066,877噸(2021年：約1,065,233噸)，並保持相對穩定。

Financial Review

Revenue

During the year under review, the Group recorded a total revenue of approximately RMB1,784.0 million (2021: approximately RMB1,541.4 million) from the production and sales of clean coal, middling coal, sludge coal, and coalbed methane gas, representing an increase of approximately 15.7% YoY. The revenue for the year ended 31 December 2022 and 2021 were summarised as follows:

財務回顧

收益

於回顧年度，本集團從生產及銷售精煤、中煤、泥煤及煤層氣錄得的總收益約為人民幣1,784.0百萬元(2021年：約人民幣1,541.4百萬元)，同比增加約15.7%。截至2022年及2021年12月31日止年度的收益概述如下：

| | | 2022 | | 2021 | |
|------------------------|---------|------------------|-----------------------------|------------------|-----------------------------|
| | | RMB'000 | Percentage to total revenue | RMB'000 | Percentage to total revenue |
| | | 人民幣千元 | 佔總收益百分比 | 人民幣千元 | 佔總收益百分比 |
| Sales of coal products | 煤炭產品銷售額 | | | | |
| – Clean coal | – 精煤 | 1,687,745 | 94.6% | 1,433,911 | 93.0% |
| – Middling coal | – 中煤 | 71,216 | 4.0% | 98,044 | 6.4% |
| – Sludge coal | – 泥煤 | 16,711 | 0.9% | 2,894 | 0.2% |
| – Raw coal | – 原煤 | 3,541 | 0.2% | 3,469 | 0.2% |
| Sales of methane gas | 煤層氣銷售額 | 4,820 | 0.3% | 3,081 | 0.2% |
| | | 1,784,033 | 100.0% | 1,541,399 | 100.0% |

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Consistent with the Group's strategy, clean coal remains the principal product of the Group and the Group has been adhering to the strategy of increasing the proportion of clean coal products. For the year ended 31 December 2022, the proportion of revenue generated from the sale of clean coal increased to approximately 94.6% (2021: approximately 93.0%).

During the year under review, the Group's sales revenue of clean coal increased by approximately 17.7% to approximately RMB1,687.7 million (2021: approximately RMB1,433.9 million), sales revenue of middling coal decreased by approximately 27.4% to approximately RMB71.2 million (2021: approximately RMB98.0 million), sales revenue of sludge coal increased by approximately 477.4% to approximately RMB16.7 million (2021: approximately RMB2.9 million), sales revenue of raw coal remained relatively stable at approximately RMB3.5 million (2021: approximately RMB3.5 million), sales revenue of coalbed methane gas increased by approximately 56.4% to approximately RMB4.8 million (2021: approximately RMB3.1 million). The increase in total revenue during the year under review was mainly attributable to the growth in the sales of clean coal resulting from an increase in average coal selling price.

Gross Profit and Gross Profit Margin

The Group recorded an increase in its gross profit from approximately RMB918.5 million for the year ended 31 December 2021 to approximately RMB1,117.6 million for the year ended 31 December 2022, representing an increase of approximately 21.7% YoY. The gross profit margin for the year ended 31 December 2022 was approximately 62.6% (2021: approximately 59.6%), representing an increase of approximately 3.0 ppt YoY. The increase in gross profit and gross profit margin was a result of the approximately 15.7% increase in revenue and the Group's continued improvement in cost efficiencies during the year under review.

Other Income

The Group's other income increased by approximately 297.1% YoY to approximately RMB52.8 million during the year under review from approximately RMB13.3 million for 2021. Such increase was primarily attributable to (1) the increase in government grants in connection with meeting the production volume target of coal products and safety requirements from the local government; and (2) the Group sold internally gas-generated power to efficiently use the power.

與本集團的策略一致，精煤仍然是本集團主要產品。本集團一直堅持提升精煤產品比例的策略。截至2022年12月31日止年度，銷售精煤所產生收益比例增加至約94.6%（2021年：約93.0%）。

於回顧年度，本集團的精煤銷售收益增加約17.7%至約人民幣1,687.7百萬元（2021年：約人民幣1,433.9百萬元）；中煤銷售收益減少約27.4%至約人民幣71.2百萬元（2021年：約人民幣98.0百萬元）；泥煤銷售收益增加約477.4%至約人民幣16.7百萬元（2021年：約人民幣2.9百萬元）；原煤銷售保持相對穩定於約人民幣3.5百萬元（2021年：約人民幣3.5百萬元）；煤層氣銷售收益增加約56.4%至約人民幣4.8百萬元（2021年：約人民幣3.1百萬元）。於回顧年度的總收益增加主要歸因於平均煤炭售價上漲，導致精煤銷售有所增長。

毛利及毛利率

本集團的毛利由截至2021年12月31日止年度約人民幣918.5百萬元增加至截至2022年12月31日止年度約人民幣1,117.6百萬元，同比增幅約21.7%。截至2022年12月31日止年度的毛利率約為62.6%（2021年：約59.6%），同比增加約3.0個百分點。毛利及毛利率增加乃由於回顧年度內收益增加約15.7%及本集團成本效益持續改善所致。

其他收入

本集團其他收入由2021年約人民幣13.3百萬元同比增加約297.1%至回顧年度約人民幣52.8百萬元。有關增加主要歸因於(1)與煤炭產品的產量達標及達到地方政府制定的安全標準相關的政府補助增加；及(2)本集團為有效使用電力而出售內部產生的燃氣發電所致。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

Fair Value Change of Contingent Consideration Payables

The fair value change of contingent consideration payables is derived from the change of expected present value of the remaining consideration payable by the Group in respect of its acquisition of the Xiejiahegou Coal Mine and the projected performance of the Xiejiahegou Coal Mine under the Profit Guarantee, which consists of compensation and bonus using discounted cash flow method. As at 31 December 2022, the contingent consideration payables in respect of the Profit Guarantee were approximately RMB395.2 million (31 December 2021: approximately RMB631.6 million) while a fair value loss on contingent consideration payable of approximately RMB20.4 million (2021: approximately RMB308.5 million) was recognised in profit or loss during the year under review. With no significant change in the financial forecast and the actual financial performance for the year under review, the amount was recognized only based on the discounting of the expected cash settlement over the contractual term of the consideration payables at a discount rate, which represents additional payment pertaining to the Group's overall cap amount of consideration payables.

Other Gains and Losses

Other gains and losses primarily comprise gain or loss on disposal/write-off of property, plant and equipment and net exchange difference. The Group's other gains and losses changed from a net gain of approximately RMB1.9 million for the year ended 31 December 2021 to a net loss of approximately RMB4.9 million for the year under review, which was primarily attributable to translation difference arising from the conversion of Hong Kong Dollar ("HKD") to RMB.

Distribution and Selling Expenses

The Group's distribution and selling expenses increased by approximately 24.8% YoY to approximately RMB72.5 million during the year under review from approximately RMB58.1 million for the year ended 31 December 2021. The increase was primarily due to the increase in transportation costs for certain customers to which a large amount of sales volume of the Group's coal products was made and the Group borne the transportation costs.

Administrative Expenses

Administrative expenses decreased by approximately 14.7% to approximately RMB110.9 million during the year under review from approximately RMB129.9 million for the year ended 31 December 2021. The decrease was mainly brought by the continued implementation of stringent cost control measure during the year under review.

應付或然代價公平值變動

應付或然代價公平值變動乃使用貼現現金流計算本集團就收購謝家河溝煤礦及溢利保證下謝家河溝煤礦之預測財務表現而言餘下應付代價(包括補償及獎金)之預期現值變動而得出。於2022年12月31日，就溢利保證之應付或然代價約為人民幣395.2百萬元(2021年12月31日：約人民幣631.6百萬元)，及於回顧年度於損益確認應付或然代價公平值虧損約人民幣20.4百萬元(2021年：約人民幣308.5百萬元)。由於回顧年度的財務預測及實際財務業績並無重大變動，該金額僅根據預計現金結算於應付代價的合約期限內按貼現率進行貼現而確認，其代表與本集團整體應付代價上限有關的額外款項。

其他收益及虧損

其他收益及虧損主要包括出售／撇銷物業、廠房及設備的收益或虧損以及匯兌差額淨額。本集團其他收益及虧損由截至2021年12月31日止年度淨收益約人民幣1.9百萬元變為回顧年度淨虧損約人民幣4.9百萬元，主要由於港元(「港元」)兌人民幣所產生的換算差額。

分銷及銷售開支

本集團分銷及銷售開支由截至2021年12月31日止年度約人民幣58.1百萬元同比增加約24.8%至回顧年度約人民幣72.5百萬元。有關增加乃主要由於向本集團的煤炭產品銷量較大的若干客戶的運輸成本增加，且本集團承擔運輸成本所致。

行政開支

於回顧年度，行政開支由截至2021年12月31日止年度約人民幣129.9百萬元減少約14.7%至約人民幣110.9百萬元。有關減少乃主要由於回顧年度內持續推行嚴格的成本控制措施所致。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

Other Expenses

The Group's other expenses increased to approximately RMB77.2 million during the year under review from approximately RMB2.7 million for the year ended 31 December 2021. The increase was mainly brought by the research and development expenses in relation to the mining technology and coal seam studies which were incurred during the year under review.

Finance Costs

The Group's finance costs primarily comprised the interest expenses on bank and other borrowing and interest expenses on secured bank borrowings from factoring of bills receivables with full recourse from the Group's customers. Finance costs increased by approximately 25.5% to approximately RMB28.9 million during the year under review from approximately RMB23.0 million for the year ended 31 December 2021. The increase was mainly due to the interest expenses arising from the increase in average bank borrowings during the year under review.

Profit for the Year

As a result of the foregoing, by excluding the impact from the fair value change of contingent consideration payables on the Profit Guarantee, the Group recorded a net profit of approximately RMB764.4 million during the year under review (2021: approximately RMB610.3 million), representing an increase of approximately 25.2% YoY. The increase was mainly resulted from the improved sales revenue and gross profit margin.

While considering the fair value change of contingent consideration payables arising from the acquisition of Xiejiahegou Coal Mine in 2020, the Group recorded an increase in net profit to approximately RMB744.0 million with an increase of net profit margin to 41.7% during the year under review (2021: approximately RMB301.8 million and approximately 19.6%, respectively).

其他開支

本集團其他開支由截至2021年12月31日止年度約人民幣2.7百萬元增加至回顧年度約人民幣77.2百萬元。該增加主要為回顧年度內產生的與採礦技術及煤層研究相關的研發費用。

融資成本

本集團的融資成本主要包括來自銀行和其他借款的利息開支及保理本集團客戶所發行具全面追索權的應收票據所得有抵押銀行借款的利息開支。融資成本由截至2021年12月31日止年度的約人民幣23.0百萬元增加約25.5%至回顧年度的約人民幣28.9百萬元。有關增加主要是由於在回顧年度，平均銀行借款增加所產生的利息開支所致。

年內溢利

由於以上所述，如不計及溢利保證之應付或然代價公平值變動所致影響，本集團於回顧年度錄得純利約人民幣764.4百萬元(2021年：約人民幣610.3百萬元)，同比增加約25.2%。有關增加乃主要由於銷售收益及毛利率上升。

考慮到2020年收購謝家河溝煤礦所產生的應付或然代價公平值變動，本集團於回顧年度錄得純利約人民幣744.0百萬元，純利率增加至41.7%(2021年：分別為約人民幣301.8百萬元及約19.6%)。



Prospects

Shortly after China's reopening, the Chinese New Year season arrived, during which many citizens traveled across the country and gathered with family and friends. The fact that the most important holiday of the year did not trigger mass infection waves sent a positive signal as the country moves away from COVID-19 restrictions. On 30 January 2023, China's State Council said at a press conference that it believes the domestic COVID-19 situation has entered a new phase of low infection, and the daily caseload throughout the country is declining. The International Monetary Fund also estimated China's economic growth rate to pick up and reach 5.2% in 2023, in deep contrast with the sharp global slowdown.

Boosted by hopes of the end of COVID-19 restrictions, China's infrastructure is being ramped up. Analysts from multiple research and study institutions, including China Industrial Securities, China Minsheng Bank, and BOC Research Institute (中國銀行研究院), have estimated that the growth momentum of investment in infrastructure will continue throughout 2023, given its essential role in bolstering domestic consumption and stabilising the country's economy. Between a solid demand from fuel steel production and strong fiscal policies to maintain the supply-demand balance, the coking coal market is expected to remain strong but become less heated in the coming year.

Among the major infrastructure projects across China, Guizhou's Nayong-Qinglong Expressway (納晴高速公路) stands out, as its mega bridge over Zang Ke River (牂 牁 江) recently reported major progress. The bridge, connecting many districts of Liupanshui City, is expected to shorten the currently hour-long trip to minutes. In the meantime, Panzhou – Xingyi Railway (盤興鐵路), upon its expected completion in 2025, will expand the high-speed rail network in the southwestern region of Guizhou, where the Group's coal mines and processing plants are located. These infrastructure projects not only boost the regional energy and coking coal demand in the coming years but also provide bright prospects for upgraded transportation and a stronger economy.

While remaining cautious of market conditions, we are optimistic about the Company's long-term development. Looking ahead, we wish to realise our vision of sustainable development of our business as well as our region's economy by promoting clean and efficient utilisation of the coal resources in the Liupanshui region.

前景展望

中國重新開放後不久迎來農曆新年，許多公民於全國各地旅行並與家人及朋友聚會。隨著中國解除COVID-19限制，年中最為重要的節日並無觸發大規模感染浪潮，預示正面信號。於2023年1月30日，中國國務院於新聞發佈會上表示，其認為國內COVID-19情況已進入低感染新階段，全國每日病例數目正在下降。國際貨幣基金組織亦估計，2023年中國經濟增速將回升至5.2%，與全球經濟增速放緩形成鮮明對比。

在期望COVID-19限制結束的推動下，中國的基礎設施有所增加。興證國際、中國民生銀行、中國銀行研究院等多家研究機構分析師估計，2023年基礎設施投資增長勢頭將持續，對提振內需、穩定國家經濟具有重要作用。在為鋼鐵生產提供燃料的強勁需求及維持供需平衡的強有力的財政政策之間，預期來年焦煤市場將保持強勢，惟將會有所回落。

在中國的重大基礎設施項目中，貴州的納晴高速公路脫穎而出，其橫跨牂牁江的大橋近日取得重大進展。該座大橋連接六盤水市多個區域，有望將目前長達一小時的行程縮短至數分鐘。與此同時，預計盤興鐵路於2025年竣工後將擴大本集團煤礦及加工廠所在的貴州西南部地區的高鐵網絡。該等基礎設施項目不僅推動未來數年的區域能源及焦煤需求，亦為升級交通及增強經濟提供了光明前景。

儘管對市場狀況保持謹慎，我們仍對本公司的長期發展感到樂觀。展望未來，我們希望透過促進六盤水地區煤炭資源的清潔高效使用，實現業務及區域經濟可持續發展的願景。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

Liquidity and Financial Information

Bank Balances and Cash

As at 31 December 2022, bank balances and cash amounted to approximately RMB202.1 million (2021: approximately RMB180.9 million).

Bank and Other Borrowings

As at 31 December 2022, secured bank borrowings from factoring of bills receivables with full recourse amounted to approximately RMB435.0 million (31 December 2021: approximately RMB171.0 million). The effective interest rate on the discounted bills was approximately 1% to 2% per annum during the year ended 31 December 2022 (2021: approximately 1% to 2%).

As at 31 December 2022, secured bank borrowings amounted to approximately RMB351.0 million (31 December 2021: approximately RMB351.0 million). The effective interest rate on bank borrowings was 5.5% per annum during the year under review (2021: 5.5%).

Gearing Ratio

As at 31 December 2022, the Group's gearing ratio was approximately 0.32 (2021: approximately 0.30). Gearing ratio is calculated based on the total bank and other borrowings divided by the total equity as at the end of the year. The increased gearing ratio was mainly due to an increase in the bank and other borrowings.

Foreign Currency Risk

The Group is subject to limited foreign currency exposure as its business activities mainly take place in China and all sales and most of its costs are denominated in the functional currency (RMB) of respective group entities. The Group's exposure to foreign currency risk is primarily Hong Kong dollars as certain bank balances, deposits and accrued charges are denominated in Hong Kong dollars. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Credit Risk

The Group's credit risk is primarily attributable to trade and bills receivables, deposits and other receivables, restricted bank deposits and bank balances as at 31 December 2022 and 2021. Such risk may cause financial loss to us due to a failure to discharge obligation by the counterparties.

流動資金及財務資料

銀行結餘及現金

於2022年12月31日，銀行結餘及現金達約人民幣202.1百萬元(2021年：約人民幣180.9百萬元)。

銀行及其他借款

於2022年12月31日，來自保理具全面追索權的應收票據的有抵押銀行借款約人民幣435.0百萬元(2021年12月31日：約人民幣171.0百萬元)。截至2022年12月31日止年度，貼現票據的實際年利率約為1%至2%(2021年：約1%至2%)。

於2022年12月31日，有抵押銀行借款約為人民幣351.0百萬元(2021年12月31日：約人民幣351.0百萬元)。回顧年內銀行借款的實際年利率為5.5%(2021年：5.5%)。

資產負債比率

於2022年12月31日，本集團的資產負債比率約為0.32(2021年：約0.30)。資產負債比率根據於年末的銀行及其他借款總額除以總權益計算。資產負債比率有所增加，主要由於銀行及其他借款增加所致。

外匯風險

由於本集團主要於中國開展業務活動，且所有銷售額及大部分成本均以各集團實體的功能貨幣(人民幣)計值，故本集團所承受的外匯風險有限。由於若干銀行結餘、存款及應計費用以港元計值，故本集團所承受外匯風險主要來自港元。本集團現時並無外匯對沖政策。然而，管理層監察外匯風險，並將於有需要時考慮對沖重大外匯風險。

信貸風險

本集團的信貸風險主要來自於2022年及2021年12月31日的貿易應收款項及應收票據、按金及其他應收款項、受限制銀行存款及銀行結餘。該等風險可能因交易對手未有履行責任而導致我們蒙受財務虧損。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

As at 31 December 2022 and 31 December 2021, the top three trade debtors accounted for approximately 61% and 78% of the Group's total trade receivables, respectively. In view of this, the management regularly visits the customers relating to such trade receivables to understand their business operations and cash flow position and follows up with the subsequent settlement from the counterparties. The management delegates a team of staff responsible for monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In this regard, the management considers that such credit concentration risk has been significantly mitigated. Taking into account the financial condition of the customers, their historical settlement pattern with no previous default and the forward-looking information (such as the future coal prices and GDP growth of China), the management considers that the trade and bills receivables as low-risk with a low likelihood of default from the counterparties, based on internal credit rating assessment.

In respect of other receivables, restricted bank deposits, and bank balances, the management considers that no inherent material credit risk exists based on the assessment of historical settlement records.

Liquidity Risk

As at 31 December 2022, the Group recorded net current liabilities of approximately RMB299.8 million, which was mainly attributable to the contingent consideration payables to the Vendors for the Group's acquisition of the Xiejiahegou Coal Mine. In preparing the consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group. The Directors are of the view that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due for the foreseeable future after taking into consideration of the cash flow forecasts, which assume the continuity of normal business activity and indicate that the Group will have sufficient liquidity to meet its operational, existing contractual debts and capital expenditure requirements for the 12 month period from 31 December 2022.

Interest Rate Risk

The Group is exposed to fair value interest rate risk in relation to lease liabilities and bank and other borrowings and is also exposed to cash flow interest rate risk in relation to restricted bank deposits and bank balances. The Group currently has no interest rate hedging policy. However, the management closely monitors the Group's exposure to future cash flow interest rate risk as a result of changes in market interest rates and will consider hedging the changes in market interest rates should the need arise.

於2022年12月31日及2021年12月31日，三大應收貿易賬款分別佔本集團貿易應收款項總額約61%及78%。有鑒於此，管理層定期拜訪所述貿易應收款項相關客戶，以瞭解其業務運營及現金流量狀況，並跟進交易對手的後續結算情況。管理層委派員工團隊負責監察程序，以確保採取跟進行動收回逾期債務。就此而言，管理層認為有關信貸集中風險已大幅降低。經計及客戶的財務狀況及其於過去概無違約記錄的過往結算模式以及前瞻性資料(如中國未來煤炭價格及國內生產總值增長)，管理層認為，根據內部信貸評級評估，貿易應收款項及應收票據屬低風險組別，交易對手違約的可能性較低。

就其他應收款項、受限制銀行存款及銀行結餘而言，根據過往結算記錄評估，管理層認為並無內在重大信貸風險。

流動資金風險

於2022年12月31日，本集團的流動負債淨額約為人民幣299.8百萬元，主要歸因於收購本集團謝家河溝煤礦而應付賣方的或然代價款項。董事在編製綜合財務報表時，已仔細考慮過本集團未來的資金流動性。董事經計及假設持續進行正常業務活動的現金流量預測，顯示本集團於2022年12月31日後12個月期間會有充足流動資金，以應付經營、現有合約債務及資本開支等需求後，認為本集團擁有足夠營運資本，可為其營運提供資金以及履行於可預見未來到期的財務責任。

利率風險

本集團就租賃負債以及銀行及其他借款而面臨公平值利率風險，亦就受限制銀行存款及銀行結餘而面臨現金流量利率風險。本集團現時並無利率對沖政策。然而，管理層密切監察本集團因市場利率變動而面臨的未來現金流量利率風險，並將於有需要時考慮對沖市場利率變動。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

管理層討論及分析(續)

Capital Commitments and Expected Source of Funding

As at 31 December 2022, the Group had capital commitments in respect of property, plant and equipment and the acquisition of the Xiejiahegou Coal Mine in Guizhou Province contracted for but not yet incurred in the amount of approximately RMB3.5 million (31 December 2021: approximately RMB17.7 million). The Group planned to finance the capital commitments with internal resources.

Contingent Liabilities

As at 31 December 2022, save for the contingent consideration payables amounted to approximately RMB395.2 million (2021: approximately RMB631.6 million) set out in note 28 to the consolidated financial statements of this annual report, the Group had no material contingent liabilities (31 December 2021: nil).

Human Resources

As at 31 December 2022, the Group had a total of 3,619 employees (31 December 2021: 3,098). During the year under review, staff costs (including Directors' remuneration) totalled approximately RMB414.8 million (2021: approximately RMB340.7 million). All members of the Group are equal opportunity employers, with the selection, promotion and remuneration of individual employees based on their suitability to the positions offered. The Group provides defined contribution to the Mandatory Provident Fund as retirement benefits for its employees in Hong Kong and provides its employees in China with various benefit schemes as required by the applicable laws and regulations in China. All of the Group's employees are required to undergo induction trainings before they commence work. In addition, depending on the work nature, the Group's employees are also required to attend training pursuant to applicable laws and regulations.

Material Acquisitions, Disposals and Investment Projects

During the year under review, the Group had no material acquisitions, disposals, or investment projects for sale.

Final Dividend

The Board recommended the payment of a final dividend of HK12.50 cents per share for the year ended 31 December 2022 (2021: HK3.75 cents).

資本承擔及預期資金來源

於2022年12月31日，本集團就物業、廠房及設備以及收購貴州省謝家河溝煤礦產生已訂約但尚未產生的資本承擔約人民幣3.5百萬元（2021年12月31日：約人民幣17.7百萬元）。本集團計劃透過內部資源撥付有關資本承擔。

或然負債

於2022年12月31日，除本年度報告綜合財務報表附註28所載的應付或然代價款項約人民幣395.2百萬元（2021年：約人民幣631.6百萬元）外，本集團並無重大或然負債（2021年12月31日：無）。

人力資源

於2022年12月31日，本集團共有3,619名僱員（2021年12月31日：3,098名）。於回顧年度，員工成本（包括董事酬金）總額約為人民幣414.8百萬元（2021年：約人民幣340.7百萬元）。所有本集團旗下成員公司均為平等機會僱主，並根據個別員工對所提供職位的適任程度進行甄選、提拔員工及支付薪酬。本集團為其香港僱員提供強制性公積金界定供款作為退休福利，並為其中國僱員提供中國適用法律及法規所規定的各種福利計劃。本集團所有僱員於上崗前均須接受入職培訓。此外，根據適用法律法規，本集團僱員亦須視其工作性質參與培訓。

重大收購、出售及投資項目

於回顧年度，本集團並無重大收購、出售或待售的投資項目。

末期股息

董事會建議宣派截至2022年12月31日止年度之末期股息每股股份12.50港仙（2021年：3.75港仙）。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)
管理層討論及分析(續)

Asset Charges

As at 31 December 2022, the bank borrowings from factoring of bills receivables with full recourse amounted to approximately RMB435.0 million (31 December 2021: approximately RMB171.0 million) and the other bank borrowings amounted to approximately RMB351.0 million (31 December 2021: approximately RMB351.0 million) were secured by the pledge of the Group's bills receivables and the mining right of the Hongguo Coal Mine, respectively.

Event After the Reporting Date

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2022 and up to the date of this annual report.

資產抵押

於2022年12月31日，保理具全面追索權應收票據後所獲得銀行借款約為人民幣435.0百萬元(2021年12月31日：約人民幣171.0百萬元)及其他銀行借款約為人民幣351.0百萬元(2021年12月31日：約人民幣351.0百萬元)分別由本集團質押的應收票據及紅果煤礦採礦權作抵押。

報告日期後事項

於2022年12月31日後及直至本年度報告日期止，董事並不知悉發生任何須予披露之重大事件。



REPORT OF THE DIRECTORS 董事會報告

The Directors present their report and the audited financial statements of the Company and the Group for the year ended 31 December 2022.

Principal Activities

The principal activity of the Company is investment holding. The Group is principally engaged in the exploration and mining of coking coal and coal refinery in the People's Republic of China. Details of the principal activities of the subsidiaries of the Company are set out in note 39 to the consolidated financial statements.

Distributable Reserves

As at 31 December 2022, distributable reserves of the Company amounted to approximately RMB281.4 million (31 December 2021: approximately RMB330.1 million).

Results and Appropriations

The results of the Group for the year ended 31 December 2022 and the state of affairs of the Company and the Group as at 31 December 2022 are set out in the consolidated financial statements on pages 108 to 111 of this annual report.

The Board has recommended the distribution of a final dividend of HK12.50 cents (2021: HK3.75 cents) per Share for the year ended 31 December 2022.

董事謹此提呈截至2022年12月31日止年度的董事會報告以及本公司及本集團的經審核財務報表。

主要業務

本公司的主要業務為投資控股。本集團主要於中華人民共和國從事勘探及開採焦煤以及洗煤業務。有關本公司附屬公司主要業務的詳情載於綜合財務報表附註39。

可分派儲備

於2022年12月31日，本公司的可分派儲備約為人民幣281.4百萬元(2021年12月31日：人民幣330.1百萬元)。

業績及分配

本集團截至2022年12月31日止年度的業績及本公司與本集團於2022年12月31日的財務狀況載於本年報第108至111頁的綜合財務報表。

董事會已建議就截至2022年12月31日止年度派付每股12.50港仙的末期股息(2021年：每股3.75港仙)。



REPORT OF THE DIRECTORS (Continued)
董事會報告(續)**Closure of Register of Members**

For the purposes of determining shareholders' eligibility to attend and vote at the 2023 annual general meeting of the Company (the "2023 AGM") to be held on Wednesday, 31 May 2023, and entitlement to the final dividend, the register of members of the Company will be closed on the dates as set out below:

- (i) For determining shareholders' eligibility to attend and vote at the 2023 AGM:

Latest time to lodge transfer documents
for registration with the Company's branch
share registrar and transfer office
in Hong Kong At 4:30 p.m.
on Wednesday, 24 May 2023

Closure of register of members
of the Company Thursday, 25 May 2023 to
Wednesday, 31 May 2023
(both dates inclusive)

- (ii) For determining shareholders' entitlement to final dividend:

Ex-dividend date Monday, 12 June 2023

Latest time to lodge transfer documents
for registration with the Company's branch
share registrar and transfer office
in Hong Kong At 4:30 p.m.
on Tuesday, 13 June 2023

Closure of register of members
of the Company Wednesday, 14 June 2023 to
Friday, 16 June 2023
(both dates inclusive)

Record date Friday, 16 June 2023

Expected payment date Monday, 3 July 2023

暫停辦理股份過戶登記手續

為釐定股東出席本公司將於2023年5月31日(星期三)舉行的2023年股東週年大會(「2023年股東週年大會」)並於會上投票的資格及享有末期股息的權利,本公司將於下文所載日期暫停辦理股份過戶登記:

- (i) 為釐定股東出席2023年股東週年大會並於會上投票的資格:

向本公司的香港股份
過戶登記分處遞交
過戶文件作登記用途
的截止日期 2023年
5月24日(星期三)
下午四時三十分

本公司暫停辦理股份
過戶登記手續 2023年
5月25日(星期四)
至2023年
5月31日(星期三)
(包括首尾兩天)

- (ii) 為釐定股東享有末期股息的權利:

除息日 2023年6月12日
(星期一)

向本公司的香港股份
過戶登記分處遞交
過戶文件作登記
用途的截止日期 2023年
6月13日(星期二)
下午四時三十分

本公司暫停辦理股份
過戶登記手續 2023年6月14日
(星期三)至2023年
6月16日(星期五)
(包括首尾兩天)

記錄日期 2023年6月16日
(星期五)

預期派付日期 2023年7月3日
(星期一)

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Closure of Register of Members (continued)

During the above closure periods of the register of members of the Company, no transfer of Shares will be registered. To be eligible to attend and vote at the 2023 AGM and to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than the aforementioned latest time.

Financial Summary

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 209 of this annual report.

Business Review

A fair review of the business of the Group as well as a discussion and analysis of the Group's performance during the year ended 31 December 2022 including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business are provided in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" on pages 7 to 10 and pages 17 to 31 respectively of this annual report. An analysis of the Group's performance during the year under review using financial key performance indicators is provided in the Financial Highlights on pages 5 to 6 of this annual report.

Property, Plant and Equipment

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2022 are set out in note 14 to the consolidated financial statements.

Investment Properties

Details of the investment properties held by the Group during the year ended 31 December 2022 are set out in note 15 to the consolidated financial statements.

Share Capital

Details of movements in the Company's share capital during the year ended 31 December 2022 are set out in note 30 to the consolidated financial statements.

暫停辦理股份過戶登記手續(續)

於上述本公司暫停辦理股份過戶登記期間，將不會辦理股份過戶登記手續。為符合資格出席2023年股東週年大會並於會上投票以及符合資格享有末期股息，所有填妥的過戶表格連同有關股票須於上述截止日期前送達本公司的香港股份過戶登記分處卓佳證券登記有限公司(地址為香港夏慤道16號遠東金融中心17樓)，以辦理登記手續。

財務概要

本集團過往五個財政年度的業績、資產及負債概要載於本年報第209頁。

業務回顧

對本集團業務的公平回顧以及對本集團截至2022年12月31日止年度表現的討論及分析(包括對本集團所面對主要風險及不確定因素的討論以及對本集團業務日後可能發展的預測)，已分別於本年報第7至10頁及第17至31頁的「主席報告書」及「管理層討論及分析」各節提供。本集團採用財務關鍵績效指標的回顧年度表現分析載於本年報第5至6頁的財務摘要。

物業、廠房及設備

本集團截至2022年12月31日止年度的物業、廠房及設備變動詳情載於綜合財務報表附註14。

投資物業

本集團於截至2022年12月31日止年度持有的投資物業詳情載於綜合財務報表附註15。

股本

本公司截至2022年12月31日止年度的股本變動詳情載於綜合財務報表附註30。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Purchase, Redemption or Sale of Listed Securities of the Company

Neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the listed securities of the Company during the year ended 31 December 2022.

Arrangements for Directors to Purchase Shares or Debentures

At no time during the year ended 31 December 2022 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of an acquisition of shares or debentures of the Company or any other body corporate, and neither the Directors nor any of their spouses or children under the age of 18, had any right to subscribe for securities of the Company or had exercised such right during the year ended 31 December 2022.

Pre-emptive Rights

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

Charitable Donations

Charitable donations made by the Group during the year ended 31 December 2022 amounted to approximately RMB1.1 million (2021: approximately RMB1.9 million).

Major Customers and Suppliers

For the year ended 31 December 2022, sales attributable to the largest customer of the Group amounted to approximately 34.2% of the total sales and the five largest customers of the Group accounted for approximately 80.6% of the Group's total sales.

For the year ended 31 December 2022, purchases attributable to the largest supplier of the Group amounted to approximately 10.9% of the total purchases and the five largest suppliers of the Group accounted for approximately 42.7% of the Group's total purchases.

None of the Directors of the Company or any of their close associates or any shareholders (which to the knowledge of the Directors own more than 5% of the total number of issued Shares) had any interest in the Group's five largest customers and suppliers.

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於截至2022年12月31日止年度概無購買、贖回或出售任何本公司上市證券。

董事購買股份或債權證的安排

本公司或其任何附屬公司於截至2022年12月31日止年度內任何時間均無參與任何安排，致使董事可藉購入本公司或任何其他法人團體的股份或債權證而獲益，而董事或彼等的配偶或未滿18歲子女於截至2022年12月31日止年度亦無獲授或已行使任何可認購本公司證券的權利。

優先購買權

本公司的組織章程細則(「細則」)或開曼群島法律並無有關優先購買權的條文，規定本公司須向其現有股東按比例提呈發售新股份。

慈善捐款

本集團截至2022年12月31日止年度的慈善捐款約為人民幣1.1百萬元(2021年：約人民幣1.9百萬元)。

主要客戶及供應商

截至2022年12月31日止年度，本集團最大客戶的銷售額佔銷售總額約34.2%，而本集團五大客戶的銷售額佔本集團銷售總額約80.6%。

截至2022年12月31日止年度，本集團最大供應商的採購額佔採購總額約10.9%，而本集團五大供應商的採購額佔本集團採購總額約42.7%。

概無本公司董事或彼等的任何緊密聯繫人或據董事所知擁有已發行股份總數5%以上的任何股東，於本集團五大客戶及供應商中擁有任何權益。

REPORT OF THE DIRECTORS (Continued)

董事會報告(續)

Directors

The Directors of the Company during the year ended 31 December 2022 and up to the date of this report were:

Executive Directors

Mr. Yu Bangping (*Chairman and Chief Executive Officer*)

Mr. Sun Dawei

Mr. Wang Shize

Mr. Li Xuezhong

Mr. Lau Kai Ming (appointed on 1 June 2022)

Mr. Yu Zhilong

Mr. Yu Xiao

Mr. Lam Chik Shun, Marcus (resigned on 1 June 2022)

Independent Non-executive Directors

Mr. Fong Wai Ho

Mr. Punnya Niraan De Silva

Ms. Cheung Suet Ting, Samantha

Mr. Wang Xiufeng

Pursuant to Article 16.2 of the Articles, the Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as addition to the Board. Any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting. Mr. Lau Kai Ming, who was appointed as a Director on 1 June 2022, shall hold office until the 2023 AGM and being eligible, has offered himself for re-election.

Pursuant to Article 16.19 of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Mr. Sun Dawei, Mr. Yu Zhilong, Mr. Yu Xiao and Mr. Wang Xiufeng will retire by rotation at the 2023 AGM and, being eligible, have offered themselves for re-election.

Directors' and Senior Management's Biographies

Biographical details of the Directors and senior management of the Group are set out on pages 11 to 16 of this annual report.

董事

截至2022年12月31日止年度及直至本報告日期，本公司董事為：

執行董事

余邦平先生(主席兼行政總裁)

孫大煒先生

王世澤先生

李學忠先生

劉啟銘先生(於2022年6月1日獲委任)

余支龍先生

余瀟先生

林植信先生(於2022年6月1日辭任)

獨立非執行董事

方偉豪先生

Punnya Niraan De Silva先生

張雪婷女士

王秀峰先生

根據細則第16.2條，董事會有權不時及隨時委任任何人士為董事以填補臨時空缺或作為新增董事會成員。任何由董事會委任以填補臨時空缺或作為新增董事會的董事的任期僅至本公司下屆股東大會為止，屆時將合資格於該大會上重選連任。劉啟銘先生於2022年6月1日獲委任為董事，任期至2023年股東週年大會為止，且合資格並願意膺選連任。

根據細則第16.19條，於本公司每屆股東週年大會上，三分之一的在任董事(或倘董事人數並非三或三的倍數，則按最接近但不少於三分之一的人數)須輪流退任，惟每名董事(包括按特定任期獲委任的董事)均須最少每三年輪流退任一次。孫大煒先生、余支龍先生、余瀟先生及王秀峰先生將於2023年股東週年大會上輪值退任，且彼等合資格並願意膺選連任。

董事及高級管理層履歷

本集團董事及高級管理層的履歷詳情載於本年報第11至16頁。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Changes in Information of the Directors

Pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange, the changes in information of the Directors are set out below:

董事資料變動

根據聯交所證券上市規則(「上市規則」)第13.51B(1)條予以披露，董事的詳情變動如下：

| Name of Director 董事名稱 | Details of changes 變動詳情 |
|--------------------------|--|
| Mr. Yu Bangping 余邦平先生 | His salary was adjusted to RMB896,480 per annum paid by a subsidiary of the Company with effect from 1 February 2023. 自2023年2月1日起，其薪酬調整為每年年薪人民幣896,480元，由本公司之附屬公司支付。 |
| Mr. Sun Dawei 孫大煒先生 | His salary was adjusted to RMB896,480 per annum paid by a subsidiary of the Company with effect from 1 February 2023. 自2023年2月1日起，其薪酬調整為每年年薪人民幣896,480元，由本公司之附屬公司支付。 |
| Mr. Wang Shize 王世澤先生 | His salary was adjusted to RMB896,480 per annum paid by a subsidiary of the Company with effect from 1 February 2023. 自2023年2月1日起，其薪酬調整為每年年薪人民幣896,480元，由本公司之附屬公司支付。 |
| Mr. Yu Zhilong 余支龍先生 | He obtained a bachelor’s degree in mining engineering awarded by 中國礦業大學 (China University of Mining and Technology*) on 8 July 2022. 於2022年7月8日，彼獲中國礦業大學頒發的採礦工程學士學位。 His salary was adjusted to RMB396,480 per annum paid by a subsidiary of the Company with effect from 1 February 2023. 自2023年2月1日起，其薪酬調整為每年年薪人民幣396,480元，由本公司之附屬公司支付。 |
| Mr. Yu Xiao 余瀟先生 | His salary was adjusted to RMB396,480 per annum paid by a subsidiary of the Company with effect from 1 February 2023. 自2023年2月1日起，其薪酬調整為每年年薪人民幣396,480元，由本公司之附屬公司支付。 |

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條予以披露。

* For identification purpose only

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Permitted Indemnity Provisions

During the year ended 31 December 2022 and up to the date of this annual report, the Company has in force indemnity provisions as permitted under the relevant statutes for the benefit of the Directors (including former Directors) of the Company. The permitted indemnity provisions are provided for in the Articles and in the Directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against such Directors.

Management Contracts

No contracts, other than employment contracts or appointment letters, concerning the management and administration of the whole or any substantial part of any business of the Company were entered into or subsisted during the year ended 31 December 2022.

Save as disclosed in this annual report, there was no contract of significance between the Company or any of its subsidiaries and a controlling shareholder of the Company or any of its subsidiaries during the year ended 31 December 2022.

Equity-linked Agreements

For the year ended 31 December 2022, the Company has not entered into any equity-linked agreement.

Directors' Service Contracts

No Director proposed for re-election at the 2023 AGM 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.

獲准許彌償條文

截至2022年12月31日止年度及直至本年報日期，本公司按有關法規所允許者備有以本公司董事(包括前任董事)為受益人的彌償條文。獲准許彌償條文於細則以及於本集團就與該等董事可能遭提起法律程序相關的潛在責任及成本而投購的董事及高級職員責任保險中有所規定。

管理合約

截至2022年12月31日止年度，本公司並無訂立或存續有關本公司任何業務的全部或任何重大部分管理及行政管理的合約(僱傭合約或委任函除外)。

除本年報所披露者外，截至2022年12月31日止年度，本公司或其任何附屬公司與本公司控股股東或其任何附屬公司概無訂立重大合約。

股票掛鈎協議

截至2022年12月31日止年度，本公司尚未訂立任何與股票掛鈎的協議。

董事服務合約

於2023年股東週年大會擬膺選連任的董事並無與本公司訂立不可由本公司於一年內終止而毋須作出賠償(法定賠償除外)的服務合約。



REPORT OF THE DIRECTORS (Continued)
董事會報告(續)**Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures**

As at 31 December 2022, the interests and short positions of the Directors and chief executive of the Company in the shares and underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were deemed or taken to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be recorded in the register therein, or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

Long positions in Shares of the Company:

| Name of Director | Capacity/ Nature of interest | Total number of Shares held | Approximate % of interests held (Note 1) 佔持有權益 概約百分比 (附註1) |
|--------------------------|---|--------------------------------|---|
| 董事姓名 | 身份／權益性質 | 持有股份總數 | |
| Mr. Yu Bangping 余邦平先生 | Interest in a controlled corporation (Note 2) 受控法團權益(附註2) | 864,000,000 | 54.00 |

Notes:

- The percentage was calculated based on 1,600,000,000 Shares in issue as at 31 December 2022.
- These Shares were held by Spring Snow Management Limited. The issued share capital of Spring Snow Management Limited was held as to approximately 48.27% by Lucky Street Limited which was wholly owned by Mr. Yu Bangping. Accordingly, Mr. Yu Bangping was deemed to be interested in 864,000,000 Shares held by Spring Snow Management Limited for the purpose of the SFO.

董事及行政總裁於股份、相關股份及債權證的權益及淡倉

於2022年12月31日，董事及本公司行政總裁於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的有關條文被當作或視為由董事及本公司行政總裁擁有的權益及淡倉)，或根據證券及期貨條例第352條記錄於該條所指登記冊內的權益及淡倉，或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

於本公司股份的好倉：

| Name of Director | Capacity/ Nature of interest | Total number of Shares held | Approximate % of interests held (Note 1) 佔持有權益 概約百分比 (附註1) |
|--------------------------|---|--------------------------------|---|
| 董事姓名 | 身份／權益性質 | 持有股份總數 | |
| Mr. Yu Bangping 余邦平先生 | Interest in a controlled corporation (Note 2) 受控法團權益(附註2) | 864,000,000 | 54.00 |

附註：

- 該百分比基於2022年12月31日的1,600,000,000股已發行股份計算。
- 該等股份由Spring Snow Management Limited持有。Lucky Street Limited持有Spring Snow Management Limited已發行股本約48.27%，而Lucky Street Limited由余邦平先生全資擁有。因此，就證券及期貨條例而言，余邦平先生被視作於Spring Snow Management Limited持有的864,000,000股股份中擁有權益。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (continued)

Long positions in the shares of associated corporations:

| Name of Director | Name of associated corporation | Capacity/ Nature of interest | Total number of shares held | Approximate % of interests held (Note 1) 佔持有權益概約百分比 (附註1) |
|--------------------------|--------------------------------|--|-----------------------------|---|
| 董事姓名 | 相聯法團名稱 | 身份／權益性質 | 持有股份總數 | (附註1) |
| Mr. Yu Bangping 余邦平先生 | Spring Snow Management Limited | Interest in controlled corporation (Note 2) 受控法團權益(附註2) | 4,827,441 | 48.27 |
| Mr. Sun Dawei 孫大煒先生 | Spring Snow Management Limited | Interest in controlled corporation (Note 3) 受控法團權益(附註3) | 1,293,140 | 12.93 |
| Mr. Wang Shize 王世澤先生 | Spring Snow Management Limited | Interest in controlled corporation (Note 4) 受控法團權益(附註4) | 287,364 | 2.87 |

Notes:

- The percentage was calculated based on 10,000,000 issued shares of Spring Snow Management Limited as at 31 December 2022.
- Mr. Yu Bangping owned the entire issued share capital of Lucky Street Limited which owned approximately 48.27% of the issued share capital of Spring Snow Management Limited. By virtue of the SFO, Mr. Yu was deemed to be interested in 4,827,441 shares of Spring Snow Management Limited held by Lucky Street Limited.

董事及行政總裁於股份、相關股份及債權證的權益及淡倉(續)

於相聯法團股份的好倉：

| Name of Director | Name of associated corporation | Capacity/ Nature of interest | Total number of shares held | Approximate % of interests held (Note 1) 佔持有權益概約百分比 (附註1) |
|--------------------------|--------------------------------|--|-----------------------------|---|
| 董事姓名 | 相聯法團名稱 | 身份／權益性質 | 持有股份總數 | (附註1) |
| Mr. Yu Bangping 余邦平先生 | Spring Snow Management Limited | Interest in controlled corporation (Note 2) 受控法團權益(附註2) | 4,827,441 | 48.27 |
| Mr. Sun Dawei 孫大煒先生 | Spring Snow Management Limited | Interest in controlled corporation (Note 3) 受控法團權益(附註3) | 1,293,140 | 12.93 |
| Mr. Wang Shize 王世澤先生 | Spring Snow Management Limited | Interest in controlled corporation (Note 4) 受控法團權益(附註4) | 287,364 | 2.87 |

附註：

- 該百分比基於Spring Snow Management Limited於2022年12月31日的10,000,000股已發行股份計算。
- 余邦平先生擁有Lucky Street Limited的全部已發行股本，而Lucky Street Limited擁有Spring Snow Management Limited已發行股本約48.27%。根據證券及期貨條例，余先生被視為於Lucky Street Limited持有的4,827,441股Spring Snow Management Limited股份中擁有權益。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures (continued)

Notes: (continued)

3. Mr. Sun Dawei owned the entire issued share capital of Black Pearl Limited which owned approximately 12.93% of the issued share capital of Spring Snow Management Limited. By virtue of the SFO, Mr. Sun was deemed to be interested in 1,293,140 shares of Spring Snow Management Limited held by Black Pearl Limited.
4. Mr. Wang Shize owned the entire issued share capital of Seasons In The Sun Limited which owned approximately 2.87% of the issued share capital of Spring Snow Management Limited. By virtue of the SFO, Mr. Wang was deemed to be interested in 287,364 shares of Spring Snow Management Limited held by Seasons In The Sun Limited.

Save as disclosed above, as at 31 December 2022, so far as is known to the Company, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were taken or deemed to have taken under such provisions of the SFO); or were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

董事及行政總裁於股份、相關股份及債權證的權益及淡倉(續)

附註：(續)

3. 孫大煒先生擁有 Black Pearl Limited 的全部已發行股本，而 Black Pearl Limited 擁有 Spring Snow Management Limited 已發行股本約 12.93%。根據證券及期貨條例，孫先生被視為於 Black Pearl Limited 持有的 1,293,140 股 Spring Snow Management Limited 股份中擁有權益。
4. 王世澤先生擁有 Seasons In The Sun Limited 的全部已發行股本，而 Seasons In The Sun Limited 擁有 Spring Snow Management Limited 已發行股本約 2.87%。根據證券及期貨條例，王先生被視為於 Seasons In The Sun Limited 持有的 287,364 股 Spring Snow Management Limited 股份中擁有權益。

除上文所披露者外，於 2022 年 12 月 31 日，據本公司所知，概無董事或本公司行政總裁於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)的股份、相關股份及債權證中，擁有任何根據證券及期貨條例第 XV 部第 7 及 8 分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的有關條文被當作或視為由董事及行政總裁擁有的權益及淡倉)，或根據證券及期貨條例第 352 條須記錄於該條所指登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。



REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Substantial Shareholders' Interests in Shares and Underlying Shares

As at 31 December 2021, the following interests in Shares or underlying Shares of 5% or more of the issued Shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

| Name of Substantial Shareholder | Nature of interest | Total number of Shares held | Approximate % of interests held (Note 1) 佔持有權益概約百分比 (附註1) |
|---------------------------------|--|-----------------------------|--|
| 主要股東姓名／名稱 | 權益性質 | 持有股份總數 | |
| Spring Snow Management Limited | Beneficial owner (Note 2) 實益擁有人(附註2) | 864,000,000 | 54.00 |
| Lucky Street Limited | Interest in controlled corporation (Note 2) 受控法團權益(附註2) | 864,000,000 | 54.00 |
| Ms. Qu Liumei 瞿柳美女士 | Interest of spouse (Note 3) 配偶權益(附註3) | 864,000,000 | 54.00 |

Notes:

- The percentage was calculated based on 1,600,000,000 Shares in issue as at 31 December 2022.
- The issued share capital of Spring Snow Management Limited was held as to approximately 48.27% by Lucky Street Limited. Accordingly, Lucky Street Limited was deemed to be interested in 864,000,000 Shares held by Spring Snow Management Limited by virtue of the SFO.
- Ms. Qu Liumei is the spouse of Mr. Yu Bangping and was therefore deemed to be interested in all the Shares held by Mr. Yu Bangping (through Lucky Street Limited and Spring Snow Management Limited) by virtue of the SFO.

主要股東於股份及相關股份的權益

於2021年12月31日，本公司已發行股份中5%或以上的股份或相關股份的下列權益記錄於本公司根據證券及期貨條例第336條須存置的權益登記冊內：

好倉：

| Name of Substantial Shareholder | Nature of interest | Total number of Shares held | Approximate % of interests held (Note 1) 佔持有權益概約百分比 (附註1) |
|---------------------------------|--|-----------------------------|--|
| 主要股東姓名／名稱 | 權益性質 | 持有股份總數 | |
| Spring Snow Management Limited | Beneficial owner (Note 2) 實益擁有人(附註2) | 864,000,000 | 54.00 |
| Lucky Street Limited | Interest in controlled corporation (Note 2) 受控法團權益(附註2) | 864,000,000 | 54.00 |
| Ms. Qu Liumei 瞿柳美女士 | Interest of spouse (Note 3) 配偶權益(附註3) | 864,000,000 | 54.00 |

附註：

- 該百分比基於2022年12月31日的1,600,000,000股已發行股份計算。
- Lucky Street Limited 持有 Spring Snow Management Limited 已發行股本約48.27%。因此，根據證券及期貨條例，Lucky Street Limited 被視為於Spring Snow Management Limited 持有的864,000,000股股份中擁有權益。
- 瞿柳美女士為余邦平先生的配偶，因此根據證券及期貨條例被視為於余邦平先生透過 Lucky Street Limited 及 Spring Snow Management Limited 持有的所有股份中擁有權益。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)**Substantial Shareholders' Interests in Shares and Underlying Shares (continued)**

Save as disclosed above, as at 31 December 2022, so far as is known to the Company, no other person (other than the Directors and chief executive of the Company whose interests are disclosed in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Competing Business

During the year ended 31 December 2022, Guizhou Bangda, an associate of the connected person of the Company pursuant to Rule 14A.12(1)(c) of the Listing Rules, and owned by Mr. Yu Bangping (Chairman and executive Director) as to 90% and Mr. Yu Bangcheng (brother of Mr. Yu Bangping) as to 10%, both being the Controlling Shareholders (as defined in the prospectus of the Company dated 26 November 2018 (the "Prospectus")), was principally engaged in the mining, production and sale of coking coal, whereas the Group has been principally engaged in the mining, production and sale of 1/3 coking coal and coking coal. The Directors are of the view that there is no actual or potential in competition in business between the Group and Guizhou Bangda and there is a clear delineation of business between the Group and Guizhou Bangda. The Directors are satisfied that each of Mr. Yu Bangping, Mr. Sun Dawei and Mr. Wang Shize (who are the executive Directors and the Controlling Shareholders) are able to perform their roles in the Company independently. The Directors are also of the view that the Group is capable of managing its business independently from the Controlling Shareholders and their respective close associates during the year under review.

As at 31 December 2022, save as disclosed above, the Directors were not aware of any business or interest of the Directors or the Controlling Shareholders and their respective close associates that had competed or might compete with the business of the Group and any other conflicts of interests which any such person had or might have with the Group.

主要股東於股份及相關股份的權益(續)

除上文所披露者外，於2022年12月31日，據本公司所知，概無其他人士(於上文「董事及行政總裁於股份、相關股份及債權證的權益及淡倉」一節披露之董事或本公司行政總裁之權益除外)於股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司及聯交所披露的權益或淡倉，或記錄於本公司根據證券及期貨條例第336條須存置的登記冊內的權益或淡倉。

競爭業務

於截至2022年12月31日止年度，貴州邦達(根據上市規則第14A.12(1)(c)條為本公司關連人士的聯繫人，由主席兼執行董事余邦平先生擁有90%權益及由余邦成先生(余邦平先生的胞弟)擁有10%權益(余邦平先生及余邦成先生均為控股股東(定義見本公司日期為2018年11月26日的招股章程(「招股章程」)))主要從事開採、生產及銷售煉焦煤，而本集團則主要從事開採、生產及銷售1/3煉焦煤及煉焦煤。董事認為本集團與貴州邦達的業務之間並無實際或潛在競爭，而本集團與貴州邦達之間有明確的業務劃分。董事信納余邦平先生、孫大煒先生及王世澤先生(彼等為執行董事及控股股東)能夠獨立地履行彼等於本公司的職務。董事亦認為，於回顧年度內，本集團能夠獨立於控股股東及其各自的緊密聯繫人管理其業務。

於2022年12月31日，除上文所披露者外，董事並不知悉董事或控股股東及其各自的緊密聯繫人擁有任何與本集團業務構成競爭或可能構成競爭的業務或於當中擁有權益，亦不知悉有關人士與本集團曾經有或可能有的任何其他利益衝突。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Non-Competition Undertakings by Controlling Shareholders

In order to avoid and safeguard any potential competition arising between the Group and the Directors or the Controlling Shareholders and their respective close associates, each of the Controlling Shareholders (including Mr. Yu Bangping, Mr. Sun Dawei and Mr. Wang Shize) and Guizhou Bangda (the “Covenantors”) has executed a deed of non-competition (“Deed of Non-Competition”) in favour of the Company. Details of the Deed of Non-Competition are disclosed in the section headed “Relationship with Controlling Shareholders – Non-Competition Undertakings” in the Prospectus.

The Covenantors have made an annual confirmation that they have fully complied with the Undertakings given by them in favour of the Company pursuant to the Deed of Non-Competition. The independent non-executive Directors have reviewed the status of the compliance by the Covenantors with the Undertakings during the year ended 31 December 2022 and confirmed that, as far as they can ascertain, there is no breach by any of the Covenantors of the Undertakings given by them.

Directors’ Interests in Transactions, Arrangements or Contracts of Significance

Save as disclosed in this annual report, no transactions, arrangements or contracts of significance to which the Company or any related company (holding companies, subsidiaries, or fellow subsidiaries) was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2022.

Remuneration Policy

The remuneration policy of the employees of the Group is set up by the Board on the basis of their performance, qualifications, competence and job nature. The remuneration of the Directors is recommended by the Remuneration Committee and decided by the Board, having regard to their experience, responsibilities, performance and the time devoted to the Group’s business. The Company has adopted a Post-IPO share option scheme on 15 November 2018 (the “Share Option Scheme”) as an incentive arrangement for eligible employees.

Retirement Benefit Scheme

Details of the retirement benefit scheme of the Group are set out in note 31 to the consolidated financial statements.

控股股東的不競爭承諾

為避免及保障任何於本集團與董事或控股股東及其各自的緊密聯繫人之間產生的潛在競爭，控股股東(包括余邦平先生、孫大煒先生及王世澤先生)各自與貴州邦達(「契諾人」)簽立了以本公司為受益人的不競爭契據(「不競爭契據」)。不競爭契據的詳情披露於招股章程「與控股股東的關係—不競爭承諾」一節。

契諾人已作出年度確認，確認彼等已全面遵守彼等根據不競爭契據並以本公司為受益人而作出的承諾。獨立非執行董事已審閱契諾人於截至2022年12月31日止年度遵守承諾的情況，並確認就其所確信，契諾人並無違反彼等作出的任何承諾。

董事於重大交易、安排或合約的權益

除本年報所披露者外，本公司或任何關聯公司(控股公司、附屬公司或同系附屬公司)於年末或截至2022年12月31日止年度內任何時間概無訂立任何董事或與董事關連實體於其中直接或間接擁有重大權益的重大交易、安排或合約。

薪酬政策

本集團僱員的薪酬政策由董事會根據其表現、資歷、能力及工作性質而制定。董事薪酬由薪酬委員會建議，由董事會決定，當中計及彼等的經驗、責任、表現及其為本集團業務所貢獻的時間。本公司已於2018年11月15日採納首次公開發售後購股權計劃(「購股權計劃」)，作為合資格僱員的獎勵安排。

退休福利計劃

本集團退休福利計劃的詳情載於綜合財務報表附註31。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, at least 25% of the Company's total issued share capital is held by the public under the Listing Rules.

Share Option Scheme

Particulars of the Share Option Scheme are set out in note 37 to the consolidated financial statements.

The Company adopted the Share Option Scheme pursuant to an ordinary resolution passed by the shareholders of the Company on 15 November 2018 which shall be valid and effective for a period ending on the tenth anniversary of 12 December 2018, being the date of the listing of the Shares on the Stock Exchange, subject to early termination by the Company in a general meeting or by the Board. The purpose of the Share Option Scheme is to provide an incentive or reward for the grantees for their contribution or potential contribution to the Company and/or any of its subsidiaries. Under the Share Option Scheme, the Board may offer to grant an option to any full-time or part-time employees, potential employees, consultants, executives or officers (including executive, non-executive and independent non-executive Directors) of the Company or any of its subsidiaries, and any suppliers, customers, consultants, agents and advisers who, in the sole opinion of the Board has contributed or will contribute to the Group.

The number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time shall not aggregate exceed 30% of the Shares in issue from time to time. The maximum number of Shares available for issue under options which may be granted under the Share Option Scheme or other share option scheme adopted by the Company must not in aggregate exceed 10% of the Shares in issue immediately following completion of the Share Offer (but taking no account of any Shares which may be allotted or issued pursuant to the exercise of the Over-allotment Option (as defined in the Prospectus)) (the "Scheme Limit"), being 160,000,000 Shares. The total number of Shares issued and which may fall to be issued upon exercise of the options granted pursuant to the Share Option Scheme to each eligible person in any 12-month period shall not exceed 1% of the number of Shares in issue as at the date of grant unless approved by the shareholders of the Company in general meeting.

公眾持股量的充足性

於本年報日期，就本公司所得的公開資料及據董事所知，根據上市規則，本公司已發行股本總額最少25%由公眾持有。

購股權計劃

有關購股權計劃的詳情載列於綜合財務報表附註37。

本公司根據本公司股東於2018年11月15日通過的普通決議案採納購股權計劃。該計劃自截至2018年12月12日(即股份於聯交所上市的日期)止十年期間內有效及具效力，惟可由本公司於股東大會或由董事會提前終止。購股權計劃旨在向承授人就彼等對本公司及／或其任何附屬公司作出的貢獻或潛在貢獻提供獎勵或回報。根據購股權計劃，董事會可將購股權授予本公司或其任何附屬公司的任何全職或兼職僱員、潛在僱員、諮詢人、執行人員或高級職員(包括執行董事、非執行董事及獨立非執行董事)，以及董事會全權認為已向本集團作出貢獻或將作出貢獻的任何供應商、客戶、諮詢人、代理及顧問。

根據購股權計劃及本公司任何其他購股權計劃授出但尚未行使的所有購股權獲行使而可能發行的股份數目，於任何時間內，合共不得超過不時已發行股份的30%。根據購股權計劃或本公司採納的其他購股權計劃可能授出的購股權可供發行的最高股份數目，合共不得超過緊隨股份發售完成後已發行股份(但不計及因超額配股權(定義見招股章程)獲行使而可能配發或發行的任何股份)的10%([計劃限額])，即160,000,000股股份。除非在股東大會上獲本公司股東批准，否則因根據購股權計劃授予各合資格人士的購股權獲行使而已發行及將予發行的股份總數，於任何12個月期間內，不得超過於授出日期的已發行股份數目的1%。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Share Option Scheme (continued)

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be determined by the Board provided that it shall not be less than the highest of: (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the offer date, which must be a business day; (ii) the average of the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date; and (iii) the nominal value of a Share.

Upon acceptance of the option, the grantee shall pay HK\$1 to the Company by way of consideration for the grant. An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted.

No share options have been granted, exercised, cancelled or lapsed during the year ended 31 December 2022 and no share options were outstanding as at 31 December 2022 under the Share Option Scheme.

As at the date of this report, the total number of Shares available for issue under the Share Option Scheme was 160,000,000 Shares representing 10% of the issued shares of the Company.

The number of share options available for grant under the Scheme Limit as at 1 January 2022 and 31 December 2022 was both 160,000,000.

購股權計劃(續)

根據購股權計劃授出的任何特定購股權所涉及的股份認購價將由董事會決定，惟認購價不得低於以下最高者：(i)於要約日期(必須為營業日)在聯交所每日報價表所列股份的官方收市價；(ii)緊接要約日期前5個營業日，聯交所每日報價表所列股份的平均官方收市價；及(iii)股份面值。

接納購股權後，承授人須為授出購股權向本公司支付1港元代價。購股權可根據購股權計劃的條款於購股權被視為授出及獲接納當日起至自該日起計10年屆滿前的任何時間內行使。可行使購股權的期間將由董事會全權酌情決定，惟在授出超過10年後不得行使任何購股權。

截至2022年12月31日止年度，概無購股權根據購股權計劃授出、行使、註銷或失效，且於2022年12月31日，並無尚未行使的購股權。

於本報告日期，根據購股權計劃可供發行的股份總數為160,000,000股股份，佔本公司已發行股份10%。

於2022年1月1日及2022年12月31日，計劃限額項下可供授予的購股權數量均為160,000,000份。



Continuing Connected Transactions

On 26 May 2020, 貴州久泰邦達盤縣羊場鄉謝家河溝煤礦 (Guizhou Jiutai Bangda Pan County Yangchang Village Xiejiahegou Coal Mine*) (“Xiejiahegou Coal Mine Branch”), a branch of Jiutai Bangda, and 貴州邦達能源開發有限公司盤縣淤泥鄉昌興煤礦 (Guizhou Bangda Energy Development Company Limited Pan County Yunxiang Changxing Coal Mine*) (“Changxing Coal Mine Branch”), a branch of Guizhou Bangda, entered into the coal washing and processing service agreement (“Coal Washing and Processing Service Agreement”). Guizhou Bangda is owned as to 90% and 10% by Mr. Yu Bangping and Mr. Yu Bangcheng respectively. Mr. Yu Bangping is the Chairman and an executive Director. Also, each of Mr. Yu Bangping and Mr. Yu Bangcheng is indirectly interested in approximately 48.3% and 7.2% shareholding interest in Spring Snow Management Limited, a substantial shareholder of the Company. Hence, Mr. Yu Bangping and Mr. Yu Bangcheng are regarded as the Controlling Shareholders. As such, Guizhou Bangda, an entity controlled by Mr. Yu Bangping and Mr. Yu Bangcheng, is regarded as an associate of the connected person of the Company pursuant to Rule 14A.12(1)(c) of the Listing Rules. Accordingly, the transactions as contemplated under the Coal Washing and Processing Service Agreement constituted continuing connected transactions under Chapter 14A of the Listing Rules. Details are disclosed as CCT No. 1 in the table below pursuant to Rule 14A of the Listing Rules and set out in the announcement of the Company dated 26 May 2020.

On 16 December 2020, the Group entered into several continuing connected transactions with the connected persons of the Company, namely Guizhou Bangda, 貴州粵邦綜合能源有限責任公司 (Guizhou Yue Bang Integrated Energy Limited Liability Company*) (“Guizhou Yue Bang”) and 盤州市紅達綜合能源有限公司 (Panzhou Hongda Integrated Energy Co., Ltd.*) (“Panzhou Hongda”). Guizhou Bangda, as mentioned above, is an associate of the connected person of the Company pursuant to Rule 14A.12(1)(c) of the Listing Rules. Guizhou Yue Bang is owned as to 45% and 55% by Guizhou Bangda and an independent third party of the Company respectively and is therefore an associate of the connected person of the Company pursuant to Rule 14A.12(1)(c) of the Listing Rules. Panzhou Hongda is owned by Guizhou Bangda and an independent third party of the Company, as to 49% and 51%, respectively and is therefore also an associate of the connected person of the Company pursuant to Rule 14A.12(1)(c) of the Listing Rules. These continuing connected transactions are disclosed as CCT No. 2 to 6 in the table below pursuant to Rule 14A of the Listing Rules. Details of each of these continuing connected transactions are set out in the announcement and the supplemental announcement of the Company dated 16 December 2020 and 21 December 2020 respectively.

* For identification purpose only

持續關連交易

於2020年5月26日，貴州久泰邦達盤縣羊場鄉謝家河溝煤礦(「謝家河溝煤礦分公司」)(久泰邦達的分公司)與貴州邦達能源開發有限公司盤縣淤泥鄉昌興煤礦(「昌興煤礦分公司」)(貴州邦達的分公司)訂立了原煤委託洗選加工合同(「原煤委託洗選加工合同」)。貴州邦達由余邦平先生及余邦成先生分別擁有90%及10%權益。余邦平先生為主席兼執行董事。此外，余邦平先生及余邦成先生各自亦於Spring Snow Management Limited(本公司的主要股東)間接擁有約48.3%及7.2%的股權。因此，余邦平先生及余邦成先生被視為控股股東，故根據上市規則第14A.12(1)(c)條，貴州邦達(由余邦平先生及余邦成先生控制的實體)被視為本公司關連人士的聯繫人。因此，根據上市規則第十四A章，原煤委託洗選加工合同項下擬進行的交易構成持續關連交易，有關詳情根據上市規則第十四A章於下表披露為第1項持續關連交易，並載於本公司日期為2020年5月26日的公告。

於2020年12月16日，本集團與本公司若干關連人士(即貴州邦達、貴州粵邦綜合能源有限責任公司(「貴州粵邦」)及盤州市紅達綜合能源有限公司(「盤州紅達」))訂立數項持續關連交易。誠如上文所述，根據上市規則第14A.12(1)(c)條，貴州邦達為本公司的關連人士的聯繫人。貴州粵邦分別由貴州邦達及一名獨立於本公司的第三方人士分別擁有45%及55%權益，故根據上市規則第14A.12(1)(c)條為本公司關連人士的聯繫人。盤州紅達分別由貴州邦達及一名獨立於本公司的第三方人士分別擁有49%及51%權益，故根據上市規則第14A.12(1)(c)條為本公司關連人士的聯繫人。該等持續關連交易根據上市規則第十四A章於下表披露為第2至6項持續關連交易。有關各項持續關連交易之詳情分別載於本公司日期為2020年12月16日的公告及2020年12月21日的補充公告。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Continuing Connected Transactions (continued)

On 22 February 2022, Xiejiahegou Coal Mine Branch and Changxing Coal Mine Branch entered into the electricity supply agreement (the “**Electricity Supply Agreement**”). As mentioned above, Guizhou Bangda, an entity controlled by Mr. Yu Bangping and Mr. Yu Bangcheng, is regarded as an associate of the connected person of the Company under the Listing Rules. Accordingly, the transactions as contemplated under the Electricity Supply Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Details are disclosed as CCT No. 7 in the table below pursuant to Chapter 14A of the Listing Rules and set out in the announcement of the Company dated 22 February 2022.

持續關連交易(續)

於2022年2月22日，謝家河溝煤礦分公司及昌興煤礦分公司訂立電力供應協議(「**電力供應協議**」)。誠如上文所述，余邦平先生及余邦成先生控制的實體貴州邦達根據上市規則被視為本公司關連人士的聯繫人。因此，根據上市規則第十四A章，電力供應協議項下擬進行的交易構成本公司持續關連交易。根據上市規則第十四A章於下表披露為第7項持續關連交易及載於本公司日期為2022年2月22日的公告。

| CCT No. | Name, date and term of the agreements and service fee | Transaction party within the Group | Counterparty, nature and description of the transaction | Purpose of transaction | Consideration for 2022 |
|--------------|--|---|---|--|-----------------------------|
| 持續關連 交易序號 | 協議名稱、日期及期限以及服務費 | 本集團內的交易方 | 交易對手方、性質及說明 | 交易目的 | 2022年代價 RMB'000 人民幣千元 |
| 1 | Coal Washing and Processing Service Agreement signed on 26 May 2020 於2020年5月26日簽訂的原煤委託洗選加工合同 Term: From 1 June 2020 to 31 December 2022 期限：自2020年6月1日至2022年12月31日 Coal washing and processing services at cost of RMB26.5 per tonne (tax exclusive) 原煤洗選加工服務，價格為每噸人民幣26.5元(不含稅) | Xiejiahegou Coal Mine Branch 謝家河溝煤礦分公司 | Coal washing and processing services provided by Changxing Coal Mine Branch 由昌興煤礦分公司提供 原煤洗選加工服務 | Washing and processing raw coal extracted from Xiejiahegou Coal Mine 洗選加工開採自謝家河溝煤礦的原煤 | 1,552 |
| 2 | Operations Agreement signed on 16 December 2020 於2020年12月16日簽訂的營運協議 Term: From 1 January 2021 to 31 December 2023 期限：自2021年1月1日至2023年12月31日 Logistics Service at cost of RMB5 per tonne 以每噸人民幣5元的成本提供物流服務 | Jiutai Bangda 久泰邦達 | Logistics service provided by Guizhou Bangda 由貴州邦達提供物流服務 | For temporarily storage and loading of Jiutai Bangda's coal and coal side products on trains for onward transportation at Huajiazhuang Railway Logistics Centre 暫時儲存久泰邦達的煤炭及煤炭副產品並將其裝運火車，以供其後於花家莊鐵路物流中心進行轉運 | 3,515 |

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Continuing Connected Transactions (continued)

持續關連交易(續)

| CCT No. | Name, date and term of the agreements and service fee | Transaction party within the Group | Counterparty, nature and description of the transaction | Purpose of transaction | Consideration for 2022 |
|----------|--|---|--|---|-----------------------------|
| 持續關連交易序號 | 協議名稱、日期及期限以及服務費 | 本集團內的交易方 | 交易對手方、性質及說明 | 交易目的 | 2022年代價 RMB'000 人民幣千元 |
| 3 | Baogushan Gas Supply Agreement signed on 16 December 2020 於2020年12月16日簽訂的苞谷山瓦斯供應協議 Term: From 1 January 2021 to 31 December 2023 期限：自2021年1月1日至2023年12月31日 Sale of coalbed gas: RMB0.0688 per kWh electricity generated (tax inclusive) 銷售煤層氣：發電每千瓦時為人民幣0.0688元(含稅) | 貴州久泰邦達能源開發有限公司盤縣紅果鎮苞谷山煤礦 (Guizhou Jiutai Bangda Energy Development Co., Ltd. Panxian Hongguo Town Baogushan Coal Mine) ("Baogushan Coal Mine Branch"), a branch of Jiutai Bangda 貴州久泰邦達能源開發有限公司盤縣紅果鎮苞谷山煤礦(「苞谷山煤礦分公司」)(久泰邦達的分公司) | Coalbed gas supplied to Guizhou Yue Bang 向貴州粵邦供應煤層氣 | Supply of coalbed gas from Baogushan Coal Mine for generating other source of revenue 透過苞谷山煤礦煤層氣供應產生另一收益來源 | 3,345 |
| 4 | Hongguo Gas Supply Agreement signed on 16 December 2020 於2020年12月16日簽訂的紅果瓦斯供應協議 Term: From 1 January 2021 to 31 December 2023 期限：自2021年1月1日至2023年12月31日 Sale of coalbed gas: RMB0.18 per/m ³ (tax inclusive) 銷售煤層氣：每立方米人民幣0.18元(含稅) | 貴州久泰邦達能源開發有限公司盤縣紅果鎮紅果煤礦 (Guizhou Jiutai Bangda Energy Development Co., Ltd. Panxian Hongguo Town Hongguo Coal Mine) ("Hongguo Coal Mine Branch"), a branch of Jiutai Bangda 貴州久泰邦達能源開發有限公司盤縣紅果鎮紅果煤礦(「紅果煤礦分公司」)(久泰邦達的分公司) | Coalbed gas supplied to Panzhou Hongda 向盤州紅達供應煤層氣 | Supply of coalbed gas from Hongguo Coal Mine for generating other source of revenue 透過紅果煤礦煤層氣供應產生另一收益來源 | 1,475 |
| 5 | Baogushan Electricity Supply Agreement signed on 16 December 2020 於2020年12月16日簽訂的苞谷山電力供應協議 Term: From 1 January 2021 to 31 December 2023 期限：自2021年1月1日至2023年12月31日 Purchase of electricity: RMB0.5038 per kWh (tax inclusive) 購買電力：每千瓦時人民幣0.5038元(含稅) | Baogushan Coal Mine Branch 苞谷山煤礦分公司 | Electricity purchased from Guizhou Yue Bang 向貴州粵邦購買電力 | Purchase of electricity for use in Baogushan Coal Mine 購買電力以供苞谷山煤礦使用 | 4,216 |

* For identification purpose only

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Continuing Connected Transactions (continued)

持續關連交易(續)

| CCT No. | Name, date and term of the agreements and service fee | Transaction party within the Group | Counterparty, nature and description of the transaction | Purpose of transaction | Consideration for 2022 |
|--------------|--|---|--|--|-----------------------------|
| 持續關連 交易序號 | 協議名稱、日期及期限以及服務費 | 本集團內的交易方 | 交易對手方、性質及說明 | 交易目的 | 2022年代價 RMB'000 人民幣千元 |
| 6 | Hongguo Electricity Supply Agreement signed on 16 December 2020 於2020年12月16日簽訂的紅果電力供應協議 Term: From 1 January 2021 to 31 December 2023 期限：自2021年1月1日至2023年12月31日 Purchase of electricity: RMB0.5117 per kWh (tax inclusive) 購買電力：每千瓦時人民幣0.5117元(含稅) | Hongguo Coal Mine Branch 紅果煤礦分公司 | Electricity purchased from Panzhou Hongda 向盤州紅達購買電力 | Purchase of electricity for use in Hongguo Coal Mine 購買電力以供紅果煤礦使用 | 8,477 |
| 7 | Electricity Supply Agreement signed on 22 February 2022 於2022年2月22日簽訂的電力供應協議 Term: From 22 February 2022 to 31 December 2024 期限：自2022年2月22日至2024年12月31日 Sale of electricity: a fixed electrical capacity charge and a unit price calculated based on the electricity tariff plus RMB0.02 per kWh (tax inclusive) 銷售電力：固定容量電費及根據電價計算的單價加每千瓦時人民幣0.02元(含稅) | Xiejiahegou Coal Mine Branch 謝家河溝煤礦分公司 | Electricity supplied to Changxing Coal Mine Branch 向昌興煤礦分公司供應電力 | Sale of electricity for enhancing the Group's profitability and sharing of fixed electrical capacity charge 銷售電力以提高本集團的盈利能力及分佔的固定容量電費 | 11,000 |

All the above continuing connected transactions as referred to CCT No. 1 to 7 are exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, but are subject to the reporting, announcement and annual review requirements. None of the transaction amount of each of the above continuing connected transactions has exceeded its respective annual cap (on an aggregated basis where appropriate) for the year ended 31 December 2022.

根據上市規則第十四A章，上述稱為第1至7項持續關連交易的所有持續關連交易均豁免遵守通函及獨立股東批准規定，惟須遵守申報、公告及年度審閱規定。於截至2022年12月31日止年度，上述持續關連交易的各項持續關連交易的交易額概無超逾其各自的年度上限(按合併基準計算(如適用))。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)**Continuing Connected Transactions (continued)**

The independent non-executive Directors have reviewed the continuing connected transactions of the Company set out above and unanimously confirmed that these continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor of the Company has issued an unqualified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Related Party Transactions

Details of the significant related party transactions of the Group are set out in note 32 to the consolidated financial statements. The Company confirmed that in relation to the related party transactions for the year ended 31 December 2022, the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Please refer to the section headed "Continuing Connected Transactions" of this report for further details.

Environmental Policies and Performance

The Group recognises the importance of environmental affairs and considers business development and environment affairs are highly related. During the year ended 31 December 2022, the Group implemented certain environmental protection measures to save energy and reduce the consumption of resources. These policies were supported by the staff of the Group and were implemented effectively.

For more detailed information about the Group's environmental policies and performance for this financial year, please refer to the "Environmental, Social and Governance Report" on pages 77 to 101 of this annual report.

持續關連交易(續)

獨立非執行董事已審閱本公司載於上文的持續關連交易，並一致確認，該等持續關連交易乃(i)於本集團正常及一般業務過程中訂立；(ii)按正常或更佳商業條款訂立；及(iii)根據有關交易的協議條款進行，屬公平合理，且符合本公司股東的整體利益。

本公司核數師已受聘以根據香港會計師公會頒佈的香港核證聘用準則第3000號(修訂)「非審核或審閱過往財務資料的核證工作」並參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」對本集團的持續關連交易作出報告。根據上市規則第14A.56條，本公司核數師已就上述由本集團所披露的持續關連交易發出載有其調查結果及結論的無保留意見函件。本公司已向聯交所提供該核數師函件的副本。

關聯方交易

有關本集團重大關聯方交易的詳情載於綜合財務報表附註32。本公司確認其已就截至2022年12月31日止年度的關聯方交易遵守上市規則第十四A章規定的披露要求。

有關進一步詳情，請參閱本報告「持續關連交易」一節。

環境政策及表現

本集團明白環境事務極為重要，並認為業務發展與環境事務兩者相輔相成。截至2022年12月31日止年度，本集團已實施若干環保措施，以節約能源及減少資源消耗。此等政策獲本集團員工支持並已有效實行。

有關本集團於本財政年度的環境政策及表現的詳細資料，請參閱本年報第77至101頁「環境、社會及管治報告」。

REPORT OF THE DIRECTORS (Continued)
董事會報告(續)

Key Relationships with Stakeholders

The Group recognises that employees, customers, business associates and the local community are key stakeholders of the Group's success. The Group strives to achieve corporate sustainability through engaging employees, providing quality services to customers and collaborating with business associates (including suppliers and contractors) to deliver sustainable products and services and support the local community.

For more detailed information, please refer to the "Environmental, Social and Governance Report" on pages 77 to 101 of this annual report.

Compliance with Laws and Regulations

The Group is subject to various laws and regulations including the Companies Act (As Revised) of the Cayman Islands, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and Business Registration Ordinance (Chapter 310 of the Laws of Hong Kong), etc. The Group has put in place internal controls to ensure compliance of the same. In addition, as the Group engages business in the People's Republic of China, compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, the mining-related rules and regulations which have significant impact on the Group. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units in the Company and subsidiaries from time to time.

Relief of Taxation

The Company is not aware of any relief from taxation available to the shareholders of the Company by reason of their holding of the Shares.

Auditor

The financial statements for the year ended 31 December 2022 have been audited by Deloitte Touche Tohmatsu. A resolution to re-appoint Deloitte Touche Tohmatsu as the independent auditor of the Company will be proposed at the 2023 AGM.

By order of the Board
Yu Bangping
Chairman and Chief Executive Officer
Hong Kong, 21 March 2023

與持份者的重要關係

本集團深明僱員、客戶、業務聯繫人及當地社群為本集團成就的重要持份者。本集團透過聘請僱員、向客戶提供優質服務及與業務聯繫人(包括供應商及承包商)合作,致力實現企業的可持續性,提供可持續產品及服務,並支持當地社群。

有關更多詳情,請參閱本年報第77至101頁「環境、社會及管治報告」。

遵守法例及法規

本集團須遵守多項法例及法規,包括開曼群島公司法(經修訂)、公司條例(香港法例第622章)及商業登記條例(香港法例第310章)等。本集團已設有內部監控措施,以確保遵守有關法例及法規。此外,由於本集團於中華人民共和國經營業務,故已設有合規程序確保符合適用的法例、規則及法規,特別是與礦業相關且對本集團有重大影響的規則及法規。本公司及附屬公司的相關僱員及相關營運單位務須不時注意適用法例、規則及法規的任何變動。

稅務寬免

本公司並不知悉本公司股東可因持有股份而享有任何稅務寬免。

核數師

截至2022年12月31日止年度的財務報表已由德勤•關黃陳方會計師行審核。有關續聘德勤•關黃陳方會計師行為本公司獨立核數師的決議案將於2023年股東週年大會上提呈。

承董事會命
余邦平
主席兼行政總裁
香港, 2023年3月21日

CORPORATE GOVERNANCE REPORT 企業管治報告

Culture and Values

The Company is committed to creating value for our customers and contributing to the development of society through our products and services. Our corporate culture is built on the following core values:

1. **Professionalism:** We are focused on the coal industry and continuously strive to improve our knowledge and skills; to reinforce the required standards, the Company conducts periodic training for our employees.
2. **Integrity:** We uphold high standards of business ethics and corporate governance in all activities and operations and our employees are committed to maintaining integrity and acting ethically and responsibly, with explicit standards and norms laid out in training materials for all new staff and incorporated into various policies, such as the Group's employee handbook, anti-corruption policy and whistleblowing policy.
3. **Responsibility:** We see products and employee responsibility are the valuable assets. We take responsibility for our coal production and ensure it meets environmental and safety standards. We also prioritise the safety and health of employees in the workplace by providing necessary training and resources to ensure their well-being.
4. **Sustainability:** We recognize the importance of environmental protection and sustainable development. We always strive to minimize our negative impact on the environment and promote sustainable development in the economic and social aspects.

These core values will guide our actions and decisions, and help us achieve our mission: to become a trusted and sustainable coal company, creating value for our customers, employees, and communities.

文化與價值

本公司致力於透過我們的產品及服務為客戶創造價值，為社會發展作出貢獻。我們的企業文化建立於以下核心價值觀之上：

1. **專業：**我們專注於煤炭行業，不斷努力提高知識和技能；為加強所需標準，本公司定期為員工進行培訓。
2. **誠信：**我們於所有活動及運營中堅持高標準的商業道德及公司治理，我們的員工致力於維護誠信並以道德及負責任的方式行事，於所有新員工的培訓材料中制定明確的標準及規範，並納入各種政策，例如本集團的員工手冊、反貪污政策及舉報政策。
3. **責任：**我們認為產品及員工的責任為寶貴資產。我們對我們的煤炭生產負責，並確保其符合環境及安全標準。我們亦提供必要培訓及資源，優先考慮員工於工作場所的安全及健康以確保彼等的福祉。
4. **可持續性：**我們知悉環境保護及可持續發展的重要性。我們一直努力減少對環境的負面影響，促進經濟及社會的可持續發展。

該等核心價值觀將指導我們的行動及決策，並幫助我們實現使命：成為一家值得信賴及可持續發展的煤炭公司，為我們的客戶、員工和社區創造價值。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

Corporate Governance Code

The Company recognises the importance of corporate transparency and accountability. It is the belief of the Board that the shareholders of the Company can maximise their benefits from good corporate governance. It is also with these objectives in mind that the Group has applied the principles of good corporate governance as set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules.

In the opinion of the Directors, the Company has complied with all code provisions of the CG Code during the year ended 31 December 2022, except for certain deviations disclosed herein.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirms that the Directors have complied with the required standard set out in the Model Code during the year ended 31 December 2022.

The Board of Directors

The Board is responsible for ensuring continuity of leadership, development of sound business strategies, availability of adequate capital and managerial resources to implement the adopted business strategies, adequacy of systems of financial and internal controls and conduct of business in conformity with applicable laws and regulations. All Directors have made full and active contribution to the affairs of the Board and the Board has always acted in the best interests of the Group.

The executive Directors and the senior management are delegated with respective levels of authorities with regard to key corporate strategies and policy and contractual commitments. Senior management is responsible for the day-to-day operations of the Group with divisional heads responsible for different aspects of the Group’s business.

企業管治守則

本公司深明企業透明度及問責的重要性。董事會相信，良好的企業管治可令本公司股東實現利益最大化。考慮到該等目標，本集團已應用上市規則附錄十四所載企業管治守則(「企業管治守則」)所載的良好企業管治原則。

董事認為，截至2022年12月31日止年度，本公司已遵守企業管治守則的所有守則條文，惟在此披露的若干偏離除外。

遵守進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)作為其自身有關董事進行證券交易的守則。經對所有董事作出具體查詢後，本公司確認董事於截至2022年12月31日止年度已遵守載於標準守則中的所需規定。

董事會

董事會負責確保領導的延續性、發展健全的業務策略、具備充裕資金及管理資源以落實已採納的業務策略、財務及內部監控系統的完備性，且業務運作符合適用法律及法規。全體董事已全力積極投入董事會事務，董事會一直以本集團的最佳利益行事。

執行董事及高級管理層就重要的公司策略、政策及合約承諾獲授相關職權。高級管理層負責本集團日常營運，而各部門主管負責本集團的不同業務範疇。



Chairman and Chief Executive Officer

During the year ended 31 December 2022, the roles of the Chairman of the Board and the Chief Executive Officer were performed by Mr. Yu Bangping. Mr. Yu is responsible for the overall management and strategic planning and business development of the Group as well as day-to-day business management.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the year under review, the roles of the Chairman and the Chief Executive Officer have been held by Mr. Yu Bangping. Mr. Yu Bangping is the founder of the Group and possesses substantial and valuable experience in the coal mining industry that is relevant and significant to the Group's operation, and therefore the Board believes that vesting the roles of the Chairman of the Board and the Chief Executive Officer in Mr. Yu Bangping will provide the Company with strong and consistent leadership and promote effective and efficient formulation and implementation of business decisions and strategies. The Board considers that such structure is in the best interests of the Company and its shareholders at this stage.

The Board however will keep reviewing the current structure of the Group's management from time to time and should candidate with suitable knowledge, skill and experience be identified, the Company will make such nomination as appropriate to ensure that the roles of the Chairman and the Chief Executive Officer are performed by two separate individuals.

Board Composition

The Board currently comprises seven executive Directors, namely Mr. Yu Bangping, Mr. Sun Dawei, Mr. Wang Shize, Mr. Li Xuezhong, Mr. Lau Kai Ming, Mr. Yu Zhilong and Mr. Yu Xiao and four independent non-executive Directors, namely Mr. Fong Wai Ho, Mr. Punnya Niraan De Silva, Ms. Cheung Suet Ting, Samantha and Mr. Wang Xiufeng. Mr. Yu Bangping (the Chairman and the Chief Executive Officer of the Company), Mr. Sun Dawei and Mr. Wang Shize are interested in the Company's shares through their interests in Spring Snow Management Limited, the immediate holding company of the Company. Mr. Yu Bangping is the father of Mr. Yu Zhilong. Save as disclosed aforesaid, the Directors have no other financial, business, family or other material/relevant relationships with one another.

主席及行政總裁

於截至2022年12月31日止年度，董事會主席及行政總裁的職位均由余邦平先生擔任。余先生負責本集團的整體管理及策略規劃與業務發展，以及日常業務管理。

根據企業管治守則的守則條文條C.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。於回顧年度，主席與行政總裁的角色由余邦平先生一人擔任。余邦平先生為本集團的創始人，並於與本集團業務相關且至關重要的採煤行業擁有大量寶貴經驗，因此，董事會認為，余邦平先生同時兼任董事會主席與行政總裁將為本公司提供強大且貫徹一致的領導，使本公司更有效及高效地制定及執行業務決策及策略。董事會認為，該架構符合本公司及其股東現階段的最佳利益。

然而，董事會將持續及不時檢討本集團管理層的現時架構，並應物色擁有合適知識、技能及經驗的候選人。本公司將適時作出提名以確保由兩名不同人士擔任主席與行政總裁的角色。

董事會組成

董事會現時由七名執行董事(即余邦平先生、孫大煒先生、王世澤先生、李學忠先生、劉啟銘先生、余支龍先生及余瀟先生)及四名獨立非執行董事(即方偉豪先生、Punnya Niraan De Silva先生、張雪婷女士及王秀峰先生)組成。余邦平先生(本公司主席兼行政總裁)、孫大煒先生及王世澤先生，透過彼等於Spring Snow Management Limited(本公司的直接控股公司，余邦平先生為余支龍先生的父親)的權益而於本公司股份中擁有權益。除上述所披露者外，概無董事與其他董事之間存在有關其他財務、業務、家庭或其他重大／相關的關係。

CORPORATE GOVERNANCE REPORT (Continued)

企業管治報告(續)

Board Composition (continued)

During the year ended 31 December 2022, the number of independent non-executive Directors represents more than one-third of the Board. As such, there exists a strong independent element in the Board which can effectively exercise independent judgement. The Company has complied with the requirements under Rules 3.10 and 3.10A of the Listing Rules.

Biographical details of the Directors are set out on pages 11 to 16 of this annual report.

Independence of Independent Non-executive Directors

The Company has received annual confirmation of independence from each independent non-executive Directors pursuant to the requirements of the Listing Rules. The Company has assessed their independence and concluded that all independent non-executive Directors are independent in accordance with the relevant guidelines set out in Rule 3.13 of the Listing Rules.

Board Independence

The Board has established mechanisms ensuring independent views available to the Board and such mechanisms are reviewed annually by the Board. The Board considered that the following key features or mechanisms under the Company's Board and governance structure are effective in ensuring that independent views and input are provided to the Board.

Composition of the Board and Board Committees

董事會及董事會委員會的組成

- The Board endeavours to ensure the appointment of at least three independent non-executive directors (“INED(s)”) and at least one-third of its members being INEDs (or such higher threshold as may be required by the Listing Rules from time to time).
- Apart from complying with the requirements prescribed by the Listing Rules as to the composition of certain Board committees, INEDs will be appointed to other Board committees as far as practicable to ensure independent views are available.
- 董事會努力確保委任至少三名獨立非執行董事(「獨立非執行董事」)及其至少三分之一的成員為獨立非執行董事(或上市規則不時規定的更高門檻)。
- 除遵守上市規則對若干董事委員會的組成規定外，獨立非執行董事將於切實可行的情況下獲委任至其他董事委員會，以確保獲得獨立意見。

董事會組成(續)

於截至2022年12月31日止年度，獨立非執行董事的人數超過董事會的三分之一。因此，董事會具備強大的獨立元素，足以有效地作出獨立判斷。本公司已遵守上市規則第3.10條及第3.10A條項下的規定。

有關董事的履歷詳情載於本年報的第11至16頁。

獨立非執行董事的獨立性

根據上市規則的規定，本公司已收到各獨立非執行董事的年度獨立性確認書。根據上市規則第3.13條所載的有關指引，本公司已評估彼等的獨立性，並認為所有獨立非執行董事均屬獨立。

董事會獨立性

董事會已建立機制確保董事會獲得獨立意見，並且董事會每年對有關機制進行審查。董事會認為，本公司董事會及管治架構下的以下主要特徵或機制可有效確保向董事會提供獨立意見及投入。



Board Independence (continued)

董事會獨立性(續)

Independence Assessment

- The Nomination Committee must strictly adhere to the Nomination Policy and the independence assessment criteria as set out in the Listing Rules with regard to the nomination and appointment of INEDs.
- Each INED is also required to inform the Company as soon as practicable if there is any change in his/her own personal particulars that may materially affect his/her independence.
- The Nomination Committee is mandated to assess annually the independence of all INEDs by reference to the independence criteria as set out in the Listing Rules to ensure that they can continually exercise independent judgement.

獨立評估

- 提名委員會須嚴格遵守上市規則所載有關獨立非執行董事提名及委任的提名政策及獨立性評估標準。
- 倘其個人資料有任何可能對其獨立性產生重大影響的變動，則各獨立非執行董事亦須在切實可行範圍內盡快通知本公司。
- 提名委員會獲授權每年參考上市規則所載的獨立性準則評估所有獨立非執行董事的獨立性，以確保他們能夠持續作出獨立判斷。

Compensation

- No equity-based remuneration (e.g. share options or grants) with performance-related elements will be granted to INEDs as this may lead to bias in their decision-making and compromise their objectivity and independence.

補償

- 不會向獨立非執行董事授予具有表現相關要素的基於股權的薪酬(例如購股權或贈款)，因為可能導致彼等的決策出現偏見並損害彼等的客觀性及獨立性。



CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)

Board Independence (continued)

董事會獨立性(續)

Board Decision Making

- INEDs (as other Directors) are entitled to seek further information and documentation from the management on the matters to be discussed at Board meetings. They can also seek assistance from the Company's company secretary and, where necessary, independent advice from external professional advisers at the Company's expense.

董事會決策

- INEDs (as other Directors) shall not vote or be counted in the quorum on any Board resolution approving any contract or arrangement in which such Director or any of his/her close associates has a material interest.
- The Chairman shall at least annually hold meetings with the INEDs without the presence of other Directors to discuss major issues and any concerns.
- 獨立非執行董事(作為其他董事)有權就董事會會議上討論的事項向管理層索取更多資料及文件。彼等亦可尋求本公司之公司秘書幫助，並於必要時尋求外部專業顧問的獨立建議，費用由本公司承擔。
- 獨立非執行董事(作為其他董事)不得就批准該董事或其任何緊密聯繫人擁有重大利益的任何合約或安排的任何董事會決議投票或計入法定人數。
- 主席應至少每年在其他董事不在場的情況下與獨立非執行董事舉行會議，討論重大問題及任何疑慮。

Review of mechanisms implementation

- The Board shall, or may designate a Board committee to, make an annual review of the implementation and effectiveness of these mechanisms.

檢討機制執行情況

- 董事會應或可指定董事會委員會對該等機制的實施及有效性進行年度審查。

Directors' Continuous Professional Development

The Company provides regular updates on the business performance of the Group to the Directors. The Directors are continually updated by the management of the Company on the latest development regarding the Listing Rules and other applicable statutory requirements to ensure compliance and upkeeping of good corporate governance practices.

The Directors are encouraged to participate in continuous professional development courses and seminars to develop and refresh their knowledge and skills. During the year ended 31 December 2022, the Directors participated in continuous professional development by way of attending trainings and/or seminars organised by professional organisations and director training webcasts organised by the Stock Exchange and also reading materials updating new practices, rules and regulations to keep themselves updated on the roles, functions and duties of a listed company director.

董事的持續專業發展

本公司管理層不時向董事提供本集團業務表現的最新情況。董事就有關上市規則及其他適用法定規定的最新發展持續獲得最新資料，以確保遵守及保持良好的企業管治常規。

本公司鼓勵董事參加有關持續專業發展的課程及研討會，以發展及更新彼等的知識及技能。於截至2022年12月31日止年度，董事透過參加專業組織所舉辦的培訓及／或研討會、聯交所組織的網上直播董事培訓以及有關最新常規、規則及法規的閱讀材料，參與持續專業發展，使彼等掌握其作為上市公司董事的最新角色、職能及職責。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Directors' Continuing Professional Development**
(continued)

According to the records provided by the Directors, a summary of trainings received by the Directors for the year ended 31 December 2022 is as follows:

董事的持續專業發展(續)

根據董事所提供的記錄，截至2022年12月31日止年度，董事所接受的培訓概要如下：

| Name of Directors | 董事姓名 | Trainings/Seminars/ Reading materials 培訓／研討會／ 閱讀材料 |
|--|-------------------------|---|
| <i>Executive Directors</i> | | |
| Mr. Yu Bangping (Chairman and Chief Executive Officer) | 余邦平先生(主席兼行政總裁) | ✓ |
| Mr. Sun Dawei | 孫大煒先生 | ✓ |
| Mr. Wang Shize | 王世澤先生 | ✓ |
| Mr. Li Xuezhong | 李學忠先生 | ✓ |
| Mr. Lau Kai Ming (appointed on 1 June 2022) | 劉啟銘先生(於2022年6月1日獲委任) | ✓ |
| Mr. Yu Zhilong | 余支龍先生 | ✓ |
| Mr. Yu Xiao | 余瀟先生 | ✓ |
| Mr. Lam Chik Shun, Marcus (resigned on 1 June 2022) | 林植信先生(於2022年6月1日辭任) | ✓ |
| <i>Independent non-executive Directors</i> | | |
| Mr. Fong Wai Ho | 方偉豪先生 | ✓ |
| Mr. Punnya Niraa De Silva | Punnya Niraa De Silva先生 | ✓ |
| Ms. Cheung Suet Ting, Samantha | 張雪婷女士 | ✓ |
| Mr. Wang Xiufeng | 王秀峰先生 | ✓ |

Appointment, Re-election and Removal of Directors

Each of the executive Directors has entered into an executive director service agreement with the Company for a term of three years until terminated by either party by giving to the other not less than one month's notice. Each of the independent non-executive Directors was appointed to the Board pursuant to his/her respective letter of appointment for a term of three years until terminated by either party by giving to the other not less than three months' notice. The procedures and process of appointment, re-election and removal of the Directors are governed by the Articles. Each of the Directors is subject to re-election at the annual general meeting (the "AGM") of the Company upon retirement by rotation.

董事的委任、連任及免職

各執行董事已與本公司訂立執行董事服務協議，為期三年，直至任何一方向另一方發出不少於一個月通知。各獨立非執行董事已根據彼等各自的函件獲委任為董事會成員，為期三年，直至任何一方向另一方發出不少於三個月通知。董事的委任、連任及免職程序及過程均須遵守細則。各名董事可於輪值告退後於本公司股東週年大會(「股東週年大會」)膺選連任。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Appointment, Re-election and Removal of Directors**
(continued)

The Articles provide that any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.

In accordance with Article 16.19 of the Articles, at every AGM of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any newly appointed Director shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director shall retain office until the close of the general meeting at which he/she retires and shall be eligible for re-election. The Company at any AGM at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

Board Process

The Board meets regularly to discuss and formulate the overall strategy as well as the operation and financial performance of the Group. Directors may participate in meetings either in person or through electronic means of communications. At least fourteen days' notice of a regular Board meeting is normally given to all Directors who are provided with an opportunity to include matters for discussion in the agenda. According to the current Board practice, if a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by the Board at a duly convened Board meeting rather than by a written resolution. The Articles also stipulate that save for the exceptions as provided therein, a Director shall abstain from voting and not be counted in the quorum at meetings for approving any transaction, contract or arrangement in which such Director or any of his/her associates (as defined in the Listing Rules) has a material interest.

In addition to Board meetings, the Chairman of the Board met with the independent non-executive Directors once without the presence of other executive Directors in 2022.

During the year ended 31 December 2022, six Board meetings were held and attendance of each Director at the Board meetings is set out in the section headed "Attendance Record of Meetings" of this report.

董事的委任、連任及免職(續)

細則規定，董事會為填補臨時空缺或增補董事而委任的任何董事，任期將於本公司下屆股東大會舉行時屆滿，屆時可於會上重選連任。

根據細則第16.19條，於本公司每屆股東週年大會上，三分之一的在任董事(或倘董事人數並非三或三的倍數，則按最接近但不少於三分之一的人數)須輪流退任，惟每名董事(包括按特定任期獲委任的董事)均須最少每三年輪值告退一次。決定將輪席告退的董事時，任何新任董事將不會計算在內。任滿告退董事的任期將直至其退任並合資格膺選連任的股東大會結束時為止。本公司於有任何董事任滿告退的任何股東週年大會上，可再重選類似數目的人士出任董事以填補空缺。

董事會流程

董事會定期開會討論及制定本集團的整體策略、營運表現及財務表現。董事可親身或以電子通訊方式出席會議。召開定期董事會會議一般會給予全體董事至少十四天的通知，以便有機會將討論事項納入會議議程內。根據現時董事會常規，倘一名董事於將由董事會審議且已被董事會釐定為重大的事項中存在利益衝突，該事項將由董事會於妥為召開的董事會會議處理，而非書面決議案。細則亦規定，除在此提供的例外情況外，董事須放棄表決，且不得計入批准任何該董事或其任何聯繫人(定義見上市規則)擁有重大權益的交易、合同或安排的董事會會議法定人數。

除董事會會議外，董事會主席於2022年曾在其他執行董事避席的情況下與獨立董事召開會議。

於截至2022年12月31日止年度，已舉行六次董事會會議，各董事於董事會會議的出席情況載於本報告「董事會會議出席情況」一節。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Board Process (continued)**

Board and committee minutes are recorded in appropriate detail and draft minutes are circulated to all Directors and committee members for comments before being approved.

Board Committees

The Board has established the Audit Committee, the Nomination Committee and the Remuneration Committee (collectively, the “**Board Committees**”) on 15 November 2018. All the Board Committees perform their distinct roles and functions in accordance with their respective terms of reference which are available on the websites of the Company and the Stock Exchange. The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expenses.

Audit Committee

The Audit Committee comprises three members, all being independent non-executive Directors, namely Mr. Fong Wai Ho, Mr. Punnya Niraan De Silva and Ms. Cheung Suet Ting, Samantha. Mr. Fong Wai Ho is the Chairman of the Audit Committee.

The primary responsibilities of the Audit Committee include, among others, (i) monitoring the integrity of the Group’s financial statements including but not limited to the Group’s interim and annual results; (ii) overseeing the relationship between the Company and its external auditor; (iii) reviewing the financial reporting system and risk management and internal control systems of the Group; and (iv) performing the corporate governance functions set out in code provision A.2.1 of the CG Code.

All members of the Audit Committee possess in-depth experience in their own profession. At least one of the committee members possesses appropriate professional qualifications in finance and accounting and meets the requirements of Rule 3.21 of the Listing Rules.

董事會流程(續)

董事會及委員會的會議記錄妥善記錄詳情，會議記錄初稿將於批准前向全體董事及委員會成員傳閱以發表意見。

董事委員會

董事會已於2018年11月15日成立審核委員會、提名委員會及薪酬委員會(統稱「**董事委員會**」)。所有董事委員會按照於本公司及聯交所網站的相應職權範圍履行不同角色及職能。董事委員會獲提供充足資源以履行彼等的職責並於有合理要求時能夠於適當情況下尋求獨立專業意見，有關費用由本公司承擔。

審核委員會

審核委員會由三名成員組成，均為獨立非執行董事，即方偉豪先生、Punnya Niraan De Silva先生及張雪婷女士。方偉豪先生為審核委員會主席。

審核委員會的主要職責包括(其中包括)：(i)監察本集團的財務資料(包括但不限於本集團的中期及年度業績)的完整程度；(ii)監督本公司與其外聘核數師之間的關係；(iii)檢討本集團的財務報告系統以及風險管理及內部監控系統；及(iv)履行企業管治守則第A.2.1條所載企業管治職能。

所有審核委員會成員於本身的專業領域擁有深入經驗。至少一名委員會成員具備合適的財務及會計專業資格並符合上市規則第3.21條的規定。



CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Board Committees (continued)****Audit Committee (continued)**

During the year ended 31 December 2022, there was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor. The Audit Committee is mandated to monitor the independence of the external auditor to ensure true objectivity in the financial statements.

During the year ended 31 December 2022, the Audit Committee held two meetings and performed the following duties:

- (a) reviewed, with the management and the external auditor of the Company, the 2021 annual results and the 2022 interim results of the Group before their submission to the Board;
- (b) monitored the integrity of such financial statements and the accounting principles and policies adopted by the Group;
- (c) oversaw matters concerning the external auditor including making recommendations to the Board regarding the re-appointment of the external auditor and approving their fees; and
- (d) reviewed the effectiveness of financial controls, risk management and internal control systems of the Company as well as the independence of the external auditor.
- (e) reviewed and was satisfied with the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting, internal audit and financial reporting functions.

The attendance of each member of the Audit Committee is set out in the section headed "Attendance Record of Meetings" of this report.

Nomination Committee

The Nomination Committee comprises one executive Director, namely Mr. Yu Bangping, and two independent non-executive Directors, namely Mr. Fong Wai Ho and Ms. Cheung Suet Ting, Samantha. Mr. Yu Bangping is the Chairman of the Nomination Committee.

董事委員會(續)**審核委員會(續)**

於截至2022年12月31日止年度，董事會與審核委員會之間就推選及委任外聘核數師方面並無異議。審核委員會受託監管外聘核數師的獨立性以確保財務報表的真實客觀性。

於截至2022年12月31日止年度，審核委員會已舉行兩次會議並履行以下職責：

- (a) 與本公司管理層及外聘核數師共同審閱本集團2021年度業績及2022年中期業績後方提交予董事會；
- (b) 監察有關財務報告的完整性及本集團所採納的會計準則及政策；
- (c) 監察有關外聘核數師的事項，包括就續聘外聘核數師向董事會作出推薦建議及批准核數師費用；及
- (d) 審閱本公司財務監控、風險管理及內部控制系統的有效性以及外聘核數師的獨立性。
- (e) 審閱並滿意本公司會計、內部審計及財務報告的資源充足性、員工資格及經驗、培訓計劃及預算。

審核委員會各成員出席會議的情況載於本報告「董事會會議出席情況」一節。

提名委員會

提名委員會由一名執行董事(即余邦平先生)及兩名獨立非執行董事(即方偉豪先生及張雪婷女士)組成。余邦平先生為提名委員會主席。

Board Committees (continued)

Nomination Committee (continued)

The primary responsibilities of the Nomination Committee include reviewing the structure, size and composition (including without limitation, gender, age, cultural and educational background, professional experience, talents, skills, knowledge, length of service, experience and other qualities of Directors) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy and assessing the independence of the independent non-executive Directors.

The Board has adopted a board diversity policy (the "Board Diversity Policy") with the aim of enhancing the Board's quality of performance as well as achieving the Company's sustainable and balanced development. Board diversity has been considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, and length of service. All Directors' appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The current Board consists of a diverse mix of Board members with appropriate skills and experience to lead and oversee the business of the Company. Depending on the needs of the Group's growing business and the availability of competent candidates to fulfill those needs, suitably qualified individuals will be considered in the future for membership.

During 2022, the Board comprised one female Director (Independent Non-executive Director) and ten male Directors (comprising seven Executive Directors and three Independent Non-executive Directors), representing one over eleven of the Board's composition. The Board targets to maintain at least the current level of female representation, with no immediate numerical targets as to the female director on the Board. We believe that setting numerical targets and timelines for achieving gender diversity on our board is valuable enterprise goal; however such setting is not currently feasible as the coal mining industry have encountered challenges in attracting and developing females talent. The Company is committed to promoting gender diversity and inclusivity within our organization in the long run. The Board will continue to explore opportunities to increase the proportion of female board members over time as and when suitable candidates are identified.

董事委員會(續)

提名委員會(續)

提名委員會的主要職責包括檢討董事會的架構、規模及組成(包括但不限於性別、年齡、文化及教育背景、專業技能、才能、技能、知識、服務期限、經驗及其他董事特質)、就董事會完善本公司企業策略的任何建議變動提出建議以及評估獨立非執行董事的獨立性。

董事會已採納董事會多元化政策(「**董事會多元化政策**」)，旨在提升董事會履行職責的質量以及實現本公司可持續均衡發展。本公司已從多個角度考慮董事會多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。目前的董事會由廣泛且不同的董事會成員構成，彼等具有領導及監督本公司業務的適當技能及經驗。視乎本集團不斷增長的業務需要以及是否有滿足該等需要的勝任人選，董事會將於未來考慮讓合適的合資格人士加入董事會。

於2022年，董事會包括一名女性董事(獨立非執行董事)及十名男性董事(包括七名執行董事及三名獨立非執行董事)，女性董事佔董事會成員總數十一分之一。董事會的目標為至少保持目前的女性代表水平，並無關於董事會女性董事人數的直接數字目標。我們認為，為實現董事會性別多元化設定數字目標及時間表為一家有價值企業的目標；然而，該等設定目前尚不可行，因為煤炭行業於吸引及培養女性人才方面遇到困難。長遠而言，本公司致力於在我們的組織內促進性別多元化及包容性。董事會將繼續探索機會，在適當的時候，隨著合適的候選人被確定，逐步增加女性董事會成員的比例。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)

Board Committees (continued)

Nomination Committee (continued)

As at 31 December 2022, the Group's global workforce (including senior management) is more than 12% female. Accordingly, the Company considers that gender diversity is also achieved in its workforce generally. The table below summarizes the share of women at different position levels across the Group as at 31 December 2022.

| Level | Senior | | | |
|--------|----------|------------|---------|----------|
| Gender | Director | Management | Manager | Employee |
| 性別 | 董事 | 高級管理層 | 經理 | 員工 |
| Male | 10 | 5 | 24 | 3,141 |
| Female | 1 | – | 2 | 436 |
| 男性 | | | | |
| 女性 | | | | |

Note: The above data is calculated based on the number of total employees of the Group as of 31 December 2022.

The Board has also adopted a nomination policy (the “Nomination Policy”) to formally set out the criteria, process and procedures for the Nomination Committee to recommend suitable candidates for directorship. According to the Nomination Policy, the ultimate responsibility for selection and appointment of Directors rests with the entire Board or the shareholders in general meetings, as the case may be. The Board has delegated the relevant screening and evaluation process to the Nomination Committee, which identifies suitably qualified Director candidates and recommends them to the Board. In assessing the suitability of a proposed candidate, the Nomination Committee takes into consideration the expected contribution of the candidate that would bring to the Board to ensure the Board has balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business, his/her commitment and devoting sufficient time and attention to the Company's affairs, fulfilment of the independence requirements as set out in the Listing Rules (for independent non-executive Directors) and diversity on the Board. After reaching its decision, the Nomination Committee nominates relevant Director candidates to the Board for approval of appointment and for consideration and recommendation in respect of the re-election of the retiring Directors. The Board will make recommendation to shareholders in respect of the proposed re-election of Directors at general meetings of the Company.

董事委員會(續)

提名委員會(續)

於2022年12月31日，本集團全球員工數目(包括高級管理人員)超過12%為女性。因此，本公司認為其員工普遍亦實現性別多元化。下表總結於2022年12月31日，本集團內不同職位級別的女性比例。

附註：上述數據乃按本集團截至2022年12月31日的員工總數計算。

董事會亦已採納一項提名政策(「提名政策」)，以正式載列提名委員會推薦合適董事候選人的標準、過程及程序。根據提名政策，甄選和委任董事的最終責任在於整個董事會或股東大會的股東(視情況而定)。董事會已將相關篩選及評估過程授權予提名委員會，其將物色適當合資格董事候選人並向董事會推薦。於評估建議候選人是否合適時，提名委員會考慮候選人對董事會的預期貢獻，以確保董事會在技能、經驗及角度多元化方面達到平衡以滿足本公司業務要求；確保彼承諾投放充足的時間及精力處理本公司事務；確保符合上市規則所載的獨立性要求(適用於獨立非執行董事)，以及確保董事會多元化。在達致其決定後，提名委員會向董事會提名有關董事候選人以供批准該委任，並考慮及推薦重選任滿告退的董事。董事會將於本公司股東大會上就建議董事連任向股東提出建議。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Board Committees (continued)****Nomination Committee (continued)**

During the year ended 31 December 2022, the Nomination Committee held three meetings and performed the following duties:

- (a) reviewed the structure, size, composition of the Board and the Board Diversity Policy, to ensure that the Board's composition complies with the Listing Rules and reflects an appropriate mix of skills, experience, and diversity that are relevant to Company's strategy, governance, and business and contribute to the Board's effectiveness and efficiency. The Nomination Committee is satisfied with the implementation and effectiveness of the Board Diversity Policy;
- (b) made recommendations to the Board on the appointment of new Director and the re-election of the retiring Directors;
- (c) assessed the independence of independent non-executive Directors; and
- (d) reviewed and made recommendations to the Board on renewal of the executive Directors' service agreements and the independent non-executive Directors' appointment period.

The attendance of each member of the Nomination Committee is set out in the section headed "Attendance Record of Meetings" of this report.

Remuneration Committee

The Remuneration Committee comprises one executive Director, namely Mr. Lau Kai Ming and two independent non-executive Directors, namely Mr. Fong Wai Ho and Mr. Punnya Niraan De Silva. Mr. Fong Wai Ho is the Chairman of the Remuneration Committee.

董事委員會(續)**提名委員會(續)**

於截至2022年12月31日止年度內，提名委員會舉行三次會議並履行以下職責：

- (a) 檢討董事會架構、規模、組成及董事會多元化政策，以確保董事會的組成符合上市規則，並反映與本公司戰略、管治及業務相關的技能、經驗及多元化的適當組合，並有助於董事會的有效性及效率。提名委員會對董事會多元化政策的實施及有效性感到滿意；
- (b) 就新董事委任及退任董事連任向董事會提出建議；
- (c) 評估獨立非執行董事的獨立性；及
- (d) 就重續執行董事服務協議及獨立非執行董事的委任期作檢討並向董事會提出建議。

提名委員會各成員出席會議的情況載於本報告「董事會會議出席情況」一節。

薪酬委員會

薪酬委員會由一名執行董事(即劉啟銘先生)及兩名獨立非執行董事(即方偉豪先生及Punnya Niraan De Silva先生)組成。方偉豪先生為薪酬委員會主席。



CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Board Committees (continued)****Remuneration Committee (continued)**

The primary responsibilities of the Remuneration Committee include, among others, (i) making recommendations to the Board on the policy and structure for all remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (iii) making recommendations to the Board on the remuneration packages of executive Directors and members of senior management.

During the year ended 31 December 2022, the Remuneration Committee held three meetings and performed the following duties:

- (a) reviewed the remuneration of Directors and senior management of the Group and recommended the Board to approve their remuneration; and
- (b) reviewed and made recommendations to the Board on the proposed remuneration package of the new Director appointed during the year.

The attendance of each member of the Remuneration Committee is set out in the section headed "Attendance Record of Meetings" of this report.

Remuneration of the Members of the Senior Management by Band

Pursuant to code provision E.1.5 of the CG Code, details of the annual remuneration of the senior management by band for the year ended 31 December 2022 are as follows:

| Remuneration band | 薪酬範圍 | Number of individuals 人數 |
|----------------------|---------------|-----------------------------|
| Nil to HK\$1,000,000 | 零至1,000,000港元 | 7 |

Details of the remuneration of each Director for the year ended 31 December 2022 are set out in note 6 to the consolidated financial statements.

董事委員會(續)**薪酬委員會(續)**

薪酬委員會的主要職責包括(其中包括): (i)就董事及高級管理層所有薪酬的政策及架構以及就該等薪酬制定政策建立正式及具透明度的程序向董事會提出推薦建議; (ii)參照董事會的公司目標及宗旨, 審閱及批准管理層的薪酬方案; 及(iii)就執行董事及高級管理層成員的薪酬待遇向董事會提出推薦建議。

於截至2022年12月31日止年度內, 薪酬委員會舉行三次會議並履行以下職責:

- (a) 檢討董事及本集團高級管理層的薪酬並建議董事會批准彼等薪酬; 及
- (b) 就年內新委任董事的擬定薪酬方案作檢討並向董事會提出建議。

薪酬委員會各成員出席會議的情況載於本報告「董事會會議出席情況」一節。

按範圍劃分的高級管理層薪酬

根據企業管治守則的守則條文第E.1.5條, 截至2022年12月31日止年度按範圍劃分的高級管理層的年度薪酬詳情如下:

| Remuneration band | 薪酬範圍 | Number of individuals 人數 |
|----------------------|---------------|-----------------------------|
| Nil to HK\$1,000,000 | 零至1,000,000港元 | 7 |

截至2022年12月31日止年度各董事薪酬詳情載於綜合財務報表附註6。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)

Attendance Record of Meetings

Set out below are the individual attendance records of each Director at the Board meetings, Board Committees meetings and annual general meeting of the Company held during the year ended 31 December 2022:

董事會會議出席情況

以下載列各董事出席本公司於截至2022年12月31日止年度舉行的董事會會議、委員會會議及股東週年大會的出席記錄：

| Name of Directors | 董事姓名 | Attended/Eligible to attend | | | | Annual General Meeting |
|---|---------------------------|-----------------------------|-------------------------|------------------------------|--------------------------------|------------------------|
| | | Board Meeting | Audit Committee Meeting | Nomination Committee Meeting | Remuneration Committee Meeting | |
| | | 董事會會議 | 審核委員會會議 | 提名委員會會議 | 薪酬委員會會議 | 股東週年大會 |
| <i>Executive Directors</i> | | <i>執行董事</i> | | | | |
| Mr. Yu Bangping | 余邦平先生 | | | | | |
| (Chairman and Chief Executive Officer) | (主席兼行政總裁) | 6/6 | N/A不適用 | 3/3 | N/A不適用 | 1/1* |
| Mr. Sun Dawei | 孫大煒先生 | 6/6 | N/A不適用 | N/A不適用 | N/A不適用 | 1/1* |
| Mr. Wang Shize | 王世澤先生 | 6/6 | N/A不適用 | N/A不適用 | N/A不適用 | 1/1* |
| Mr. Li Xuezhong | 李學忠先生 | 6/6 | N/A不適用 | N/A不適用 | N/A不適用 | 1/1* |
| Mr. Lau Kai Ming (appointed on 1 June 2022) | 劉啟銘先生(於2022年6月1日獲委任) | 2/2 | N/A不適用 | N/A不適用 | 1/1 | N/A不適用 |
| Mr. Yu Zhilong | 余瀟先生 | 6/6 | N/A不適用 | N/A不適用 | N/A不適用 | 1/1* |
| Mr. Yu Xiao | 余支龍先生 | 6/6 | N/A不適用 | N/A不適用 | N/A不適用 | 1/1* |
| Mr. Lam Chik Shun, Marcus (resigned on 1 June 2022) | 林植信先生(於2022年6月1日辭任) | 4/4 | N/A不適用 | N/A不適用 | 2/2 | 1/1# |
| <i>Independent Non-executive Directors</i> | | <i>獨立非執行董事</i> | | | | |
| Mr. Fong Wai Ho | 方偉豪先生 | 6/6 | 2/2 | 3/3 | 3/3 | 1/1# |
| Mr. Punnya Niraan De Silva | Punnya Niraan De Silva 先生 | 6/6 | 2/2 | N/A不適用 | 3/3 | 1/1* |
| Ms. Cheung Suet Ting, Samantha | 張雪婷女士 | 6/6 | 2/2 | 3/3 | N/A不適用 | 1/1* |
| Mr. Wang Xiufeng | 王秀峰先生 | 6/6 | N/A不適用 | N/A不適用 | N/A不適用 | 1/1* |
| * | Attended by telephone | | | | | * 電話出席 |
| # | Attended in person | | | | | # 親身出席 |

Under code provision F.2.2 of the CG Code, the chairman of the board shall attend the annual general meeting. Due to the outbreak of COVID-19, Mr. Yu Bangping, the Chairman of the Board, attended the annual general meeting of the Company held on 26 May 2022 ("2022 AGM") by telephone to ensure that he was also available to answer questions from the shareholders of the Company. The 2022 AGM was chaired by the former executive Director, Mr. Lam Chik Shun, Marcus. At the 2022 AGM, the shareholders of the Company approved the amendments to the articles of association of the Company to provide the Directors with the option of attending general meetings remotely through electronic means if necessary or appropriate.

根據企業管治守則第F.2.2條，董事會主席應出席股東週年大會。由於COVID-19疫情爆發，董事會主席余邦平先生以電話出席本公司於2022年5月26日舉行的股東週年大會（「2022年股東週年大會」），以確保必要時彼亦可隨時回答本公司股東提問。2022年股東週年大會由前執行董事林植信先生擔任大會主席。於2022年股東週年大會上，本公司股東批准修訂本公司的組織章程細則，使董事可選擇於必要或適當時以電子方式遠程出席股東大會。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Auditor's Remuneration**

The remuneration paid or payable to the Company's auditor, Deloitte Touche Tohmatsu, for services rendered in respect of the year ended 31 December 2022 is as follows:

| | |
|--------------------|-------|
| Audit services | 核數服務 |
| Non-audit services | 非核數服務 |
| Other services | 其他服務 |
| Total | 總計 |

In considering the re-appointment of the external auditor, the Audit Committee has taken into consideration their relationship with the Company and their independence. Based on the results of the review and after taking into account the opinion of the management of the Group, the Audit Committee recommended the Board to re-appoint Deloitte Touche Tohmatsu as the external auditor of the Company for the ensuing year, subject to approval by the shareholders of the Company at the 2023 AGM. In addition, the Audit Committee is of the view that the auditor's independence is not affected by the non-audit services rendered.

核數師薪酬

本公司就其核數師德勤•關黃陳方會計師行於截至2022年12月31日止年度所提供服務已付或應付的酬金如下：

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 2,147 | 2,117 |
| 29 | 27 |
| 2,176 | 2,144 |

審核委員會於審議續聘外聘核數師時已考慮其與本公司之間的關係及其獨立性。根據審閱結果並經考慮本集團管理層的意見，審核委員會已向董事會建議續聘德勤•關黃陳方會計師行為本公司截至下一年度的外部核數師，惟須於2023年股東週年大會獲本公司股東批准後，方可作實。此外，審核委員會認為核數師的獨立性不受所提供的非審計服務影響。

Directors' and Auditor's Responsibilities in respect of the Financial Statements

The Directors acknowledge their responsibilities for presenting a clear, balanced assessment of the Group's performance and prospects and preparing the financial statements that give a true and fair view of the Group on a going-concern basis. The management provides the Board with the relevant information it needs to discharge these responsibilities. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 105 to 107 of this annual report.

Risk Management and Internal Control

The Board has overall responsibility for maintaining sound and effective risk management and internal control systems to safeguard the Group's assets and the shareholders' interests. The risk management and internal control systems are designed to provide reasonable, but not absolute, assurance of no material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and achievements of the Group's objectives.

Main Features of Risk Management and Internal Control Systems

Risk Management System

The risk management system comprises risk identification, risk evaluation and risk management. The management is entrusted with duties to identify and communicate risks associated with any activity, function or process within its scope of responsibility and authority. Risks are evaluated by the Board and management based on the severity of the impact of the risks on the Company's financial results and the probability that the risks will occur.

董事及核數師對財務報表的責任

董事確認其有責任就本集團的表現及發展前景呈列清晰中肯的評估，並編製按持續經營基準真實公平反映本集團狀況的財務報表。管理層會向董事會提供其履行該等責任所需的相關資料。董事並不知悉任何與可能對本公司持續經營能力構成重大疑問的事件或情況相關的重大不確定因素。

本公司獨立核數師對財務報表所作出的申報責任聲明載於本年報第105至107頁的獨立核數師報告。

風險管理及內部監控

董事會整體負責維持良好而有效的風險管理及內部監控制度，以保障本集團的資產及股東的權益。風險管理及內部監控制度旨在提供合理但非絕對的保障以防備重大失實陳述或損失，並且管理(而非消除)營運系統出錯及未能達到本集團目標的風險。

風險管理及內部監控系統的主要特點

風險管理系統

風險管理制度由風險識別、風險評估及風險管理組成。管理層負責在其責任及權限範圍內識別及傳達與任何活動、功能或程序相關的風險。董事會及管理層根據風險對本公司財務業績的影響嚴重程度以及風險發生的可能性進行風險評估。



CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Risk Management and Internal Control (continued)****Main Features of Risk Management and Internal Control Systems (continued)***Risk Management System (continued)*

Based on the risk evaluation, the Company manages the risk as follows:

- Risk mitigation – management will implement risk mitigation plan to reduce the likelihood and severity of the risk to an acceptable level.
- Risk retention – management will retain the risk if the risk rating is at acceptable level and no action is required.
- Risk monitoring – management will monitor the level of risk continuously and will take necessary action to reduce the risk to acceptable level.

Internal Control System

The Company has put in place an internal control system which enables the Group to achieve objectives regarding the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The main features of the internal control system are shown as follows:

- Monitoring – ongoing evaluations are conducted to ascertain whether the internal control system is functioning.
- Risk assessment – a risk management system is established for identifying and analysing risks to achieve the Company's objectives, forming a basis for determining how risks are managed.
- Information and communication – internal and external communication are made to provide the Company with information needed to carry out day-to-day controls.

Our internal audit department is responsible for assessment of the effectiveness in the performance of the safety production measures.

風險管理及內部監控(續)**風險管理及內部監控系統的主要特點(續)***風險管理系統(續)*

根據風險評估，本公司按以下方式管理風險：

- 風險緩解－管理層將實施風險緩解計劃，以將風險發生的可能性及嚴重程度降至可接受的水平。
- 風險保留－倘風險等級處於可接受的水平且毋須採取任何措施，則管理層將保留風險。
- 風險監察－管理層將持續監察風險水平，並採取必要措施將風險降至可接受的水平。

內部監控制度

本公司已建立內部監控制度，讓本集團能夠達成有關營運的成效及效率、財務報告的可靠性及遵守適用法律及法規的目標。內部監控制度的主要特點如下：

- 監察－持續進行評估以確定內部監控制度是否正常運行。
- 風險評估－制定風險管理制度以識別及分析實現本公司目標所存在的風險，為釐定風險管理方式建立基礎。
- 信息及溝通－進行內外部溝通以讓本公司掌握進行日常控制所需的信息。

內部審計部負責評估執行安全生產措施的成效。

Risk Management and Internal Control (continued)

Main Features of Risk Management and Internal Control Systems (continued)

Internal Control System (continued)

The Board has an ongoing process for identifying, assessing, and managing the significant risks (including environmental, social, and governance (“ESG”) risks) encountered by the Group. As part of this process, the risk management systems and internal controls are reviewed at least annually and improved from time to time in response to changes in the business or external environment. By identifying and evaluating the risks encountered as well as designing, operating, and monitoring effective internal controls to mitigate and control these risks, management assists the Board in the design, implementation and maintenance of the Group’s policies, procedures, and limits within the Board’s approved risk appetite.

The review covers all material controls, including financial, operational and procedural compliance controls as well as the process for the identification, evaluation and management of the significant risks (including ESG risks) faced by the Group. The Board also reviews the Group’s accounting, compliance, risk management, internal audit, and financial reporting functions, as well as those pertaining to the Group’s ESG performance and reporting, in terms of resources, employee qualifications and experience, training programs, and budget of the Group.

In order to ensure a sound and effective internal control system underpinning the risk management framework, the Board has, through the Audit Committee, conducted an annual review of the effectiveness of the risk management and internal control systems of the Group with the assistance of an independent internal control consultancy firm, Richard Poon & Partners Risk Management Limited (“Richard Poon”) for the year ended 31 December 2022. Richard Poon has submitted its internal control review and risk assessment reports of the Group to the Audit Committee and the Board in March 2023.

The above-mentioned review report with examination results and relevant improvement recommendations were duly enabled the Audit Committee and the Board to assess the effectiveness of the internal control and risk management systems of the Group. Any material failings or weaknesses identified in the internal control system were dealt with through appropriate remedial actions in a timely manner. All remedial actions shall also be regularly followed up where necessary to ensure that the failings and weaknesses have been mitigated or duly addressed.

風險管理及內部監控(續)

風險管理及內部監控系統的主要特點(續)

內部監控制度(續)

董事會具有一個持續的程序識別、評估及管理本集團面臨的重大風險(包括環境、社會及管治(「環境、社會及管治」)風險)。作為此過程的一部分，風險管理系統及內部控制至少每年審查一次，並根據業務或外部環境的變化不時改進。透過識別及評估面臨的風險以及設計、運行及監控有效的內部控制以減輕及控制該等風險，管理層協助董事會在董事會批准的風險偏好範圍內設計、實施及維護本集團的政策、程序及限制。

審查涵蓋所有重大控制，包括財務、營運及程序合規控制，以及識別、評估及管理本集團面臨的重大風險(包括環境、社會及管治風險)的過程。董事會亦審查本集團的會計、合規、風險管理、內部審計及財務報告職能，以及與本集團環境、社會及管治績效及報告有關的資源、員工資格及經驗、培訓計劃以及本集團的預算。

為確保有一個穩健有效的內部控制系統來支撐風險管理框架，截至2022年12月31日止年度，董事會已透過審核委員會，在獨立內部控制諮詢公司潘偉雄風險管理有限公司(「潘偉雄」)的協助下，對本集團的風險管理及內部控制系統的有效性進行年度審查。潘偉雄已於2023年3月向審核委員會及董事會提交本集團的內部控制審查及風險評估報告。

上述審查報告以及審查結果及相關的改進建議，使審核委員會及董事會能夠適當地評估本集團內部控制及風險管理系統的有效性。任何被發現的內部控制體系的重大失誤或弱點均透過及時採取了適當的補救措施而獲處理。如有必要，所有補救行動亦應定期跟進，以確保失誤及弱點得到緩解或適當處理。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Risk Management and Internal Control (continued)****Main Features of Risk Management and Internal Control Systems (continued)***Internal Control System (continued)*

During the review, the Board also considered the resources and staff qualifications and experience of the Group's internal audit, accounting, financial reporting and business support functions, and found their training and budgets to be adequate. The Board considers that the risk management and internal control systems are effective and adequate and that the Company has complied with code provisions of the CG Code relating to risk management and internal control.

The Company is aware of its obligation under the SFO, the Listing Rules and the overriding principle that inside information should be announced on a timely basis and conducts its affairs in strict compliance with the applicable laws and regulations. The Company has established disclosure mechanism regarding the procedures of identifying inside information and preserving its confidentiality until proper dissemination with the Board's approval through the electronic publication systems operated by the Stock Exchange and the Company.

ESG compliance and governance

The Group has developed internal strategies aimed at creating sustainable value for its stakeholders and minimizing its negative impact on the environment. To carry out the Group's sustainability strategy from top to bottom, the Board holds ultimate responsibility for ensuring the effectiveness of the Group's ESG strategies.

Dedicated teams have been established within each business division to manage ESG issues and monitor progress toward corporate goals for addressing climate change. These teams are responsible for enforcing and overseeing the implementation of relevant ESG policies throughout the Group and have designated staff members to carry out these tasks.

The Group's management and responsible teams regularly review and adjust its sustainability policies to meet the evolving needs of stakeholders. Detailed ESG risk and information on the Group's management approaches for environmental and social aspects can be found in various sections of our ESG report. The Board is satisfied with the adequacy of the Group's resources, staff qualifications and experience, training programs and budget relating to ESG performance and reporting.

風險管理及內部監控(續)**風險管理及內部監控系統的主要特點(續)***內部監控制度(續)*

於回顧期間，董事會亦考慮本集團內部審計、會計、財務報告及業務支持職能的資源及員工資格和經驗，並發現彼等的培訓及預算為充足。董事會認為，風險管理及內部監控制度為有效及充足，而本公司已遵守企業管治守則中有關風險管理及內部監控的守則條文。

本公司知悉其在證券及期貨條例、上市規則及務須適時公布內幕消息的首要原則項下的責任，且嚴守現行適用法律及規例辦理事務。本公司已制訂披露機制，規管識別內幕消息及在董事會批准以聯交所及本公司操作的電子刊發系統妥為發佈前就有關消息進行保密的程序。

環境、社會及管治的合規與治理

本集團制定內部戰略，旨在為其利益相關者創造可持續價值，並儘量減少對環境的負面影響。為自上而下貫徹本集團的可持續發展策略，董事會對確保本集團環境、社會及管治策略的有效性負有最終責任。

各業務部門內均建立專門團隊以管理環境、社會及管治問題並監控應對氣候變化的企業目標的進展情況。該等團隊負責於本集團內執行及監督相關環境、社會及管治政策的實施，並指定工作人員執行該等任務。

本集團的管理層及負責團隊定期審查並調整其可持續發展政策，以滿足利益相關者不斷變化的需求。詳細的環境、社會及管治風險及有關本集團於環境及社會方面的管理方法的資料請參閱我們的環境、社會及管治報告的各章節。董事會對本集團於環境、社會及管治績效及報告方面的資源、員工資格及經驗、培訓計劃及預算的充足性感到滿意。

Procedures and Internal Controls for the Handling and Dissemination of Inside Information

With respect to the procedures and internal controls for the handling and dissemination of inside information, the Group conducts its affairs with close attention to the inside information provisions under the SFO and the Listing Rules. The Directors and senior management are responsible for determining whether any particular information is inside information and overseeing and coordinating disclosure of inside information of the Group. They are also responsible for taking reasonable measures to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group from time to time and that disclosures are made and/or announcements are published on a timely basis in accordance with the applicable laws and regulations, and before such information is fully disclosed to the public, they shall ensure the same is kept strictly confidential. The Directors are also committed to ensuring that information contained in announcements are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way.

Communication with Shareholders and Investor Relations

The Board communicates with its Company's shareholders and investors through various channels. The Board members meet and communicate with shareholders and investors at AGMs and other general meetings where shareholders can obtain better understanding of the business and operating performance of the Group. Corporate communications (such as interim and annual reports, notices, circulars and announcements) are sent to shareholders in a timely manner and are available on the websites of the Company and the Stock Exchange.

The Company has adopted the Shareholders Communication Policy, which is available on the Company's website and sets out the Group's objective of ensuring timely, transparent and accurate communications between the Shareholders and the Company. The Board reviewed the Shareholders Communication Policy and the Group's shareholders and investor engagement and communication activities conducted in 2022 and was satisfied with the implementation and effectiveness of the Shareholders Communication Policy.

During the year under review, the 2022 AGM was held on 26 May 2022.

處理及發布內幕消息的程序及內部監控

就處理及發布內幕消息的程序及內部監控而言，本集團在辦理事務時會密切關注證券及期貨條例及上市規則項下的內幕消息規定。董事及高級管理層負責釐定任何特定資料是否為內幕消息，以及監督及協調本集團內幕消息的披露情況。彼等亦有責任採取合理措施，確保存在適當的保障措施，以防止不時違反與本集團有關的披露規定，並確保根據適用的法律法規及時作出披露及／或刊發公告。在此類消息完全向公眾披露之前，彼等應確保嚴格保密有關消息。董事亦致力確保公告所載資料不會在重要事實方面屬虛假或具誤導性，或因明確公正地呈報資料而遺漏重大事實而屬虛假或具誤導性。

與股東的溝通及投資者關係

董事會通過各種渠道與本公司股東及投資者溝通。董事會成員於股東週年大會及其他股東大會上與股東及投資者會面及溝通，讓股東可更了解本集團業務及營運表現。公司通訊(例如中期及年度報告、通告、通函及公告)應及時寄發予股東，並可於本公司及聯交所網站查閱。

本公司已採用股東通訊政策，該政策可於本公司網站上查閱，並規定本集團確保股東與本公司之間及時、透明及準確溝通的目標。董事會審閱股東通訊政策以及本集團於2022年進行的股東及投資者參與及通訊活動，並對股東通訊政策的實施和有效性感到滿意。

於回顧年度，2022年股東週年大會已於2022年5月26日舉行。

CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)**Dividend Policy**

The Company had adopted a dividend policy (“**Dividend Policy**”). According to the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board takes into account the following:

- (a) The financial results of the Group;
- (b) The working capital requirements, capital expenditure requirements and future expansion plans of the Group;
- (c) The retained earnings and distributable reserves of the Company;
- (d) The general economic condition, industry cycles of the Group’s business and other internal or external factors that may have an impact on the business or financial performance and position of the Group;
- (e) Any banking or other funding covenants by which the Company is bound from time to time;
- (f) Any restrictions on payment of dividends that may be imposed by the Group’s contracting parties;
- (g) The shareholders’ and investors’ expectation; and
- (h) Any other factors that the Board considers relevant.

The payment of dividends is also subject to compliance with applicable laws and regulations including the laws of the Cayman Islands and the Articles. The Board will continually review the Dividend Policy from time to time and there can be no assurance that dividends will be paid in any particular amount for any given period.

股息政策

本公司已採納一項股息政策(「**股息政策**」)。根據股息政策，董事會於建議股息及釐定股息金額時將考慮以下因素：

- (a) 本集團的財務業績；
- (b) 本集團的營運資金需求、資本支出需求及未來擴展計劃；
- (c) 本公司的保留盈利及可分派儲備；
- (d) 整體經濟狀況、本集團業務的行業週期以及可能對本集團業務或財務表現及狀況構成影響的其他內部或外部因素；
- (e) 本公司不時受其約束的任何銀行或其他融資契諾；
- (f) 本集團訂約方可能施加的任何派息限制；
- (g) 股東及投資者的期望；及
- (h) 董事會認為相關的任何其他因素。

派付股息亦須遵守適用法律法規，包括開曼群島法律及細則。董事會將不時持續檢討股息政策，無法保證股息將於任何指定期間按任何特定金額派付。



Company Secretary

Mr. Chan Kwong Leung, Eric was the company secretary of the Company who was nominated by an external service provider in respect of his appointment as the company secretary of the Company. The primary corporate contact person at the Company was Mr. Lau Kai Ming, an Executive Director and the Chief Financial Officer of the Group. Mr. Chan has confirmed that he has taken no less than 15 hours of the relevant professional training during the year ended 31 December 2022.

Shareholders' Rights

The general meetings of the Company provide a forum for the shareholders to exchange views directly with the Board. Subject to provisions of the applicable laws in the Cayman Islands and rules and regulations of the Stock Exchange, an annual general meeting of the Company is held each year and at the venue as determined by the Board. Each general meeting, other than an annual general meeting, is called an extraordinary general meeting (“EGM”).

Shareholders to Convene an Extraordinary General Meeting

Pursuant to Article 12.3 of the Articles, an EGM shall be convened on the written requisition of any two or more members of the Company, at the date of deposit of the requisition, not less than one-tenth of the paid-up capital of the Company which carries the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary at the principal place of business of the Company in Hong Kong, which is presently situated at Unit 1003, 10th Floor, Tower 2, Lippo Centre, 89 Queensway, Hong Kong, for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition and signed by the requisitionist(s). If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting Forward Enquiries by Shareholders to the Board

Shareholders may send written enquiries to the Company for the attention of the company secretary at the Company's principal place of business in Hong Kong.

公司秘書

陳鄭良先生為本公司公司秘書，彼乃由外部服務供應商提名為本公司公司秘書。本公司的主要企業聯絡人為本集團執行董事及首席財務官劉啟銘先生。陳先生已確認，截至2022年12月31日止年度，彼已接受不少於15小時的相關專業培訓。

股東權利

本公司的股東大會為股東提供與董事會直接交流意見的場合。受限於適用開曼群島法例條文及聯交所規則及規例，本公司每年於董事會決定的地點舉行一場股東週年大會。股東週年大會以外的股東大會稱為股東特別大會（「股東特別大會」）。

股東召開股東特別大會

根據細則第12.3條，於提交請求日期持有本公司附帶於股東大會投票的權利的至少實繳資本十分之一的本公司任何兩名或以上股東可提交書面請求召開股東特別大會。該項請求須以書面形式向董事會或於本公司香港主要營業地點（現址為香港金鐘道89號力寶中心第2座10樓1003室）的公司秘書提出，以要求董事會召開股東特別大會處理該請求所指明的任何事務，且該項請求須由請求人簽署。倘於提出請求後21日內，董事會未能召開有關大會，則請求人可自行以同樣方式召開大會，而本公司須向請求人償付因董事會未能召開大會而產生的所有合理費用。

股東向董事會提出查詢

股東可向於本公司香港主要營業地點的公司秘書提出書面查詢。



CORPORATE GOVERNANCE REPORT (Continued)
企業管治報告(續)

Shareholders' Rights (continued)

Procedures for Putting Forward Proposals by Shareholders at Shareholders' Meeting

Shareholders are requested to follow Article 12.3 of the Articles for putting forward a resolution at a general meeting. The requirements and procedures are set out above in the section headed "Shareholders to Convene an Extraordinary General Meeting".

Significant Changes in Constitutional Documents

On 26 May 2022, the shareholders of the Company have approved at the 2022 AGM the proposed amendments (the "Amendments") to the Articles of Association of the Company to provide flexibility to give Directors the options of attending at general meetings remotely through electronic means if necessary or appropriate. Details of the Amendments were set out in the circular of the Company dated 22 April 2022. The latest Amended and Restated Memorandum and Articles of Association of the Company is available on the websites of the Company and of the Stock Exchange.

By order of the Board
Yu Bangping
Chairman and Chief Executive Officer

Hong Kong, 21 March 2023

股東權利(續)

股東於股東大會上提出建議的程序

於股東大會上提出決議案時，股東須遵守細則第12.3條。有關規定及程序載於上文「股東召開股東特別大會」一節。

章程文件的重大變動

於2022年5月26日，本公司股東已於2022年股東週年大會上批准修訂本公司的組織章程細則(「有關修訂」)，使董事可選擇於必要或適當時以電子方式遠程出席股東大會。有關修訂之詳情已載於本公司日期為2022年4月22日的通函內。本公司最新經修訂及重述之公司組織章程大綱細則可於本公司網站及聯交所網站查閱。

承董事會命
主席兼行政總裁
余邦平

香港，2023年3月21日



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Reporting Principles and Scopes

The Group's main production facilities are located in Guizhou Province, China, and mainly engage in mine development, coal mining as well as clean coal production and sales. To smaller extent, the Group is also engaged in the sales of other related products including middling coal, sludge coal and coalbed methane gas. This environmental, social and governance ("ESG") report (the "ESG Report") mainly covers the Group's principal business and operation from 1 January 2022 to 31 December 2022, in Hongguo Coal Mine, Baogushan Coal Mine, Xiejiahegou Coal Mine, and Songshan Coal Preparation Plant in Guizhou, and the offices in Guizhou and Hong Kong.

With the support of the Group's management team and the Board, the original consumption data were collected and sorted from the Group's internal documentation and relevant utility bills, and submitted to an independent consultancy company that calculated and quantified the Group's ESG KPIs, complying with the Environmental, Social and Governance Reporting Guide (the "ESG Guide") under Appendix 27 to the Listing Rules and following HKEX's ESG Reporting Guidance on Environmental KPIs and ESG Reporting Guidance on Social KPIs. The preparation of this ESG Report mainly follows the principles listed below:

1. **Materiality:** the channels of stakeholder engagement as well as the process of identifying material ESG factors will be disclosed in the sections to follow;
2. **Quantitative:** the reporting of emissions/energy consumption follows HKEX's ESG Reporting Guidance on Environmental KPIs and uses calculation tools it recommends; any assumptions made in relation to a specific calculation are disclosed in the relative sections;
3. **Consistency:** there were no major changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison with the previous year;
4. **Balance:** by engaging an independent consultancy company, the Group works to provide an unbiased picture of its ESG performance.

報告原則及範圍

本集團主要生產基地位於中國貴州省，主要從事煤礦開發、採煤、生產及銷售精煤。於較小程度上，本集團亦從事其他相關產品的銷售，包括中煤、污泥煤及煤層氣。本環境、社會及管治(「環境、社會及管治」)報告(「環境、社會及管治報告」)主要涵蓋本集團於2022年1月1日至2022年12月31日期間貴州紅果煤礦、苞谷山煤礦、謝家河溝煤礦及松山洗煤廠等本集團主要業務及營運情況，以及位於貴州及香港的辦公室。

於本集團管理團隊及董事會的支持下，原始消耗數據來源均為本集團文件及相關水電費賬單中收集及整理，並提交給獨立諮詢公司計算及量化本集團的環境、社會及管治關鍵績效指標，遵守上市規則附錄二十七項下環境、社會及管治報告指引(「環境、社會及管治報告指引」)及遵照香港交易所《環境關鍵績效指標ESG匯報指引》及《社會關鍵績效指標ESG匯報指引》。本環境、社會及管治報告的編製主要遵循以下原則：

1. **重要性：**持份者參與的渠道以及識別重要環境、社會及管治因素的過程將於後續章節中披露；
2. **量化：**排放／能源消耗的報告遵循香港交易所關於環境關鍵績效指標的環境、社會及管治報告指引，並使用其推薦的計算工具；與特定計算相關的任何假設均於相關章節披露；
3. **一致性：**所使用的方法或關鍵績效指標或任何其他影響與上一年有意義比較的相關因素並無重大變動；
4. **平衡：**通過聘請獨立諮詢公司，本集團致力於提供其環境、社會及管治績效的公正描述。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

A Message From the Board

The Board oversees the operation of the Group and assesses the achievements and shortcomings in terms of environmental protection, corporate governance, and social involvement. The Board also guides the preparation and drafting of this ESG Report and provide necessary support and grant access to relevant materials.

For the year ended 31 December 2022, the Company conducted a comprehensive internal materiality assessment to identify which ESG-related aspects concern the Group and its stakeholders the most. Since the Group's principal business engages in the extraction of natural resources and production of coal products, the emission of pollutants and use of resources are considered top priorities. The Group's major goals are to reduce its pollutant emission and resource consumption. The achievement of these goals is assessed by relative environmental KPIs. Meanwhile, the Group's workforce values employment-related matters and career development; as such, the Board, via the help of the senior management team, instructed the HR department in creating a rewarding workplace for its employees.

After reviewing this ESG Report, the Board considers it complies with the ESG Guide and covers all of the aforementioned significant aspects. The board believes that the community involvement part was the most outstanding during the year under review. It also recognises the relentless efforts devoted to containing GHG emissions and air pollutants.

董事會致辭

董事會對本集團營運情況作出監督，並評估於環境保護、企業管治及社會參與等方面的成就及缺陷。董事會亦就本環境、社會及管治報告的編製及起草提出指導意見，並提供必要支持及授予相關材料訪問權。

於截至2022年12月31日止年度，本公司作出了一項全面的內部重大性評估，以識別本集團及其持份者最為關注的環境、社會及管治相關層面。由於本集團主營業務為自然資源開採及煤炭產品生產，污染物排放及資源使用情況被視為持份者及本集團的首要考慮因素。本集團的主要目標為減少污染物排放及資源消耗。該等目標的實現情況通過相關的環境關鍵績效指標進行評估。同時，本集團員工看重僱傭相關事宜及職業發展；因此，董事會透過高級管理層團隊的協助指示人力資源部門為員工創造一個有益的工作場所。

經審閱本環境、社會及管治報告後，董事會認為其已符合環境、社會及管治指引並覆蓋所有上述重大層面。董事會認為，回顧年度內最出類拔萃的部分為社區參與。其亦認可在遏制溫室氣體排放及空氣污染物方面所付出的不懈努力。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Stakeholders Communication

The Group's major stakeholders comprise its shareholders and investors, government and regulatory bodies, customers, employees, communities, and media. To ensure this ESG Report reflects their main concerns, the Group has developed various channels that allow stakeholders to share their demands and opinions on the Group's operation and performances regarding environmental, social and governance aspects. The table below identifies the major stakeholders' demands and expectations and outlines our communication channels with each of them.

持份者溝通

本集團的主要持份者包括其股東及投資者、政府及監管機構、客戶、僱員、社區及媒體。為確保本環境、社會及管治報告反映彼等的主要利害關係，本集團已設立多個渠道，以讓持份者分享彼等在環境、社會及管治層面對本集團營運及表現的要求及意見。下表載列主要持份者的要求及期望，以及概述我們與各個持份者進行溝通的渠道。

| Stakeholders 持份者 | Major demands and expectations 主要要求及期望 | Main communication channels 主要溝通渠道 |
|---|---|--|
| Shareholders and investors 股東及投資者 | <ul style="list-style-type: none"> - Profit sustainability - Corporate governance system - Consumption of energy and emission of pollutants - Prevention of operational risks - 持續盈利能力 - 企業管治系統 - 能源消耗及污染物排放 - 避免發生營運風險 | <ul style="list-style-type: none"> - Company announcements - General meetings - Annual report and interim report - 公司公告 - 股東大會 - 年報及中期報告 |
| Government and regulatory bodies 政府及監管機構 | <ul style="list-style-type: none"> - Compliance with regulations - Consumption of energy and emission of pollutants - Conservation of resources - 遵守法規 - 能源消耗及污染物排放 - 節約資源 | <ul style="list-style-type: none"> - Supervision and evaluation - ESG Report - Inspection - 監管及評核 - 環境、社會及管治報告 - 視察 |
| Customers 客戶 | <ul style="list-style-type: none"> - Quality of products and services - Information security - Ease of communication - 產品及服務質量 - 資訊安全 - 溝通便利 | <ul style="list-style-type: none"> - Business communication - Customer feedback - 業務溝通 - 客戶反饋 |



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

| Stakeholders 持份者 | Major demands and expectations 主要要求及期望 | Main communication channels 主要溝通渠道 |
|---------------------|--|---|
| Employees 僱員 | <ul style="list-style-type: none"> - Job security - Workplace safety - Corporate governance system - Employee rights and benefits - Employee remuneration and welfare - Career development | <ul style="list-style-type: none"> - Staff meetings and activities - Staff training - Workers' congress - Recruitment process |
| Communities 社區 | <ul style="list-style-type: none"> - Involvement in public welfare activities - Emission of pollutants - Community investment - Providing jobs | <ul style="list-style-type: none"> - Communication with communities and local government - Charity activities |
| Media 媒體 | <ul style="list-style-type: none"> - Transparent information - Sustainable business development - Production safety | <ul style="list-style-type: none"> - Company's website - Company's advertisements - Business interviews - Press releases |
| | <ul style="list-style-type: none"> - 就業保障 - 工作場所安全 - 企業管治系統 - 僱員權利及福利 - 僱員薪酬待遇及福祉 - 職業發展 | <ul style="list-style-type: none"> - 員工會議及活動 - 員工培訓 - 員工代表大會 - 招聘流程 |
| | <ul style="list-style-type: none"> - 參與公益活動 - 污染物排放 - 社區投資 - 提供就業 | <ul style="list-style-type: none"> - 與社區及當地政府溝通 - 慈善活動 |
| | <ul style="list-style-type: none"> - 資訊透明 - 可持續業務發展 - 安全生產 | <ul style="list-style-type: none"> - 公司網站 - 公司廣告 - 商務面談 - 新聞發佈 |

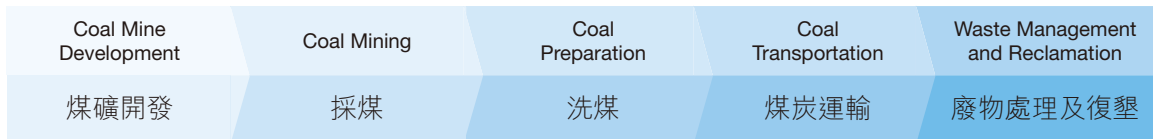
The Group welcomes feedback on its ESG approach and performances. Hearing from the stakeholders enables the Group to include all-rounded opinions when preparing this ESG Report and formulating relevant policies to address their concerns for the year to come. Should you have any questions or recommendations on the Group's ESG matters, please feel free to enquire via the Company's website.

本集團歡迎各持份者就我們的環境、社會及管治方針及表現提供反饋意見。聽取持份者意見可令本集團在編製本環境、社會及管治報告及制定相關政策以解決彼等對未來一年的關注事宜時廣納意見。如閣下對本集團環境、社會及管治事宜有任何疑問或建議，歡迎垂詢本公司網站。

Environmental Protection

Our General Environmental Policies

Generally speaking, the Group's mining operation mainly consists of the following key steps, all of which involve a certain level of environmental impact:



During coal mine development and mining processes, our impact on the land environment is the most dominant, while the coal preparation stage requires a large amount of water and calls for proper wastewater treatment. For product transportation, vehicle exhaust and the use of fossil fuels contribute to air pollutants and carbon dioxide emissions. Lastly, we work to reclaim the land we used and contribute to creating a new life cycle for it.

All of the above-mentioned production cycles are based in the Panzhou area of Guizhou Province of the PRC. As a result, our business operations shall comply with local and national environmental laws. Overall, the most important and relevant laws and regulations are the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), and the Environmental Impact Assessment Law of the People's Republic of China (《中華人民共和國環境影響評價法》). When we have construction projects for new facilities, we shall closely follow the Administrative Measures for Inspection and Acceptance on Environmental Protection of Construction Projects (《建設項目竣工環境保護驗收管理辦法》). As an impactful business in the Panzhou area of Guizhou, we receive scheduled and random visits from local authorities, who convey the latest environmental policies to our sites and inspect the Group's environmental standards. In case of a breach of any of the regulations, the Group's mines are at risk of losing their operation permits.

Having no environmental non-compliance cases during the year under review, we strive to take up our corporate responsibilities and contribute to the country's mission of environmental conservation. Under today's climate, extreme weather conditions could affect any business that requires outdoor operations. This is especially true for us, as our production happens outdoors and sometimes underground. We had been able to navigate the climate conditions during the reporting year and no specific climate-related issue significantly caused operational difficulties.

環境保護

我們的整體環境政策

一般而言，本集團採礦作業主要包括以下關鍵步驟，每個步驟均可能涉及一定程度的環境影響：

於煤礦開發及開採過程中，我們對土地環境的影響為最主要，而選煤階段需要大量的水，需要對廢水進行適當的處理。對於產品運輸，汽車尾氣及化石燃料的使用會造成空氣污染物及二氧化碳排放。最後，我們努力開墾我們使用過的土地，並為其創造新的生命週期作出貢獻。

上述所有生產週期均位於中國貴州省盤州地區。因此，我們的業務運營須遵守當地及國家環境法律。整體而言，最重要及相關的法律法規為《中華人民共和國環境保護法》及《中華人民共和國環境影響評價法》。當有新設施建設項目時，須嚴格遵守《建設項目竣工環境保護驗收管理辦法》。作為貴州盤州地區具有影響力的企業，我們定期及隨機接受當地政府訪問，彼等將最新的環境政策傳達我們的礦場並檢查本集團的環境標準。如違反任何規定，本集團礦場將面臨被吊銷經營許可證的風險。

回顧年內無環境違規事件發生，我們努力承擔起企業責任，為國家環保事業貢獻一份力量。於當今氣候下，極端天氣條件可能會影響任何需要戶外運營的企業。對我們而言尤其如此，因為我們的生產乃於戶外進行，有時於地下進行。於報告年度，我們能適應氣候條件，並無任何與氣候相關的具體問題導致運營困難。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

To minimise the environmental impacts caused by our operations, the Group closely monitors its coal extraction and pollution control measures and records relevant statistics to compare its performances over the years. Through site examination, assessment, and planning from time to time, the Group fully implements sustainable business modal in all major decisions made and updates the existing procedures if needed.

Our environmental goals for the year under review are to conserve resources and reduce pollutant emissions as much as possible. Specific steps taken in each aspect will be disclosed in relevant sections in the ESG Report while the list below outlines the major environmental management procedures the Group takes.

為盡量降低我們的營運造成的環境影響，本集團密切監控其煤炭開採及污染治理措施，並記錄相關統計數據以比較其歷年表現。通過不時的場地檢查、評估及規劃，本集團在所有重大決策制定時全面貫徹可持續業務模式，並在必要時升級現行程序。

我們於回顧年度的環境目標為盡可能節約資源及減少污染物排放。各方面採取的具體步驟將於環境、社會及管治報告的相關章節中披露，而本集團所採用的主要環保管理程序概述如下：

Water resources conservation 水資源保護



Our mining and coal preparation processes use a large amount of water hence we implement strict water conservation policies and make sure that our machinery is up-to-date, so as to increase our water usage efficiency. Our coal mines are fitted with water treatment facilities, sewage circulation systems, and recycling pools, which allow us to recycle and reuse a portion of wastewater when safety protocols are met.

我們的採礦及選煤過程使用大量水，因此我們實施嚴格的節水政策並確保我們的機器為最新，以提高我們的用水效率。我們的煤礦配備水處理設施、污水循環系統及回收池，這使我們能夠在滿足安全協議的情況下回收及再利用部分廢水。

Wastewater management 廢水管理



Continuously researching on the mining water treatment techniques and following the latest discharge policies, the Group has adopted an advanced wastewater treatment solution to minimise the impact of mining water discharge. A complex of chemical and physical treatments have to be applied to our mining wastewater till it meets relevant regulatory standards for discharge.

本集團不斷研究礦井水處理技術，並根據最新的排放政策，採用先進的廢水處理方案，盡量減少礦井水排放的影響。須對我們的採礦廢水進行複雜的化學及物理處理，直至達到相關排放監管標準。

Solid waste treatment 固體廢棄物處理



Treated coal wastes from our mines are securely loaded onto trucks and transported to designated areas nearby. The designated areas are believed to have the capacity to securely contain over 10 years of waste produced by our mines.

來自我們礦場經處理煤炭廢棄物由卡車安全裝運至附近指定處理區域。該區域足以容納煤礦10年以上產生的廢棄物。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Reduction of dust
and air pollutants
減少粉塵
及空氣污染物



Low-concentration methane power generators are built in each of our coal mines to generate electricity from gas while significantly reducing the methane emissions from our coal mining productivity. We have also installed water sprinklers to control dust and maintain a safe work environment.

我們的各個煤礦建有低濃度甲烷發電機，將開採的瓦斯用於發電，同時大幅減少我們因採煤生產排放的甲烷。我們亦有安裝噴水裝置以治理粉塵及維持工作環境安全。

Noise control
噪音控制



Our noise control measures include the use of silencers, noise and vibration dampening, enclosure of noisy equipment, use of insulation materials, and ongoing equipment maintenance.

我們的噪音控制方法包括使用消音器、降噪減震、圍封高噪音設備、使用絕緣材料及持續進行設備維護。

Reclamation
activities
復墾活動



We conduct reclamation activities according to the laws and regulations in the PRC, making our contribution to recovering and preserving damaged farmland, grassland, and forests so that current and future generations can continue to benefit from these natural spots.

我們根據中國法律及法規進行復墾活動，竭力將受到破壞的耕地、草地及森林恢復及保育，令該等自然美景持續裨益當代及子孫後代。

During the year ended 31 December 2022, the overall ecological and environmental risks are controllable and there are no environmental emergencies nor significant climate-related issues directly created by the Group so far.

截至2022年12月31日止年度，生態環境風險總體可控，未發生本集團直接引發的突發環境事件及重大氣候變化事件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)**GHG Emission Reduction**

During the Group's operation, fuel consumption at the mining sites, vehicles used for coal transportation, and waste treatment procedures directly generate greenhouse gas (GHG). And purchased energy, mainly electricity, used to power our machinery and equipment, such as scraper conveyors and shearers used in coal development, coal mining, coal preparation, and other production processes, contributes the most to its indirect GHG emission. To a lower extent, such indirect generation also comes from power consumption in the Group's offices in Mainland China and Hong Kong.

To reduce GHG emissions, the Group is committed to modernising its production equipment and techniques. The Group has built low-concentration methane gas power plants at each of Hongguo Coal Mine, Baogushan Coal Mine and Xiejiahegou Mine, which utilises the methane emitted from coal mining process and prevents it from polluting the air. For our end products, we focus on producing clean coal rather than the more polluting types, leading the industry towards a more environmentally-friendly path. The Group sets a target to maintain the GHG emission at a similar level in coming year.

As the year under review proved to be challenging and turbulent in the business aspect, the Group had an increase in business activities to navigate the ups and downs of the market, resulting in a greater use of fuel and energy in our PRC sites, though we were able to maintain land and air travel at relatively low levels. Considering all the above, the Group's carbon emissions and intensities increased during the year under review.

溫室氣體減排

於本集團營運，礦址燃料耗用、煤炭運輸所用車輛以及廢棄物處理流程均會直接產生溫室氣體。而用於驅動其機械和設備(如煤炭開發、煤礦開採、煤炭洗選和其他生產過程中使用的刮板輸送機和採煤機)的所購能源(主要為電力)，對間接溫室氣體排放佔比最大。本集團的中國大陸及香港辦公室能源消耗亦較低程度地導致此類間接排放。

為減低溫室氣體排放，本集團致力於實現生產設備及技術現代化。本集團於紅果煤礦、苞谷山煤礦及謝家河溝煤礦各自建有低濃度甲烷發電廠，以便利用煤礦開採過程排放的甲烷並防止其污染空氣。對於我們的終端產品，我們專注於生產潔淨的精煤，而非污染更嚴重的煤種，引領行業走向更環保道路。本集團制定目標，以於未來幾年將溫室氣體排放維持在相若水平上。

由於回顧年度在業務方面充滿挑戰及動盪，本集團增加業務活動以應對市場的起伏，導致我們於中國的礦場使用更多燃料及能源。但我們將陸地及空中旅行維持於相對較低水平。綜上所述，本集團的碳排放量及強度於回顧年度有所增加。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

The Group's GHG emissions in CO₂ equivalent:

本集團以二氧化碳當量計算的溫室氣體排放數據如下：

| | | For the year ended 31 December 截至12月31日止年度 | | | |
|--|-----------------------|---|---|---|---|
| | | 2022 2022年 | | 2021 2021年 | |
| GHG emissions (kilogram in CO ₂ equivalent) | 溫室氣體排放量 (二氧化碳當量千克) | Total emissions of CO ₂ equivalent | Key emissions intensity ⁽¹⁾ | Total emissions of CO ₂ equivalent | Key emissions intensity ⁽¹⁾ |
| | | 二氧化碳當量排放總額 (kg) (千克) | 主要排放密度 ⁽¹⁾ (kg/tonne) (千克/噸) | 二氧化碳當量排放總額 (kg) (千克) | 主要排放密度 ⁽¹⁾ (kg/tonne) (千克/噸) |
| Direct (Scope 1) | 直接(範圍1) | 4,227,271 | 3.96 | 2,678,676 | 2.51 |
| Indirect (Scope 2) | 間接(範圍2) | 90,336,199 | 84.68 | 70,209,018 | 65.91 |
| Total | 總計 | 94,563,470 | 88.64 | 72,887,694 | 68.42 |

Note:

附註：

(1) Key emissions intensity is calculated by kg of CO₂ equivalent emissions per tonne of coal products sold.

(1) 主要排放密度按每噸已銷售煤炭產品的二氧化碳當量排放(千克)計算。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)**Air Pollution Control**

The Group's operation involves the emission of key air pollutants, including primarily Nitrogen Oxide (NO_x), Sulphur Oxide (SO_x) and Particulate Matters (PM). The use of mobile vehicles contributes the greatest to air pollutant emission. Thus, the Group set up transportation plans and integrated them into its operations and target to reduce pollution in future years.

During the year ended 31 December 2022, as mentioned above, our use of vehicles were maintained at a relatively low level compared to a year ago. As a result, the Group's emission of air pollutants and their intensities decreased slightly.

The Group's emissions of key air pollutants:

| | | For the year ended 31 December 截至12月31日止年度 | | | |
|--------------------|---------|---|--|-----------------|--|
| | | 2022 2022年 | | 2021 2021年 | |
| Key Air Pollutants | 主要空氣污染物 | Total emissions | Key emissions intensity ⁽¹⁾ | Total emissions | Key emissions intensity ⁽¹⁾ |
| | | (g) (克) | (g/tonne) (克/噸) | (g) (克) | (g/tonne) (克/噸) |
| NO _x | 氮氧化物 | 180,022 | 0.17 | 195,982 | 0.18 |
| PM | 懸浮粒子 | 17,250 | 0.02 | 18,799 | 0.02 |
| SO _x | 硫氧化物 | 299 | 0.000280 | 326 | 0.000306 |

Note:

(1) Key emissions intensity is calculated by gram of respective air pollutant per tonne of coal products sold.

空氣污染管制

本集團的營運涉及主要空氣污染物排放，主要包括氮氧化物、硫氧化物及懸浮粒子。機動車的使用為空氣污染物排放的最大誘因。因此，本集團已制定運輸計劃，將其納入營運當中，並計劃於未來幾年減少污染產生。

於截至2022年12月31日止年度，如上文所述，與一年前相比，我們的車輛使用量維持於相對較低水平。因此，本集團大氣污染物排放量及排放密度略有下降。

本集團的主要空氣污染物的排放數據：

附註：

(1) 主要排放密度按每噸已銷售煤炭產品的相應空氣污染物(克)計算。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Hazardous Wastes and Treatment

Gangue, as a by-product of the coal-washing process, is the main hazardous waste in the mining industry. A large amount of untreated gangue could pose severe impacts to the environment, including generating toxicity into the air and soil and taking up otherwise fertile fields or spaces with agricultural and/or commercial potential. However, qualified companies can sort and clean gangue properly and apply them in different areas, including power generation and building material production.

The Group's gangue was transported to and stored on a designated field near the mines where qualified local village cooperatives engaged by us handle the treatment. The stored gangue is covered with a layer of soil that is suitable for plantation and has the potential to restore fertile land.

As the Group's coal production in Hongguo Coal Mine and Baogushan Coal Mine increases from the low levels during the previous year, gangue generation in these two mines rose accordingly. For Xiejiahegou Coal Mine, its own coal preparation plant was launched during the year under review, hence the start of its gangue record. The Group sets a target to maintain the hazardous waste produced at a similar level for coming years.

A breakdown for gangue generation and intensity by mines:

有害廢棄物及有關處理方法

作為洗煤過程中的副產物，矽石為採礦業主要有害廢棄物。大量未經處理矽石可能對環境造成嚴重影響，包括揮發毒性至空氣和土壤，並佔用其他原本具有農業及／或商業潛力的沃土或空間。然而，合資質公司可揀選出矽石並妥當清潔，在不同領域加以應用，包括發電及建材生產。

本集團的矽石運至礦區附近的指定場地存放，由我們聘請的當地有資質的村合作社處理。矽石堆外層覆蓋適合種植的土壤，具有恢復為肥沃土地的潛力。

由於本集團紅果煤礦及苞谷山煤礦的煤炭產量較上年低位有所回升，兩個煤礦的矽石產生量相應增加。就謝家河溝煤礦而言，自有洗煤廠於回顧年內啟動，因此開始其煤矽石記錄。本集團制定目標，以於未來幾年將所產生的有害廢棄物維持在相若水平上。

按礦場劃分的矽石排放量及密度明細：

| | | For the year ended 31 December 截至12月31日止年度 | | | |
|-----------------------|-----------|---|--|--|--|
| | | 2022 2022年 | | 2021 2021年 | |
| | | Gangue generation 矽石排放量 (tonne) (噸) | Hazardous waste intensity ⁽¹⁾ 有害廢棄物密度 ⁽¹⁾ (tonne/tonne) (噸／噸) | Gangue generation 矽石排放量 (tonne) (噸) | Hazardous waste intensity ⁽¹⁾ 有害廢棄物密度 ⁽¹⁾ (tonne/tonne) (噸／噸) |
| Hongguo Coal Mine | 紅果煤礦 | 605,096 | 0.57 | 440,294 | 0.41 |
| Baogushan Coal Mine | 苞谷山煤礦 | 575,659 | 0.54 | 403,653 | 0.38 |
| Xiejiahegou Coal Mine | 謝家河溝煤礦 | 406,852 | 0.38 | N/A 不適用 | N/A 不適用 |
| Total | 總量 | 1,587,607 | 1.49 | 843,947 | 0.79 |

Note:

(1) Hazardous waste intensity is calculated by tonne of hazardous waste per tonne of coal products sold.

附註：

(1) 有害廢棄物密度按每噸已銷售煤炭產品的有害廢棄物(噸)計算。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)**Non-hazardous Wastes and Treatment**

The Group's non-hazardous wastes mainly consist of general production waste and domestic waste, which are sorted at source and then handled by the local government. These non-hazardous wastes are non-significant in amount and no quantified records were documented. For the year ended 31 December 2022, the Group continues to encourage its staff to recycle at work and home, so as to minimise general waste and aim for a greener environment.

Energy Consumption

The Group purchases electricity as a main source of power across its facilities in Guizhou and Hong Kong. It also uses diesel to fuel its onsite power generation, mining fleets, mining machinery and equipment. For land transportation, unleaded petrol is mainly used to power automobiles. An internal audit department assesses and audits the aforesaid usage of fuel and resources and uses such records as indicators to determine the effectiveness of Group's energy conservation measures.

To reduce the use of fossil fuels, the Group keeps up with the latest technology trends in the industry to make sure its machinery meets the energy efficiency standard. As for electricity usage, we ask that our staff turn off lights and electric appliances when they are not in use, and encourage them to limit air conditioner temperature in summer.

Through the above mitigation measures, we believe that the Group will achieve reduction of energy consumption in future years.

With the continued resumption of business activities in China, the usage of fossil fuels and electricity saw an increase during the year ended 31 December 2022, though electricity used in Hong Kong had a mild decrease.

無害廢棄物及有關處理方法

本集團產生的無害廢棄物主要包括一般生產廢物及辦公室垃圾，均按源頭分類並交由當地政府負責統一進行處理。該等無害廢棄物的數量不大，並無量化記錄。截至2022年12月31日止年度，本集團將繼續鼓勵員工在工作及居家時循環再用物資，以盡量減少一般廢物，實現綠色環境。

能源消耗

本集團採購電力作為貴州及香港設施的主要電力來源。其亦使用柴油為其現場發電、採礦車隊、採礦機械及設備提供燃料。對於陸路運輸，無鉛汽油主要用於為汽車提供動力。內部審計部門評估及審計上述燃料及資源的使用情況，並以該等記錄為指標，以釐定本集團節能措施的成效。

為減少使用化石燃料，本集團始終緊跟本行業最新技術趨勢，確保其機器達致能效標準。就電力使用而言，我們要求員工於不使用時關掉燈和電器，並鼓勵彼等於夏天限制空調溫度。

透過上述的紓緩措施，我們相信，本集團將於未來幾年實現減少能源消耗。

隨著中國商業活動持續恢復，儘管香港的用電量略有下降，化石燃料及總電力的使用於截至2022年12月31日止年度有所增加。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Diesel and unleaded petrol consumption and the intensity:

柴油及無鉛汽油的耗量及密度：

For the year ended 31 December

截至12月31日止年度

| | | 2022 | | 2021 | |
|--------------------|---|--------------------|---|--------------------|---|
| | | 2022年 | | 2021年 | |
| Energy consumption | Energy consumption intensity ⁽¹⁾ | Energy consumption | Energy consumption intensity ⁽¹⁾ | Energy consumption | Energy consumption intensity ⁽¹⁾ |
| 能源耗量 | 能源耗量密度 ⁽¹⁾ | 能源耗量 | 能源耗量密度 ⁽¹⁾ | 能源耗量 | 能源耗量密度 ⁽¹⁾ |
| (litres) | (litres/tonne) | (litres) | (litres/tonne) | (litres) | (litres/tonne) |
| (升) | (升/噸) | (升) | (升/噸) | (升) | (升/噸) |
| Diesel | 柴油 | 1,594,862 | 1.49 | 1,001,201 | 0.94 |
| Unleaded petrol | 無鉛汽油 | 20,341 | 0.02 | 22,145 | 0.02 |

Note:

附註：

(1) Energy consumption intensity is calculated by litre of energy consumption per tonne of coal products sold.

(1) 能源耗量密度按每噸已銷售煤炭產品的能源耗量(升)計算。

A breakdown of electricity consumption by region:

以地區劃分的耗電量明細：

For the year ended 31 December

截至12月31日止年度

| | | 2022 | | 2021 | |
|-------------------------|--|-------------------------|--|-------------------------|--|
| | | 2022年 | | 2021年 | |
| Electricity consumption | Electricity consumption intensity ⁽¹⁾ | Electricity consumption | Electricity consumption intensity ⁽¹⁾ | Electricity consumption | Electricity consumption intensity ⁽¹⁾ |
| 耗電量 | 耗電密度 ⁽¹⁾ | 耗電量 | 耗電密度 ⁽¹⁾ | 耗電量 | 耗電密度 ⁽¹⁾ |
| (kWh) | (kWh/tonne) | (kWh) | (kWh/tonne) | (kWh) | (kWh/tonne) |
| (千瓦時) | (千瓦時/噸) | (千瓦時) | (千瓦時/噸) | (千瓦時) | (千瓦時/噸) |
| Mainland China | 中國大陸 | 146,412,685 | 137.24 | 113,723,000 | 106.76 |
| Hong Kong | 香港 | 9,299 | 0.01 | 12,096 | 0.01 |
| Total | 總量 | 146,421,984 | 137.25 | 113,735,096 | 106.77 |

Note:

附註：

(1) Electricity consumption intensity is calculated by kWh of electricity consumption per tonne of coal products sold.

(1) 耗電密度按每噸已銷售煤炭產品的耗電量(千瓦時)計算。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)**Water Consumption**

A reliable water source is vital for the Group's production process. We ensured that each of the three mines has sufficient production and domestic water supply from the surface and underground sources. As a result, there were no water-sourcing difficulties during the year under review. Underground water from the Group's mine was extracted and filtered for use at the coal preparation plant, fire-safety facilities, and as an anti-dust agent. The water usage during the year under review remained relatively stable as compared to the previous year and we target to maintain the similar level in future years.

A breakdown of water consumption by workshop:

耗水量

可靠水源對於本集團生產工序至關重要。我們確保三個煤礦的生產及生活用水均能自地表水及地下水獲得足夠水源，因此，回顧年度內概無面臨任何取用水困難的情況。本集團礦場的地下水經提取過濾後用於洗煤廠、消防設施及用作防塵劑。與去年相比，回顧年度的用水量保持相對穩定，且我們計劃於未來幾年維持相若水平。

以工場劃分的耗水量明細：

| | | For the year ended 31 December 截至12月31日止年度 | | | |
|---------------------------------|-----------|--|--|--|--|
| | | 2022 2022年 | | 2021 2021年 | |
| | | Water consumption (m ³) (立方米) | Water consumption intensity ⁽¹⁾ (m ³ /tonne) (立方米/噸) | Water consumption (m ³) (立方米) | Water consumption intensity ⁽¹⁾ (m ³ /tonne) (立方米/噸) |
| Hongguo Coal Mine | 紅果煤礦 | 669,300 | 0.63 | 687,600 | 0.65 |
| Baogushan Coal Mine | 苞谷山煤礦 | 733,904 | 0.69 | 683,500 | 0.64 |
| Xiejiahegou Coal Mine | 謝家河溝煤礦 | 358,463 | 0.34 | 391,400 | 0.37 |
| Songshan Coal Preparation Plant | 松山洗煤廠 | 202,515 | 0.19 | 118,600 | 0.11 |
| Total | 總計 | 1,964,182 | 1.85 | 1,881,100 | 1.77 |

Note:

(1) Water consumption intensity is calculated by m³ of water consumption per tonne of coal products sold.

附註：

(1) 耗水密度按每噸已銷售煤炭產品的耗水量(立方米)計算。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Paper Consumption and Packaging Materials

Paper is consumed across Hongguo Coal Mine, Baogushan Coal Mine, Xiejiahegou Coal Mine, Songshan Coal Preparation Plant, as well as offices in Mainland China and Hong Kong. To control paper usage, the Group encourages all departments to process information digitally as much as possible. The Group's total paper consumption for the year ended 31 December 2022 remained at a stable level compared to the previous year.

Paper consumption and intensity:

| | |
|--|----------------------------------|
| Paper consumption (kg) | 耗紙量(千克) |
| Paper consumption intensity (kg of paper consumption per tonne of coal products sold) (kg/tonne) | 耗紙密度(按每噸已銷售煤炭產品的耗紙量(千克)計算)(千克/噸) |

耗紙量及包裝材料

消耗紙張的場所包括紅果煤礦、苞谷山煤礦、謝家河溝煤礦、松山洗煤廠，以及中國大陸及香港的辦公室。為控制用紙，本集團鼓勵各部門盡量以電子方式處理資料。本集團截至2022年12月31日止年度之耗紙量與上年相比保持穩定水平。

耗紙量及密度：

| For the year ended 31 December 截至12月31日止年度 | |
|---|---------------|
| 2022 2022年 | 2021 2021年 |
| 7,245 | 6,246 |
| 0.007 | 0.006 |

Working Environment and Employee Development

The Group continuously improves its human resources policies and regulates its employment management. At the core of this aspect, we make sure that all employees of the Group in Mainland China are covered by the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), General Principles of the Civil Law of the People's Republic of China (《中華人民共和國民法通則》); while all the employees in Hong Kong are covered by the Employment Ordinance of Hong Kong (Chapter 57 of the Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong). The workers' union represents all workers and monitors the execution of our employment policies.

工作環境及僱員發展

本集團不斷完善人力資源政策，規範用工管理。於該方面的核心，我們確保本集團所有中國大陸僱員受《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及《中華人民共和國民法通則》所保障，以及確保所有香港僱員受香港法例第57章《僱傭條例》、香港法例第485章《強制性公積金計劃條例》及香港法例第608章《最低工資條例》所保障。工會代表所有工人並監督我們的就業政策的執行。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

The table below shows detailed employee statistics of the Group categorised by contract, job function, gender, age group, and employment location:

下表載列本集團按合約、職能、性別、年齡組別及工作地區劃分的詳細僱員數據：

| | | Number of employees 僱員人數 | |
|-------------------------------|----------------|------------------------------|---------------|
| | | As at 31 December 於12月31日 | |
| | | 2022 2022年 | 2021 2021年 |
| By job function | 按職能劃分 | | |
| Directors of the Company | 本公司董事 | 11 | 11 |
| Administration and management | 行政管理 | 331 | 299 |
| Accounting and finance | 會計及財務 | 32 | 29 |
| Sales and marketing | 銷售及營銷 | 6 | 6 |
| Production scheduling | 生產調度 | 32 | 27 |
| Production safety | 生產安全 | 298 | 281 |
| Mine production | 煤礦生產 | 2,578 | 2,236 |
| Coal preparation | 洗煤 | 326 | 204 |
| Supply and procurement | 供應及採購 | 5 | 5 |
| By gender | 按性別劃分 | | |
| Male | 男性 | 3,180 | 2,736 |
| Female | 女性 | 439 | 362 |
| By age group | 按年齡組別劃分 | | |
| ≤ 30 | 30歲或以下 | 682 | 582 |
| 31–40 | 31–40歲 | 1,276 | 1,036 |
| 41–50 | 41–50歲 | 1,071 | 957 |
| 51–60 | 51–60歲 | 560 | 512 |
| ≥ 61 | 61歲以上 | 30 | 11 |
| By employment location | 按工作地區劃分 | | |
| Guizhou | 貴州 | 3,609 | 3,087 |
| Hong Kong | 香港 | 10 | 11 |
| Total | 總計 | 3,619 | 3,098 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

The table below sets out the employee turnover rate by gender, age group and geographical region:

下表載列按性別、年齡組別及地區劃分的僱員流失率：

| | | Employee turnover rate (%) 僱員流失率(%) | |
|-------------------------------|----------------|---|---------------|
| | | For the year ended 31 December 截至12月31日止年度 | |
| | | 2022 2022年 | 2021 2021年 |
| By gender | 按性別劃分 | | |
| Male | 男性 | 57.99 | 30.34 |
| Female | 女性 | 28.25 | 15.47 |
| By age group | 按年齡組別劃分 | | |
| ≤ 30 | 30歲或以下 | 77.27 | 40.03 |
| 31–40 | 31–40歲 | 64.66 | 32.72 |
| 41–50 | 41–50歲 | 46.03 | 22.05 |
| 51–60 | 51–60歲 | 17.14 | 16.41 |
| ≥ 61 | 61歲或以上 | 90.00 | 172.73 |
| By geographical region | 按地區劃分 | | |
| Guizhou | 貴州 | 54.53 | 28.70 |
| Hong Kong | 香港 | 10.00 | 9.09 |

Employment Standards

The Group's employment standards are set out clearly in its internal documents. Adhering to the relevant local and national laws and regulations, as well as the Group's internal guidelines, hiring of the following groups of persons is strictly prohibited, including under-aged labour, persons without legal identity, those who were prohibited from working in the industry by law, other Company's employees, those who can't pass the physical examination for the relevant position, and any other persons who are prevented from employment by law. Our recruitment decisions are based on the type of work, skills, and qualifications required by different positions. The general manager of each subsidiary is responsible for the employment practices of the respective company and shall be held accountable in case of illegal employment and termination, inappropriate punishment, incomplete social insurance etc. Chairman and persons with his authorisation are accounted for the employment of the higher management team. Due to strict internal hiring rules, no non-compliance cases were found during the year under review.

僱傭準則

本集團的僱傭標準載列於其內部文件。根據地方和國家相關法律法規以及本集團內部指導方針，嚴禁僱用以下人員群體，包括未成年勞動者、無合法身份證明的人員、依法禁止從事本行業工作的人員、其他本公司僱員、相關崗位體檢不合格以及法律明令禁止錄用的任何其他人員。我們的聘用決定乃基於工作類型、不同職位所要求的技能和資質作出。各附屬公司總經理對各自公司的僱傭慣例負責，對違規聘用及解聘、處罰不當、社會保險險種不全等情況負有責任。主席及其授權人員對上級管理團隊的聘任負責。由於內部用工制度嚴格，回顧年度內未發現不合規情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Equal Opportunities

The Group is committed to providing equal opportunities for all employees. The company does not discriminate on the basis of race, gender, age, religion, or disability. The Group's hiring decisions were made solely based on whether the candidates' skillset met the relative requirements of the positions they applied for.

During the year under review, the Group's workforce consists mainly of persons 31–50 years old, while those beyond this age range also took up a certain proportion, which is in line with the current labour market. As for gender, generally more male individuals were willing to join labour-intensive frontline positions in Guizhou, therefore, the Group employed significantly more men than women, though no gender-discrimination consideration was put in place, nor was there any other unequal hiring standards.

Besides, equal access to training and development opportunities, and equal consideration for promotions and other job opportunities are given to all employees. More about remuneration and on-the-job training will be explained in the following sections.

During the year ended 31 December 2022, the Group did not receive any complaints in relation to unequal employment or workplace discrimination.

Remuneration and Benefits

The group provide competitive wages and benefits, along with reasonable working hours and paid leaves to our employees. We also offers bonuses and other incentives to employees who demonstrate outstanding professionalism.

As required by the Hong Kong Mandatory Provident Fund Schemes Ordinance, the Group contributes to all employees' mandatory provident fund and retirement benefits scheme. As for Mainland China, we provide pension insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing fund, widely referred to as "Five Insurances and One Fund" in the region.

平等機會

本集團致力為所有僱員提供平等機會。本公司概不因種族、性別、年齡、宗教或殘疾而歧視。本集團的聘用決定完全基於候選人的綜合技能是否符合其所申請職位的相關要求。

回顧年度內，本集團的勞動力以31–50歲的人員為主，同時亦有一定比例超出該年齡段的人員，符合當前勞動力市場狀況。就性別而言，貴州普遍有更多男性願意加入勞動密集型前線崗位，因此，本集團僱用的男性明顯多於女性，但並無考慮性別歧視，亦無任何其他不平等的招聘標準。

此外，所有僱員均享有平等的培訓及發展機會，並於晉升及其他工作機會方面均享有同等考慮。更多有關薪酬待遇及在職培訓的詳情將於以下章節進行闡述。

截至2022年12月31日止年度，本集團並無接獲任何有關就業不平等或工作場所歧視的投訴。

薪酬及福利

本集團為僱員提供有競爭力的工資及福利以及合理的工作時間及有薪假期。我們亦向表現出傑出專業精神的僱員提供獎金及其他獎勵。

誠如香港《強制性公積金計劃條例》所規定，本集團為全體僱員的強制性公積金及退休福利計劃供款。在中國大陸，我們提供養老保險、醫療保險、失業保險、工傷保險、生育保險以及住房公積金，在大陸被廣泛稱為「五險一金」。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Occupational Health and Safety

While our back-office employees are exposed to significantly fewer health and safety risks, the measures discussed in this section mainly apply to frontline employees in Mainland China. During the year ended 31 December 2022, the Group has complied in all material respects with all applicable laws and regulations concerning health and safety at our coal mines in China, in particular, Law of the People's Republic of China on Work Safety (《中華人民共和國安全生產法》), and the Prevention and Control of Occupational Diseases Law of the People's Republic of China (《中華人民共和國職業病防治法》). During the year under review, a dedicated unit of the management staff is assigned to each of the Group's mines to oversee the daily practices in preventing and controlling occupational diseases. Though each mine has its own set of policies and governing unit, these policies can be summarised as below:

- (1) All staff members at mines must comply with safety rules and processes and wear personal protective equipment, including masks, earmuffs, and safety helmets;
- (2) Standard ventilation equipment is established at work, and the level of toxic gas in the mines are regularly monitored;
- (3) Before operating the machinery of the mines, including excavators, drills, explosives and trucks, workers must receive training and obtain qualification proofs;
- (4) Each coal mine has established its production safety management department with designated heads in charge of safety management, including inspecting the conditions of the mines to ensure safe working conditions;
- (5) Each coal mine is assigned with over 30 officers from the production safety management department who have received professional training and are qualified. They are assigned to different teams and key activities; and
- (6) Prior to each team entering the mine, a pre-shift meeting will be held to remind employees to maintain their safety awareness and take pre-cautions to prevent potential hazards.

The Group is committed to ensuring the safety of our workers, yet we deeply regret to report that there was one fatal accident in our Hongguo Coal Mine in 2022. We offer our sincerest condolences to the family and friends of the deceased worker. Our Group has investigated the accident and taken measures to prevent similar incidents from occurring in the future. We strive to continuously improve our safety procedures and maintain a safe working environment for all employees. In the previous years ended December 31, 2020, and 2021, there were no fatal accidents at our coal mines. There were some occupational injuries and lost workdays, which we have worked to manage at reasonable levels.

職業健康與安全

我們的後勤僱員面臨的健康及安全風險較少，本節所討論的措施主要適用於中國大陸的前線僱員。於截至2022年12月31日止年度，本集團已遵守所有與我們在中國的煤礦有關的健康與安全的適用法例法律，具體包括《中華人民共和國安全生產法》及《中華人民共和國職業病防治法》。於回顧年度，本集團各礦場均獲派專職管理人員監督日常職業病防治工作。雖然各礦場均有自己一套政策及管理單位，惟該等政策可總結如下：

- (1) 於礦場工作時，所有員工必須執行安全規程，以及必須配戴個人防護裝備，包括口罩、耳罩以及安全帽；
- (2) 工場設有標準通風設備，並定期監測礦場內的毒氣水平；
- (3) 工人必須接受職前訓練及獲得合格證明後，才可操作礦場機械，包括挖掘機、鑽機、炸藥及卡車等；
- (4) 各煤礦均設立安全生產管理部門，指派其部門主管人員管理該部門的安全事務，包括檢查礦區的狀況，以確保工作條件的安全；
- (5) 各煤礦均安排超過30名來自安全生產管理部門，並已受專業培訓及認證合格的人員，分配至每工作小隊及每一關鍵活動；及
- (6) 於各班組人進入礦區前，必須召開班前會議，以保持彼等的安全意識，並採取預防措施以防止潛在的危險。

本集團致力確保工人的安全，但我們深感遺憾地報告，紅果煤礦於2022年發生了一宗致命意外。我們向已故工人的家人及朋友表示最誠摯的哀悼。本集團已對意外進行調查，並已採取措施防止日後發生類似事件。我們努力不斷改進安全程序，並為所有員工維持安全的工作環境。截至2020年及2021年12月31日止過往年度，我們的煤礦並無發生致命意外。曾發生工傷及損失工作日，我們努力將其管理在合理水平。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

The below table summarises the number of injuries from the occupational accident and related lost working days in the Group:

下表概述本集團因工遭遇意外而導致的受傷人數及相關損失工作日數：

| | | For the year ended 31 December 截至12月31日止年度 | | | |
|---------------------------------|-----------|--|---|--|---|
| | | 2022 2022年 | | 2021 2021年 | |
| | | Number of injuries from occupational accidents 因工遭遇意外而 導致受傷人數 | Number of working days lost due to occupational injuries 因工傷損失 工作日數 | Number of injuries from occupational accidents 因工遭遇意外而 導致受傷人數 | Number of working days lost due to occupational injuries 因工傷損失 工作日數 |
| Hongguo Coal Mine | 紅果煤礦 | 81 | 9,000 | 66 | 6,425 |
| Baogushan Coal Mine | 苞谷山煤礦 | 38 | 4,738 | 53 | 5,479 |
| Songshan Coal Preparation Plant | 松山洗煤廠 | 3 | 442 | 3 | 462 |
| Xiejiahegou Coal Mine | 謝家河溝煤礦 | 44 | 5,651 | 44 | 4,607 |
| Total | 總計 | 167 | 19,831 | 166 | 16,973 |

Development and Training

Employee development and training are important parts of any successful business. We consider it essential to ensure that our employees are adequately trained and developed in order to realise their full potential and ensure that they are able to perform their duties effectively. We also encourage our employees to take up new challenges and responsibilities to grow their vocational skills and showcase their capabilities in order to gain career development.

The Group provides thorough training to new recruits so that they are familiarised with their working conditions and necessary safety precautions, while all workers and special operators shall obtain certifications by passing annual training before starting work. In addition, the Group offers professional on-the-job training based on the needs of the different roles such as coal mining, supply and procurement, administration, and accounting, so that employees can improve their skills in their respective fields and have opportunities for further development.

發展及培訓

員工發展及培訓為任何成功企業的重要組成部分。我們認為須確保我們的僱員得到充分培訓及發展，發揮彼等全部潛力，並確保彼等能夠有效地履行職責。我們亦鼓勵僱員迎接全新挑戰及職責，提升其職業技能並展現其能力，從而獲得職業發展。

本集團為新招聘的員工進行全面入職培訓，以便彼等熟悉其工作條件及必要的安全預防措施。所有工人以及特種作業人員須上崗前通過年度培訓測試獲得認證。此外，本集團更針對如採煤、供應及採購、行政及會計等不同崗位的需求，提供專業在職培訓，旨在提高僱員於彼等各自領域的技能及為彼等提供後續發展機會。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

We provide adequate training courses without discrimination based on age, gender, and rank. However, courses related to production safety and mining conditions are considered the most important and were repeatedly provided throughout the year. These courses were mainly provided to mining workers, who are predominantly male who are willing to join a labour-intensive work environment.

我們提供足夠培訓課程，不分年齡、性別及等級。然而，有關生產安全及採礦條件的課程被認為屬最重要，並於全年多次開設。該等課程主要乃向採礦工人提供，彼等主要為願意加入勞動密集型工作環境的男性工人。

The table below shows a breakdown of the number of attendances by employee type:

下表載列按僱員類別劃分的出席人次明細：

| | | For the year ended 31 December 截至12月31日止年度 | | | | | |
|-------------------------------|-------|---|---|--|-------------------------------------|---|--|
| | | 2022 2022年 | | | 2021 2021年 | | |
| | | Total number of attendances trained | Average training hours completed per attendances (hours) 每位接受培訓的僱員的平均培訓時數 (小時) | The percentage of attendances trained (%) 接受培訓的僱員的百分比 (%) | Total number of attendances trained | Average training hours completed per attendances (hours) 每位接受培訓的僱員的平均培訓時數 (小時) | The percentage of attendances trained (%) 接受培訓的僱員的百分比 (%) |
| By categories | 按類別 | | | | | | |
| By gender | 按性別劃分 | | | | | | |
| Male | 男性 | 3,802 | 48 | 99.58 | 5,510 | 48.37 | 99.84 |
| Female | 女性 | 16 | 9 | 0.42 | 9 | 5 | 0.16 |
| By job categories | 按職能劃分 | | | | | | |
| Administration and management | 行政管理 | 49 | 3 | 1.28 | 21 | 5 | 0.38 |
| Accounting and finance | 會計及財務 | 24 | 3 | 0.63 | 12 | 5 | 0.22 |
| Sales and marketing | 銷售及營銷 | 12 | 3 | 0.32 | 6 | 5 | 0.11 |
| Production scheduling | 生產排程 | 10 | 24 | 0.26 | N/A不適用 | N/A不適用 | N/A不適用 |
| Production safety | 生產安全 | 158 | 24 | 4.14 | N/A不適用 | N/A不適用 | N/A不適用 |
| Mine production | 煤礦生產 | 3,555 | 50 | 93.11 | 5,475 | 48.7 | 99.20 |
| Supply and procurement | 供應及採購 | 10 | 3 | 0.26 | 5 | 5 | 0.09 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

環境、社會及管治報告(續)

Supply Chain Management

In order to ensure efficient and effective product production and delivery, the Group actively and cautiously manages its supply chain. The Group purchases mechanical auxiliary materials from external parties such as articulated rollers, belt conveyors, bottom rollers, polyester composite pipes, rubber, curing agents, support steel, fire-resistant belts, hydraulic supports, anchor nets and lifting boards. These machines have a significant impact on the efficiency of our operation and the safety of our workers. Therefore, the Group imposes stringent requirements on selecting suppliers. As a ground rule, suppliers shall possess the necessary legal certification as well as meet international and national provisions relating to product and service quality. We also consider their production capacity and track record of customer service. After the certification review, we ask potential suppliers to ship product samples for our internal inspection. The Procurement department keeps a record of qualified suppliers. For large orders, relevant departments shall first compare at least three suppliers based on quality, price, delivery time and services. Internal approvals must be obtained before any large orders are processed. Other than necessary qualifications, the Group also considers suppliers' environmental impacts and tries to engage with companies with the same ethical values as ours.

During the year under review, the Group had 285 suppliers (2021: 303), all located in Mainland China.

Product Responsibility

Quality Control

The Group is committed to providing the highest quality products to its customers, knowing that poor quality fossil fuel products could pose a severe threat to the natural environment and end-users' working conditions. To ensure this, we have implemented a rigorous quality control process. This process includes regular inspections of the mining sites, testing of the raw materials, and the use of the latest technology to monitor the production process. A designated quality control laboratory is set up in our Songshan Coal Preparation Plant, where our experienced technicians conduct preliminary testing on our products to determine their quality. The products would be traced and further studied whenever any abnormal indicators were found.

During the year ended 31 December 2022, the Group did not violate or breach any laws and regulations relating to product responsibility and did not receive any product complaints or claims.

供應鏈管理

為確保高效及有效的產品生產及交付，本集團積極審慎管理其供應鏈。本集團需要向外採購機械輔助材料，例如銜接式壓路機、輸送帶、底部滾柱、合成聚酯管、橡膠、固化劑、鋼鐵支架、防火帶、液壓支架、錨網、升降板等。該等機器對我們的運營效率及工人的安全有重大影響。因此本集團就甄選供應商方面的要求較為嚴謹。作為基本原則，供應商必須擁有必要的法律認證，並符合有關產品及服務質量的國際及國家規定。我們亦考慮彼等的生產能力及客戶服務記錄。認證審核後，我們要求潛在供應商運送產品樣品以供我們進行內部檢查。採購部門保留合格供應商的記錄。就大額訂單而言，相關部門會先根據品質、價格、交付時間及服務比較至少三間供應商，獲內部批准後，方會處理大額訂單。除必要資格外，本集團亦考慮供應商對環境的影響，並嘗試與具有與我們相同道德價值觀的公司合作。

於回顧年度內，本集團擁有 285 家供應商（2021 年：303 家），均位於中國大陸。

產品責任

品質監控

本集團致力於為客戶提供最優質的產品，深知劣質化石燃料產品或會對自然環境及終端用戶的工作條件構成嚴重威脅。為此，本集團已採用一套嚴格的質量控制程序。該程序包括定期檢查礦區、測試原材料以及使用最新技術監控生產過程。我們於松山洗煤廠設立了指定的質量控制實驗室，由經驗豐富的技術人員對產品進行初步檢測，確定產品質量。如發現指標異常，將對產品進行追蹤並進一步研究。

於截至 2022 年 12 月 31 日止年度，本集團並無違背或違反有關產品責任的任何法律及法規，亦無收到任何產品投訴或申索。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Customer Services and Information Management

To provide excellent customer service, the Group has a dedicated sales team that is available to answer any questions or concerns that customers may have. The Group's sales team connects us to our customers, mainly coking enterprises, iron and steel or chemical manufacturers, power plants, etc. They negotiate with customers to determine the selling price by considering production cost, market demand, specification and quality, and prevailing market rates. The team is also responsible for providing customers with accurate and up-to-date information about the products offered by the Group.

As part of our customer relations management policies, we make it clear that customer information and privacy must be treated under strict compliance with relevant laws and regulations. All customer information is recommended to be stored digitally behind our antivirus firewall. Our sales managers oversee the printing of customer documents and the filing of hard copies. Both hard copies and electronic files containing customer information are only accessible by relevant and authorised staff. Our IT department is responsible for setting up authorised accounts while the human resources department implementation of our customer privacy policies. Staff in breach of the rules above may be subject to fines or termination of employment.

During the year ended 31 December 2022, the Group did not receive any reports or customer complaints on violation of the laws and regulations relating to customer services and information management.

Intellectual Property Management

The Group has implemented a comprehensive intellectual property management system that includes the registration of patents, trademarks, and copyrights, as well as the protection of trade secrets and production techniques. All intellectual works created by our employees to complete work assignments using physical materials provided by subsidiaries of the Group are considered the intellectual property of the relevant subsidiary. The Group's intellectual property management system strictly follows relevant laws and regulations, and our legal team is responsible for monitoring the use of these properties with the assistance of designated personnel from each department. When partnering with outside parties, confidentiality terms may be added to the engagement contracts to protect the intellectual properties of the Group and other concerned parties.

No breach of intellectual property laws and regulations was found during the year under review.

客戶服務及信息管理

為提供細緻的客戶服務，本集團設有專門的銷售團隊，可解答客戶可能提出的任何問題或疑慮。本集團的銷售團隊將我們與客戶（主要為焦煤企業，鋼鐵或化學品製造商，發電廠等）聯繫起來。經考慮生產成本、市場需求、規格及品質以及現行市場價格，彼等與客戶協商釐定銷售價格。該團隊亦負責向客戶提供有關本集團所提供產品的準確及最新資料。

作為我們客戶關係管理政策的一部分，我們明確表示必須嚴格遵守相關法律法規來處理客戶資料及私隱。建議將所有客戶資料以數字方式儲存於我們的防病毒防火牆後。我們的銷售經理則監督客戶文檔的列印及列印本的歸檔。包含客戶信息的列印本及電子檔均只能由相關及授權人員訪問。我們的資訊科技部負責設置授權帳戶，而人力資源部則負責執行我們的客戶私隱政策。違反上述規則的員工可能會被處以罰款或終止僱傭關係。

於截至2022年12月31日止年度，本集團並無接獲任何有關違反相關客戶服務及信息管理的法律法規的報告或客戶投訴。

知識產權管理

本集團實施全面的知識產權管理體系，包括專利、商標及版權註冊，以及商業秘密及生產技術保護。我們的僱員使用本集團附屬公司提供的實物材料完成工作任務而創作的所有智力成果，均被視為相關附屬公司的知識產權。本集團的知識產權管理制度嚴格遵守相關法律法規，我們的法律團隊負責於各部門指定人員的協助下監控該等財產的使用。在與外部人員合作時，可能會在委聘合約中增加保密條款，以保護本集團及其他關連方的知識產權。

於回顧年度內，概無發現違反知識產權法律法規的行為。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)**Anti-Corruption**

Committed to conducting business in an ethical and responsible manner, the Group has adopted an Anti-fraud Code that outlines its commitment to ethical business practices and its zero-tolerance policy for corruption. The Anti-fraud Code is reviewed and updated from time to time to ensure that it reflects the development of laws and regulations as well as the Group's commitment. As a listed company, we also comply with the Code of Corporate Governance Practices, set out in Appendix 14 of the Listing Rules, as a guideline for formulating the internal rules and regulations for integrity discipline and clean administration.

The Board and its Audit Committee guide and monitor the Group's anti-corruption practices with assistance from the auditing department. The Group also opened whistleblower channels including telephones and emails that can provide employees with a safe and secure way to report any suspected violations without fear of retaliation. In case of any breach of internal anti-corruption rules, the progress and results of the corruption investigation will be submitted directly to the Board. If non-compliance cases of governing laws were found, we would report to the authority and hold respective staff accountable. The Group also arranges regular training sessions for all employees to remind them of the anti-corruption policies.

During the year ended 31 December 2022, the Group was not involved in any corruption litigation and has not received any suspected corruption report.

The following table shows the number of anti-corruption training sessions provided by the Group:

| | |
|--|--------------|
| Number of anti-corruption training sessions held | 舉辦反貪污培訓課程次數 |
| Number of employees receiving anti-corruption training | 接受反貪污培訓的出席人次 |

反貪污

本集團致力於以道德及負責任方式開展業務，已採用反欺詐準則，其中概述了其對道德商業行為的承諾以及對貪污的零容忍政策。反欺詐準則會不時審查及更新，以確保其反映法律法規的發展以及本集團的承諾。作為一家上市公司，我們亦遵守上市規則附錄14所載的《企業管治常規守則》作為其制定內部規章條例的指引，以落實誠實守紀及廉潔行政。

董事會及其審計委員會於審計部門的協助下指導及監督本集團的反貪污實踐。本集團亦開通舉報渠道，包括電話及電子郵件，可為僱員提供安全可靠的舉報任何涉嫌違規行為的方式，而不必擔心遭到報復。倘有任何違反內部反貪污規則，則有關貪污調查進度及結果將直接向董事會匯報。倘發現違反規管法例的情況，我們會向當局匯報，並追究有關工作人員的責任。本集團亦會定期安排全體僱員參加培訓課程，以提醒彼等注意反貪污政策。

於截至2022年12月31日止年度，本集團並無涉及任何貪污訴訟，亦無收到任何懷疑貪污的報告。

下表顯示本集團提供的反貪污培訓課程的次數：

| During the year ended 31 December 截至12月31日止年度 | |
|--|---------------|
| 2022 2022年 | 2021 2021年 |
| 5 | 5 |
| 1,850 | 1,695 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)
環境、社會及管治報告(續)

Community Investment

The Group's local subsidiary ranked 14th among the top 100 private enterprises in Guizhou, growing from 41st in the previous year. With a root in the Liupanshui area of Guizhou Province, the Group is deeply concerned about the welfare of the local community and allocated resources mainly to poverty relief, medical support, and education. In Hong Kong, the Group takes responsibility for the elderly in overcoming mental boredom and material difficulties during the COVID-19 pandemic by sponsoring a charity Cantonese opera performance that included free online streaming for all and gifting goods to various elderly care homes.

During the year under review, the resources we allocate to community investment are summarised below:

- Donation of RMB790,000 to Songshan Village Residential Committees, Hongguo Subdistrict (紅果街道松山村居委會) to contribute to the Rural Cooperative Medical Scheme (農村合作醫療);
- Tuition and living subsidies of RMB223,400 towards 22 local impoverished college students;
- Donation of RMB3,000 as activity budget for Xiaying Village, Yangchang Township (羊場鄉下營村);
- RMB18,000 for visiting people in need in Yangchang Township (羊場鄉) during Chinese New Year;
- Donation of RMB62,600 to help people in need in Yangchang Township (羊場鄉);
- Sponsorship of HK\$20,000 for Charity Cantonese Opera Show Welcoming Mid-autumn (慈善粵韻迎中秋) for the elderly in Hong Kong.

社區投資

本集團之當地附屬公司獲評為貴州民營企業百強的第十四名，較上年的第四十一名有所上升。扎根於貴州省六盤水區，本集團深切關注當地社區的福祉，將資源主要用於扶貧、醫療及教育。於香港，本集團通過贊助一場慈善粵劇表演，包括為所有人免費線上播放及向各安老院贈送物品，幫助老年人於COVID-19疫情期間克服精神上的乏味及物質困難。

於回顧年度內，我們分配予社區投資的資源概列如下：

- 向紅果街道松山村居委會捐款人民幣790,000元，為農村合作醫療作出貢獻；
- 為22名本地貧困大學生捐款人民幣223,400元的學費及生活補貼；
- 向羊場鄉下營村捐款人民幣3,000元作為活動經費；
- 人民幣18,000元用於農曆新年期間探望羊場鄉的有需要人士；
- 捐款人民幣62,600元以幫助羊場鄉的有需要人士；
- 就慈善粵韻迎中秋向香港長者贊助20,000港元。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TO THE SHAREHOLDERS OF PERENNIAL ENERGY HOLDINGS LIMITED
久泰邦達能源控股有限公司
(Incorporated in the Cayman Islands with limited liability)

致久泰邦達能源控股有限公司的股東

(於開曼群島註冊成立的有限公司)

Deloitte.

德勤

Opinion

We have audited the consolidated financial statements of Perennial Energy Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 108 to 208, which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. 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.

意見

我們已審核第108至208頁所載久泰邦達能源控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於2022年12月31日的綜合財務狀況表以及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括重大會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於2022年12月31日的綜合財務狀況及貴集團截至該日止年度的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

意見基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。我們根據該等準則承擔的責任於本報告「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的專業會計師道德守則(「守則」)，我們獨立於貴集團，並已根據守則履行其他道德責任。我們相信，我們所獲的審核憑證能充足及適當地為我們的意見提供基礎。

關鍵審計事項

關鍵審計事項為根據我們的專業判斷，認為對審核本年度綜合財務報表最為重要的事項。該等事項在我們審核整體綜合財務報表及就此制定意見時進行處理，我們不會對該等事項提供個別意見。

INDEPENDENT AUDITOR'S REPORT (Continued)
獨立核數師報告(續)

Key Audit Matter (continued)

關鍵審計事項(續)

Key audit matter
關鍵審計事項How our audit addressed the key audit matter
我們的審核如何處理關鍵審計事項**Depreciation of mining structures included in property, plant and equipment and amortisation of mining rights**
計入物業、廠房及設備的採礦構築物的折舊及採礦權攤銷

We identified the depreciation of mining structures included in property, plant and equipment and amortisation of mining rights ("mining related assets") as a key audit matter due to the involvement of significant estimation and the management's judgement in determining the total proven and probable reserves of the coal mines.

由於涉及重大評估及管理層釐定煤礦證實及概略總儲量時運用了判斷，故我們將計入物業、廠房及設備的採礦構築物折舊及採礦權(「採礦相關資產」)攤銷確定為關鍵審計事項。

As explained in note 4 to the consolidated financial statements, the Group determines depreciation of mining structures included in property, plant and equipment and amortisation of mining rights by using the units of production method based on the actual production volume over the total proven and probable reserves of the coal mines concerned. The estimated reserves are the estimates of the quantity of coal that can be economically and legally extracted from the Group's mining properties, which are determined according to an independent technical review report prepared by an external specialist with the consideration of most recent production and technical information of each mine. In addition, a variation on recovery rates or unforeseen geological or geotechnical perils may cause the management to change the production plan resulting from a revision to the estimates of coal reserves.

誠如綜合財務報表附註4所述，貴集團根據有關煤礦證實及概略總儲量的實際產量使用生產單位法釐定計入物業、廠房及設備的採礦構築物折舊以及採礦權攤銷。估計儲備為自貴集團採礦物業以具經濟效益的方式合法開採的煤炭數量估計數字，根據外部專家編製的獨立技術審閱報告及考慮各礦場的最近期生產及技術資料後釐定。此外，回採率變動或不可預料的地質或岩土險情均可能令管理層因煤炭儲量估計數字獲修訂而改變生產計劃。

As set out in notes 14 and 16 to the consolidated financial statements, depreciation of mining structures and the amortisation of mining rights for the year ended 31 December 2022 amounted to RMB25,192,000 (2021: RMB17,338,000) and RMB37,324,000 (2021: RMB35,912,000), respectively.

誠如綜合財務報表附註14及16所述，截至2022年12月31日止年度，採礦構築物折舊及採礦權攤銷分別為人民幣25,192,000元(2021年：人民幣17,338,000元)及人民幣37,324,000元(2021年：人民幣35,912,000元)。

Our procedures in relation to the depreciation and amortisation of mining related assets included:
我們關於採礦相關資產的折舊及攤銷程序包括：

- Assessing the competence, capabilities and objectivity of the external specialist who prepared the independent technical review reports;
- 評估編製獨立技術審閱報告的外部專家的資格、能力及客觀性；
- Obtaining an understanding from the external specialist about the techniques applied in estimation of total proven and probable reserves of the coal mines, the basis of calculation, key inputs and data used in the estimation;
- 向外部專家瞭解估計煤礦證實及概略總儲量所應用的技術、估計所用的計算基準、主要輸入數據及資料；
- Assessing the reasonableness of key inputs used in calculation of depreciation and amortisation of mining related assets, by examining the annual production summary provided by the management of the Group and checking the consistency by comparing it against estimated production volume throughout the useful lives of the mines included in the estimated coal reserves (comprising total proven and probable reserves), based on an independent technical review report prepared by external specialist;
- 評估用於計算採礦相關資產折舊及攤銷的關鍵輸入數據的合理性，方法為檢查本集團管理層提供的年度生產摘要，並根據外部專家編寫的獨立技術審查報告通過比較以檢查煤礦整個使用壽命期間的估計產量中包括估計煤炭儲量(由證實及概略總儲量組成)的一致性；
- Testing actual production volume by crossing checking to delivery and settlement documents on a sample basis;
- 透過抽樣交叉核對交付及結算文件，測試實際生產量；
- Testing the integrity and arithmetic accuracy of the calculation of depreciation of mining structures and amortisation of mining rights for the year ended 31 December 2022;
- 測試截至2022年12月31日止年度採礦建築物折舊及採礦權攤銷計算方式的完整性及算術準確性；

INDEPENDENT AUDITOR'S REPORT (Continued)

獨立核數師報告(續)

Other Information

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

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

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

Responsibilities of Directors of the Company and those charged with Governance 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事需對其他信息負責。其他信息包括列載於年報內的信息，但不包括綜合財務報表及我們發出的相關核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

就我們對綜合財務報表的審核而言，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

貴公司董事及就綜合財務報表而言負責管治的人士的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露要求編製反映真實公平意見的綜合財務報表，並對其認為就使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

在編製綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及採用持續經營會計基準，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

負責管治的人士須負責監督貴集團的財務報告過程。



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.

核數師就審核綜合財務報表須承擔的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照我們協定的委聘條款僅向全體股東出具包括我們意見的核數師報告，除此以外，本報告不可用作其他用途。我們並不就本報告之內容對任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可能由欺詐或錯誤引起，如果合理預期其單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述方被視作重大。

作為根據香港審計準則進行審核的一部分，我們在審核過程中運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部監控，以設計適當的審核程序，但並非旨在對貴集團內部監控的有效性發表意見。
- 評價貴公司董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT (Continued)
獨立核數師報告(續)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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.

We communicate with those charged with governance 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 identified during our audit.

核數師就審核綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容(包括披露)以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審核憑證，以對綜合財務報表發表意見。我們負責指導、監督及執行審核。我們為審核意見承擔全部責任。

除其他事項外，我們與負責管治的人士溝通計劃審核範圍、審核時間及重大審核發現等，包括我們在審核中識別出內部監控的任何重大缺陷。

INDEPENDENT AUDITOR'S REPORT (Continued)
獨立核數師報告(續)**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)**

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

From the matters communicated with those charged with governance, 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 partner on the audit resulting in this independent auditor's report is Zhu Chen.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
21 March 2023

核數師就審核綜合財務報表須承擔的責任(續)

我們還向負責管治的人士提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅而採取的行動或應用的防範措施。

從與負責管治的人士溝通的事項中，我們確定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律法規不允許公開披露該等事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人是朱晨。

德勤•關黃陳方會計師行
執業會計師
香港
2023年3月21日



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2022
截至2022年12月31日止年度

| | | NOTES | 2022 | 2021 |
|--|-------------|-------|------------------|----------------|
| | | 附註 | RMB'000 | RMB'000 |
| | | | 人民幣千元 | 人民幣千元 |
| Revenue | 收益 | 5 | 1,784,033 | 1,541,399 |
| Cost of sales | 銷售成本 | | (666,398) | (622,916) |
| Gross profit | 毛利 | | 1,117,635 | 918,483 |
| Other income | 其他收入 | 7 | 52,798 | 13,296 |
| Fair value change of contingent consideration payables | 應付或然代價公平值變動 | 28 | (20,409) | (308,518) |
| Other gains and losses | 其他收益及虧損 | 8 | (4,940) | 1,935 |
| Distribution and selling expenses | 分銷及銷售開支 | | (72,515) | (58,109) |
| Administrative expenses | 行政開支 | | (110,882) | (129,921) |
| Other expenses | 其他開支 | | (77,211) | (2,690) |
| Finance costs | 融資成本 | 9 | (28,928) | (23,048) |
| Profit before taxation | 除稅前溢利 | 10 | 855,548 | 411,428 |
| Taxation charge | 稅項支出 | 11 | (111,593) | (109,658) |
| Profit and total comprehensive income for the year | 年內溢利及全面收入總額 | | 743,955 | 301,770 |
| Earnings per share (RMB cents) | 每股盈利(人民幣分) | | | |
| Basic | 基本 | 13 | 46.50 | 18.86 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2022
於2022年12月31日

| | | NOTES | 2022 | 2021 |
|--|-----------------|-------|------------------|------------------|
| | | 附註 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 14 | 1,897,205 | 1,512,740 |
| Investment properties | 投資物業 | 15 | 51,500 | 51,600 |
| Mining rights | 採礦權 | 16 | 828,867 | 866,191 |
| Restricted bank deposits | 受限制銀行存款 | 17 | 17,239 | 12,740 |
| Deferred tax assets | 遞延稅項資產 | 18 | 40,129 | – |
| Rental deposits | 租金按金 | 21 | 426 | 494 |
| Deposits for purchase of property, plant and equipment | 購買物業、廠房及設備的按金 | 21 | 2,819 | 26,520 |
| Deposits for acquisition of mining rights | 收購採礦權的按金 | 21 | 90,566 | 90,566 |
| | | | 2,928,751 | 2,560,851 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 19 | 49,444 | 51,159 |
| Trade and bills receivables | 貿易應收款項及應收票據 | 20 | 871,550 | 393,003 |
| Deposits, prepayments and other receivables | 按金、預付款項及其他應收款項 | 21 | 28,202 | 20,516 |
| Tax recoverable | 可收回稅項 | | – | 31,238 |
| Cash and cash equivalents | 現金及現金等價物 | 22 | 202,057 | 180,854 |
| | | | 1,151,253 | 676,770 |
| Current liabilities | 流動負債 | | | |
| Trade payables | 貿易應付款項 | 23 | 109,304 | 81,688 |
| Other payables and accrued charges | 其他應付款項及應計費用 | 24 | 212,391 | 159,735 |
| Contract liabilities | 合約負債 | 25 | 1,639 | 9,197 |
| Lease liabilities | 租賃負債 | 26 | 1,275 | 1,251 |
| Tax payable | 應付稅項 | | 35,270 | – |
| Bank borrowings | 銀行借款 | 27 | 695,972 | 221,015 |
| Contingent consideration payables | 應付或然代價 | 28 | 395,186 | 253,536 |
| | | | 1,451,037 | 726,422 |
| Net current liabilities | 流動負債淨額 | | (299,784) | (49,652) |
| Total assets less current liabilities | 總資產減流動負債 | | 2,628,967 | 2,511,199 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)
綜合財務狀況表(續)

As at 31 December 2022
於2022年12月31日

| | | NOTES | 2022 | 2021 |
|-----------------------------------|--------------|-------|------------------|------------------|
| | | 附註 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Non-current liabilities | 非流動負債 | | | |
| Deferred tax liabilities | 遞延稅項負債 | 18 | 28,017 | 16,811 |
| Lease liabilities | 租賃負債 | 26 | 1,299 | 2,575 |
| Bank borrowings | 銀行借款 | 27 | 90,000 | 301,000 |
| Contingent consideration payables | 應付或然代價 | 28 | – | 378,095 |
| Provision for restoration costs | 復墾成本撥備 | 29 | 47,008 | 44,974 |
| | | | <u>166,324</u> | <u>743,455</u> |
| Net assets | 資產淨值 | | <u>2,462,643</u> | <u>1,767,744</u> |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 30 | 14,136 | 14,136 |
| Reserves | 儲備 | | <u>2,448,507</u> | <u>1,753,608</u> |
| Total equity | 總權益 | | <u>2,462,643</u> | <u>1,767,744</u> |

The consolidated financial statements on pages 108 to 208 were approved and authorised for issue by the Board of Directors on 21 March 2023 and signed on its behalf by:

載於第108至208頁的綜合財務狀況表已由董事會於2023年3月21日批准及授權刊發，並由以下人士簽署：

Mr. Yu Bangping
余邦平先生
DIRECTOR
董事

Mr. Li Xuezhong
李學忠先生
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2022
截至2022年12月31日止年度

| | | Attributable to owners of the Company | | | | | |
|--|----------------|---------------------------------------|---------------|-----------------------|---------------------------|------------------|-----------|
| | | 本公司擁有人應佔 | | | | | |
| | | Share capital | Share premium | Other reserve | Statutory surplus reserve | Retained profits | Total |
| | | 股本 | 股份溢價 | 其他儲備 | 法定盈餘儲備 | 保留溢利 | 總計 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | | | (note (i)) (附註(i)) | (note (ii)) (附註(ii)) | | |
| At 1 January 2021 | 於2021年1月1日 | 14,136 | 443,759 | 212,664 | 84,075 | 764,494 | 1,519,128 |
| Profit and total comprehensive income for the year | 年內溢利及全面收入總額 | - | - | - | - | 301,770 | 301,770 |
| Dividend recognised as distribution | 確認為分派之股息 | - | (53,154) | - | - | - | (53,154) |
| Transfer to statutory surplus reserve | 轉撥至法定盈餘儲備 | - | - | - | 31,350 | (31,350) | - |
| At 31 December 2021 | 於2021年12月31日 | 14,136 | 390,605 | 212,664 | 115,425 | 1,034,914 | 1,767,744 |
| Profit and total comprehensive income for the year | 年內溢利及全面收入總額 | - | - | - | - | 743,955 | 743,955 |
| Dividend recognised as distribution (note 12) | 確認為分派之股息(附註12) | - | (49,056) | - | - | - | (49,056) |
| Transfer to statutory surplus reserve | 轉撥至法定盈餘儲備 | - | - | - | 76,374 | (76,374) | - |
| At 31 December 2022 | 於2022年12月31日 | 14,136 | 341,549 | 212,664 | 191,799 | 1,702,495 | 2,462,643 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)
綜合權益變動表(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

Notes:

- (i) Other reserve as at 31 December 2022 and 31 December 2021 represented the aggregate amount of (i) the aggregate profit of RMB130,191,000 in respect of operations of the Mining Business (as defined in note 2 to the consolidated financial statements of the annual report for year ended 31 December 2019) carried out by Old Operating Entities (as defined in note 2 to the consolidated financial statements of the annual report for year ended 31 December 2019) prior to the Assets Transfer (as defined in note 2 to the consolidated financial statements of the annual report for year ended 31 December 2019) and the profit was legally belonged to Old Operating Entities and non-distributable by the Group; (ii) net historical transfer from non-controlling interests of RMB222,669,000; (iii) the credit of RMB5,664,000 arisen from historical derecognition of assets and liabilities of Old Operating Entities; (iv) historical distribution of profits of a subsidiary of RMB145,860,000 to the then Shareholders (except for Hong Kong Resources (as defined in note 2 of consolidated financial statements for year ended 31 December 2019)).
- (ii) As stipulated by the relevant laws and regulations of the People's Republic of China (the "PRC"), before distribution of the net profit each year, the subsidiaries established in the PRC shall set aside 10% of their net profit after taxation for the statutory surplus reserve fund (except where the reserve has reached 50% of the subsidiaries' registered capital). The statutory reserve fund can only be used, upon approval by the board of directors of the relevant subsidiaries and by the relevant authority, to offset accumulated losses or increase capital.

附註：

- (i) 於2022年12月31日及2021年12月31日的其他儲備為下列各項的總和：(i)就舊營運實體(定義見截至2019年12月31日止年度報告中之綜合財務報表附註2)在資產轉讓(定義見截至2019年12月31日止年度報告中之綜合財務報表附註2)前進行的採礦業務(定義見截至2019年12月31日止年度報告中之綜合財務報表附註2)營運的溢利總額人民幣130,191,000元，該溢利在法律上屬於舊營運實體，本集團不可分派；(ii)過往轉移自非控股權益淨額人民幣222,669,000元；(iii)終止確認舊營運實體的資產及負債產生的信貸人民幣5,664,000元；及(iv)過往向當時的股東(香港寰亞資源(定義見截至2019年12月31日止年度報告中之綜合財務報表附註2)除外)分派一間附屬公司溢利人民幣145,860,000元。
- (ii) 誠如中華人民共和國(「中國」)相關法律及法規所訂明，於每年分派純利前，於中國成立的附屬公司須將其除稅後純利的10%撥作法定盈餘儲備基金(該儲備達到附屬公司註冊資本的50%者除外)。經相關附屬公司董事會及相關部門批准後，該法定儲備基金僅可用於抵銷累計虧損或增加資本。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2022
截至2022年12月31日止年度

| | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|---|-----------------------|--------------------------|--------------------------|
| OPERATING ACTIVITIES | 經營活動 | | |
| Profit before taxation | 除稅前溢利 | 855,548 | 411,428 |
| Adjustments for: | 就以下項目作出調整： | | |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 99,135 | 83,307 |
| Amortisation of mining rights | 採礦權攤銷 | 37,324 | 35,912 |
| Finance costs | 融資成本 | 28,928 | 23,048 |
| Fair value change of contingent consideration payables | 應付或然代價公平值變動 | 20,409 | 308,518 |
| Loss on disposal/written off of property, plant and equipment | 出售／撇銷物業、廠房及設備的虧損 | 2,554 | 441 |
| Fair value change of investment properties | 投資物業公平值變動 | 100 | 1,100 |
| Interest income | 利息收入 | (1,264) | (911) |
| Operating cash flows before movements in working capital | 營運資金變動前的經營現金流量 | 1,042,734 | 862,843 |
| Increase in trade payables | 貿易應付款項增加 | 85,004 | 16,170 |
| Increase in other payables and accrued charges | 其他應付款項及應計費用增加 | 64,676 | 70,990 |
| Decrease (increase) in inventories | 存貨減少(增加) | 1,715 | (21,780) |
| (Decrease) increase in contract liabilities | 合約負債(減少)增加 | (7,558) | 9,007 |
| Increase in deposits, prepayments and other receivables | 按金、預付款項及其他應收款項增加 | (7,618) | (3,256) |
| Increase in trade and bills receivables | 貿易應收款項及應收票據增加 | (924,203) | (199,442) |
| Cash generated from operations | 經營所得現金 | 254,750 | 734,532 |
| Income tax paid | 已付所得稅 | (74,008) | (181,104) |
| NET CASH FROM OPERATING ACTIVITIES | 經營活動所得現金淨額 | 180,742 | 553,428 |

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

綜合現金流量表(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

| | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--|----------------------------|--------------------------|--------------------------|
| INVESTING ACTIVITIES | 投資活動 | | |
| Purchases of property, plant and equipment | 購買物業、廠房及設備 | (471,654) | (428,838) |
| Purchase of mining right and related assets | 收購採礦權及相關資產 | (256,854) | (187,959) |
| Placement of restricted bank deposits | 開立受限制銀行存款 | (4,499) | (4,516) |
| Deposits paid for purchase of property, plant and equipment | 購買物業、廠房及設備的已付按金 | (2,819) | (26,520) |
| Interest received | 已收利息 | 1,264 | 911 |
| Increase in deposit paid for acquisition of mining rights | 收購採礦權的已付按金增加 | - | (29,366) |
| Withdrawal of restricted bank deposits | 提取受限制銀行存款 | - | 12,030 |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | - | 1,510 |
| NET CASH USED IN INVESTING ACTIVITIES | 投資活動所用現金淨額 | (734,562) | (662,748) |
| FINANCING ACTIVITIES | 融資活動 | | |
| Dividend paid | 已付股息 | (49,056) | (53,154) |
| Interest paid on bank borrowings and lease liabilities | 銀行借款及租賃負債的已付利息 | (19,367) | (21,102) |
| Repayment of lease liabilities | 償還租賃負債 | (1,252) | (1,824) |
| New borrowings from factoring of bills receivables | 票據應收賬款保理新借款 | 644,698 | 171,651 |
| New borrowings raised | 新增借款 | - | 100,000 |
| Repayment of borrowings | 償還借款 | - | (45,000) |
| NET CASH FROM FINANCING ACTIVITIES | 融資活動所得現金淨額 | 575,023 | 150,571 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 現金及現金等價物增加淨額 | 21,203 | 41,251 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 年初現金及現金等價物 | 180,854 | 139,603 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash | 年末現金及現金等價物，即銀行結餘及現金 | 202,057 | 180,854 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2022
截至2022年12月31日止年度

1. General Information

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Act Chapter 22 of the Cayman Islands on 7 June 2017. The shares of the Company were listed on the company Main Board of The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) on 12 December 2018 and its parent and ultimate holding company is Spring Snow Management Limited, a limited liability company incorporated in the British Virgin Islands (“BVI”). The address of the Company’s registered office and principal place of business is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and Unit 1003, 10th Floor, Tower 2, Lippo Centre, 89 Queensway, Hong Kong, respectively.

The Company is an investment holding company. The principal activities of its subsidiaries are principally engaged in the exploration and mining of coking coal and coal refinery in the People’s Republic of China (the “PRC” or “China”).

The controlling shareholder of the Company is Mr. Yu Bangping (“Mr. Yu”).

The consolidated financial statements are presented in Renminbi (“RMB”) which is also the same as the functional currency of the Company.

1. 一般資料

本公司於2017年6月7日根據開曼群島公司法第22章在開曼群島註冊成立為獲豁免有限公司。本公司股份於2018年12月12日在香港聯合交易所有限公司（「聯交所」）主板上市，而其母公司及最終控股公司為Spring Snow Management Limited，該公司為於英屬處女群島（「英屬處女群島」）註冊成立的有限公司。本公司的註冊辦事處及主要營業地點的地址分別為P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands及香港金鐘道89號力寶中心第2座10樓1003室。

本公司是一間投資控股公司。其附屬公司主要的活動為於中華人民共和國（「中國」）從事勘探及開採焦煤以及洗煤業務。

本公司控股股東為余邦平先生（「余先生」）。

綜合財務報表以人民幣（「人民幣」）呈列，人民幣亦為本公司的功能貨幣。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

2. Adoption of Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2022 for the preparation of the consolidated financial statements:

| | |
|-----------------------|--|
| Amendments to HKFRS 3 | Reference to the Conceptual Framework |
| Amendment to HKFRS 16 | Covid-19-Related Rent Concessions beyond 30 June 2021 |
| Amendments to HKAS 16 | Property, Plant and Equipment – Proceeds before Intended Use |
| Amendments to HKAS 37 | Onerous Contracts – Cost of Fulfilling a Contract |
| Amendments to HKFRSs | Annual Improvements to HKFRSs 2018–2020 |

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

2. 採納香港財務報告準則(「香港財務報告準則」)修訂本

於本年度強制生效的香港財務報告準則修訂本

於本年度，本集團首次應用香港會計師公會(「香港會計師公會」)頒佈的以下香港財務報告準則修訂，該等修訂於本集團自2022年1月1日開始的年度期間強制生效，用於編製綜合財務報表：

| | |
|-------------------|------------------------------|
| 香港財務報告準則第3號(修訂本) | 提述概念框架 |
| 香港財務報告準則第16號(修訂本) | 2021年6月30日日後與Covid-19相關的租金優惠 |
| 香港會計準則第16號(修訂本) | 物業、廠房及設備—擬定用途前的所得款項 |
| 香港會計準則第37號(修訂本) | 繁苛合約—履行合約的成本 |
| 香港財務報告準則(修訂本) | 香港財務報告準則2018年至2020年之年度改進 |

本年度應用香港財務報告準則(修訂本)對本集團本年度及過往年度的財務狀況及業績及／或該等綜合財務報表所載的披露並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

2. Adoption of Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(continued)

New and amendments to HKFRSs in issue but not yet effective

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

| | |
|--|--|
| HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17) | Insurance Contracts ¹ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ² |
| Amendments to HKFRS 16 | Lease Liability in a Sale and Leaseback ³ |
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ³ |
| Amendments to HKAS 1 | Non-current liabilities with covenants ³ |
| Amendments to HKAS 1 and HKFRS Practice Statement 2 | Disclosure of Accounting Policies ¹ |
| Amendments to HKAS 8 | Definition of Accounting Estimates ¹ |
| Amendments to HKAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹ |

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after a date to be determined.

³ Effective for annual periods beginning on or after 1 January 2024.

2. 採納香港財務報告準則 （「香港財務報告準則」） 修訂本(續)

已頒佈但尚未生效的新訂香港財務報告準則及修訂本

本集團並無提前應用下列已頒佈但尚未生效的新訂香港財務報告準則及修訂本：

| | |
|--|--|
| 香港財務報告準則第17號(包括2020年10月及2022年2月的香港財務報告準則第17號(修訂本)) | 保險合約 ¹ |
| 香港財務報告準則第10號及香港會計準則第28號(修訂本) | 投資者與其聯營公司或合營企業之間的資產出售或注入 ² |
| 香港財務報告準則第16號(修訂本) | 售後回租的租賃負債 ³ |
| 香港會計準則第1號(修訂本) | 將負債分類為流動或非流動及香港詮釋第5號(2020年)的相關修訂本 ³ |
| 香港會計準則第1號(修訂本) | 附帶契諾的非流動負債 ³ |
| 香港會計準則第1號及香港財務報告準則實務聲明第2號(修訂本) | 會計政策披露 ¹ |
| 香港會計準則第8號(修訂本) | 會計估計定義 ¹ |
| 香港會計準則第12號(修訂本) | 與單一交易產生的資產及負債相關的遞延稅項 ¹ |

¹ 於2023年1月1日或之後開始的年度期間生效。

² 於待定期或之後開始的年度期間生效。

³ 於2024年1月1日或之後開始的年度期間生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

2. Adoption of Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

Except for the amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)

The 2020 amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.
- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

2. 採納香港財務報告準則 （「香港財務報告準則」） 修訂本(續)

已頒佈但尚未生效的新訂香港財務報告準則及修訂本(續)

除下述經修訂香港財務報告準則外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則於可見未來不會對綜合財務報表產生重大影響。

香港會計準則第1號(修訂本)將負債分類為流動或非流動以及對香港詮釋第5號之相關修訂(2020年)(「2020年修訂本」)以及香港會計準則第1號「附帶契諾之非流動負債」之修訂(「2022年修訂本」)

該等2020年修訂本為評估將結算期限延遲至報告日期後最少十二個月的權利提供澄清及額外指引，以將負債分類為流動或非流動，當中：

- 澄清倘若負債具有條款，可由對手方選擇透過轉讓實體本身的權益工具進行結算，則僅當實體應用香港會計準則第32號 *金融工具：呈列* 將選擇權單獨確認為股本工具時，該等條款方不會對其分類為流動或非流動造成影響。
- 訂明負債應基於報告期末存在的權利而分類為流動或非流動。具體而言，該等修訂本澄清：該分類不受管理層在12個月內結算負債的意圖或預期所影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

2. Adoption of Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)
(continued)

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the requirements introduced by the 2020 Amendments have been modified by the 2022 Amendments. The 2022 Amendments specify that only covenants with which an entity is required to comply with on or before the end of the reporting period affect the entity’s right to defer settlement of a liability for at least twelve months after the reporting date. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.

In addition, the 2022 Amendments specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if the entity classify liabilities arising from loan arrangements as non-current when the entity’s right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

The 2022 Amendments also defer the effective date of applying the 2020 Amendments to annual reporting periods beginning on or after 1 January 2024. The 2022 Amendments, together with the 2020 Amendments, are effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted. If an entity applies the 2020 amendments for an earlier period after the issue of the 2022 Amendments, the entity should also apply the 2022 Amendments for that period.

Based on the Group’s outstanding liabilities as at 31 December 2022, the application of the 2020 and 2022 Amendments will not result in reclassification of the Group’s liabilities.

2. 採納香港財務報告準則 〔香港財務報告準則〕 修訂本(續)

已頒佈但尚未生效的新訂香港財務報告準則及修訂本(續)

香港會計準則第1號(修訂本)將負債分類為流動或非流動以及對香港詮釋第5號之相關修訂(2020年)〔2020年修訂本〕以及香港會計準則第1號〔附帶契諾之非流動負債〕之修訂〔2022年修訂本〕(續)

2022年修訂本修訂了2020年修訂本引入的關於須受附帶契諾限制可推遲自報告日期起至少12個月內結算負債之權利的規定。2022年修訂本規定，只有要求實體於報告期末或之前須遵守的契諾才會影響報告日期後至少12個月內實體延遲結算負債的權利。僅要求於報告期後遵守的契諾並不影響報告期末該權利是否存在。

此外，2022年修訂本亦規定有關資料的披露規定，即倘實體將貸款安排產生的負債分類為非流動，而當實體延遲結算該等負債的權利受限於實體於報告期後十二個月內遵守契諾，該等資料能使財務報表的使用者了解負債可能將於報告期後十二個月內償還的風險。

2022年修訂本亦將2020年修訂本的生效日期推遲至2024年1月1日或其後開始的年度報告期。2022年修訂本連同2020年修訂本將於2024年1月1日或其後開始的年度報告期生效，允許提早應用。倘實體於2022年修訂本發佈後的較早期間應用2020年修訂本，該實體亦應於該期間應用2022年修訂本。

根據本集團於2022年12月31日的未償還負債，應用2020年及2022年修訂本將不會導致對本集團的其他負債進行重新分類。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

2. Adoption of Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

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

HKAS 1 is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 *Making Materiality Judgements* (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the financial position or performance of the Group but may affect the disclosures of the Group’s significant accounting policies. The impacts of application, if any, will be disclosed in the Group’s future consolidated financial statements.

2. 採納香港財務報告準則 （「香港財務報告準則」） 修訂本(續)

已頒佈但尚未生效的新訂香港財務報告準則及修訂本(續)

香港會計準則第1號及香港財務報告準則實務聲明第2號(修訂本)會計政策披露

香港會計準則第1號已作修訂，以「重大會計政策資料」取代所有「重大會計政策」一詞。倘將會計政策資料與實體財務報表中所載的其他資料一併考慮時，可合理預期會影響一般用途財務報表主要使用者根據該等財務報表作出的決定，則該會計政策資料屬重大。

該等修訂亦釐清，即使該等款項並不重大，但由於相關交易、其他事項或狀況的性質，會計政策資料可能屬重大。然而，並非所有與重大交易、其他事項或狀況有關的會計政策資料本身屬重大。倘實體選擇披露非重大會計政策資料，則有關資料不得掩蓋重大會計政策資料。

香港財務報告準則實務聲明第2號作出重要性判斷(「實務聲明」)亦已作修訂，以闡述實體如何將「四步重要性流程」應用至會計政策披露及判斷有關會計政策的資料對其財務報表是否屬重大。實務聲明已增加指引及例子。

預期應用該等修訂不會對本集團的財務狀況及表現造成重大影響，惟可能影響本集團重大會計政策的披露。應用影響(如有)將於本集團未來的綜合財務報表披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

2. Adoption of Amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(continued)

New and amendments to HKFRSs in issue but not yet effective (continued)

Amendments to HKAS 8 Definition of Accounting Estimates

The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group’s consolidated financial statements.

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

2. 採納香港財務報告準則 （「香港財務報告準則」） 修訂本(續)

已頒佈但尚未生效的新訂香港財務報告準則及修訂本(續)

香港會計準則第8號(修訂本)會計估計定義

該等修訂界定會計估計為「受計量不明朗因素影響的財務報表的貨幣金額」。會計政策可能規定財務報表項目按涉及計量不明朗因素的方式計量－即會計政策可能規定以不可直接觀察而須予估計的貨幣金額計量有關項目。在該情況下，實體編製會計估計，旨在達到會計政策載列的目標。編製會計估計涉及根據最新可得的可靠資料運用判斷或假設。

此外，香港會計準則第8號的會計估計變更的概念予以保留，惟有進一步釐清。

預期應用該等修訂不會對本集團的綜合財務報表造成重大影響。

3. 編製綜合財務報表的基準 及重大會計政策

編製綜合財務報表的基準

綜合財務報表是根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則編製。就呈列綜合財務報表而言，倘有關資料可合理預期影響主要使用者所作出決定，則該等資料會被視為重大。此外，綜合財務報表載有聯交所證券上市規則（「上市規則」）及香港公司條例規定的適用披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies
(continued)

Basis of preparation of consolidated financial statements (continued)

The consolidated financial statements have been prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The directors of the Company have given careful consideration to the future liquidity of the Group when preparing the consolidated financial statements.

For the year ended 31 December 2022, the Group generated a net profit of RMB744 million (2021: net profit of RMB302 million). At 31 December 2022, the Group had total cash and cash equivalents of RMB202 million (2021: RMB181 million), net current liabilities of RMB300 million (2021: RMB50 million) and generated net operating cash inflows of RMB181 million (2021: RMB553 million) and total net cash inflows of RMB21 million (2021: net cash inflows of RMB41 million), after investing and financing cash flows.

The directors of the Company are of the view that the Group will be able to meet its debts as and when they fall due after taking into the consideration of the cash flow forecasts, which assume the continuity of normal business activity, indicate that the Group will have sufficient liquidity to meet its operational, existing contractual debts and capital commitments for the 12 month period from 31 December 2022.

Accordingly the consolidated financial statements were prepared on a going concern basis.

3. 編製綜合財務報表的基準及重大會計政策(續)

編製綜合財務報表的基準(續)

綜合財務報表按假設持續進行正常業務活動及日常業務過程中變現資產和結算負債的持續經營基準編製。本公司董事於編製綜合財務報表時已周詳考慮到本集團未來的資金流動狀況。

截至2022年12月31日止年度，本集團錄得純利人民幣744百萬元(2021年：純利人民幣302百萬元)。於2022年12月31日，本集團具有現金及現金等價物總額人民幣202百萬元(2021年：人民幣181百萬元)、流動負債淨額人民幣300百萬元(2021年：人民幣50百萬元)，並錄得經營活動所得現金流入淨額人民幣181百萬元(2021年：人民幣553百萬元)，計及投資及融資現金流量後，現金流入淨額總共為人民幣21百萬元(2021年：現金流入淨額人民幣41百萬元)。

本公司董事經考慮假設持續進行正常業務活動的現金流量預測，顯示本集團於2022年12月31日後12個月期間會有充足流動資金，以應付經營、現有合約債務及資本承擔等需求後，認為本集團將能償還到期債務。

因此，綜合財務報表按持續經營基準編製。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies
(continued)

Basis of preparation of consolidated financial statements (continued)

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and contingent consideration payables that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

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

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

3. 編製綜合財務報表的基準及重大會計政策(續)

編製綜合財務報表的基準(續)

綜合財務報表乃按歷史成本基準編製，惟如下文所載會計政策所闡述，投資物業及應付或然代價於每個報告期末按公平值計量。

歷史成本一般根據為交換貨品及服務而付出代價的公平值計算。

公平值指市場參與者之間於計量日期進行的有序交易中出售資產所收取的價格或轉讓負債所支付的價格，不論該價格是否為直接觀察到的結果，或是採用其他估值技術作出的估計。在對資產或負債的公平值作出估計時，本集團考慮市場參與者於計量日期為資產或負債進行定價時將會考慮的該資產或負債的特徵。於該等綜合財務報表中就計量及／或披露而言的公平值均按此基準予以釐定，惟香港財務報告準則第2號*股份支付*範圍內的股份支付交易、香港財務報告準則第16號*租賃*範圍內的租賃交易及與公平值類似但並非公平值的計量(例如香港會計準則第2號*存貨*中的可變現淨值或香港會計準則第36號*資產減值*中的使用價值)除外。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Basis of preparation of consolidated financial statements (continued)

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

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

Significant accounting policies

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when a company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. 編製綜合財務報表的基準及重大會計政策(續)

編製綜合財務報表的基準(續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據的可觀察程度及該等輸入數據對公平值計量整體的重要性分類為第一級、第二級或第三級，詳述如下：

- 第一級輸入數據為實體於計量日期可取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據為就資產或負債可直接或間接觀察的輸入數據(第一級所含報價除外)；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

重大會計政策

綜合基準

綜合財務報表包括本公司及由本公司及其附屬公司控制的實體的財務報表。如該公司符合下列條件，則屬擁有控制權：

- 可對投資對象行使權力；
- 因參與投資對象的業務而可獲得或有權獲得可變回報；及
- 有能力行使其權力以影響其回報。

倘有事實及情況顯示上述三項控制因素中有一項或以上出現變動，本集團會重新評估其是否控制投資對象。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Significant accounting policies (continued)

Basis of consolidation (continued)

Consolidation of a subsidiary begins when a company obtains control over the subsidiary and ceases when a company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when a company ceases to control the subsidiary.

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

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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

3. 編製綜合財務報表的基準及重大會計政策(續)

重大會計政策(續)

綜合基準(續)

當一間公司於獲得附屬公司控制權時，即開始將附屬公司綜合入賬，而當一間公司失去附屬公司控制權時，即終止綜合入賬。具體而言，於年內收購或出售的附屬公司的收入及開支，於本集團獲得控制權當日起計入綜合損益及其他全面收益表，直至該公司對附屬公司的控制權終止當日為止。

損益及其他全面收入的各部分歸屬於本公司擁有人及非控股權益。即使非控股權益出現虧絀結餘，附屬公司的全面收入總額仍歸屬於本公司擁有人及非控股權益。

於必要時，對附屬公司的財務報表作出調整，以令其會計政策與本集團會計政策一致。

與本集團成員公司間的交易有關的所有集團內公司間資產、負債、權益、收入、開支及現金流量於綜合入賬時悉數對銷。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Business combinations or asset acquisitions

Asset acquisitions

When the Group acquires a group of assets that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Revenue from contracts with customers

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

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

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

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

3. 編製綜合財務報表的基準及重大會計政策(續)

業務合併或資產收購

資產收購

當本集團收購一組不構成業務的資產，本集團按收購日期相對公平值分配購買價，藉此識別並確認個別可識別的所收購資產及所承擔負債。該項交易並無產生商譽或議價購買收益。

來自客戶合約的收益

本集團於(或隨著)完成履約責任時(即與特定履約責任相關的貨品或服務的「控制權」獲轉讓予客戶時)確認收益。

履約責任指一項貨品及服務(或一攬子貨品或服務)屬大致上相同的獨立或一系列獨立貨品或服務。

控制權隨時間轉讓，而倘符合下列其中一項條件，則收益參考完全達成相關履約責任的進度隨時間確認：

- 本集團履約時，客戶同時收取及消耗本集團履約所提供的利益；
- 本集團履約時，本集團履約創造或提升客戶控制的資產；或
- 本集團履約並無創造本集團可用於其他用途的資產，而本集團擁有可強制執行權利對截至當日完成的履約收取款項。

否則，收益於客戶取得獨立貨品或服務控制權的某一時間點確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Revenue from contracts with customers (continued)

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

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

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

The Group recognises revenue mainly from the sales of coal products/coalbed methane gas.

Sales of coal products/coalbed methane gas

Revenue from the sales of coal products/coalbed methane gas are recognised at a point in time when the control of goods has transferred, being when the goods have been shipped to the customers' specific location. A receivable is recognised by the Group when the goods are delivered to the customers as this represents the Group's right to consideration becomes unconditional, as only the passage of time is required before payment is due.

3. 編製綜合財務報表的基準及重大會計政策(續)

來自客戶合約的收益(續)

合約資產指本集團就其已轉讓的貨品或服務收取客戶所付換取代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)評估減值。相反,應收款項指本集團收取代價的無條件權利,即只需待時間過去代價即須到期支付。

合約負債指本集團因已自客戶收取代價(或到期代價金額),而須向客戶轉讓貨品或服務的責任。

與同一合約相關的合約資產及合約負債按淨額入賬及呈列。

本集團確認主要來自出售煤炭產品/煤層氣的收益。

出售煤炭產品/煤層氣

出售煤炭產品/煤層氣的收益於貨品控制權轉讓(即貨品已運送至客戶的指定地點)的某一時間點確認。本集團於貨品交付予客戶時確認應收款項,原因為此舉代表本集團收取代價的權利成為無條件,只需待時間過去付款即須到期支付。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Government grants

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

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

Leases

Definition of 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.

For contracts entered into or modified on or after the date of initial application or arising from business combination, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases of leasehold land and buildings that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis or another systematic basis over the lease term.

3. 編製綜合財務報表的基準 及重大會計政策(續)

政府補助

政府補助於可合理確定本集團將符合政府補助所附帶條件及將會收到補助時方會予以確認。

政府補助按系統基準於本集團將補助擬補償的相關成本確認為開支的期間在損益中確認。

與收入相關的政府補助是作為已產生的開支或虧損補償，或旨在給予本集團即時的財務支援而發放，並無未來相關成本，且在應收期間於損益中確認。

租賃

租賃的定義

倘合約為換取代價而給予在一段時間內控制使用所識別資產的權利，則該合約屬租賃或包含租賃。

就於首次應用日期或之後訂立或修訂或自業務合併產生的合約而言，本集團根據香港財務報告準則第16號的定義於初始或修訂日期(如適合)評估該合約是否屬租賃或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

本集團作為承租人

短期租賃

對於租期自開始日期起計為12個月或以內且並無包含購買選擇權的租賃土地及樓宇的租賃，本集團應用短期租賃確認豁免。短期租賃的租賃款項於租期內按直線法或其他有系統基準確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Leases (continued)

The Group as a lessee (continued)

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Except for those that are classified as investment properties and measured under fair value model, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets that do not meet the definition of investment property in “property, plant and equipment”, the same line item within which the corresponding underlying assets would be presented if they were owned.

3. 編製綜合財務報表的基準及重大會計政策(續)

租賃(續)

本集團作為承租人(續)

使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃款項，減任何已收租賃優惠；
- 本集團產生的任何初步直接成本；及
- 本集團於拆除及搬遷相關資產、復原相關資產所在場地或復原相關資產至租賃條款及條件所規定的狀況而產生的成本估計。

除分類為投資物業及按公平值模式計量的使用權資產外，使用權資產按成本計量，減去任何累計折舊及減值虧損，並就租賃負債的任何重新計量作出調整。

本集團合理確定可於租期結束時取得相關租賃資產所有權的使用權資產由開始日期起至可使用年期結束止計提折舊。在其他情況下，使用權資產按直線法於其估計可使用年期及租期(以較短者為準)內計提折舊。

本集團於「物業、廠房及設備」中呈列不符合投資物業定義的使用權資產，倘擁有該等資產，則按將呈列相應有關資產的相同項目呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Leases (continued)

The Group as a lessee (continued)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

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

3. 編製綜合財務報表的基準及重大會計政策(續)

租賃(續)

本集團作為承租人(續)

可退回租金按金

已付可退回租金按金根據香港財務報告準則第9號入賬，並初步按公平值計量。初步確認的公平值調整被視為額外租賃款項，並計入使用權資產的成本內。

租賃負債

於租賃開始日期，本集團按該日未付的租賃款項現值確認及計量租賃負債。於計算租賃款項現值時，倘租賃隱含的利率難以釐定，則本集團使用租賃開始日期的增量借款利率計算。

租賃款項包括固定付款(包括實質性的固定付款)減任何應收租賃優惠。

於開始日期後，租賃負債經應計利息及租賃款項調整。

本集團於綜合財務狀況表中將租賃負債呈列作單獨項目。

租賃修訂

倘出現以下情況，本集團將租賃修訂入賬列作一項單獨租賃：

- 該項修訂通過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 租賃代價增加的金額相當於範圍擴大相應的單獨價格，以及按照特定合約的實際情況對單獨價格進行任何適當調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Leases (continued)

The Group as a lessee (continued)

Lease modifications (continued)

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

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use assets. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as a lessor

Classification and measurement of leases

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

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Rental income of leasing the investment property is included in other income.

3. 編製綜合財務報表的基準及重大會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃修訂(續)

就並無入賬列作一項單獨租賃的租賃修訂而言，本集團基於經修訂租賃的租期，透過使用修訂生效日期的經修訂貼現率貼現經修訂租賃款項，重新計量租賃負債。

本集團透過對相關使用權資產進行相應調整，以對租賃負債進行重新計量。當修訂合約包含一項租賃成分及一項或多項額外租賃或非租賃成分，本集團根據租賃成分的相對獨立價格及非租賃成分的獨立價格總額，將修訂合約的代價分配至各租賃成分。

本集團作為出租人

租賃分類及計量

本集團作為出租人的租賃分類為融資或經營租賃。當租賃條款將相關資產所有權附帶的絕大部分風險及回報轉移予承租人時，合約分類為融資租賃。所有其他租賃分類為經營租賃。

經營租賃的租金收入乃按相關租賃年期以直線法於損益中確認。於磋商及安排經營租賃時產生的初步直接成本會加入租賃資產的賬面值，而該等成本於租期內以直線法確認為開支，按公平值模式計量的投資物業除外。

租賃投資物業的租金收入計入其他收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Leases (continued)

The Group as a lessor (continued)

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Property, plant and equipment

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

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 編製綜合財務報表的基準 及重大會計政策(續)

租賃(續)

本集團作為出租人(續)

租賃修訂

不屬於原訂條款及條件的租約代價變動(包括透過豁免或扣減租金提供的租賃優惠)按租賃修訂入賬。

本集團自經營租賃修訂生效日期起將該修訂入賬列作新租賃，而與原租賃相關的任何預付或應計租賃款項視作新租賃的部分租賃款項。

物業、廠房及設備

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

在建以作生產及行政用途的物業按成本減任何已確認減值虧損列賬。成本包括將資產達致所需地點及狀況，致使該資產可按管理層擬定方式營運而直接應佔的任何成本，及就合資格資產而言，根據本集團會計政策已資本化的借款成本。該等資產按與其他物業資產相同的基準，於該等資產可投入作擬定用途時開始計提折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Property, plant and equipment (continued)

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

Depreciation is recognised so as to write off the cost of assets, other than construction in progress and mining structures, over their estimated useful lives after taking into account their estimated residual value, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The mining structures are stated at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses. Depreciation is provided to write off the cost of the mining structures using the units of production method based on the actual production volume over the total proven and probable reserves of the coal mine concerned. Reserve estimates are reviewed when information becomes available that indicates a reserve change is needed, or at a minimum once a year. Any material effect from changes in estimates is considered in the period the change occurs.

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

3. 編製綜合財務報表的基準及重大會計政策(續)

物業、廠房及設備(續)

當本集團為物業(包括租賃土地及樓宇元素)的所有權權益付款,代價悉數按租賃土地及樓宇元素於初步確認時的相對公平值,按比例分配至租賃土地及樓宇元素。倘相關付款能可靠地分配,則入賬列作經營租賃的租賃土地權益於綜合財務狀況表內呈列為「使用權資產」呈列。當非租賃樓宇元素與相關租賃土地不可分割權益之間未能可靠分配代價,則整項物業呈列為物業、廠房及設備。

折舊乃按資產(不包括在建工程及採礦構築物)於估計可使用年期內經計及其估計剩餘價值後,以直線法撇銷其成本確認。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討,並提前將任何估計變動的影響入賬。

採礦構築物乃按成本減其後累計折舊及其後累計減值虧損列賬。採礦構築物已按基於相關煤礦實際產量除以證實及概略總儲量的生產單位法計提折舊,以撇銷其成本。儲量估計於有資料顯示須對儲量作出修改時審閱或最少每年審閱一次。估計變動引致的任何重大影響於變動發生期間考量。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生未來經濟利益時終止確認。出售或廢棄物業、廠房及設備項目產生的任何收益或虧損按出售所得款項與該資產賬面價值之間的差額釐定,並於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies

(continued)

Mining rights

Mining rights are carried at cost less subsequent accumulated amortisation and subsequent accumulated impairment loss. Mining rights include the cost of acquiring mining licenses. Amortisation for mining rights is provided using the units of production method based on the actual production volume over the total proven and probable reserves of the coal mine concerned.

A mining right is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of a mining right, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Investment properties

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

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

3. 編製綜合財務報表的基準及重大會計政策(續)

採礦權

採礦權按成本減其後累計攤銷及其後累計減值虧損列賬，並包括取得採礦許可證的成本。採礦權乃按基於相關煤礦實際產量除以證實及概略總儲量的生產單位法計提攤銷。

採礦權於出售或預期使用或出售不會產生未來經濟利益時終止確認。終止確認採礦權所產生的收益及虧損，按出售所得款項淨額與資產賬面值之間的差額計量，並於終止確認資產期間在損益內確認。

投資物業

投資物業為賺取租金及／或作資本增值而持有的物業。

投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業乃按其公平值(經調整以撇除任何預付或應計經營租賃收入)計量。

投資物業公平值變動所產生的收益或虧損於其產生期間計入損益。

投資物業於出售後或投資物業永久不再使用及預期出售不會產生未來經濟利益時終止確認。終止確認該物業所產生的任何收益或虧損(按出售所得款項淨額與該資產賬面值之間的差額計算)於終止確認物業期間計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Impairment loss on non-financial assets

At the end of the reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of non-financial assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

3. 編製綜合財務報表的基準及重大會計政策(續)

非金融資產的減值虧損

於報告期末，本集團審閱其非金融資產的賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘存在任何有關跡象，則估計相關資產的可收回金額，以釐定減值虧損(如有)的程度。

非金融資產個別估計可收回金額。倘無法估計個別可收回金額，則本集團將估計資產所屬現金產生單位的可收回金額。測試現金產生單位是否出現減值時，如可確立合理一致的分配基準，則將公司資產分配之相關現金產生單位，否則將其分配至可確立合理一致的分配基準的最小現金產生單位組別，然後釐定有關公司資產所屬現金產生單位或現金產生單位組別的可收回金額，並與相關現金產生單位或現金產生單位組別的賬面值進行比較。

可收回金額為公平值減出售成本與使用價值兩者中的較高者。於評估使用價值時，估計未來現金流量採用稅前貼現率(反映當時市場對貨幣時間價值及資產(或現金產生單位)特定風險的評估)貼現至其現值，而估計未來現金流量並未就其作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Impairment loss on non-financial assets (continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated to the assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised in profit or loss.

3. 編製綜合財務報表的基準及重大會計政策(續)

非金融資產的減值虧損(續)

倘估計資產(或現金產生單位)的可收回金額低於其賬面值，則資產(或現金產生單位)的賬面值將調減至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產，本集團會比較一個組別的現金產生單位賬面值(包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值)與該組現金產生單位的可收回金額。於分配減值虧損時，按該單位各項資產的賬面值所佔比例分配至資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。已另行分配至資產的減值虧損金額按比例分配至該單位一組現金產生單位的其他資產。減值虧損即時於損益確認。

倘減值虧損其後撥回，則資產(或現金產生單位或一組現金產生單位)的賬面值會上調至其經修訂的估計可收回金額，惟就此已上調的賬面值不得超出資產(或現金產生單位或一組現金產生單位)於過往年度並無確認減值虧損時釐定的賬面值。減值虧損撥回於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Bank balances for which used by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Regulatory restrictions affecting use of bank balances are disclosed in note 17.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on the weighted average cost method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

3. 編製綜合財務報表的基準及重大會計政策(續)

現金及現金等價物

於綜合財務狀況表中列示的現金及現金等價物包括：

- (a) 現金，包括手頭現金及活期存款，不包括受監管限制導致此類餘額不再符合現金定義的銀行餘額；及
- (b) 現金等價物，包括短期(原到期日一般於三個月以內)、流動性強、易於轉換為已知金額現金、價值變動風險小的投資。持有現金等價物乃為滿足短期現金承諾，而非為投資或其他目的。

就綜合現金流量表而言，現金及現金等價物包括上文所定義的現金及現金等價物。

本集團使用受第三方合約限制的銀行結餘計為現金的一部分，除非該限制導致銀行結餘不再符合現金定義。影響銀行餘額使用的監管限制披露於附註17。

存貨

存貨以成本與可變現淨值兩者中的較低者列賬。存貨成本以加權平均成本法釐定。可變現淨值指存貨估計售價減所有估計完成成本及達成銷售所需成本。進行銷售所需成本包括直接歸因該項銷售之增量成本以及本集團進行該項銷售必須承擔之非增量成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in market place.

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

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具

金融資產及金融負債於集團實體成為該工具合約條文的訂約方時確認。所有按常規買賣的金融資產按交易日期基準確認及終止確認。按常規買賣指要求在市場規定或慣例所定時限內交付資產的金融資產買賣。

金融資產及金融負債初步按公平值計量，惟客戶合約產生的貿易應收款項及應收票據根據香港財務報告準則第15號進行初步計量。收購或發行金融資產及金融負債(按公平值計量且其變動計入損益之金融資產或金融負債除外)直接應佔的交易成本，於初步確認時計入金融資產或金融負債的公平值或自金融資產或金融負債的公平值中扣除(如適用)。收購按公平值計量且其變動計入損益之金融資產或金融負債直接應佔的交易成本即時於損益確認。

實際利率法為相關期間計算金融資產或金融負債攤銷成本及分配利息收入及利息開支的方法。實際利率為於初步確認時將估計未來現金收入及支出(包括構成整體實際利率的所有已付或已收費用、交易成本及其他溢價或折讓)按金融資產或金融負債的預期年期或較短期間(倘適用)準確貼現至賬面淨值的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融資產

金融資產的分類及後續計量

滿足以下條件的金融資產其後按攤銷成本計量：

- 該金融資產按以收取合約現金流量為目的的業務模式持有；及
- 該合約條款令於特定日期產生的現金流量僅為支付本金及未償還本金的利息。

攤銷成本及利息收入

其後按攤銷成本計量的金融資產使用實際利率法確認。利息收入按對金融資產賬面總值應用實際利率計算，惟其後出現信貸減值的金融資產(見下文)除外。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入按對金融資產攤銷成本應用實際利率確認。倘信貸減值金融工具的信貸風險有所改善，令金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期初起利息收入按對金融資產賬面總值應用實際利率確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including restricted bank deposits, trade and bills receivables, deposits and other receivables and bank balances), which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-months ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade and bills receivables. The lifetime ECL on trade and bills receivables are assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號進行減值評估的其他項目
本集團就根據香港財務報告準則第9號須進行減值評估的金融資產(包括受限制銀行存款、貿易應收款項及應收票據、按金及其他應收款項以及銀行結餘)，根據預期信貸虧損(「預期信貸虧損」)模式進行減值評估。預期信貸虧損金額於各報告日期作出更新，以反映自初步確認以來的信貸風險變動。

可使用年期預期信貸虧損指於相關工具預計年期內所有可能出現的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指於報告日期起計12個月內可能出現的違約事件預期產生的該部分可使用年期預期信貸虧損。評估根據本集團過往信貸虧損經驗作出，並就債務人特定因素、整體經濟狀況及於報告日期對現況作出的評估以及未來狀況預測而作出調整。

本集團一直就貿易應收款項及應收票據確認可使用年期預期信貸虧損。貿易應收款項及應收票據的可使用年期預期信貸虧損獲個別評估。

就所有其他工具而言，本集團計量相等於12個月預期信貸虧損的虧損撥備(除非信貸風險自初步確認以來大幅上升，在此情況下本集團會確認可使用年期預期信貸虧損)。評估應否確認可使用年期預期信貸虧損乃根據自初步確認以來發生違約的可能性或風險大幅上升而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether the credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號進行減值評估的其他項目(續)

(i) 信貸風險大幅上升

評估信貸風險自初步確認以來是否大幅上升時，本集團會比較金融工具於報告日期發生違約的風險與金融工具於初步確認日期發生違約的風險。於作出此項評估時，本集團會考慮合理可靠的定量及定性資料，包括過往經驗或毋須過分花費或耗時獲取的前瞻性資料。

具體而言，評估信貸風險是否大幅上升時會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期嚴重轉差；
- 信貸風險的外部市場指標嚴重轉差，例如信貸息差，債務人信貸違約掉期價格大幅上升；
- 目前或預測業務、金融或經濟情況有不利變動，預期將大幅削弱債務人履行其債務責任的能力；
- 債務人經營業績實際上或預期嚴重轉差；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk (continued)

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號進行減值評估的其他項目(續)

(i) 信貸風險大幅上升(續)

- 債務人的監管、經濟或技術環境實際上或預期出現重大不利變動，導致債務人履行其債務責任的能力遭到大幅削弱。

不論上述評估結果如何，除非本集團的合理可靠資料另有說明，否則合約付款逾期超過30天時，本集團會推定信貸風險自初步確認以來已大幅上升。

儘管有上文所述者，本集團假設，倘債務工具於報告日期獲釐定為信貸風險低，則債務工具的信貸風險自初步確認以來並無顯著增加。倘(i)債務工具違約風險低；(ii)借款人有較強能力於近期履行其合約現金流量責任；及(iii)經濟及營商條件於更長期間出現的不利變動可能但不一定會降低借款人履行其合約現金流量責任的能力，則債務工具獲釐定為信貸風險低。倘債務工具按全球理解定義具「投資級別」的內部或外部信貸評級，本集團認為該債務工具的信貸風險為低。

本集團定期監察用以識別信貸風險是否已顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前識別信貸風險顯著增加。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號進行減值評估的其他項目(續)

(ii) 違約定義

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，原因為過往經驗表明符合以下任何一項條件的應收款項一般無法收回。

- 對手方違反財務契諾；或
- 內部產生或自外部來源獲得的資料顯示，債務人不太可能向其債權人（包括本集團）全額還款（不計及本集團持有的任何抵押品）。

本集團認為，除非本集團有合理可靠資料說明較長時間的違約標準更為合適，否則工具逾期超過90天時，則發生違約事件。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have been occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer of the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probably that the borrower will enter bankruptcy or other financial reorganisation.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade and bills receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice when appropriate. A write-off constitutes a derecognition event. Any recoveries made are recognised in profit or loss.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號進行減值評估的其他項目(續)

(iii) 信貸減值金融資產

於發生對金融資產的估計未來現金流量產生不利影響的一宗或多宗事件時，該金融資產即出現信貸減值。金融資產出現信貸減值的證據包括有關以下事件的可觀察數據：

- 借款人的發行人陷入嚴重財政困難；
- 違反合約，例如違約或逾期事件；
- 借款人的貸款人出於與借款人財政困難相關的經濟或合約原因，而向借款人授予貸款人原本不會考慮的優惠；或
- 借款人很有可能破產或進行其他財務重組。

(iv) 撇銷政策

於有資料顯示對手方陷入嚴重財政困難且並無實際收回款項的可能時(例如對手方已遭清盤或進入破產程序，或就貿易應收款項及應收票據而言，有關金額已逾期超過一年(以較早發生者為準))，本集團會撇銷金融資產。經計及在適當情況下的法律意見後，已撇銷的金融資產仍可根據本集團的收回程序進行強制執行行動。撇銷構成終止確認事件。任何收回款項於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(v) *Measurement and recognition of ECL*

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount with the exception of trade and bills receivables where the corresponding adjustment is recognised through a loss allowance account.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值及根據香港財務報告準則第9號進行減值評估的其他項目(續)

(v) *預期信貸虧損的計量及確認*

計量預期信貸虧損的功用為計算違約概率、違約損失率(即出現違約時的虧損程度)及面臨的違約風險。評估違約概率及違約損失率基於按前瞻性資料及歷史數據得出。預期信貸虧損的估計反映根據加權的相應違約風險而確定的無偏頗及概率加權金額。

一般而言，預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團預期將收取的所有現金流量之間的差額，以於初步確認時釐定的實際利率貼現進行估計。

本集團透過調整所有金融工具的賬面值，就該等工具於損益確認減值收益或虧損，惟貿易應收款項及應收票據除外，其相應調整透過虧損撥備賬確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融資產(續)

終止確認金融資產

本集團僅於自資產收取現金流量的合約權利屆滿時，或將金融資產及該資產所有權絕大部分風險及回報轉讓予另一實體的情況下，方會終止確認金融資產。倘本集團既非轉移亦非保留金融資產所有權的絕大部分風險及回報並繼續控制轉移資產，則本集團繼續以其持續參與的程度確認該資產並確認相關負債。

於終止確認按攤銷成本計量之金融資產時，資產賬面值與已收及應收代價總和的差額，將於損益中確認。

金融負債及股本

分類為債務或股本

由集團實體發行的債務及股本工具按合約安排的內容及金融負債與股本工具的定義分類為金融負債或股本。

股本工具

股本工具為證明經扣除其所有負債後於實體資產的剩餘權益的任何合約。本公司發行的股本工具按已收所得款項減直接發行成本確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies
(continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liabilities is (i) contingent consideration of an acquirer in a business combination to which HKFRS 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

Financial liabilities at amortised cost

Financial liabilities, including trade payables, other payables and accrued charges, and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 編製綜合財務報表的基準及重大會計政策(續)

金融工具(續)

金融負債及股本(續)

按公平值計量且其變動計入損益之金融負債

倘金融負債(i)為香港財務報告準則第3號適用之業務合併之收購方或有對價，(ii)持作買賣或(iii)被指定為按公平值計入損益時，金融負債分類為按公平值計量且其變動計入損益。

按攤銷成本計量的金融負債

金融負債(包括貿易應付款項、其他應付款項及應計費用以及銀行借款)其後採用實際利率法按攤銷成本計量。

終止確認金融負債

當且僅當本集團的責任被解除、註銷或屆滿時，本集團方會終止確認金融負債。終止確認金融負債的賬面值與已付及應付代價間的差額在損益中確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Provision for restoration

A provision for restoration is recognised when the Group has a present obligation (legal or construction) as a result of exploration, development and production activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of removing facilities, abandoning sites and restoring the affected areas.

The amount recognised as the provision for restoration cost is the best estimate of the present value of the expenditure required to settle the present restoration obligation at the end of the reporting period, based on current legal and other requirements. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the provision at the end of the reporting period.

Changes in the estimation of the restoration provision that result from changes in the estimated timing or amount of cash flows, including the effects of revisions to estimated lives of operation or a change in the discount rate, are added to, or deducted from, the cost of the related asset in the period it occurred. If a decrease in liability exceeds the carrying amount of the asset, the excess is recognised immediately in profit or loss. Unwinding of the effect of discounting on the provision is recognised as finance costs.

Retirement benefit costs

Payments to state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme (“MPF Scheme”) are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 編製綜合財務報表的基準及重大會計政策(續)

復墾撥備

復墾撥備於本集團因開展勘探、開發及生產活動承擔當前法定或推定責任，可能需要經濟利益流出以履行責任，及撥備金額能可靠計量時確認。估計未來責任包括移除設施、棄置地盤及修復受影響區域的成本。

確認為復墾成本撥備的金額為根據現行法律及其他規定於報告期末對履行當前復墾責任所需開支現值的最佳估計。未來復墾成本每年檢討，而估計的任何變動於報告期末的撥備現值中反映。

估計時間或現金流量金額變動(包括修訂估計營運年期或更改貼現率的影響)所產生的復墾撥備估計變動，於其產生期間加入相關資產成本或自相關資產成本中扣除。倘負債減幅超出資產賬面值，則超出部分即時在損益中確認。剔除對撥備的貼現影響確認為融資成本。

退休福利成本

向國家管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)作出的付款於僱員提供服務從而可享有供款時確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

Taxation

Taxation represents the sum of the income tax expense currently payable and deferred tax.

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

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

3. 編製綜合財務報表的基準及重大會計政策(續)

短期僱員福利

短期僱員福利於僱員提供服務時按預期支付福利的未貼現金額確認。所有短期僱員福利均確認為開支，除非有另一項香港財務報告準則規定或允許將福利計入資產成本則作別論。

僱員累計福利(如工資及薪金以及年假)於扣除任何已付金額後確認為負債。

稅項

稅項指即期應付所得稅開支與遞延稅項的總和。

即期應付稅項乃按年內應課稅溢利計算。由於其他年度的應課稅或可扣稅收入或開支以及毋須課稅或不可扣稅項目，應課稅溢利有別於綜合損益及其他全面收益表中所呈報的除稅前溢利。本集團的即期稅項負債乃按報告期末已頒佈或實質頒佈的稅率計算。

遞延稅項乃就綜合財務報表中資產及負債的賬面值與計算應課稅溢利所用相應稅基之間的差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產一般就所有可扣稅暫時差額確認，以有可能有應課稅溢利可用以抵銷有關可扣稅暫時差額為限。倘初步確認(業務合併除外)一項交易資產及負債所產生的暫時差額不影響應課稅溢利或會計溢利，則有關遞延稅項資產及負債將不予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Taxation (continued)

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale, except for freehold land, which is always presumed to be recovered entirely through sale.

3. 編製綜合財務報表的基準及重大會計政策(續)

稅項(續)

本集團就與於附屬公司投資有關的應課稅暫時差額確認遞延稅項負債，惟如本集團能夠控制暫時差額的撥回，且暫時差額於可見將來不大可能撥回除外。與該等投資有關的可扣減暫時差額所產生的遞延稅項資產，僅在可能有足夠應課稅溢利可供抵銷暫時差額的利益，且預期於可見將來撥回時，方予確認。

遞延稅項資產的賬面值於報告期末進行檢討，並於不再可能有足夠應課稅溢利以收回全部或部分資產時作調減。

遞延稅項資產及負債按預期清償負債或變現資產期間適用的稅率，並根據於報告期末已頒佈或實質頒佈的稅率(及稅法)計量。

遞延稅項負債及資產的計量反映按照本集團於報告期末預期收回或結算其資產及負債賬面值的方式所產生的稅務結果。

就計量按公平值模式計量的投資物業的遞延稅項負債或遞延稅項資產而言，該等物業的賬面值乃假定為可透過銷售悉數收回，除非該假定被推翻則作別論。倘投資物業為可予折舊且按某一商業模式持有，而該商業模式旨在隨時間而非透過銷售消耗該投資物業包含的絕大部分經濟利益，則該假定即被推翻，惟永久地權一直假定為透過銷售悉數收回除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies

(continued)

Taxation (continued)

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right of use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 “Income Taxes” requirements to right-of-use assets and lease liabilities separately. Temporary differences on initial recognition of the relevant right-of-use assets and lease liabilities are not recognised due to application of the initial recognition exemption. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liabilities, resulting from remeasurement of lease liabilities and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

3. 編製綜合財務報表的基準及重大會計政策(續)

稅項(續)

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先確定可扣稅款是否歸屬於使用權資產或租賃負債。

就可扣稅款歸屬於租賃負債的租賃交易而言，本集團將香港會計準則第12號「所得稅」規定分別應用於使用權資產及租賃負債。與使用權資產及租賃負債相關的暫時差額因應用初步確認豁免，不會於初步確認時確認。因重新計量租賃負債及租賃修訂，導致其後修訂使用權資產及租賃負債的賬面值產生的暫時差額毋須應用初步確認豁免，乃於重新計量或修訂日期確認。

倘有可依法強制執行權利將即期稅項資產與即期稅項負債相互抵銷，而遞延稅項與由同一稅務機構徵收的所得稅相關，則遞延稅項資產及遞延稅項負債可相互抵銷。

即期及遞延稅項於損益確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

3. Basis of Preparation of Consolidated Financial Statements and Significant Accounting Policies (continued)

Borrowing costs

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

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 編製綜合財務報表的基準 及重大會計政策(續)

借款成本

收購、建造或生產合資格資產(即須經頗長時間籌備以作擬定用途或銷售的資產)直接應佔的借款成本均計入該等資產的成本，直至該等資產實質可作擬定用途或銷售。

在相關資產已準備投入擬定用途或出售後，任何尚未償還的指定借款將計入一般借款以計算一般借款的資本化率。指定借款於等待使用於有關合資格資產時用作短暫投資所賺取的投資收入於合資格資本化的借款成本內扣除。

所有其他借款成本均於其產生期間在損益確認。

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)計值的交易按交易日期的現行匯率確認。於報告期末，以外幣計值的貨幣項目按該日的現行匯率重新換算。以歷史成本計量並以外幣計值的非貨幣項目不再換算。

結算貨幣項目及重新換算貨幣項目所產生的匯兌差額均於其產生期間在損益確認。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 3, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates 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.

Critical judgements in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the management of the Group have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred taxation on undistributed profits of subsidiaries

At 31 December 2022, the Group provided for deferred tax liabilities of approximately RMB28,017,000 (2021: RMB9,477,000) in relation to the earnings expected to be distributed from certain subsidiaries. Deferred tax liabilities have not been provided on the distributable profits of subsidiaries amounting to RMB1,777,456,000 (2021: RMB1,013,714,000) that the Group plans to retain in the respective entities for their daily operations and future developments. In case where the actual distribution of profits are larger than expected, material tax liabilities will arise, which will be recognised in the profit or loss for the period in which such profits are distributed or the future development plan of the Group changed, whichever is earlier. The detail of undistributed profits are set out in note 18.

4. 重大會計判斷及估計不確定因素的主要來源

於應用附註3所述的本集團會計政策時，本集團管理層須就未能透過其他來源直接獲得的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及被視為相關的其他因素。實際結果可能有別於該等估計。

估計及相關假設須持續進行檢討。倘會計估計的修訂僅影響進行修訂的期間，則有關修訂於該期間確認，或倘修訂影響當期及未來期間，則有關修訂於修訂期間及未來期間確認。

應用會計政策的重大判斷

除涉及估計者(見下文)外，以下為本集團管理層應用本集團的會計政策過程中作出並對綜合財務報表中確認的金額產生最重大影響的重大判斷。

附屬公司未分派溢利之遞延稅項

於2022年12月31日，本集團已就有關若干附屬公司預期將會分派溢利之遞延稅項負債計提撥備約人民幣28,017,000元(2021年：人民幣9,477,000元)，而並未就本集團計劃保留於相關實體作日常業務及未來發展用途之附屬公司可分派溢利之遞延稅項負債人民幣1,777,456,000元(2021年：人民幣1,013,714,000元)計提撥備。倘實際分派溢利高出預期，則會產生重大稅項負債，其將會於分派該等溢利之期間或本集團更改未來發展計劃的期間(以較早發生者為準)確認於損益。有關未分派溢利之詳情載於附註18。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)

Key sources of estimation uncertainty

The following is the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Depreciation of mining structures included in property, plant and equipment and amortisation of mining rights

As explained in note 3, mining rights and mining structures are amortised or depreciated using the units of production method based on the actual production volume over the total proven and probable reserves of the coal mine concerned.

Proven and probable coal reserves estimates are estimates of the quantity of coal that can be economically and legally extracted from the Group's mining properties, which are determined according to an independent technical review report prepared by an external specialist with the consideration of most recent production and technical information of each mine. However, the mining rights were granted for terms of 20 years (2021: 20 years). The management of the Group is of the opinion that the Group will be able to continuously renew the mining rights and the business licences without significant costs. Accordingly, the Group has used the proven and probable reserves as a basis of estimation for the useful lives of its mining rights.

Fluctuations in factors including a variation on recovery rates or unforeseen geological or geotechnical perils may render the management of the Group to change the production plan, resulting from a revision on the estimates of coal reserves.

4. 重大會計判斷及估計不確定因素的主要來源(續)

估計不確定因素的主要來源

以下為有關未來的主要假設，以及於報告期末估計不確定因素的其他主要來源，該等不確定因素存在導致須對下一財政年度資產及負債賬面值作出重大調整的重大風險。

計入物業、廠房及設備的採礦構築物折舊及採礦權攤銷

誠如附註3所闡釋，採礦權及採礦構築物乃按基於相關煤礦的實際產量除以證實及概略總儲量的生產單位法攤銷或折舊。

證實及概略煤炭儲量估計數字為可自本集團的採礦物業以具經濟效益的方式合法開採的煤炭數量估計數字，根據外部專家編製的獨立技術審閱報告及考慮各礦場的最近期生產及技術資料後釐定。然而，採礦權獲授為期20年(2021年：20年)。本集團管理層認為，本集團將能夠持續重續採礦權及營業執照，而毋須支付重大成本。因此，本集團以證實及概略儲量作為估計其採礦權可使用年期的基準。

回採率變動或不可預料的地質或岩土險情等波動因素均可能令本集團的管理層因煤炭儲量估計數字獲修訂而改變生產計劃。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)

Depreciation of mining structures included in property, plant and equipment and amortisation of mining rights (continued)

Because the economic assumptions used to estimate reserves change from period to period, and because additional geological data is generated during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the Group's financial results that depreciation and amortisation charged to profit or loss may change where such charges are determined by the units of production basis, or where the useful economic lives of assets change. The carrying amount of mining rights was RMB828,867,000 (2021: RMB866,191,000) and the carrying amount of mining structures included in the property, plant and equipment was RMB881,422,000 (2021: RMB643,322,000) as at 31 December 2022. The amortisation of mining rights and depreciation of mining structures for the year ended 31 December 2022 amounted to RMB37,324,000 (2021: RMB35,912,000) and RMB25,192,000 (2021: RMB17,338,000), respectively.

4. 重大會計判斷及估計不確定因素的主要來源(續)

計入物業、廠房及設備的採礦構築物折舊及採礦權攤銷(續)

由於不同期間儲量估計變動所用的經濟假設及經營過程中產生額外地理數據，故儲量的估計數字或會於不同期間出現變動。所報儲量的變動或會影響本集團的財務業績，計入損益的折舊及攤銷或會變更，而該等折舊及攤銷按生產單位基準或資產變動的有效經濟年期釐定。於2022年12月31日，採礦權的賬面值分別為人民幣828,867,000元(2021年：人民幣866,191,000元)，而計入物業、廠房及設備的採礦構築物的賬面值分別為人民幣881,422,000元(2021年：人民幣643,322,000元)。截至2022年12月31日止年度，採礦權攤銷及採礦構築物折舊分別為人民幣37,324,000元(2021年：人民幣35,912,000元)及人民幣25,192,000元(2021年：人民幣17,338,000元)。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度**4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)****Estimated useful life of machinery included in property, plant and equipment**

Machinery included in property, plant and equipment are depreciated over their useful economic lives after taking into account their estimated residual values. The assessment of estimated useful lives is a matter of judgement based on the experience of the Group's management, taking into account factors such as technological process, conditions of machinery and changes in market demand. Useful lives are periodically reviewed for appropriateness. The carrying amount of machinery included in property, plant and equipment was RMB609,056,000 (2021: RMB522,079,000).

Remaining useful lives of mining rights

The Group's management determines the estimated remaining useful lives of 21 to 43 years (2021: 22 to 44 years) for its mining rights based on the proven and probable reserves. However, the mining rights were granted for terms of 20 years (2021: 20 years). The management of the Group is of the opinion that the Group will be able to continuously renew the mining rights and the business licences without significant costs. Accordingly, the Group has used the proven and probable reserves as a basis of estimation for the remaining useful lives of its mining rights.

Provision for restoration costs

Provision for restoration costs has been estimated by the management of the Group based on current regulatory requirements and is discounted to present value. The management of the Group estimated this liability for final reclamation and mine closure based on detailed calculations of the amounts and timing of future cash flows that a third party may be required to perform the required work. However, significant changes in the regulatory requirements, timing of performance of reclamation activities or discount rate will result in changes to the amount of provision from period to period. The provision is reviewed regularly to properly reflect the present value of the obligation arising from the current and past mining activities. The carrying amounts of provision for restoration costs was RMB47,008,000 (2021: RMB44,974,000).

4. 重大會計判斷及估計不確定因素的主要來源(續)**計入物業、廠房及設備的機器的估計可使用年期**

經計及計入物業、廠房及設備的機器的估計剩餘價值後，其按其經濟可使用年期折舊。估計可使用年期評估乃根據本集團管理層經驗所作判斷，並計及技術工藝、機器狀況及市場需求變動等因素。可使用年期定期檢討以確定是否適用。計入物業、廠房及設備的機器的賬面值分別為人民幣609,056,000元(2021年：人民幣522,079,000元)。

採礦權的可使用年期

本集團管理層根據證實及概略儲量釐定其採礦權的估計可使用年期為21至43年(2021年：22至44年)。然而，採礦權獲授為期20年(2021年：20年)。本集團管理層認為，本集團將能夠持續重續採礦權及營業執照，而毋須支付重大成本。因此，本集團以證實及概略儲量作為估計其採礦權可使用年期的基準。

復墾成本撥備

復墾成本撥備已由本集團管理層根據當前監管規定進行估計並貼現至現值。基於對第三方執行必要工作可能需要的未來現金流量的金額及時間的詳細計算，本集團管理層已就最終復墾及礦井關閉估計此項負債。然而，監管規定的重大變動、復墾活動的執行時間或貼現率將導致撥備金額於不同期間發生變動。撥備會定期予以檢討，以適當反映當前及過往採礦活動所產生的責任現值。復墾成本撥備的賬面值為人民幣47,008,000元(2021年：人民幣44,974,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

5. Revenue and Segment Information

Revenue

Revenue represents the fair value of amounts received and receivable from the sales of goods and services provided by the Group to related party/external customers, net of related taxes, for the year.

The following is the disaggregation of revenue from contracts with customers:

5. 收益及分部資料

收益

收益指本集團於年內向關聯方／外部客戶銷售貨品及提供服務的已收及應收款項的公平值(扣除相關稅項)。

以下為客戶合約的收益明細：

| | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|---------------------------------------|------------------|--------------------------|--------------------------|
| Types of goods and services | 貨品及服務類型 | | |
| <i>Recognised at a point in time:</i> | <i>於某一時間點確認：</i> | | |
| Sales of coal products: | 銷售煤炭產品： | | |
| – Raw coal | – 原煤 | 3,541 | 3,469 |
| – Clean coal | – 精煤 | 1,687,745 | 1,433,911 |
| – Middling coal | – 中煤 | 71,216 | 98,044 |
| – Sludge coal | – 泥煤 | 16,711 | 2,894 |
| | | 1,779,213 | 1,538,318 |
| Sales of coalbed methane gas | 銷售煤層氣 | 4,820 | 3,081 |
| | | 1,784,033 | 1,541,399 |
| Geographical market | 地域市場 | | |
| The PRC | 中國 | 1,784,033 | 1,541,399 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

5. Revenue and Segment Information (continued)

Revenue (continued)

Performance obligations for contracts with customers

Sales of coal products and coalbed methane gas

For sales of coal products and coalbed methane gas, revenue is recognised when the control of goods is transferred, being when the goods are delivered to the customer's specific location. A receivable is recognised by the Group when the goods are delivered to the customers as this represents the Group's right to consideration becomes unconditional, as only the passage of time is required before payment is due. The customers have neither rights of return nor rights to defer or avoid payment for the goods once they are accepted by the customers upon receipt of goods. The contracts signed with the customers are short-term and fixed price contracts.

All revenue contracts are for period of one year or less. As permitted by HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Segment information

The Group's operation is solely derived from the production and sales of coal products and coalbed methane gas. For the purpose of resources allocation and performance assessment, the chief operating decision maker ("CODM") (i.e. the chief executive officer) reviews the overall results and financial position of the Group as a whole prepared based on same accounting policies of the Group. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

Geographical information

The Group's revenue are all derived from the PRC based on the location of the customers and the Group's non-current assets, excluding financial assets and deferred tax assets, of RMB2,868,215,000 (2021: RMB2,543,402,000) are located in the PRC and of RMB2,742,000 (2021: RMB4,215,000) are located in Hong Kong, respectively, by physical location of assets.

5. 收益及分部資料(續)

收益(續)

客戶合約的履約責任

銷售煤炭產品及煤層氣

就銷售煤炭產品及煤層氣而言，收益於貨品控制權轉讓(即貨品已運送至客戶的指定地點)時確認。本集團於貨品交付予客戶時確認應收款項，原因為此舉代表本集團收取代價的權利成為無條件，純粹待付款到期時收取款項。客戶於收貨後不得退回或遞延或避免支付貨款。與客戶簽訂的合約為短期及固定價格合約。

所有收益合約為期一年或以內。按香港財務報告準則第15號所允許者，分配至該等未履行合約的交易價格不作披露。

分部資料

本集團業務僅來自生產及銷售煤炭產品及煤層氣。就資源配置及表現評估而言，主要營運決策者(「主要營運決策者」)(即行政總裁)審閱按本集團相同會計政策編製的本集團整體業績及財務狀況。因此，本集團僅有一個單一營運分部，且並無呈列該單一分部的進一步分析。

地域資料

本集團基於客戶所在地的收益全部來自中國，而本集團按資產地理位置劃分的非流動資產(不包括金融資產及遞延稅項資產)中人民幣2,868,215,000元(2021年：人民幣2,543,402,000元)位於中國及人民幣2,742,000元(2021年：人民幣4,215,000元)位於香港。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

5. Revenue and Segment Information (continued)

Segment information (continued)

Information about major customers

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

| | |
|------------|-----|
| Customer A | 客戶A |
| Customer B | 客戶B |
| Customer C | 客戶C |

* No revenue attributed from the relevant customer.

5. 收益及分部資料(續)

分部資料(續)

有關主要客戶的資料

為本集團銷售總額貢獻10%以上的相應年度客戶收益如下：

| 2022 | 2021 |
|---------|---------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 610,138 | 419,708 |
| 525,848 | 569,556 |
| N/A不適用* | 247,582 |

* 該客戶並無貢獻任何收益。

6. Directors' and Employees' Emoluments

(a) Directors' and chief executive's emoluments

The emoluments paid or payable to the directors of the Company by entities comprising the Group are as follows:

6. 董事及僱員薪酬

(a) 董事及行政總裁薪酬

組成本集團的實體已付或應付本公司董事的薪酬如下：

| | Executive Directors 執行董事 | | | | | | | | Independent Non-executive Directors 獨立非執行董事 | | | | Total |
|---|-----------------------------|-------------------|--------------------|---------------------------------|-------------------|----------------|--------------------|-------------------|--|--------------------------------------|---------------------|---------|---------|
| | Mr. Sun Dawei | Mr. Wang Shize | Mr. Li Xuezhong | Mr. Lam Chik Shun, Marcus | Mr. Yu Zhilong | Mr. Yu Xiao | Mr. Yu Kai Ming | Mr. Lau Wai Ho | Mr. Punnya Niraan | Ms. Cheung Suet Ting, Samantha | Mr. Wang Xiufeng | | |
| Year ended 31 December 2022 | 余先生 | 孫大偉先生 | 王世澤先生 | 李學忠先生 | 林權信先生 | 余支龍先生 | 余灝先生 | 劉啟銳先生 | 方偉豪先生 | De Silva先生 | 張雪婷女士 | 王秀峰先生 | 總計 |
| Fees | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| Other emoluments: | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| Salaries and other benefits | (Note (i)) | (Note (i)) | | (Note (ii)) | | | (Note (ii)) | | | | | | |
| Retirement benefits schemes contributions | (附註(i)) | (附註(i)) | | (附註(ii)) | | | (附註(ii)) | | | | | | |
| | 103 | 103 | 103 | 43 | 103 | 103 | 60 | 309 | 309 | 309 | 200 | 1,848 | |
| | 902 | 902 | 902 | 1,072 | 938 | 402 | 402 | 876 | - | - | - | 6,396 | |
| | 21 | - | 21 | 21 | 9 | 19 | 19 | 18 | - | - | - | 128 | |
| Total emoluments | 1,026 | 1,005 | 1,026 | 1,196 | 990 | 524 | 524 | 954 | 309 | 309 | 309 | 200 | 8,372 |

Year ended 31 December 2022

Fees 袍金

Other emoluments: 其他薪酬:

Salaries and other benefits 薪金及其他福利
Retirement benefits schemes contributions 退休福利計劃供款

Total emoluments 薪酬總額

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

6. Directors' and Employees' Emoluments
(continued)

(a) Directors' and chief executive's emoluments
(continued)

| | Executive Directors 執行董事 | | | | | | | Independent Non-executive Directors 獨立非執行董事 | | | | Total |
|---|-----------------------------|-------------------|-------------------|--------------------|---------------------------------|-------------------|----------------|--|--|--------------------------------------|---------------------|---------|
| | Mr. Sun Mr. Yu | Mr. Wang Dawei | Mr. Wang Shize | Mr. Li Xuezhong | Mr. Lam Chik Shun, Marcus | Mr. Yu Zhilong | Mr. Yu Xiao | Mr. Fong Wai Ho | Mr. Punnya Niraan De Silva Niraan | Ms. Cheung Suet Ting, Samantha | Mr. Wang Xiufeng | |
| Year ended 31 December 2021 | 余先生 | 孫大偉先生 | 王世澤先生 | 李學忠先生 | 林植信先生 | 余支龍先生 | 余瀟先生 | 方偉豪先生 | De Silva先生 | 張雪婷女士 | 王秀峰先生 | 總計 |
| Fees | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| Other emoluments: | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| Salaries and other benefits | (Note (i)) | | | | | | | | | | | |
| Retirement benefits schemes contributions | (附註(i)) | | | | | | | | | | | |
| Total emoluments | | | | | | | | | | | | |
| | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 299 | 299 | 299 | 200 | 1,797 |
| | 899 | 899 | 899 | 1,381 | 2,538 | 399 | 399 | - | - | - | - | 7,414 |
| | 19 | - | 19 | 20 | 20 | 17 | 17 | - | - | - | - | 112 |
| | 1,018 | 999 | 1,018 | 1,501 | 2,658 | 516 | 516 | 299 | 299 | 299 | 200 | 9,323 |

Notes:

- (i) Mr. Yu is also the chief executive officer of the Group. His remuneration disclosed above included those for services rendered by him as Chief Executive Officer.
- (ii) On 1 June 2022, the board of directors approved the resignation of Mr. Lam Chik Shun from executive director and appointment of Mr. Lau Kau Ming as executive director.

The emoluments of executive directors stated above were for their services in connection with the management of the affairs of the Company and the Group. The emoluments of independent non-executive directors stated above were for their services as directors of the Company.

There was no arrangement under which a director of the Company waived or agreed to waive any remuneration in any of the year. No remunerations were paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office in any of the year.

6. 董事及僱員薪酬(續)

(a) 董事及行政總裁薪酬(續)

附註：

- (i) 余先生亦為本集團行政總裁。上述披露薪酬包括彼作為行政總裁的服務酬金。
- (ii) 於2022年6月1日，董事會批准林植信先生辭任執行董事，並委任劉啟銘先生為執行董事。

上述執行董事薪酬是為彼等管理本公司及本集團事務的服務而支付。上述獨立非執行董事薪酬是為彼等作為本公司董事的服務而支付。

於任何年度，並無作出本公司董事放棄或同意放棄任何薪酬的安排。本集團並無向本公司董事支付薪酬作為吸引加入本集團或於加入本集團時的獎勵或作為離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

6. Directors' and Employees' Emoluments

(continued)

(b) Employees' emoluments

The five highest paid employees of the Group during the year are all directors (2021: all directors), details of whose emoluments are set out in note 6(a) above.

| | |
|--------------------------------|-------------------------|
| HK\$1,000,000 to HK\$1,500,000 | 1,000,000港元至1,500,000港元 |
| HK\$1,500,001 to HK\$2,000,000 | 1,500,001港元至2,000,000港元 |
| HK\$2,500,001 to HK\$3,000,000 | 2,500,001港元至3,000,000港元 |

No emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office in any of the year.

7. Other Income

| | |
|---------------------------|------------|
| Bank interest income | 銀行利息收入 |
| Government grant (Note i) | 政府補助(附註i) |
| Rental income (Note ii) | 租金收入(附註ii) |
| Sale of electricity | 電力銷售收入 |
| Others | 其他 |

6. 董事及僱員薪酬(續)

(b) 僱員薪酬

年內本集團五名最高薪人士均為董事(2021年:全部董事),有關其薪酬的詳情載列於上文附註6(a)。

| 2022 Number of employees 僱員人數 | 2021 Number of employees 僱員人數 |
|--|--|
| 5 | 3 |
| – | 1 |
| – | 1 |

於年內任何時間,本集團並無向五名最高薪人士支付薪酬作為吸引加入本集團或於加入本集團時的獎勵或作為離職補償。

7. 其他收入

| 2022年 RMB'000 人民幣千元 | 2021年 RMB'000 人民幣千元 |
|---------------------------|---------------------------|
| 1,264 | 911 |
| 15,842 | 5,721 |
| 3,780 | 1,101 |
| 26,782 | 4,022 |
| 5,130 | 1,541 |
| 52,798 | 13,296 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

7. Other Income (continued)

Notes:

- (i) During the year ended 31 December 2022 and 2021, government grant mainly represents grants received by the Group upon meeting production volume target of coal products and coalbed methane gas and safety requirement set by the local government.
- (ii) The amount includes (i) lease payments of fixed office building of RMB1,101,000 (2021: RMB1,101,000) received under operating leases from a related party, Guizhou Bangda Energy Development Co., Ltd (“Bangda”) and (ii) lease payments of mining equipment of RMB2,679,000 (2021: nil) received under operating leases from an independent third party.

8. Other gains and losses

| | |
|---|------------------|
| Fair value change of investment properties (note 15) | 投資物業的公平值變動(附註15) |
| Loss on disposal/written-off of property, plant and equipment | 出售/撤銷物業、廠房及設備的虧損 |
| Net exchange (loss) gain | 匯兌(虧損)收益淨額 |

9. Finance Costs

| | |
|--|----------|
| Unwinding of discount on restoration costs | 復墾成本貼現撥回 |
| Interest on discounted bills | 已貼現票據的利息 |
| Interest on bank borrowings | 銀行借款利息 |
| Interest on lease liabilities | 租賃負債的利息 |

7. 其他收入(續)

附註：

- (i) 截至2022年及2021年12月31日止年度，政府補助主要指本集團於達成當地政府所設立的煤炭產品及煤層氣產量目標及安全規定後所收取的補助。
- (ii) 該金額包括(i)根據經營租賃自關聯方貴州邦達能源發展有限公司(「邦達」)收取的固定辦公大樓租賃付款人民幣1,101,000元(2021年：人民幣1,101,000元)及(ii)根據經營租賃從自一名獨立第三方收取的採礦設備租賃付款人民幣2,679,000元(2021年：零)。

8. 其他收益及虧損

| 2022年 RMB'000 人民幣千元 | 2021年 RMB'000 人民幣千元 |
|---------------------------|---------------------------|
| (100) | (1,100) |
| (2,554) | (441) |
| (2,286) | 3,476 |
| (4,940) | 1,935 |

9. 融資成本

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 2,034 | 1,946 |
| 7,527 | 1,539 |
| 19,306 | 19,532 |
| 61 | 31 |
| 28,928 | 23,048 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度

10. Profit before Taxation

10. 除稅前溢利

| | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--|---------------------------|--------------------------|--------------------------|
| Profit before taxation has been arrived at after charging (crediting): | 除稅前溢利經扣除(計入): | | |
| Auditor's remuneration | 核數師酬金 | 2,147 | 2,117 |
| Directors' emoluments | 董事薪酬 | 8,372 | 9,323 |
| Other staff costs: | 其他員工成本: | | |
| Salaries and other allowances | 薪金及其他津貼 | 347,374 | 285,585 |
| Retirement benefits schemes contributions | 退休福利計劃供款 | 59,063 | 45,768 |
| Less: Capitalised in construction in progress | 減: 在建工程資本化 | (148,859) | (103,300) |
| Less: Capitalised in inventories | 減: 存貨資本化 | (179,431) | (186,289) |
| Total staff costs (included in administrative, distribution and selling expenses and other expenses) | 員工成本總額(計入行政、分銷及銷售開支及其他開支) | 86,519 | 51,087 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 99,135 | 83,307 |
| Less: Capitalised in inventories | 減: 存貨資本化 | (90,465) | (73,309) |
| Total depreciation of property, plant and equipment included in administrative and other expenses | 計入行政和其他開支的物業、廠房及設備折舊總額 | 8,670 | 9,998 |
| Amortisation of mining rights | 採礦權攤銷 | 37,324 | 35,912 |
| Less: Capitalised in inventories | 減: 存貨資本化 | (37,324) | (35,912) |
| Inventories recognised as an expense | 確認為開支的存貨 | 666,398 | 622,916 |
| Research and development expense (included in other expenses) | 研發開支(計入其他開支) | 30,520 | - |
| Rental income from investment properties net of negligible outgoing expenses | 投資物業租金收入(扣除可忽略開支) | (1,101) | (1,101) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

11. Taxation Charge

| | |
|--|-------------------|
| PRC Enterprise Income Tax (“EIT”): | 中國企業所得稅(「企業所得稅」): |
| – current year | – 本年度 |
| – (over) underprovision in prior years | – 過往年度(超額撥備)撥備不足 |
| – withholding tax | – 預扣稅 |
| Deferred tax credit | 遞延稅項抵免 |
| Taxation charge | 稅項支出 |

No provision for Hong Kong Profits Tax has been made as the subsidiary in Hong Kong has no assessable profits for both years.

Under the Law of the PRC on EIT and Implementation Regulation of the EIT Law, the tax rate of the Group’s PRC subsidiaries is 25%. Subject to certain conditions on preferential tax treatment, the applicable tax rate of the PRC subsidiaries is 15% for the year ended 31 December 2022. On 26 May 2021, Guizhou Jiutai Bangda Energy Development Co., Ltd. 貴州久泰邦達能源開發有限公司 (“Jiutai Bangda”) obtained an approval notice from the relevant authority, which approved Jiutai Bangda as being engaged in encouraged industry in the western region. Furthermore, the income derived from its coal refinery business accounted for more than 60% of its gross income in 2022 as stipulated in the Announcement of the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on Continuing the Enterprise Income Tax Policies for the Large-Scale Development of Western China (“Announcement No. 23 2020”). The profits are therefore subject to preferential tax treatment and the applicable tax rate for the calendar year ended 31 December 2022 was 15%.

11. 稅項支出

| 2022 | 2021 |
|----------------|----------------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 140,014 | 119,937 |
| (968) | 2,911 |
| 1,470 | – |
| (28,923) | (13,190) |
| 111,593 | 109,658 |

由於香港附屬公司於兩個年度均無應課稅溢利，故並無就香港利得稅計提撥備。

根據中國的企業所得稅法及企業所得稅法實施條例，本集團中國附屬公司的稅率為25%。在符合若干優惠稅務待遇條件下，中國附屬公司於截至2022年12月31日止年度之適用稅率為15%。於2021年5月26日，貴州久泰邦達能源開發有限公司(「久泰邦達」)收到有關當局之批准通知，認定久泰邦達為從事西部地區的鼓勵類產業。此外，於2022年，煤炭加工業務收入佔總收入60%以上，符合財政部、稅務總局、國家發展改革委關於延續西部大開發企業所得稅政策的公告(「2020年第23號」)之規定。因此，所錄得溢利可享有優惠稅務待遇，截至2022年12月31日止曆年的適用稅率為15%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度**11. Taxation Charge (continued)**

The taxation charge for the year can be reconciled to the profit before taxation as follows:

11. 稅項支出(續)

年內稅項支出與除稅前溢利對賬如下：

| | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--|----------------------|--------------------------|--------------------------|
| Profit before taxation | 除稅前溢利 | <u>855,548</u> | <u>411,428</u> |
| Taxation at PRC EIT rate of 25% | 按中國企業所得稅稅率25%計算的稅項 | 213,887 | 102,857 |
| Tax effect of expenses not deductible for tax purposes | 不可扣稅開支的稅務影響 | 10,071 | 84,192 |
| Tax effect of income not taxable for tax purposes | 毋須課稅收入的稅務影響 | (473) | (345) |
| (Over) under provision in respect of prior years | 就過往年度(超額撥備)撥備不足 | (968) | 2,911 |
| Income tax at preferential tax rates | 按優惠稅率計算的所得稅 | (89,537) | (79,957) |
| Withholding tax on distributed profits of a subsidiary | 附屬公司已分派利潤的預扣稅項 | 1,470 | - |
| Decrease in opening deferred tax assets resulting from decrease in applicable tax rate | 適用稅率降低導致期初遞延稅項資產減少 | 3,603 | - |
| Deferred tax charge arising on undistributed profits of PRC subsidiaries | 中國附屬公司未分派利潤產生的遞延稅項支出 | 18,540 | - |
| Recognition of deductible temporary differences previously not recognised | 確認先前未確認的可扣稅暫時差額 | (45,000) | - |
| Taxation charge for the year | 年內稅項支出 | <u>111,593</u> | <u>109,658</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

12. Dividends

Proposed final dividend of HK12.50 cents 建議派發末期股息每股12.50港仙
(2021: HK3.75 cents) per share (2021年: 3.75港仙)

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2022 of HK12.50 cents (2021: HK3.75 cents) per ordinary share, in an aggregate amount of HK\$200,000,000 (2021: HK\$60,000,000), has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting. The final dividend in respect of the year ended 31 December 2021 has been paid during the year.

13. Earnings per Share

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

Earnings: 盈利:
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company) 用於計算每股基本盈利的盈利 (本公司擁有人應佔年內溢利)

Number of shares: 股份數目:
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share 用於計算每股基本盈利的普通股加權平均數

No diluted earnings per share was presented for both years as there were no potential ordinary shares in issue for both years.

12. 股息

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 178,660 | 49,056 |

於報告期末之後，本公司董事建議就截至2022年12月31日止年度派發末期股息每股普通股12.50港仙(2021年: 3.75港仙)，合計金額為200,000,000港元(2021年: 60,000,000港元)，有待股東於應屆股東大會上批准。就截至2021年12月31日止年度而言的末期股息已於年內派付。

13. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利根據下列數據計算：

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 743,955 | 301,770 |

| '000 千股 | '000 千股 |
|------------------|------------------|
| 1,600,000 | 1,600,000 |

由於兩個年度均並無已發行潛在普通股，故兩個年度均並無呈列每股攤薄盈利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

14. Property, Plant and Equipment

14. 物業、廠房及設備

| | | Construction in progress | Buildings | Mining structures | Machinery | Office and electronic equipment 辦公及 電子設備 | Motor vehicles | Leasehold land | Leased properties | Total |
|--|--------------|-----------------------------|-----------|----------------------|-----------|--|-------------------|-------------------|----------------------|-----------|
| | | 在建工程 | 樓宇 | 採礦構築物 | 機器 | 機動車輛 | 租賃土地 | 租賃物業 | 總計 | |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | |
| COST | 成本 | | | | | | | | | |
| At 1 January 2021 | 於2021年1月1日 | 40,641 | 186,794 | 529,722 | 710,967 | 24,181 | 25,744 | 41,977 | 9,156 | 1,569,182 |
| Additions | 添置 | 290,102 | 415 | - | 132,733 | 341 | 2,791 | - | 3,826 | 430,208 |
| Transfer | 轉撥 | (197,004) | 1,584 | 184,009 | 11,411 | - | - | - | - | - |
| Disposal/written-off | 出售/撇銷 | (1,455) | (47) | - | (7,541) | (476) | (135) | - | (4,081) | (13,735) |
| At 31 December 2021 | 於2021年12月31日 | 132,284 | 188,746 | 713,731 | 847,570 | 24,046 | 28,400 | 41,977 | 8,901 | 1,985,655 |
| Additions | 添置 | 356,327 | 13,877 | 599 | 108,175 | 1,378 | 5,798 | - | - | 486,154 |
| Transfer | 轉撥 | (395,937) | 91,713 | 262,693 | 39,055 | 2,476 | - | - | - | - |
| Disposal/written-off | 出售/撇銷 | - | (1,235) | - | (4,104) | (608) | (367) | - | - | (6,314) |
| At 31 December 2022 | 於2022年12月31日 | 92,674 | 293,101 | 977,023 | 990,696 | 27,292 | 33,831 | 41,977 | 8,901 | 2,465,495 |
| DEPRECIATION | 折舊 | | | | | | | | | |
| At 1 January 2021 | 於2021年1月1日 | - | 30,743 | 53,071 | 280,304 | 11,114 | 15,247 | 3,449 | 7,464 | 401,392 |
| Provided for the year | 年內撥備 | - | 6,277 | 17,338 | 52,270 | 2,482 | 2,431 | 817 | 1,692 | 83,307 |
| Eliminated on disposal/ written-off | 出售/撇銷時對銷 | - | (33) | - | (7,083) | (464) | (123) | - | (4,081) | (11,784) |
| At 31 December 2021 | 於2021年12月31日 | - | 36,987 | 70,409 | 325,491 | 13,132 | 17,555 | 4,266 | 5,075 | 472,915 |
| Provided for the year | 年內撥備 | - | 7,405 | 25,192 | 58,970 | 2,640 | 2,835 | 818 | 1,275 | 99,135 |
| Eliminated on disposal/ written-off | 出售/撇銷時對銷 | - | (222) | - | (2,821) | (509) | (208) | - | - | (3,760) |
| At 31 December 2022 | 於2022年12月31日 | - | 44,170 | 95,601 | 381,640 | 15,263 | 20,182 | 5,084 | 6,350 | 568,290 |
| CARRYING AMOUNTS | 賬面值 | | | | | | | | | |
| At 31 December 2022 | 於2022年12月31日 | 92,674 | 248,931 | 881,422 | 609,056 | 12,029 | 13,649 | 36,893 | 2,551 | 1,897,205 |
| At 31 December 2021 | 於2021年12月31日 | 132,284 | 151,759 | 643,322 | 522,079 | 10,914 | 10,845 | 37,711 | 3,826 | 1,512,740 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

14. Property, Plant and Equipment (continued)

The above items of property, plant and equipment, other than construction in progress and mining structures, are depreciated on a straight-line basis after taking into account their estimated residual values, at the following rates per annum:

| | |
|---------------------------------|--|
| Buildings | 3.33% to 5% |
| Machinery | 6.7% to 20% |
| Office and electronic equipment | 10% to 20% |
| Motor vehicles | 10% to 20% |
| Leasehold land | Over the shorter of estimated useful life and the lease term |
| Leased properties | Over the shorter of estimated useful life and the lease term |

The leasehold land represents the payments for land use rights which are under medium-term lease (i.e. 40 to 50 years) in the PRC.

The buildings are situated on the leasehold land in the PRC.

The mining structures include the main and auxiliary mine shafts and underground tunnels. The construction in progress comprises mainly the main and auxiliary mine shafts and underground tunnels in the course of construction and machinery under installation.

Depreciation are provided to write off the cost of the mining structures using the units of production method based on the actual production volume over the total proven and probable reserves of the coal mine concerned. The mining structures have estimated remaining useful lives of 21 to 43 years (2021: 22 to 44 years) based on the proven and probable reserves of the coal mine concerned.

The legal titles of the buildings, with aggregate carrying value of RMB205,895,000 (2021: RMB151,430,000) as at 31 December 2022, have not been granted by the relevant government authorities and the relevant titles are still under application. In the opinion of the management of the Group, taking into account of the PRC lawyer's legal opinion, all the risks and rewards of ownership of the buildings have been transferred to the Group.

14. 物業、廠房及設備(續)

經計及估計殘值後，上述物業、廠房及設備項目(在建工程及採礦構築物除外)以直線法按以下年率折舊：

| | |
|---------|----------------|
| 樓宇 | 3.33%至5% |
| 機器 | 6.7%至20% |
| 辦公及電子設備 | 10%至20% |
| 機動車輛 | 10%至20% |
| 租賃土地 | 估計可使用年期及租期的較短者 |
| 租賃物業 | 估計可使用年期及租期的較短者 |

租賃土地指中國中期租賃(即40年至50年)項下土地使用權款項。

該等樓宇位於中國租賃土地。

採礦構築物包括主輔礦井及地下隧道。在建工程主要包括施工中的主輔礦井及地下隧道以及安裝中的機器。

按有關煤礦的證實及概略總儲量根據實際產量以生產單位法計提折舊撥備，以撇銷採礦構築物的成本。按照有關煤礦的證實及概略儲量計算，採礦構築物估計可使用年期為21至43年(2021年：22至44年)。

於2022年12月31日，賬面總值為人民幣205,895,000元(2021年：人民幣151,430,000元)的樓宇法律業權尚未獲相關政府機關批准，而相關業權仍在申請中。經計及中國律師的法律意見，本集團管理層認為，樓宇所有權的所有風險及回報已轉移至本集團。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度

14. Property, Plant and Equipment (continued)

The Group as lessee

Right-of-use assets (included in the property, plant and equipment)

14. 物業、廠房及設備(續)

本集團作為承租人

使用權資產(計入物業、廠房及設備)

| | | Leasehold land 租賃土地 RMB'000 人民幣千元 | Leased properties 租賃物業 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|----------------------|---|--|---------------------------------|
| As at 31 December 2022 | 於2022年12月31日 | | | |
| Carrying amount | 賬面值 | 36,893 | 2,551 | 39,444 |
| As at 31 December 2021 | 於2021年12月31日 | | | |
| Carrying amount | 賬面值 | 37,711 | 3,826 | 41,537 |
| For the year ended 31 December 2022 | 截至2022年12月31日 止年度 | | | |
| Depreciation charge | 折舊費用 | 817 | 1,275 | 2,509 |
| Capitalised in inventories | 存貨資本化 | (817) | - | (817) |
| | | - | 1,275 | 1,275 |
| For the year ended 31 December 2021 | 截至2021年12月31日 止年度 | | | |
| Depreciation charge | 折舊費用 | 817 | 1,692 | 2,509 |
| Capitalised in inventories | 存貨資本化 | (817) | - | (817) |
| | | - | 1,692 | 1,692 |
| | | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
| Total cash outflow for leases | 租賃現金流出總額 | | 1,313 | 1,855 |
| Additions to right-of-use assets | 增置使用權資產 | | - | 3,826 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

14. Property, Plant and Equipment (continued)

The Group as lessee (continued)

Right-of-use assets (included in the property, plant and equipment) (continued)

For both years, the Group leases various offices for its operations. Lease contracts are entered into for fixed term of three years (2021: three years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition, the Group owns several buildings. The Group is the registered owner of these property interests, including the underlying leasehold lands. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned properties are presented separately only if the payments made can be allocated reliably.

15. Investment Properties

The Group leases out office premises under operating leases with rentals payable monthly. The leases typically run for an initial period of 3 years (2021: 3 years), with unilateral rights to extend the lease beyond initial period held by lessees only.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

14. 物業、廠房及設備(續)

本集團作為承租人(續)

使用權資產(計入物業、廠房及設備)(續)

於兩個年度，本集團就其業務租用多個辦公室。所訂立租賃合約的固定租期為期三年(2021年：三年)。租約條款按個別情況磋商釐定，並載有各種不同條款及條件。於釐定租期及評估不可撤銷期間的期限時，本集團應用合約的定義並釐定合約可強制執行的期間。

此外，本集團擁有若干樓宇。本集團為該等物業權益(包括相關租賃土地)的登記擁有人。已就收購該等物業權益預付一次性付款。該等自有物業的租賃土地部分僅在已作出付款能可靠分配的情況下獨立呈列。

15. 投資物業

本集團根據經營租賃出租辦公室物業並每月收取租金。該等租賃一般初步為期三年(2021年：三年)，僅承租人有權單方面將租期延長至初始租期後。

由於所有租賃均以集團實體各自的功能貨幣計值，故本集團並未面臨租賃安排所導致的外匯風險。租賃合約概不包括剩餘價值擔保及/或承租人於租期屆滿時購買有關物業的選擇權。

| | | Owned properties 自有物業 RMB'000 人民幣千元 |
|---|--------------|---|
| FAIR VALUE | 公平值 | |
| At 1 January 2021 | 於2021年1月1日 | 52,700 |
| Fair value changes recognised to profit or loss | 於損益確認的公平值變動 | <u>(1,100)</u> |
| At 31 December 2021 | 於2021年12月31日 | 51,600 |
| Fair value changes recognised to profit or loss | 於損益確認的公平值變動 | <u>(100)</u> |
| At 31 December 2022 | 於2022年12月31日 | <u>51,500</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

15. Investment Properties (continued)

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

The fair value of investment properties as at 31 December 2022 and 2021 have been arrived at on the basis of valuation carried out by Ravia Global Appraisal Advisory Limited, independent qualified professional valuer not related to the Group.

The fair value of investment properties was determined based on the direct comparison approach assuming sale of each of these properties in existing state and by making reference to comparable sales transactions as available in the relevant market and adjusted for differences in the location and condition. There has been no change on the valuation technique used during the year ended 31 December 2022.

In estimating the fair value of the investment properties, the highest and best use of the properties is their current use. At the end of the reporting period, the management of the Group works closely with the independent qualified professional valuer to establish the appropriate valuation techniques and inputs into the model. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the management of the Group.

15. 投資物業(續)

本集團根據經營租賃持有以賺取租金或作資本增值的所有物業權益採用公平值模式計量，並分類及入賬為投資物業。

於2022年及2021年12月31日，投資物業公平值已按由與本集團並無關聯的獨立合資格專業估值師瑞豐環球評估諮詢有限公司進行的估值計算。

投資物業公平值已根據直接比較法假設以現有狀態出售各項該等物業及透過參考相關市場可獲得的可資比較銷售交易釐定，並就位置及狀況的差異予以調整。截至2022年12月31日止年度，所採用的估值技術概無變動。

於估計投資物業公平值時，物業現時用途為最高及最佳用途。於各報告期末，本集團管理層與獨立合資格專業估值師緊密合作，以設立模式適用的估值方法及輸入數據。倘資產公平值發生重大變動，波動因由將向本集團管理層報告。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

15. Investment Properties (continued)

Information about fair value measurements using significant unobservable input

The following table shows the valuation techniques used in the determination of fair values for investment properties and unobservable inputs used in the valuation models.

| Date of valuation | Fair value | Fair value hierarchy | Valuation techniques | Unobservable inputs | Range of significant inputs | Relationship of inputs to fair value |
|-------------------|-------------------------|----------------------|----------------------------|---|--|--|
| 估值日期 | 公平值 RMB'000 人民幣千元 | 公平值層級 | 估值技術 | 不可觀察輸入數據 | 重大輸入數據範圍 | 輸入數據與公平值的關係 |
| 31 December 2022 | 51,500 | Level 3 | Direct comparison approach | (i) Discounting factors on location and condition | Discounting factors ranging from 2% to 40% | The lower the discounting factor, the higher the fair value |
| 2022年12月31日 | 51,500 | 第三級 | 直接比較法 | (i) 位置及狀況貼現因素 | 貼現因素介乎2%至40% | 貼現因素越低，則公平值越高 |
| | | | | (ii) Adjusted transaction price | RMB3,160 – RMB6,354 per square meter | The higher the adjusted transaction price, the higher the fair value |
| | | | | (ii) 經調整交易價格 | 每平方米人民幣3,160元至人民幣6,354元 | 經調整交易價格越高，公平值越高 |
| 31 December 2021 | 51,600 | Level 3 | Direct comparison approach | (i) Discounting factors on location and condition | Discounting factors ranging from 3% to 30% | The lower the discounting factor, the higher the fair value |
| 2021年12月31日 | 51,600 | 第三級 | 直接比較法 | (i) 位置及狀況貼現因素 | 貼現因素介乎3%至30% | 貼現因素越低，則公平值越高 |
| | | | | (ii) Adjusted transaction price | RMB3,096 – RMB6,273 per square meter | The higher the adjusted transaction price, the higher the fair value |
| | | | | (ii) 經調整交易價格 | 每平方米人民幣3,096元至人民幣6,273元 | 經調整交易價格越高，公平值越高 |

The carrying amount of the Group's investment properties is a level 3 fair value measurement. There were no transfers into or out of level 3 fair value measurement during both years.

The owned properties are stated in the PRC.

15. 投資物業(續)

有關採用重大不可觀察輸入數據進行公平值計量的資料

下表載列為釐定投資物業公平值所用估值技術及估值模式所採用的不可觀察輸入數據。

本集團投資物業的賬面值按第三級公平值計量。於兩個年度，概無轉入或轉出第三級公平值計量。

自有物業位於中國。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

16. Mining Rights

16. 採礦權

| | | RMB'000 人民幣千元 |
|--|------------------------|------------------|
| COST | 成本 | |
| At 1 January 2021 and 31 December 2021 | 於2021年1月1日及2021年12月31日 | 985,327 |
| At 31 December 2022 | 於2022年12月31日 | 985,327 |
| ACCUMULATED AMORTISATION | 累計攤銷 | |
| At 1 January 2021 | 於2021年1月1日 | 83,224 |
| Charge to profit or loss | 自損益扣除 | 35,912 |
| At 31 December 2021 | 於2021年12月31日 | 119,136 |
| Charge to profit or loss | 自損益扣除 | 37,324 |
| At 31 December 2022 | 於2022年12月31日 | 156,460 |
| CARRYING AMOUNTS | 賬面值 | |
| At 31 December 2022 | 於2022年12月31日 | 828,867 |
| At 31 December 2021 | 於2021年12月31日 | 866,191 |

The mining rights represent the rights for the mining of coal reserves located in Hongguo Town and Yangchang Village, Panzhou County, Guizhou Province, the PRC. The mining rights have average remaining legal lives of 17 years (2021: 18 years) but in the opinion of the management of the Group, the Group will be able to renew the mining rights and business licences without incurring significant costs.

Amortisation are provided to write off the cost of the mining rights using the units of production method based on the actual production volume over the total proven and probable reserves of the coal mine concerned.

The Group has pledged mining right with carrying amounts of RMB53,313,000 (2021: RMB55,624,000) to secure bank borrowings granted to the Group.

採礦權指開採位於中國貴州省盤州縣紅果鎮及羊場鄉的煤炭儲量的權利。採礦權平均餘下法定年限為17年(2021年: 18年), 但本集團管理層認為, 本集團將能夠將採礦權及業務許可證續期而毋須產生重大成本。

按有關煤礦的證實及概略總儲量根據實際產量以生產單位法計提攤銷, 以撇銷採礦權的成本。

本集團已將賬面值人民幣53,313,000元之採礦權(2021年: 人民幣55,624,000元)抵押以作為授予本集團銀行借款的擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

17. Restricted Bank Deposits

The restricted bank deposits are amounts held in a bank under the requirement of the relevant government authority of the PRC in respect of environmental rehabilitation. The amounts will be released at the cessation of mining activities or closure of mines if and only if the environmental rehabilitation work of the relevant mines meets government's requirements. Such deposits are classified as non-current assets. The restricted bank deposits carried interest at prevailing market rate of 0.25% (2021: 0.38%) per annum.

Details of impairment assessment for the year ended 31 December 2022 and 2021 are set out in note 36.

18. Deferred Tax

The following are the major deferred tax assets (liabilities) recognised by the Group and the movement thereon, during the current year and prior reporting period.

| | | Accelerated tax depreciation and amortisation | Fair value adjustment on property, plant and equipment, leasehold land and mining rights 物業、廠房及設備、租賃土地以及採礦權的公平值調整 | Adjustment on acquisition of mining right 收購採礦權的調整 | Undistributed profits of subsidiaries 未分配的附屬公司溢利 | Revaluation of investment properties 投資物業重估 | Total |
|-----------------------------------|--------------|---|--|---|---|--|------------------|
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 (Note (i)) (附註(i)) | RMB'000 人民幣千元 (Note (ii)) (附註(ii)) | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| At 1 January 2021 | 於2021年1月1日 | (46,318) | 27,996 | - | (9,477) | (2,202) | (30,001) |
| Credit to profit or loss | 計入損益 | 10,542 | 2,373 | - | - | 275 | 13,190 |
| At 31 December 2021 | 於2021年12月31日 | (35,776) | 30,369 | - | (9,477) | (1,927) | (16,811) |
| Credit (charge) to profit or loss | 於損益計入(扣除) | 2,704 | (266) | 45,000 | (18,540) | 25 | 28,923 |
| At 31 December 2022 | 於2022年12月31日 | (33,072) | 30,103 | 45,000 | (28,017) | (1,902) | 12,112 |

17. 受限制銀行存款

受限制銀行存款指根據中國相關政府機關規定就環境恢復於銀行存置的金額。當且僅當相關礦山的環境恢復工作符合政府要求，則該等金額方會於終止採礦活動或關閉礦山時解除。該等存款被分類為非流動資產。受限制銀行存款按現行市場年利率0.25厘(2021年：0.38厘)計息。

有關截至2022年及2021年12月31日止年度減值評估的詳情載列於附註36。

18. 遞延稅項

以下為於本年度及過往報告期間本集團確認的主要遞延稅項資產(負債)及其變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

18. Deferred Tax (continued)

Notes:

- (i) The temporary difference from the fair value adjustment on property, plant and equipment, leasehold land and mining rights are mainly arisen from acquisition in 2016 that these assets were transferred to Jiutai Bangda with reference to their fair values estimated by an independent qualified professional valuer not related to the Group. Such fair value adjustments result in an increase in tax bases of Jiutai Bangda. For the preparation of the consolidated financial statements, the Group did not recognise such fair value adjustments as these assets are measured at cost model. Thus, a deductible temporary difference is arisen from the difference between the carrying amount of these assets and their tax bases.
- (ii) The temporary difference from adjustment on acquisition of mining right is mainly arising from finalisation of contingent consideration of acquisition of mining right as set out in Note 28 during the year ended 31 December 2022. Such contingent consideration results in an increase in tax base of the mining right. For the preparation of the consolidated financial statements, subsequent measurement of contingent consideration was recognised in profit or loss. As a result, the deductible temporary difference is arisen from the difference between the carrying amount of the mining right and its tax base.

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

| | |
|--------------------------|--------|
| Deferred tax assets | 遞延稅項資產 |
| Deferred tax liabilities | 遞延稅項負債 |

18. 遞延稅項(續)

附註：

- (i) 物業、廠房及設備、租賃土地以及採礦權的公平值調整暫時差額主要是由2016年的收購事項產生，而該等資產經參考與本集團並無關聯的獨立合資格專業估值師估計該等資產的公平值後轉讓予久泰邦達。有關公平值調整導致久泰邦達的稅基增加。於編製綜合財務報表時，由於該等資產按成本模式計量，故本集團並無確認有關公平值調整。因此，可扣稅暫時差額來自該等資產的賬面值與其稅基之間的差額。
- (ii) 因調整收購採礦權而引致之暫時差異，主要是由於敲定截至2022年12月31日止年度附註28所載收購採礦權之或然代價而產生。有關或然代價導致採礦權之稅基增加。於編製綜合財務報表時，或然代價之期後計量已於損益確認。因此，暫時稅項差異乃由於採礦權賬面金額與其稅基之間的差異而產生。

就於綜合財務狀況表的呈列而言，若干遞延稅項資產及負債已獲抵銷。以下為用作財務報告目的之遞延稅項結餘分析：

| 2022 | 2021 |
|----------|----------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 40,129 | - |
| (28,017) | (16,811) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

18. Deferred Tax (continued)

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiary from 1 January 2008 onwards. Deferred taxation has not been provided for in these consolidated financial statements in respect of temporary differences attributable to certain retained profits of the PRC subsidiaries amounting to RMB1,777,456,000 (2021: RMB1,013,714,000) as at 31 December 2022, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future. As at 31 December 2022, a deferred tax liability of RMB28,017,000 (2021: RMB9,477,000) has been recognised in respect of undistributed profits of subsidiaries in the PRC amounting to RMB280,170,000 (2021: RMB94,770,000).

19. Inventories

| | |
|-------------------------------------|-------|
| Coal products | 煤炭產品 |
| Auxiliary materials and spare parts | 輔料及備件 |

18. 遞延稅項(續)

根據中國企業所得稅法，自2008年1月1日起，中國附屬公司須就其所賺取溢利宣派的股息繳納預扣稅。綜合財務報表並未就於2022年12月31日中國附屬公司若干保留溢利引致的暫時差額人民幣1,777,456,000元(2021年：人民幣1,013,714,000元)作出遞延稅項撥備，概因本集團能夠控制撥回暫時差額的時間，而暫時差額可能不會於可預見將來撥回。於2022年12月31日，本集團就中國附屬公司未分派溢利人民幣280,170,000元(2021年：人民幣94,770,000元)確認遞延稅項負債人民幣28,017,000元(2021年：人民幣9,477,000元)。

19. 存貨

| 2022 | 2021 |
|---------------|---------------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 11,841 | 6,500 |
| 37,603 | 44,659 |
| 49,444 | 51,159 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度

20. Trade and Bills Receivables

| | |
|-------------------|--------|
| Trade receivables | 貿易應收款項 |
| Bills receivables | 應收票據 |
| Total | 總計 |

As at 1 January 2021, trade receivables from contracts with customers amounted to RMB275,061,000.

The Group allows credit period of 0–30 days to its trade customers. All bills receivables are matured within one year (2021: within one year). The following is an ageing analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date at the end of each reporting period. For customers who used bank bills to settle their trade receivables upon the expiry of the initial credit period, the ageing analysis of bills receivables at the end of the reporting period was based on the date of the Group's receipt of the bills from the customers.

20. 貿易應收款項及應收票據

| 2022 | 2021 |
|----------------|----------------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 272,625 | 137,042 |
| 598,925 | 255,961 |
| 871,550 | 393,003 |

於2021年1月1日，客戶合約所產生的貿易應收款項為人民幣275,061,000元。

本集團給予其貿易客戶的信貸期為0至30日。所有應收票據均於一年內到期(2021年：一年內)。以下為於各報告期末根據發票日期呈列貿易應收款項扣除信貸虧損撥備後的賬齡分析。就使用銀行票據結算初始信貸期滿後的貿易應收款項的客戶而言，於各報告期末應收票據的賬齡分析按照本集團自客戶收取票據日期計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

20. Trade and Bills Receivables (continued)

| | |
|-------------------|----------|
| Trade receivables | 貿易應收款項 |
| 0-30 days | 0至30日 |
| 31-90 days | 31至90日 |
| 91-180 days | 91至180日 |
| 181-365 days | 181至365日 |

The following is an analysis of bills receivables, net of allowance for credit losses, presented based on number of days to bills maturity from the end of each reporting period:

| | |
|-------------------|----------|
| Bills receivables | 應收票據 |
| 0-30 days | 0至30日 |
| 31-60 days | 31至60日 |
| 61-90 days | 61至90日 |
| 91-120 days | 91至120日 |
| 121-180 days | 121至180日 |
| 181-365 days | 181至365日 |

Total 總計

20. 貿易應收款項及應收票據 (續)

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 164,582 | 132,911 |
| 81,198 | 3,687 |
| 26,845 | - |
| - | 444 |
| 272,625 | 137,042 |

以下為於各報告期末根據票據至到期日的天數呈列應收票據扣除信貸虧損撥備後的分析：

| | |
|----------------|----------------|
| 86,600 | 135,000 |
| 83,651 | 15,200 |
| 120,509 | - |
| 59,828 | 65,261 |
| 110,100 | 29,930 |
| 138,237 | 10,570 |
| 598,925 | 255,961 |
| 871,550 | 393,003 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

20. Trade and Bills Receivables (continued)

Before accepting any new customer, the Group will assess the potential customer's credit quality and defines its credit limits. Credit sales are made to customers with a satisfactory trustworthy credit history. Credit limits attributed to customers are reviewed regularly. Trade receivables that are neither past due nor impaired have good settlement records.

As at 31 December 2022, included in the Group's trade receivables balance are debtors with aggregate carrying balance of RMB108,043,000 (2021: RMB4,131,000) which are past due as at the report date. None of the balance as at 31 December 2022 is past due 90 days or more. As at 31 December 2021, out of the past due date balances, RMB444,000 has been past due 90 days or more and is not considered as in default since the management of the Group are of the opinion that the balances are still considered recoverable due to the management's historical experience.

The Group applies simplified approach to provide for ECL prescribed by HKFRS 9. To measure the ECL of trade and bills receivables, trade and bills receivables have been assessed individually. Taking into account the financial condition of the customers and historical settlement pattern with no history of default in the past and the forward-looking information (such as future coal price and gross domestic product growth ("GDP") in the PRC), the management of the Group considers the trade and bills receivables are at lower risk under internal credit rating assessment and the probability of default of the counterparties was low. The Group applied ECL rate of 0.1% (2021 : 0.1%) on trade and bills receivables. Thus, the loss allowance provision of the trade and bills receivables as at 31 December 2022 and 2021 was insignificant. There were no credit-impaired trade and bills receivables as at 31 December 2022 and 2021. In this regard, the management of the Group considers that the credit risks on trade and bills receivables are significantly reduced. The gross carrying amount of trade and bills receivables as at 31 December 2022 is RMB871,550,000 (2021: RMB393,003,000).

20. 貿易應收款項及應收票據 (續)

於接納任何新客戶之前，本集團將會評估潛在客戶的信貨質素並界定其信貸限額。具有令人滿意的可靠信貸記錄的客戶可獲提供賒銷。授予客戶的信貨限額須定期審核。既無逾期亦未減值的貿易應收款項具有良好結算記錄。

於2022年12月31日，計入本集團貿易應收款項結餘的賬面結餘總額人民幣108,043,000元(2021年：人民幣4,131,000元)之應收賬款，乃於報告日期時逾期。於2022年12月31日，概無結餘逾期90日或以上。於2021年12月31日，逾期結餘當中，人民幣444,000元已逾期90日或以上，惟由於本集團管理層認為，基於管理層過往經驗，該等結餘視為仍可收回，故並不視為違約。

本集團應用簡化方式計提香港財務報告準則第9號所訂明的預期信貸虧損。為計量貿易應收款項及應收票據，貿易應收款項及應收票據已獲個別評估。經計及客戶的財務狀況及其於過去概無違約記錄的過往結算模式以及前瞻性資料(如中國未來煤炭價格及國內生產總值(「國內生產總值」)增長)，本集團管理層認為，根據內部信貸評級評估，貿易應收款項及應收票據屬低風險組別，交易對手違約的可能性較低。本集團為貿易應收款項及應收票據採用0.1%(2021年：0.1%)的預期信貸虧損率。因此，於2022年及2021年12月31日，貿易應收款項及應收票據的虧損撥備並不重大。於2022年及2021年12月31日，並無信貸減值的貿易應收款項及應收票據。就此，本集團管理層認為貿易應收款項及應收票據的信貨風險已大幅降低。於2022年12月31日，貿易應收款項及應收票據的賬面總值為人民幣871,550,000元(2021年：人民幣393,003,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度

20. Trade and Bills Receivables (continued)

Details of impairment assessment for the year ended 31 December 2022 and 2021 are set out in note 36.

Transfers of financial assets

The followings were the bills receivables as at 31 December 2022 and 2021 that were transferred to banks by discounting bills receivables on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these bills receivables, it continues to recognise the full carrying amount of the bills receivables and has recognised the cash received on the transfer as secured bank borrowings (see note 27).

These financial assets and financial liabilities are carried at amortised cost in consolidated statement of financial position.

| | |
|---|-------------|
| Carrying amount of transferred assets | 已轉讓資產賬面值 |
| Carrying amount of associated liabilities (Note) | 相關負債賬面值(附註) |

Note: At 31 December 2022, the amount of RMB434,972,000 (2021: RMB171,015,000) represents bank borrowings arising from discounting bills receivables with recourse as the Group has not transferred the significant risks and rewards relating to these bills receivables.

During the year ended 31 December 2022, bills receivables of RMB644,698,000 (2021: RMB171,651,000) were discounted with recourse have been presented as “New borrowings from factoring of bills receivables” in consolidated statement of cash flows. Corresponding borrowings of RMB384,263,000 (2021: RMB81,500,000) were discharged without cash outflows upon bills matured with full settlement by original issuers.

20. 貿易應收款項及應收票據
(續)

有關截至2022年及2021年12月31日止年度減值評估的詳情載列於附註36。

轉讓金融資產

於2022年及2021年12月31日，以下應收票據按全面追索基準以貼現應收票據方式轉讓予銀行。由於本集團並無轉移與該等應收票據有關的重大風險及回報，故其繼續確認該等應收票據的全部賬面值，並將就轉讓所收取的現金確認為有抵押銀行借款(見附註27)。

該等金融資產及金融負債於綜合財務狀況表按攤銷成本列賬。

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 435,913 | 171,650 |
| (434,972) | (171,015) |

附註：於2022年12月31日，人民幣434,972,000元(2021年：人民幣171,015,000元)為貼現具有追索權的應收票據產生的銀行借款，原因為本集團並無轉移與該等應收票據有關的重大風險及回報。

截至2022年12月31日止年度，具有追索權的已貼現應收票據人民幣644,698,000元(2021年：人民幣171,651,000元)已於綜合現金流量表內呈列為「票據應收賬款保理新借款」。相應借款人民幣384,263,000元(2021年：人民幣81,500,000元)於票據到期後並由原發行人全額結清時解除，並無現金流出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

21. Deposits, Prepayments and Other Receivables

21. 按金、預付款項及其他應收款項

| | | 2022 | 2021 |
|---|----------------|----------------|----------------|
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Deposits to suppliers of purchasing auxiliary materials and spare parts | 購買輔料及備件的供應商按金 | 13,280 | 10,271 |
| Government grant receivables | 應收政府補助 | 1,470 | 1,470 |
| Rental deposits | 租金按金 | 426 | 494 |
| Other receivables, prepayments and deposits | 其他應收款項、預付款項及按金 | 13,452 | 8,775 |
| Deposits for purchase of property, plant and equipment | 購買物業、廠房及設備的按金 | 2,819 | 26,520 |
| Deposits for acquisition of mining rights (Note) | 收購採礦權的按金(附註) | 90,566 | 90,566 |
| | | <u>122,013</u> | <u>138,096</u> |
| Classified as: | 分類為： | | |
| Non-current | 非流動 | 93,811 | 117,580 |
| Current | 流動 | 28,202 | 20,516 |
| | | <u>122,013</u> | <u>138,096</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

21. Deposits, Prepayments and Other Receivables (continued)

Details of impairment assessment for the year ended 31 December 2022 and 2021 are set out in note 36.

Note: On 9 December 2020, Jiutai Bangda, an indirectly wholly-owned subsidiary of the Company, entered into a closure quota transfer agreement in respect of the production quota of Guizhou Chinalco Hengtaihe Mining Co., Ltd. Shuicheng County Panlong Township Panlong Coal Mine (貴州中鋁恒泰合礦業有限公司水城縣蟠龍鄉蟠龍煤礦) (“Panlong Coal Mine”) with Guizhou Ruomuzi Investment and Development Co., Ltd (“Ruomuzi”), independent third party to the Group, at a cash consideration of RMB72,000,000, which is fully paid in prior years.

On 24 May 2021, Jiutai Bangda has entered into another closure quota transfer agreement in respect of the production quota of Panlong Coal Mine with Ruomuzi at a cash consideration of RMB18,566,000, which is fully paid in prior year.

The deposits are not refundable and the transfers of related mining right certificates are subject to final approval by the relevant government authorities as at 31 December 2022.

22. Cash and cash equivalents

Cash and cash equivalents comprise cash held and short term bank deposits with an original maturity of three months or less. As at 31 December 2022, the bank balances carried interest at prevailing market rate of 0.0% to 0.25% (2021: 0.0% to 1.7%) per annum.

Details of impairment assessment for the year ended 31 December 2022 and 2021 are set out in note 36.

21. 按金、預付款項及其他應收款項(續)

截至2022年及2021年12月31日止年度的減值評估詳情載於附註36。

附註：於2020年12月9日，本公司間接全資附屬公司久泰邦達與本集團獨立第三方貴州若木子投資開發有限責任公司(「若木子」)就貴州中鋁恒泰合礦業有限公司水城縣蟠龍鄉蟠龍煤礦(「蟠龍煤礦」)的生產指標訂立關閉指標轉讓協議，現金代價為人民幣72,000,000元，已於過往年度悉數支付。

於2021年5月24日，久泰邦達與若木子就蟠龍煤礦的生產指標訂立另一項關閉指標轉讓協議，現金代價為人民幣18,566,000元，並已於上一年度悉數支付。

於2022年12月31日，按金為不可退還，且相關採礦權證書須待相關政府機構最終批准後，方可實。

22. 現金及現金等價物

銀行結餘及現金包括所持有現金及原到期日為三個月或以內的短期銀行存款。於2022年12月31日，銀行結餘按現行市場年利率介乎0.0厘至0.25厘(2021年：0.0厘至1.7厘)計息。

有關截至2022年及2021年12月31日止年度減值評估的詳情載列於附註36。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

23. Trade Payables

Trade payables 貿易應付款項

As at 31 December 2022, included in trade payables are RMB1,390,000 (2021: RMB985,000), RMB190,000 (2021: RMB2,219,000) and RMB1,452,000 (2021: RMB1,334,000) due to Guizhou Bangda Energy Development Co., Ltd (“Bangda”), Panzhou Hongda Integrated Energy Co., Ltd. (“Panzhou Hongda”) and Guizhou Yue Bang Integrated Energy Limited Liability Company (“Guizhou Yue Bang”), respectively. Panzhou Hongda is an associate of Guizhou Yue Bang.

The average credit period on purchases of goods is 90 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

| | |
|---------------|----------|
| 0–30 days | 0至30日 |
| 31–60 days | 31至60日 |
| 61–180 days | 61至180日 |
| 181–365 days | 181至365日 |
| Over 365 days | 超過365日 |

23. 貿易應付款項

| 2022 | 2021 |
|----------------|---------------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 109,304 | 81,688 |

於2022年12月31日，貿易應付款項包括分別應付貴州邦達能源開發有限公司(「邦達」)、盤州市紅達綜合能源有限公司(「盤州紅達」)及貴州粵邦綜合能源有限責任公司(「貴州粵邦」)的人民幣1,390,000元(2021年：人民幣985,000元)、人民幣190,000元(2021年：人民幣2,219,000元)及人民幣1,452,000元(2021年：人民幣1,334,000元)。盤州紅達為貴州粵邦之聯營公司。

購買貨品的平均信貸期為90日。於各報告期末按發票日期呈列的貿易應付款項賬齡分析如下：

| 2022 | 2021 |
|----------------|---------------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 24,669 | 21,744 |
| 31,607 | 8,558 |
| 30,224 | 28,156 |
| 11,012 | 14,359 |
| 11,792 | 8,871 |
| 109,304 | 81,688 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

24. Other Payables and Accrued Charges

| | | | |
|---|----------------|----------------|----------------|
| Staff costs payable | 應付員工成本 | 39,257 | 33,769 |
| Transportation cost payable | 應付運輸成本 | 5,934 | 8,738 |
| Payables for acquisition of property, plant and equipment | 收購物業、廠房及設備應付款項 | 93,986 | 64,641 |
| Payables for acquisition of mining rights | 收購採礦權應付款項 | 10,635 | 10,635 |
| Other tax payables | 其他應付稅項 | 30,150 | 19,314 |
| Government grants received in advance (Note) | 預收政府補助(附註) | 23,654 | 10,390 |
| Accrued repair and maintenance fee | 應計維修及保養費用 | 1,373 | 2,980 |
| Other payables and accrued charges | 其他應付款項及應計費用 | 7,402 | 9,268 |
| | | 212,391 | 159,735 |

Note: As at 31 December 2022 and 2021, government grants received in advance represent grants received with unfulfilled conditions on meeting production volume target of coal products.

These balances were accounted in accordance with the accounting policy set out in note 4.

25. Contract Liabilities

| | | | |
|--------------------------------|---------|--|--|
| Contract liabilities – current | 合約負債－流動 | | |
| Sales of coal products | 煤炭產品銷售 | | |

As at 1 January 2021, contract liabilities amounted to RMB190,000. For the contract liabilities as at 31 December 2021 of RMB9,197,000 the entire balances are recognised as revenue during the year ended 31 December 2022.

The Group sells coal products to customers. Payment received in advance that are related to the sales of coal products not yet delivered to customers are deferred and recognised as contract liabilities. Revenue is recognised when coal products are delivered to customers.

24. 其他應付款項及應計費用

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 39,257 | 33,769 |
| 5,934 | 8,738 |
| 93,986 | 64,641 |
| 10,635 | 10,635 |
| 30,150 | 19,314 |
| 23,654 | 10,390 |
| 1,373 | 2,980 |
| 7,402 | 9,268 |
| 212,391 | 159,735 |

附註：於2022年及2021年12月31日，預收政府補助指尚未達成煤炭產量目標的條件時已收取的補助。

有關款項根據附註4所載會計政策入賬。

25. 合約負債

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 1,639 | 9,197 |

於2021年1月1日，合約負債為人民幣190,000元。就截至2021年12月31日止年度之合約負債人民幣9,197,000元，全部餘額已於截至2022年12月31日止年度確認為收益。

本集團向客戶銷售煤炭產品。與尚未交付予客戶的煤炭產品銷售有關的預收款項以遞延方式確認為合約負債。收益於煤炭產品交付予客戶時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

26. Lease Liabilities

| | |
|--|-------------------------|
| Lease liabilities payable: | 應付租賃款項： |
| Within one year | 一年內 |
| Within a period of more than one year but not more than two years | 於一年以上但不多於兩年期間內 |
| Within a period of more than two years but no more than five years | 於兩年以上但不多於五年期間內 |
| Less: amount due for settlement within 12 months shown under current liabilities | 減：12個月內結算欠款 (列為流動負債) |
| Amount due for settlement after 12 months shown under non-current liabilities | 12個月後結算欠款(列為非流動負債) |

Lease obligations that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

The incremental borrowing rate applied to lease liabilities is 1.8% (2021: 1.8%).

26. 租賃負債

| As at 31 December 2022 於2022年 12月31日 RMB'000 人民幣千元 | As at 31 December 2021 於2021年 12月31日 RMB'000 人民幣千元 |
|--|--|
| 1,275 | 1,251 |
| 1,299 | 1,275 |
| — | 1,300 |
| 2,574 | 3,826 |
| (1,275) | (1,251) |
| 1,299 | 2,575 |

以相關集團實體功能貨幣以外的貨幣計值的租賃承擔載列如下：

對租賃負債所應用增量借款利率為1.8%(2021年：1.8%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度

27. Bank Borrowings

27. 銀行借款

| | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--|-----------------------|--------------------------|--------------------------|
| Bank borrowings | 銀行借款 | 351,000 | 351,000 |
| Other bank borrowings from factoring of bills receivables with full recourse | 保理具全面追索權應收票據後所獲其他銀行借款 | 434,972 | 171,015 |
| | | <u>785,972</u> | <u>522,015</u> |
| Secured | 有抵押 | <u>785,972</u> | <u>522,015</u> |
| | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
| The carrying amounts of the above borrowings are repayable*: | 上列借款之賬面值須於下列期限償還*： | | |
| Within one year | 一年以內 | 695,972 | 221,015 |
| Within a period more than one year but not exceeding two years | 一年以上兩年以下期間 | 90,000 | 211,000 |
| Within a period more than two years but not exceeding five years | 兩年以上五年以下期間 | - | 90,000 |
| | | <u>785,972</u> | <u>522,015</u> |
| Less: amounts due within one year shown under current liabilities | 減：一年以內到期款項，列作流動負債 | <u>(695,972)</u> | <u>(221,015)</u> |
| Amount shown under non-current liabilities | 列作非流動負債款項 | <u>90,000</u> | <u>301,000</u> |

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 到期金額乃根據貸款協議所載還款時間表日期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度**27. Bank Borrowings (continued)**

Secured bank borrowings carry fixed interest rate of 5.5% per annum for both years. Secured other bank borrowings from factoring of bills receivables with full recourse refers to discounting of bank acceptance bills received from the customers of the Group with fixed interest rate while the significant risks and rewards from the bills receivables are substantially retained by the Group. The effective interest rate of the secured other bank borrowings from factoring of bills receivables with full recourse is approximately 1% to 2% per annum (2021: 1% to 2% per annum) during the year ended 31 December 2022.

28. Contingent Consideration Payables

On 4 November 2019, Jiutai Bangda, an indirectly wholly-owned subsidiary of the Company, entered into sale and purchase agreement with 盤縣羊場鄉謝家河溝煤礦 (Panzhou County Yangchang Village Xiejiahegou Coal Mine) and 貴州德佳投資有限公司 (Guizhou Dejia Investment Co., Ltd.) (collectively referred to as the “Vendors”) pursuant to which, Jiutai Bangda has conditionally agreed to purchase, and Vendors have conditionally agreed to sell a target underground coal mine located in Panzhou City, Guizhou Province (the “Target Mine”), together with assets related to the Target Mine at a total consideration of RMB1,100,000,000 (the “Acquisition”) with a profit guarantee arrangement. The Acquisition was completed on 1 January 2020.

In accordance with HKFRS 3 *Business Combinations*, the Group determined that no integrated set under the Acquisition is capable of being conducted and managed as a business and concluded that the Acquisition is an acquisition of assets.

27. 銀行借款(續)

有抵押銀行借款於兩個年度按固定年利率5.5%計息。保理具全面追索權應收票據後所獲得其他銀行借款指採用固定利率貼現從本集團客戶收到的銀行承兌票據，而應收票據的主要風險及回報絕大部分由本集團保留。截至2022年12月31日止年度，保理具全面追索權應收票據後所獲得銀行借款的實際年利率約1%至2%（2021年：每年1%至2%）。

28. 應付或然代價

於2019年11月4日，本公司的間接全資附屬公司久泰邦達與盤縣羊場鄉謝家河溝煤礦及貴州德佳投資有限公司（統稱「賣方」）訂立買賣協議，據此，久泰邦達有條件同意購買，而賣方有條件同意出售位於貴州省盤州市的目標地下煤礦（「目標煤礦」），連同與目標煤礦有關的資產，總代價為人民幣1,100,000,000元（「收購事項」），連帶溢利保證。收購事項已於2020年1月1日完成。

本集團按照香港財務報告準則第3號業務合併確定收購事項項下並無整體組合能作為一項業務營業及管理，故認為收購事項指收購一項資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

28. Contingent Consideration Payables (continued)

Assets recognised at the date of acquisition:

| | | RMB'000 人民幣千元 |
|-------------------------------|----------|-------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 160,716 |
| Mining right | 採礦權 | 824,941 |
| Other receivables | 其他應收款項 | <u>69,343</u> |
| | | <u><u>1,055,000</u></u> |

The fair value of consideration as at 1 January 2020 consists of the below:

| | | RMB'000 人民幣千元 |
|-----------------------------------|--------|-------------------------|
| Cash consideration paid | 已付現金代價 | 560,000 |
| Contingent consideration payables | 應付或然代價 | <u>495,000</u> |
| | | <u><u>1,055,000</u></u> |

28. 應付或然代價(續)

於收購日期確認的資產：

| | RMB'000 人民幣千元 |
|--|-------------------------|
| | 160,716 |
| | 824,941 |
| | <u>69,343</u> |
| | <u><u>1,055,000</u></u> |

於2020年1月1日，代價的公平值包括下列各項：

| | RMB'000 人民幣千元 |
|--|-------------------------|
| | 560,000 |
| | <u>495,000</u> |
| | <u><u>1,055,000</u></u> |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

28. Contingent Consideration Payables (continued)

In respect of the Acquisition, cash considerations of RMB180,000,000 is agreed to be paid in each of the three years ending 31 December 2023, totaling RMB540,000,000 (the “Remaining Consideration”). In addition, Jiutai Bangda and the Vendors have entered into a profit guarantee arrangement, pursuant to which the Vendors guarantee to the Jiutai Bangda that each of the audited net profit of the year ended 31 December 2020, 2021 and 2022 generated by the Target Mine shall not be less than RMB150,000,000 (the “Benchmark Profit”). In the event where any of the audited net profit of the year ended 31 December 2020, 2021 or 2022 is less than the Benchmark Profit, the Vendors shall pay compensation(s) to Jiutai Bangda, subject to an overall cap of RMB300,000,000. Likewise, in the event where any of the audited profit of the year ended 31 December 2020, 2021 or 2022 generated by the Target Mine is greater than the Benchmark Profit, Jiutai Bangda shall pay bonus(es) to the Vendors, subject to an overall cap of RMB300,000,000.

The contingent consideration payable is measured at fair value at 31 December 2022 and 2021 based on the actual present value of the Remaining Consideration adjusted by any excess or shortfalls between the Benchmark Profit and the actual/or projected net profit generated by the Target Mine using discounted cash flow method.

28. 應付或然代價(續)

就收購事項而言，已協定截至2023年12月31日止三個年度各年將支付現金代價人民幣180,000,000元，合共為人民幣540,000,000元(「餘下代價」)。此外，久泰邦達與賣方訂立了溢利保證協議，據此，賣方向久泰邦達保證，截至2020年、2021年及2022年12月31日止三個年度各年的經審核純利將不少於人民幣150,000,000元(「基準溢利」)。倘截至2020年、2021年或2022年12月31日止三個年度任何一年的經審核純利少於基準溢利，賣方須向久泰邦達支付補償金額，最高限額為人民幣300,000,000元。同樣，倘目標煤礦於截至2020年、2021年或2022年12月31日止三個年度任何一年所產生經審核純利大於基準溢利，久泰邦達向賣方支付獎金，最高限額為人民幣300,000,000元。

應付或然代價於2022年及2021年12月31日之公平值使用貼現現金流方法按餘下代價之實際現值及就基準溢利與目標煤礦所產生實際／或預測純利之間任何超出或不足金額作調整而計量。

| | | RMB'000 人民幣千元 |
|--|-------------------|-----------------------|
| As at 1 January 2021 | 於2021年1月1日 | 511,072 |
| Repayment | 還款 | (187,959) |
| Fair value change of contingent consideration payable recognised in profit or loss | 於損益確認之應付或然代價公平值變動 | <u>308,518</u> |
| As at 31 December 2021 | 於2021年12月31日 | 631,631 |
| Repayment | 還款 | (256,854) |
| Fair value change of contingent consideration payable recognised in profit or loss | 於損益確認之應付或然代價公平值變動 | <u>20,409</u> |
| As at 31 December 2022 | 於2022年12月31日 | <u><u>395,186</u></u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度

28. Contingent Consideration Payables (continued)

| | |
|-------------|-----|
| Non-current | 非流動 |
| Current | 流動 |

28. 應付或然代價(續)

| 2022 | 2021 |
|----------------|----------------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| – | 378,095 |
| 395,186 | 253,536 |
| 395,186 | 631,631 |

29. Provision for Restoration Costs

| | |
|------------------------------|------|
| At the beginning of the year | 於年初 |
| Unwinding of discount | 貼現撥回 |
| At the end of the year | 於年末 |

29. 復墾成本撥備

| 2022 | 2021 |
|---------------|---------------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 44,974 | 43,028 |
| 2,034 | 1,946 |
| 47,008 | 44,974 |

In accordance with the relevant PRC rules and regulations, if any damage is caused to cultivated land, grassland or forest as a result of exploration or mining activities, mining enterprises must restore the land to a condition appropriate for use by reclamation, re-planting trees or grasses or such other measures, as appropriate, after the mining has been completed. The Group provides for the present obligation of the costs of the restoration.

The provision for restoration costs has been determined by the management of the Group based on their estimates for the restoration upon the closure of the mine sites.

根據中國相關規則及法規，倘耕地、草地或森林因勘探或採礦活動而遭到任何損害，則採礦企業必須於採礦結束後通過開墾、重新種植樹木或草坪或其他適當措施將土地恢復至可用狀態。本集團就復墾成本的現時責任計提撥備。

復墾成本撥備已由本集團管理層依據礦場關閉後彼等對復墾的估計釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度

30. Share Capital

Details of the Company's shares are disclosed as follows:

| | | Number of shares 股份數目 | Amount 金額 HK\$'000 千港元 | Equivalent amount 相當於 RMB'000 人民幣千元 |
|---|----------------------------------|-----------------------------|---------------------------------|---|
| Ordinary shares of HK\$0.01 each | 每股面值0.01港元的普通股 | | | |
| Authorised: | 法定： | | | |
| At 1 January 2021, 31 December 2021 and 2022 | 於2021年1月1日、2021年 及2022年12月31日 | 10,000,000,000 | 100,000 | 87,208 |
| Issued and fully paid: | 已發行及繳足： | | | |
| At 1 January 2021, 31 December 2021 and 2022 | 於2021年1月1日、2021年 及2022年12月31日 | 1,600,000,000 | 16,000 | 14,136 |

31. Retirement Benefit Schemes

The employees of the Group companies in the PRC are members of a state-managed retirement benefit scheme operated by the local government. The Group is required to contribute a certain percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The Group also participates in the MPF Scheme established under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes at the lower of HK\$1,500 per month or 5% of the relevant payroll costs to the MPF Scheme.

The contributions to the retirement benefit scheme of the Group during the years ended 31 December 2022 and 2021 are disclosed in notes 6 and 10, respectively.

30. 股本

本公司的股份詳情披露如下：

31. 退休福利計劃

本集團的中國公司僱員為地方政府運營的國家管理退休福利計劃的成員。本集團須向退休福利計劃按僱員薪金成本的某一百分比進行供款，以為福利提供資金。本集團就退休福利計劃的唯一責任為作出所規定的供款。

本集團亦參與根據強制性公積金計劃條例成立的強積金計劃。強積金計劃資產與本集團資產分開持有，由受託人控制的基金持有。本集團按每月1,500港元或相關薪金成本的5%（以較低者為準）向強積金計劃供款。

本集團於截至2022年及2021年12月31日止年度的退休福利計劃供款分別於附註6及10披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

32. Related Party Transactions

Save as disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with its related parties during the year:

| Name of related companies 關聯公司名稱 | Nature of transactions 交易性質 |
|-------------------------------------|--|
| Bangda 邦達 | Logistics service expense 物流服務開支 |
| | Rental income 租金收入 |
| | Coal washing processing expense 洗煤及加工開支 |
| | Sale of electricity 售電 |
| Yuebang 粵邦 | Sales of coalbed methane gas 銷售煤層氣 |
| | Purchase of electricity 購電 |
| Panzhou Hongda 盤州紅達 | Sales of coalbed methane gas 銷售煤層氣 |
| | Purchase of electricity 購電 |

The above transactions were transacted at prices agreed between the parties.

32. 關聯方交易

除綜合財務報表另行披露者外，於本年度，本集團與其關聯方有以下交易：

| | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--|--------------------------|--------------------------|
| | 3,515 | 3,656 |
| | 1,101 | 1,101 |
| | 1,552 | 8,302 |
| | 11,000 | – |
| | 3,345 | 1,988 |
| | 4,216 | 4,756 |
| | 1,475 | 1,093 |
| | 8,477 | 6,558 |

上述交易以雙方議定的價格進行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

32. Related Party Transactions (continued)

Compensation of key management personnel

The key management personnel of the Group included 8 executive directors of the Company (2021: 7 executive directors of the Company). Details of whose emoluments are set out in note 6(a). Other members of key management personnel included 6 employees (2021: 8 employees) for the year ended 31 December 2022. The remuneration of these 6 members (2021: 8 members) during the year is as follows:

| | |
|------------------------------|--------|
| Short-term employee benefits | 短期僱員福利 |
| Bonus | 花紅 |
| Post-employment benefits | 離職後福利 |

32. 關聯方交易(續)

關鍵管理人員補償

本集團關鍵管理人員包括本公司八名執行董事(2021年：本公司七名執行董事)。彼等的薪酬詳情載於附註6(a)。截至2022年12月31日止年度，關鍵管理人員的其他成員包括六名僱員(2021年：八名僱員)。年內，該六名成員(2021年：八名成員)的薪酬如下：

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 2,029 | 3,782 |
| 688 | 604 |
| 73 | 103 |
| <u>2,790</u> | <u>4,489</u> |

33. Operating Leasing Arrangement

The Group as lessor

Minimum lease payments receivable on leases are as follows:

| | |
|---|----------------|
| Within one year | 一年內 |
| Within a period of more than one year but not more than two years | 於一年以上但不多於兩年期間內 |

33. 經營租賃

本集團作為出租人

應收租賃的最低租賃款項如下：

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| 1,101 | 1,101 |
| — | 1,101 |
| <u>1,101</u> | <u>2,202</u> |

Leases are negotiated for lease term of three years.

租約可按三年租期予以協商。

34. Capital Commitments

Capital expenditure in respect of the acquisition of property, plant and equipment and mining rights contracted for but not provided in the consolidated financial statements

就收購物業、廠房及設備及採礦權的已訂約但未於綜合財務報表計提撥備的資本開支

34. 資本承擔

| 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|--------------------------|--------------------------|
| <u>3,525</u> | <u>17,680</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

35. Capital Risk Management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains from prior year.

The capital structure of the Group consists of debt balance and equity balance. Equity balance consists of equity attributable to owners of the Group, comprising share capital and reserves.

The management of the Group reviews the capital structure on an on-going annual basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management of the Group, the Group will balance its overall capital structure through the payment of dividends, new capital injection as well as the issue of new debt.

36. Financial Instruments

Categories of financial instruments

| | |
|---|---------------------|
| Financial assets | 金融資產 |
| Financial assets at amortised cost | 按攤銷成本計量之金融資產 |
| Financial liabilities | 金融負債 |
| Financial liabilities at amortised cost | 按攤銷成本計量之金融負債 |
| Financial liabilities at FVTPL | 按公平值計量且其變動計入損益之金融負債 |

Financial risk management objectives and policies

The Group's major financial instruments include trade and bills receivables, deposits and other receivables, restricted bank deposits, cash and cash equivalents, trade payables, other payables and accrued charges, bank borrowings, lease liabilities and contingent consideration payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

35. 資本風險管理

本集團管理其資本，以確保本集團能夠持續經營，同時亦透過優化債務及權益結餘為利益相關者爭取最大回報。於過往年度，本集團的整體策略維持不變。

本集團的資本架構包括債務結餘及權益結餘。權益結餘由本集團擁有人應佔權益組成，包括股本及儲備。

本集團管理層持續每年檢討資本架構。作為該項檢討的一部分，本集團管理層考慮資本成本及與各類資本相關的風險。根據本集團管理層的推薦建議，本集團將支付股息、注入新資本及發行新債務，藉此平衡其整體資本架構。

36. 金融工具

金融工具類別

| | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|---|--------------------------|--------------------------|
| Financial assets at amortised cost | <u>1,094,474</u> | <u>589,296</u> |
| Financial liabilities at amortised cost | <u>1,014,606</u> | <u>699,965</u> |
| Financial liabilities at FVTPL | <u>395,186</u> | <u>631,631</u> |

金融風險管理目標及政策

本集團的主要金融工具包括貿易應收款項及應收票據、按金及其他應收款項、受限制銀行存款、現金及現金等價物、貿易應付款項、其他應付款項及應計費用、銀行借款、租賃負債以及應付或然代價。該等金融工具的詳情於各附註披露。與該等金融工具相關的風險及如何緩解該等風險的政策載列如下。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

36. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Market risk

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to its lease liabilities (note 26) and bank borrowings (note 27). The Group is also exposed to cash flow interest rate risk in relation to its restricted bank deposits and bank balances (notes 17 and 22).

The Group currently does not have interest rate hedging policy. However, the management of the Group closely monitors its exposure to future cash flow interest rate risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise.

No sensitivity analysis is provided on restricted bank deposits and bank balances as the management of the Group considers that the interest rate fluctuation on bank balances are minimal.

Foreign currency risk

Certain bank balances, deposits and other receivables, other payables, lease liabilities and other borrowings are denominated in HK\$, the currency other than the functional currency of the respective group entities, at end of the reporting period. Other than disclosed below, the Group has limited foreign currency exposure as both sales and costs were denominated in the functional currency of respective group entities.

The Group currently does not have a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

36. 金融工具(續)

金融風險管理目標及政策(續)

市場風險

利率風險

本集團就其租賃負債(附註26)以及銀行借款(附註27)而面臨公平值利率風險。本集團亦就其受限制銀行存款及銀行結餘(附註17及22)而面臨現金流量利率風險。

本集團現時並無利率對沖政策。然而，本集團管理層密切監察因市場利率變動而引致其面臨的未來現金流量利率風險，並將於必要時考慮對沖市場利率變動。

概無就受限制銀行存款及銀行結餘提供敏感度分析，原因為本集團管理層認為銀行結餘的利率波動極小。

外匯風險

於各報告期末，若干銀行結餘、按金及其他應收款項、其他應付款項、租賃負債及其他借款以港元(並非各集團實體功能貨幣的貨幣)計值。除下文所披露者外，由於銷售及成本均以各集團實體的功能貨幣計值，故本集團所承受的外匯風險有限。

本集團現時並無外匯對沖政策。然而，本集團管理層監察外匯風險並將於有需要時考慮對沖重大外匯風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

36. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk (continued)

The carrying amounts of the Group's HK\$ denominated monetary assets and monetary liabilities at the end of the reporting period as follows:

| | |
|--------------------------------|-----------|
| Bank balances | 銀行結餘 |
| Deposits and other receivables | 按金及其他應收款項 |
| Other payables | 其他應付款項 |
| Lease liabilities | 租賃負債 |

Sensitivity analysis

Sensitivity analysis of strengthening 5% in functional currency of the Company (i.e. RMB) against HK\$ resulted in an decrease in post-tax profit of RMB63,000 (2021: a increase in post-tax profit of RMB62,000) during the year ended 31 December 2022. For a 5% weakening of RMB against HK\$, there would be an equal and opposite impact on the results.

5% is the sensitivity rate used and represents management's assessment of the reasonably possible change in foreign exchange rates.

Credit risk and impairment assessment

The Group's credit risk is primarily attributable to trade and bills receivables, deposits and other receivables, restricted bank deposits and bank balances as at 31 December 2022 and 2021. The carrying amounts of financial assets at amortised cost stated in subheading of "categories of financial statements" of this note represented the Group's maximum exposure to credit risk in relation to financial assets which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties.

36. 金融工具(續)

金融風險管理目標及政策(續)

市場風險(續)

外匯風險(續)

於各報告期末，本集團以港元計值的貨幣資產及貨幣負債的賬面值如下：

| 2022 | 2021 |
|---------|---------|
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |
| 6,239 | 4,456 |
| 146 | 494 |
| (2,299) | (2,599) |
| (2,575) | (3,826) |

敏感度分析

根據本公司功能貨幣(即人民幣)兌港元升值5%的敏感度分析，截至2022年12月31日止年度的除稅後溢利減少人民幣63,000元(2021年：除稅後溢利增加人民幣62,000元)。倘人民幣兌港元貶值5%，則結果會呈相反等量影響。

5%為所使用的敏感度比率，代表管理層對外匯匯率可能出現的合理升跌的評估。

信貸風險及減值評估

本集團的信貸風險乃主要由於2022年及2021年12月31日的貿易應收款項及應收票據、按金及其他應收款項、受限制銀行存款及銀行結餘所致。本附註「財務報表的類別」所述按攤銷成本計量的金田融資產賬面值指本集團就融資產所面臨的最高信貸風險，並將因對手方未能履行責任而導致本集團的財務虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度**36. Financial Instruments (continued)****Financial risk management objectives and policies
(continued)***Credit risk and impairment assessment (continued)*

Trade and bills receivables

At 31 December 2022, the Group had a concentration of credit risk as the top three trade debtors accounted for approximately 61% (2021: 78%) of its total trade receivables. The management of the Group regularly visits these customers to understand their business operations and cash flows position and follows up the subsequent settlement from the counterparties. In this regard, the management of the Group considers that this credit concentration risk has been significantly mitigated.

In order to minimise the credit risk on trade and bills receivables, the management of the Group has delegated a team responsible for monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the management of the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The Group applies simplified approach and always recognises lifetime ECL for trade and bills receivables on individual basis. Taking into account the financial condition of the customers and historical settlement pattern with no history of default in the past and the forward-looking information (such as future coal price and GDP in the PRC), the management of the Group considers the trade and bills receivables are at lower risk under internal credit rating assessment and the probability of default of the counterparties was low. The Group applied ECL rate of 0.1% on trade and bills receivables. Thus, the loss allowance provision of the trade and bills receivables as at 31 December 2022 and 2021 was insignificant. There were no credit-impaired trade and bills receivables as at 31 December 2022 and 2021. In this regard, the management of the Group considers that the credit risks on trade and bills receivables are significantly reduced. The gross carrying amount of trade and bills receivables as at 31 December 2022 is RMB871,550,000 (2021: RMB393,003,000).

36. 金融工具(續)**金融風險管理目標及政策(續)***信貸風險及減值評估(續)*

貿易應收款項及應收票據

於2022年12月31日，本集團面臨集中信貸風險，此乃由於三大應收貿易賬款分別佔其貿易應收款項總額約61% (2021年：78%) 所致。本集團管理層定期探訪該等客戶以瞭解其業務經營情況及現金流量狀況以及跟進對手方後續結算情況。就此而言，本集團管理層認為該信貸集中風險已大幅降低。

為將貿易應收款項及應收票據的信貸風險降至最低，本集團管理層已委派團隊負責監察程序，以確保採取跟進行動收回逾期債務。此外，本集團管理層於報告期末審閱各項個別債務的可收回金額，以確保就不可收回金額作出充足減值虧損。本集團應用簡化方式，且一直就貿易應收款項及應收票據單獨確認全期年期預期信貸虧損。經計及客戶的財務狀況及過去概無違約記錄的過往結算模式以及前瞻性質料(如中國未來煤炭價格及國內生產總值增長)，本集團管理層認為貿易應收款項及應收票據根據內部信貸評級評估分類為較低風險組別，且對手方違約的可能性甚微。本集團為貿易應收款項及應收票據採用0.1%的預期信貸虧損率。因此，於2022年及2021年12月31日，貿易應收款項及應收票據的虧損撥備並不重大。於2022年及2021年12月31日，並無信貸減值的貿易應收款項及應收票據。就此，本集團管理層認為貿易應收款項及應收票據的信貸風險已大幅降低。於2022年12月31日，貿易應收款項及應收票據的賬面總值為人民幣871,550,000元 (2021年：人民幣393,003,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

36. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Deposits and other receivables

For deposits and other receivables, the management of the Group makes periodic collective assessment as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The management of the Group believes that there is no material credit risk inherent in the Group's outstanding balance of deposits and other receivables. For the purposes of internal credit management, the Group uses past due information to assess whether the credit risk of deposits and other receivables has increased significantly since initial recognition. There is no overdue balances on deposits and other receivables as at 31 December 2022 and 2021. In the opinion of the management of the Group, the risk of default by the counterparties is not significant and the Group assesses that the ECL on these balances are insignificant. Thus, the Group assessed 12m ECL on deposits and other receivables. The loss allowance provision of the deposits and other receivables as at 31 December 2022 and 2021 was insignificant. There were no credit-impaired deposits and other receivables as at 31 December 2022 and 2021. In this regard, the management of the Group considers that the credit risk on deposits and other receivables is significantly reduced. The gross carrying amount of deposits and other receivables as at 31 December 2022 is RMB3,628,000 (2021: RMB2,699,000).

36. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險及減值評估(續)

按金及其他應收款項

就按金及其他應收款項而言，本集團管理層根據過往結算記錄及過往經驗就其他應收款項的可回收性進行定期集體評估及個別評估。本集團管理層認為，本集團按金及其他應收款項的未償還結餘並不存在內在重大信貸風險。就內部信貸管理而言，本集團採用逾期資料評估按金及其他應收款項的信貸風險自初始確認以來是否已大幅增加。於2022年及2021年12月31日，概無按金及其他應收款項逾期結餘。本集團管理層認為，對手方違約風險並不重大，且本集團的評估為該等結餘的預期信貸風險並不重大。因此，本集團就按金及其他應收款項評估12個月預期信貸虧損。於2022年及2021年12月31日，按金及其他應收款項的虧損撥備並不重大。於2022年及2021年12月31日，概無信貸減值按金及其他應收款項。就此而言，本集團管理層認為，有關按金及其他應收款項的信貸風險已大幅降低。於2022年12月31日，按金及其他應收款項的賬面總值為人民幣3,628,000元(2021年：人民幣2,699,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

36. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Restricted bank deposits/bank balances

The credit risk on restricted bank deposits and bank balances of the Group is limited because the counterparties are banks with good reputation and no history of default in the past and no loss allowance provision for restricted bank deposits and bank balances was recognised. The Group has limited exposure to any single financial institution. The Group recognised 12m ECL on restricted bank deposits and bank balances and the gross carrying amounts of restricted bank deposits and bank balances as at 31 December 2022 are RMB17,239,000 (2021: RMB12,740,000) and RMB202,057,000 (2021: RMB180,854,000), respectively.

There were no significant increase in credit risk on these financial assets and credit-impaired financial assets as at 31 December 2022 and 2021.

Other than the credit risk management policy stated above, the Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis. To assess whether there is significant increase in credit risk, the Group compares the risk of default occurring on an asset at the end of the reporting period with the risk of default at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group accounts for credit risk by appropriately providing for ECL on a timely basis. In calculating the ECL rates, the Group considered historical loss rates for each category of receivables and adjusts for forward-looking macroeconomic data.

36. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險及減值評估(續)

受限制銀行存款／銀行結餘

本集團就受限制銀行存款及銀行結餘面臨的信貸風險有限，原因為對手方為信譽良好及過往並無欠款記錄的銀行，故並無就受限制銀行存款及銀行結餘確認虧損撥備。本集團所承擔的任何單一金融機構風險有限。本集團就受限制銀行存款及銀行結餘確認12個月預期信貸虧損，而於2022年12月31日，受限制銀行存款及銀行結餘的賬面總值分別為人民幣17,239,000元（2021年：人民幣12,740,000元）及人民幣202,057,000元（2021年：人民幣180,854,000元）。

於2022年及2021年12月31日，該等金融資產及信貸減值的金融資產的信貸風險概無大幅增加。

除上述信貸風險管理政策外，本集團會考慮初步確認資產後的違約可能性及信貸風險是否持續大幅增加。為評估信貸風險是否大幅增加，本集團將於報告期末發生的資產違約風險與於初步確認日期的違約風險進行比較。於作出此項評估時，本集團會考慮合理可靠的定量及定性資料，包括過往經驗或毋須過分花費或耗時獲取的前瞻性資料。

本集團透過及時計提預期信貸虧損以說明信貸風險。於計算預期信貸虧損率時，本集團計及各類應收款項的過往虧損率，並就前瞻性宏觀經濟數據作出調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度

36. Financial Instruments (continued)

Financial risk management objectives and policies
(continued)

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group and also considered the unutilised credit facility granted from a bank to the Group of RMB382,660,000 (2021: RMB204,000,000) as at 31 December 2022 to finance its operations and mitigates the effects of fluctuations in cash flows.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

| | |
|------------------------------------|--------------|
| As at 31 December 2022 | 於2022年12月31日 |
| Trade payables | 貿易應付款項 |
| Other payables and accrued charges | 其他應付款項及應計費用 |
| Bank borrowings | 銀行借款 |
| Lease liabilities | 租賃負債 |
| Contingent consideration payable | 或然應付代價 |

| Effective interest rate | 1-3 months | 4-12 months | 1-5 years | Total undiscounted cash flow | Total carrying amount |
|-------------------------|------------|-------------|-----------|------------------------------|-----------------------|
| 實際利率 | 一至三個月 | 四至十二個月 | 一至五年內 | 未貼現現金流量總額 | 賬面總值 |
| % | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| N/A不適用 | 109,304 | - | - | 109,304 | 109,304 |
| N/A不適用 | 119,330 | - | - | 119,330 | 119,330 |
| 5.5 | 50,389 | 218,411 | 96,862 | 365,662 | 351,000 |
| 1.8 | 239 | 1,074 | 1,313 | 2,626 | 2,574 |
| N/A不適用 | - | 395,186 | - | 395,186 | 395,186 |
| | 279,262 | 614,671 | 98,175 | 992,108 | 977,394 |

36. 金融工具(續)

金融風險管理目標及政策(續)

流動資金風險

為管理流動資金風險，本集團監察及維持本集團管理層認為充足的現金及現金等價物水平，並考慮於2022年12月31日銀行向本集團授予的未動用授信額度人民幣382,660,000元(2021年：人民幣204,000,000)，以為其運營提供資金並減輕現金流量波動的影響。

下表詳述本集團非衍生金融負債的餘下合約到期情況。該等表格乃根據本集團須作付款的最早日期，按金融負債的未貼現現金流量編製。下表包括利息及本金現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

36. Financial Instruments (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

| | | Effective interest rate | 1-3 months 一至 三個月 | 4-12 months 四至 十二個月 | 1-5 years 一至 五年內 | Total undiscounted cash flow 未貼現現金 流量總額 | Total carrying amount 賬面總值 |
|------------------------------------|--------------|-------------------------------|----------------------------|------------------------------|---------------------------|---|-------------------------------------|
| | | % | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| As at 31 December 2021 | 於2021年12月31日 | | | | | | |
| Trade payables | 貿易應付款項 | N/A不適用 | 81,688 | - | - | 81,688 | 81,688 |
| Other payables and accrued charges | 其他應付款項及應計費用 | N/A不適用 | 96,262 | - | - | 96,262 | 96,262 |
| Bank borrowings | 銀行借款 | 5.5 | - | 52,671 | 331,902 | 384,573 | 351,000 |
| Lease liabilities | 租賃負債 | 1.8 | 239 | 1,074 | 2,626 | 3,939 | 3,826 |
| Contingent consideration payable | 或然應付代價 | N/A不適用 | - | 253,536 | 378,095 | 631,631 | 631,631 |
| | | | 178,189 | 307,281 | 712,623 | 1,198,093 | 1,164,407 |

Fair value measurements of financial instruments

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. The management of the Company determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value, the Group uses market-observable data to the extent it is available.

36. 金融工具(續)

金融風險管理目標及政策(續)

流動資金風險(續)

金融工具之公平值計量

本集團若干金融工具就財務報告而言按公平值計量。本公司管理層確定適當估值技術及輸入數據作公平值計量。

估計公平值時，本集團在可獲取的程度上使用市場可觀察數據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

36. Financial Instruments (continued)

Fair value measurements of financial instruments (continued)

- (i) Fair value of the Group's financial liabilities that are measured at fair value on a recurring basis

| Financial liabilities at FVTPL 按公平值計量且其變動計入損益之金融負債 | Fair value as at 31 December 於12月31日之公平值 | Fair value hierarchy 公平值層級 | Valuation technique 估值技術 | Key input 主要輸入數據 |
|---|---|-------------------------------|-----------------------------|--|
| | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 | | |
| Contingent consideration payable 應付或然代價 | 395,186 | 631,631 | Level 3 第三級 | Discounted cash flow method was used to capture the present value of the expected future economic benefits that will flow out of the Group arising from the contingent consideration payable, based on an appropriate discount rate. 根據合適貼現率使用貼現現金流方法獲取應付或然代價導致將會流出本集團之預期未來經濟利益之現值。 |
| | | | | Discount rate of 0% (2021: 3.2%) (Note) 貼現率0% (2021年: 3.2%)(附註) Actual/or projected revenues and profits (Note) 實際/或預測收益及溢利(附註) |

Reconciliation of Level 3 fair value measurements is set out in note 28.

第三級公平值計量之對賬載於附註28。

36. 金融工具(續)

金融工具之公平值計量(續)

- (i) 本集團經常性按公平值計量之金融負債的公平值

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

36. Financial Instruments (continued)

Fair value measurements of financial instruments (continued)

- (ii) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis
- The management considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

37. Share Option Scheme

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to a resolution passed on 15 November 2018 for the primary purpose of providing incentives to any directors (including executive directors and independent non-executive directors), full-time or part-time employees and potential employees of the Group and any suppliers, customers, consultants, agents and advisers who the directors of the Company considers, in its sole discretion, has contributed or shall contribute to the Group ("Eligible Participant").

The following is a summary of the principal terms of the Share Option Scheme:

- (i) On and subject to the terms of the Share Option Scheme and the requirements of the Listing Rules, the directors of the Company shall be entitled to, at its absolute discretion and on such terms as it deems fit, grant options to any Eligible Participant.
- (ii) The maximum number of options in respect of which might be granted under this Share Option Scheme must not exceed 10% of the aggregate of the shares in issue on the date the shares commence trading on the Stock Exchange. The maximum number of shares in respect of which options may be granted was 160,000,000 shares, respectively 10% of issued share capital of the Company on the date the shares commence trading on the Stock Exchange. The overall limit on the number of shares which shall be issued upon exercise of all outstanding options granted, and yet to be exercised, under the Share Option Scheme shall not exceed 30% of the shares in issue from time to time.

36. 金融工具(續)

金融工具之公平值計量(續)

- (ii) 並非經常性按公平值計量之金融資產及金融負債之公平值
- 管理層認為綜合財務報表中所確認金融資產及金融負債之賬面值與其公平值相若。

37. 購股權計劃

本公司根據於2018年11月15日通過的一項決議案採納其購股權計劃(「購股權計劃」)，主要目的為向本集團任何董事(包括執行董事及獨立非執行董事)、全職或兼職僱員及潛在僱員以及本公司董事全權酌情認為已向本集團作出貢獻或將作出貢獻的任何供應商、客戶、諮詢人、代理及顧問(「合資格參與者」)提供獎勵。

以下為購股權計劃的主要條款概要：

- (i) 根據購股權計劃條款與上市規則規定並在其規限下，本公司董事應有權全權酌情及按其認為合適的有關條款向任何合資格參與者授出購股權。
- (ii) 根據購股權計劃可能授出的購股權的最高數目不得超過股份在聯交所開始買賣當日已發行股份總數的10%。可能授出購股權所涉及的股份最高數目為160,000,000股，分別為於本公司股份在聯交所開始買賣當日本公司已發行股本的10%。因根據購股權計劃授出惟尚未獲行使的尚未行使購股權獲全數行使而將予發行的股份數目整體限額，不得超過不時已發行股份的30%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

37. Share Option Scheme (continued)

- (iii) The total number of shares issued, and to be issued, upon exercise of the options granted to each Eligible Participant (including both exercised, cancelled and outstanding options) in any twelve months period shall not exceed 1% of the shares in issue.
- (iv) The period within which the shares shall be taken up under an option shall be a period to be notified by the directors of the Company to each grantee at the time of making an offer, which shall be determined by the directors of the Company in its absolute discretion at the date of grant of the relevant option, but such period shall not expire later than 10 years from the date of grant of the relevant option.
- (v) An option shall remain open for acceptance by the Eligible Participant concerned for a period of the date on which the letter containing the offer is delivered to the Eligible Participant. HK\$1 is payable by the grantee to the Company on acceptance of the offer of the option.
- (vi) The subscription price shall be such price determined by the directors of the Company at its absolute discretion and notified to the Eligible Participant in the offer at the time of the offer, and shall be no less than the highest of:
 - a. the official closing price of the shares as stated in the daily quotations sheets of the Stock Exchange on the date of grant of the relevant option;
 - b. the average of the official closing prices of the shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of grant of the relevant option; and
 - c. the nominal value of a share.

No share options were granted, exercised, cancelled or lapsed under the Share Option Scheme during the year ended 31 December 2022 and 2021 nor outstanding as at the end of the reporting period.

37. 購股權計劃(續)

- (iii) 於任何十二個月期間內，因行使授予各合資格參與者的購股權(包括已行使、已註銷及尚未行使的購股權)而已發行及將予發行的股份總數，不得超過已發行股份的1%。
- (iv) 根據購股權承購股份的期限將為本公司董事於作出要約時知會各承授人的期限，將由本公司董事在授出相關購股權日期全權酌情釐定，惟該期限不得遲於授出有關購股權日期起計10年屆滿。
- (v) 購股權於自向合資格參與者交付包含要約的函件當日起一段期間仍可供相關合資格參與者接納。於接納購股權要約時，承授人須向本公司支付1港元。
- (vi) 認購價將為本公司董事於要約時全權酌情釐定及於要約通知合資格參與者的價格，惟不得低於以下較高者：
 - a. 股份於相關購股權授出日期在由聯交所發佈的每日報價表所列官方收市價；
 - b. 股份於緊接相關購股權授出日期前五個營業日在由聯交所發佈的每日報價表所列官方平均收市價；及
 - c. 股份面值。

於截至2022年及2021年12月31日止年度，並無根據購股權計劃授出、行使、註銷或失效的購股權，而於報告期末亦無尚未行使購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度**38. Movement on Group's 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 Group's consolidated statement of cash flows as cash flows from financing activities.

38. 融資活動產生的集團負債變動

下表詳述本集團融資活動所產生的負債變動，包括現金及非現金變動。融資活動所產生的負債為現金流量或未來現金流量於本集團綜合現金流量表中被分類為融資活動現金流量的負債。

| | | Dividend payable | Lease liabilities | Bank borrowings | Interest included in other payables | Total |
|--|---------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|------------------------|
| | | 應付股息 RMB'000 人民幣千元 | 租賃負債 RMB'000 人民幣千元 | 銀行借款 RMB'000 人民幣千元 | 計入其他應收款項之利息 RMB'000 人民幣千元 | 總計 RMB'000 人民幣千元 |
| At 1 January 2021 | 於2021年1月1日 | - | 1,824 | 376,864 | - | 378,688 |
| Financing cash flows (Note) | 融資現金流量(附註) | (53,154) | (1,855) | 225,112 | (19,532) | 150,571 |
| Discharge of borrowings from factoring of bills receivables upon maturity of bills | 解除票據到期時保理應收票據所獲得之借款 | - | - | (81,500) | - | (81,500) |
| Finance costs recognised | 已確認融資成本 | - | 31 | 1,539 | 19,532 | 21,102 |
| Lease modification | 租賃修訂 | - | 3,826 | - | - | 3,826 |
| Dividend declared | 已宣派股息 | 53,154 | - | - | - | 53,154 |
| At 31 December 2021 | 於2021年12月31日 | - | 3,826 | 522,015 | - | 525,841 |
| At 31 December 2021 | 於2021年12月31日 | - | 3,826 | 522,015 | - | 525,841 |
| Financing cash flows (Note) | 融資現金流量(附註) | (49,056) | (1,313) | 644,698 | (19,306) | 575,023 |
| Discharge of borrowings from factoring of bills receivables upon maturity of bills | 解除票據到期時保理應收票據所獲得之借款 | - | - | (384,263) | - | (384,263) |
| Finance costs recognised | 已確認融資成本 | - | 61 | 3,522 | 19,306 | 22,889 |
| Dividend declared | 已宣派股息 | 49,056 | - | - | - | 49,056 |
| At 31 December 2022 | 於2022年12月31日 | - | 2,574 | 785,972 | - | 788,546 |

Note: The financing cash flows represented the payment of dividend, repayment of lease liabilities, net of repayment of borrowings and new borrowings raised.

附註：融資現金流量指支付股息、償還租賃負債，扣除償還借款及新增借款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)

For the year ended 31 December 2022
截至2022年12月31日止年度

39. Particulars of Subsidiaries

Particulars of the Company's subsidiaries as at the end of the reporting period are as follows:

| Name of subsidiaries 附屬公司名稱 | Place of incorporation/ establishment and kind of legal entity 註冊成立/ 成立地點及 法律實體類型 | Issued and fully paid capital/registered capital 已發行及繳足 資本/註冊資本 | Shareholding/equity interest attributable to owners of the Company at 31 December 於12月31日的本公司 擁有人應佔股權/權益 | | Principal activities 主要業務 |
|--|--|---|---|------|--|
| | | | 2022 | 2021 | |
| <i>Directly held:</i> 直接持有: | | | | | |
| Coal & Mines International Resources Limited | BVI, limited liability company 英屬處女群島， 有限公司 | United States Dollars 10,000 10,000美元 | 100% | 100% | Investment holding 投資控股 |
| <i>Indirectly held:</i> 間接持有: | | | | | |
| HongKong Resources 香港寰亞資源 | Hong Kong, limited liability company 香港，有限公司 | HK\$1 1港元 | 100% | 100% | Investment holding 投資控股 |
| <i>Subsidiaries of HongKong Resources:</i> 香港寰亞資源的附屬公司: | | | | | |
| Jiutai Bangda 久泰邦達 | PRC, limited liability company 中國，有限公司 | RMB590,000,000 人民幣 590,000,000元 | 100% | 100% | Exploration and mining of coking coal and coal refinery in the PRC 於中國進行焦煤勘探及 開採以及煤炭提質 |
| Guizhou Fu Bangda Consultancy Services Co., Ltd 貴州富邦達諮詢服務 有限公司 | PRC, limited liability company 中國，有限公司 | RMB100,000 人民幣100,000元 | 100% | 100% | Management services support for the group entities and investment holding 為集團實體提供管理服 務支援及投資控股 |

39. 附屬公司詳情

於報告期末，本公司附屬公司的詳情如下：

All the companies comprising the Group have adopted 31 December as their financial year end date.

None of the subsidiaries had issued any debt securities during the year or at the end of the year.

所有組成本集團的公司均已採用12月31日為其財政年結日。

概無附屬公司於年內或年末發行任何債務證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度40. Statement of Financial Position and Reserves
of the Company

40. 財務狀況表及本公司儲備

| | | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|------------------------------------|---------------|--------------------------|--------------------------|
| Non-current assets | 非流動資產 | | |
| Investment in a subsidiary | 投資一間附屬公司 | 388,330 | 388,330 |
| Property, plant and equipment | 物業、廠房及設備 | 142 | 257 |
| | | <u>388,472</u> | <u>388,587</u> |
| Current assets | 流動資產 | | |
| Prepayments and other receivables | 預付款項及其他應收款項 | 339 | 209 |
| Cash and cash equivalents | 現金及現金等價物 | 6,162 | 4,155 |
| | | <u>6,501</u> | <u>4,364</u> |
| Current liabilities | 流動負債 | | |
| Accrued charges and other payables | 應計費用及其他應付款項 | 2,089 | 2,394 |
| Amount due to a subsidiary | 應付一間附屬公司款項 | 97,357 | 46,362 |
| | | <u>99,446</u> | <u>48,756</u> |
| Net current liabilities | 流動負債淨額 | <u>(92,945)</u> | <u>(44,392)</u> |
| Net assets | 資產淨值 | <u>295,527</u> | <u>344,195</u> |
| Capital and reserves | 資本及儲備 | | |
| Share capital | 股本 | 14,136 | 14,136 |
| Reserves | 儲備 | 281,391 | 330,059 |
| Total equity | 總權益 | <u>295,527</u> | <u>344,195</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
綜合財務報表附註(續)For the year ended 31 December 2022
截至2022年12月31日止年度40. Statement of Financial Position and Reserves
of the Company (continued)

Movement of reserves of the Company

| | | Share premium 股份溢價 RMB'000 人民幣千元 | Accumulated losses 累計虧損 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|---------------------|--|---|---------------------------------|
| At 1 January 2021 | 於2021年1月1日 | 443,759 | (59,866) | 383,893 |
| Loss and total comprehensive expenses for the year | 年內虧損及全面開支總額 | - | (680) | (680) |
| Dividend recognised as distribution (note 12) | 確認為分派之股息(附註12) | (53,154) | - | (53,154) |
| At 31 December 2021 | 於2021年12月31日 | 390,605 | (60,546) | 330,059 |
| Profit and total comprehensive expenses for the year | 年內溢利及全面開支總額 | - | 388 | 388 |
| Dividend recognised as distribution (note 12) | 確認為分派之股息(附註12) | (49,056) | - | (49,056) |
| At 31 December 2022 | 於2022年12月31日 | 341,549 | (60,158) | 281,391 |

41. Pledge of Assets

The Group's bank borrowings had been secured by the pledge of the Group's assets and the carrying amounts of the respective assets are as follows:

| | |
|-------------------|------|
| Mining Rights | 採礦權 |
| Bills receivables | 應收票據 |

40. 財務狀況表及本公司儲備
(續)

本公司儲備變動

| | Share premium 股份溢價 RMB'000 人民幣千元 | Accumulated losses 累計虧損 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|--|---|---------------------------------|
| At 1 January 2021 | 443,759 | (59,866) | 383,893 |
| Loss and total comprehensive expenses for the year | - | (680) | (680) |
| Dividend recognised as distribution (note 12) | (53,154) | - | (53,154) |
| At 31 December 2021 | 390,605 | (60,546) | 330,059 |
| Profit and total comprehensive expenses for the year | - | 388 | 388 |
| Dividend recognised as distribution (note 12) | (49,056) | - | (49,056) |
| At 31 December 2022 | 341,549 | (60,158) | 281,391 |

41. 資產質押

本集團的銀行借款由本集團資產質押作擔保，有關資產之賬面值如下：

| | 2022 RMB'000 人民幣千元 | 2021 RMB'000 人民幣千元 |
|-------------------|--------------------------|--------------------------|
| Mining Rights | 53,313 | 55,624 |
| Bills receivables | 435,913 | 171,650 |
| | 489,226 | 227,274 |

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

| | | For the year ended 31 December 截至12月31日止年度 | | | | |
|---|--------------------|---|------------------|------------------|------------------|------------------|
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Results | 業績 | | | | | |
| Revenue | 收益 | 1,784,033 | 1,541,399 | 1,402,604 | 812,145 | 719,412 |
| Profit before taxation | 除稅前溢利 | 855,548 | 411,428 | 484,385 | 309,794 | 256,808 |
| Taxation charge | 稅項支出 | (99,086) | (109,658) | (138,905) | (91,773) | (73,639) |
| Profit and total comprehensive income for the year | 年內溢利及全面收入總額 | 756,462 | 301,770 | 345,480 | 218,021 | 183,169 |
| Profit and total comprehensive income for the year attributable to: | 以下各方應佔年內溢利及全面收入總額： | | | | | |
| – Owners of the Company | – 本公司擁有人 | 756,462 | 301,770 | 345,480 | 218,021 | 183,169 |
| | | 756,462 | 301,770 | 345,480 | 218,021 | 183,169 |
| | | | | | | |
| | | As at 31 December 於12月31日 | | | | |
| | | 2022 | 2021 | 2020 | 2019 | 2018 |
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Assets and liabilities | 資產及負債 | | | | | |
| Total assets | 資產總值 | 4,064,494 | 3,237,621 | 2,675,408 | 1,677,341 | 1,399,101 |
| Total liabilities | 負債總額 | (1,589,344) | (1,469,877) | (1,156,280) | (467,097) | (406,878) |
| Net assets | 資產淨值 | 2,475,150 | 1,767,744 | 1,519,128 | 1,210,244 | 992,223 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 2,475,150 | 1,767,744 | 1,519,128 | 1,210,244 | 992,223 |

SUMMARY OF MINE PROPERTIES

採礦物業概述

| | | Hongguo Coal Mine 紅果煤礦 | Baogushan Coal Mine 苞谷山煤礦 | Xiejiahegou Coal Mine 謝家河溝煤礦 |
|--|---|---|---|---|
| Locations | 位置 | Panzhou City 盤州市 | Panzhou City 盤州市 | Panzhou City 盤州市 |
| Equity interest held by the Group | 本集團所持股權 | 100% | 100% | 100% |
| Mining area (sq.km.) | 採礦面積(平方公里) | 3.0225 | 2.4736 | 1.0135 |
| Number of mineable coal seams | 可開採煤層數目 | 17 | 17 | 19 |
| Permitted annual production capacity (tonnes) | 許可年產能(噸) | 600,000 | 600,000 | 450,000 |
| Licence holder | 許可證持有人 | Jiutai Bangda 久泰邦達 | Jiutai Bangda 久泰邦達 | Jiutai Bangda 久泰邦達 |
| Mining right licence validity period | 採礦權許可證有效期 | January 2019 – January 2039 2019年1月至 2039年1月 | January 2019 – January 2039 2019年1月至 2039年1月 | January 2021 – September 2039 2021年1月至 2039年1月 |
| Coal reserve mine life | 煤炭儲量的礦山壽命 | Approximately 31 years 約31年 | Approximately 44 years 約44年 | Approximately 21 years 約21年 |
| Resource data under the JORC Code Summary (as at 31 December 2022) ⁽¹⁾ | 根據JORC規則概覽的資源量數據 (於2022年12月31日) ⁽¹⁾ | | | |
| Measured resources (kt) | 探明資源量(千噸) | 17,076 | 10,198 | – |
| Indicated resources (kt) | 控制資源量(千噸) | 7,800 | 24,700 | 15,470 |
| Inferred resources (kt) | 推斷資源量(千噸) | 13,000 | 7,000 | 10,360 |
| Reserve data under the JORC Code Summary (as at 31 December 2022) ⁽¹⁾ | 根據JORC規則概覽的儲量數據 (於2022年12月31日) ⁽¹⁾ | | | |
| Proved reserves (kt) | 證實儲量(千噸) | 12,606 | 7,368 | – |
| Probable reserves (kt) | 概略儲量(千噸) | 5,910 | 18,790 | 9,590 |

SUMMARY OF MINE PROPERTIES (Continued)
採礦物業概述(續)

The table below sets out the typical quality of the clean coal and middling coal from Hongguo Coal Mine and Baogushan Coal Mine:

| | |
|---|------------------------|
| Ash content on a dry basis (%) | 乾燥時灰分(%) |
| Volatile content on a dry and ash free basis (%) | 乾燥及無灰時揮發分(%) |
| Total sulfur content on a dry basis (%) | 乾燥時硫分總量(%) |
| Caking index | 黏結指數 |
| Total moisture (%) | 水分總量(%) |
| Net calorific value on an as received basis (kcal/kg) | 基於所收到基準的淨熱值 (千卡/千克) |

下表載列紅果煤礦及苞谷山煤礦的精煤及中煤的一般質量：

| | Clean Coal ⁽²⁾ 精煤 ⁽²⁾ | Middling Coal ⁽³⁾ 中煤 ⁽³⁾ |
|--|--|---|
| | 10.5 | 43.4 |
| | 32.0 | 29.7 |
| | 0.6 | 1.2 |
| | 89.4 | N/A 不適用 |
| | 9.1 | 10.2 |
| | N/A 不適用 | 3,576 |

The table below sets out the typical quality of the clean coal and middling coal from Xiejiahegou Coal Mine:

| | |
|---|------------------------|
| Ash content on a dry basis (%) | 乾燥時灰分(%) |
| Volatile content on a dry and ash free basis (%) | 乾燥及無灰時揮發分(%) |
| Total sulfur content on a dry basis (%) | 乾燥時硫分總量(%) |
| Caking index | 黏結指數 |
| Total moisture (%) | 水分總量(%) |
| Net calorific value on an as received basis (kcal/kg) | 基於所收到基準的淨熱值 (千卡/千克) |

下表載列謝家河溝煤礦的精煤及中煤的一般質量：

| | Clean Coal ⁽²⁾ 精煤 ⁽²⁾ | Middling Coal ⁽³⁾ 中煤 ⁽³⁾ |
|--|--|---|
| | 10.3 | N/A 不適用 |
| | 20.8 | 29.7 |
| | 0.4 | 1.1 |
| | 88.5 | N/A 不適用 |
| | 11.5 | 10.4 |
| | N/A 不適用 | 3,567 |



SUMMARY OF MINE PROPERTIES (Continued)

採礦物業概述(續)

Notes:

- (1) The resource and reserve data of the Hongguo Coal Mine and Baogushan Coal Mine are based on the resource and reserve review report provided by Dr. C.S. Kong of Ravia as of 31 December 2021 while the resource and reserve data of the Xiejiahegou Coal Mine are based on the resource and reserve review report provided by Mr. Leung Karfai of BAW as of 31 December 2022. The resource and reserve data as of 31 December 2022 of the Hongguo Coal Mine and Baogushan Coal Mine have been adjusted by the measured resource data and the proved reserve data as at 31 December 2021, after deducting the respective data extracted from the mining activities between 1 January 2022 and 31 December 2022.
- (2) The clean coal produced from Hongguo Coal Mine and Baogushan Coal Mine are mostly 1/3 coking coal whereas the clean coal produced from Xiejiahegou Coal Mine are mostly coking coal. The above typical quality of clean coal is based on the average of clean coal delivered to the customers in 2022.
- (3) The above typical quality of middling coal is based on the average of middling coal delivered to the customer in 2022.

There was no exploration activity for the Group during the year ended 31 December 2022, and that the Group has incurred approximately RMB666.4 million (2021: approximately RMB622.9 million), being the cost of sales, for the mining production activities for the year ended 31 December 2022.

附註：

- (1) 紅果煤礦及苞谷山煤礦截至2021年12月31日的資源量及儲量數據乃根據瑞豐的江志成博士提供的資源量及儲量審查報告，而謝家河溝煤礦截至2022年12月31日的資源量及儲量數據乃根據寶萬的梁嘉輝先生提供的資源儲量審查報告。紅果煤礦及苞谷山煤礦截至2022年12月31日的資源量及儲量數據已根據於2021年12月31日的證實儲量數據及探明儲量作出調整，並扣除自2022年1月1日至2022年12月31日期間的採礦活動得出的相關數據。
- (2) 紅果煤礦及苞谷山煤礦所生產的精煤大部分為1/3焦煤，而謝家河溝煤礦所生產的精煤大部分為焦煤。上述精煤的一般質量基於2022年向客戶交付的精煤平均值得出。
- (3) 上述中煤的一般質量基於2022年向客戶交付的平均值得出。

本集團於截至2022年12月31日止年度並無勘探活動，而本集團於截至2022年12月31日止年度就採礦生產活動產生銷售成本約人民幣666.4百萬元（2021年：約人民幣622.9百萬元）。





Perennial Energy Holdings Limited
久泰邦達能源控股有限公司