



CHIHO ENVIRONMENTAL GROUP LIMITED

齊合環保集團有限公司

*(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：976



INTERIM REPORT

2023

中期報告

## VISION

### 願景

Becoming a global circular economy solution partner.  
成為全球循環經濟解決方案合作夥伴。

## MISSION

### 使命

To be a global market leader in resources recycling and environmental protection, earning a quality return for shareholders through the provision of quality products and services, by a group of motivated and diversified staff force.

我們高效多樣的團隊通過提供優質產品及服務，致力成為全球再生資源及環保行業的市場領導者，並為股東獲取理想回報。

## CULTURE

### 文化

We are committed to building a long-term and win-win partnership with our customers including suppliers.  
我們重視與客戶包括供應商建立長期合作關係並共同成長。

We provide a safe workplace and career development opportunities for our employees.  
我們重視為員工提供安全的工作環境並創造職業增長空間。

We are devoted to achieving a quality, stable and continuous return for our shareholders.  
我們重視為股東取得合理、穩定和持久的回報。

We meet our corporate social responsibility by making continuous contributions to social well-being and environmental protection.  
我們重視企業社會責任，為社區福祉及環境保護不斷作出貢獻。



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## Our Worldwide Operations

### 我們的全球業務



Chiho Environmental Group Limited (the “Company”, and together with its subsidiaries, the “Group” or “Chiho”) is a listed metal recycling corporation with operating bases covering three continents including Asia, Europe and North America in the world.

齊合環保集團有限公司（「本公司」，連同其子公司統稱「本集團」或「齊合」）是一家營運基地遍佈亞洲、歐洲及北美洲的再生金屬上市企業。

#### ASIA 亞洲

##### HONG KONG 香港

Group Headquarters  
集團總部

A diversified, comprehensive and highly automotive e-waste recycling centre

多元、全面及高度自動化的電子廢物回收中心

##### MAINLAND CHINA 中國大陸

###### Beijing 北京

Head office of the Mainland China operations  
中國大陸地區業務總辦事處

###### Taizhou 台州

Engaged in recycling and trading of metal scraps  
從事再生金屬回收及貿易

A major metal importer and domestic metal trader  
主要金屬進口商及國內金屬貿易商

Invested in the construction of end-of-life vehicles and electric lithium battery recovery projects, of which the first phase was officially kicked off in September 2022  
投資新建報廢汽車及動力鋰電池回收項目，其中項目一期已於二零二二年九月正式啟動

###### Yantai 煙台

Engaged in recycling and domestic trading of metal scraps, and recycling of waste oil  
從事再生金屬回收及國內貿易，以及廢油回收

###### Binzhou 濱州

Joint venture with Hongqiao Group, engaging in end-of-life vehicle dismantling, scrap metals recycling, secondary aluminium production and electric vehicle lithium batteries recycling

與宏橋集團成立合營企業，從事報廢汽車拆解、廢金屬回收、再生鋁生產及動力鋰電池回收

###### Shanghai 上海

Trading hub with focus on import of recycled metals  
專注於再生金屬進口的交易中心

#### THAILAND 泰國

Joint venture with Hidaka Yookoo Enterprises Co. Limited and Suzuki Shokai Co. Limited, engaging in dismantling of scrap motors and other mixed scrap metal  
與Hidaka Yookoo Enterprises Co. Limited及Suzuki Shokai Co. Limited合作，從事廢舊電機及其他廢舊混合金屬拆解

Ferrous scraps are sold domestically while non-ferrous scraps are exported to other Asian markets  
再生黑色金屬在國內銷售，而再生有色金屬出口至其他亞洲市場

#### EUROPE 歐洲

##### GERMANY 德國

Operating 88 yards, including joint ventures, covering South-West, Central and Eastern Germany  
營運88個工場（包括合營企業），覆蓋德國西南部、中部及東部

Covering full scope of collection, sorting and processing with all types of equipment including the most advanced post-shredder material recovery technology  
設備齊全（包括最先進的破碎後物料回收技術），涵蓋全面的收集、分類及處理服務



## Our Worldwide Operations 我們的全球業務

### CZECH REPUBLIC 捷克共和國

Operating 43 yards mainly situated in northern Bohemia and Prague area

營運主要位於波希米亞北部及布拉格地區的43個工場

With a very strong market share in ferrous market, covering both old scrap and new scrap market  
於黑色金屬市場所佔市場份額獨佔鰲頭，涵蓋舊廢料及新廢料市場

### ROMANIA 羅馬尼亞

Operating 40 yards, joint venture with two experienced local business partners

營運40個工場，與兩位當地經驗豐富的業務夥伴成立合營企業

Covering the heavily populated and well industrialised areas in this country

覆蓋該國人口稠密及高度工業化的地區

Proximity to Turkey enables significant scrap export  
鄰近土耳其，可大量出口廢料

High non-metals share of sales, including significant portion of paper and plastics

非金屬（包括大量紙張及塑膠）的銷售額佔比高

### SLOVENIA 斯洛文尼亞

Operating 17 yards

營運17個工場

Well equipped with yard network, transportation assets and processing capabilities to cover all suppliers (industry and old scrap)

配備良好的工場網絡、運輸配套及加工設施以覆蓋全部供應商（工業廢料及舊廢料）

Strong non-ferrous operations, including paper and plastic recycling

有色金屬業務（包括紙張及塑膠回收）穩健

### AUSTRIA 奧地利

Joint venture with steel mill Voestalpine Group, operating 13 yards with sourcing subsidiary in Hungary

與軋鋼廠奧鋼聯集團成立合營企業，與位於匈牙利的採購子公司營運13個工場

Market leader for ferrous scrap trading in the country with strong track record in project business (e.g. power plant dismantling)

當地再生黑色金屬買賣的市場領軍者，在發電廠拆卸等業務領域表現出眾

### POLAND 波蘭

Operating 5 yards covering central and southern Poland, the most industrialised and scrap rich areas

營運5個工場，覆蓋波蘭工業化程度最高且廢棄物最多的中部及南部

Covering full scope of collection, sorting and processing with all types of equipment

設備齊全，營運範圍涵蓋全面的收集、分類及處理服務

### NORTH AMERICA 北美洲

Divestment of most of the loss-making operations in 2022  
大部分虧損業務已於二零二二年出售

Future focus towards brokerage business

未來重點將放在貿易業務上



# Financial Highlights

## 財務摘要



### Six months ended 30 June

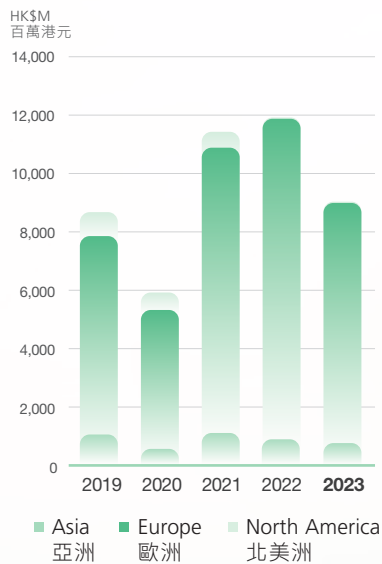
截至六月三十日止六個月

		2023 二零二三年 (Unaudited) (未經審核)	2022 二零二二年 (Unaudited) (未經審核)	Increase/ (Decrease) 增加/ (減少)
Operating results (HK\$M)	經營業績 (百萬港元)			
Segment revenue	分部收益			
Asia	亞洲	762.5	892.6	(14.6%)
Europe	歐洲	8,224.8	10,959.3	(25.0%)
North America	北美洲	4.0	26.9	(85.1%)
Inter-segment sales	分部間銷售	(169.6)	(52.8)	(221.2%)
Revenue	收益	8,821.7	11,826.0	(25.4%)
Gross profit	毛利	561.3	701.2	(20.0%)
Segment (loss)/profit	分部 (虧損) / 溢利			
Asia	亞洲	(102.6)	(64.0)	(60.3%)
Europe	歐洲	337.4	425.7	(20.7%)
North America	北美洲	(5.9)	26.9	(121.9%)
Unallocated	未分配	(34.9)	13.5	(358.5%)
Profit before interest and tax (EBIT)	除利息及稅項前溢利	194.0	402.1	(51.8%)
Finance costs, net	財務成本淨額	(93.3)	(101.0)	(7.6%)
Profit before income tax	除所得稅前溢利	100.7	301.1	(66.6%)
Income tax expense	所得稅開支	(50.5)	(115.7)	(56.4%)
Profit for the period	期內溢利	50.2	185.4	(72.9%)
Earnings per share attributable to shareholders of the Company (HK\$)	本公司股東應佔每股盈利 (港元)	0.03	0.12	(75.0%)
Cash generated from operations before changes in working capital	營運資金變動前經營業務所得現金	353.1	547.3	(35.5%)
Key ratios (%)	主要財務比率(%)			
Gross profit margin	毛利率	6.4	5.9	8.5%
Net profit margin <sup>1</sup>	淨溢利率 <sup>1</sup>	0.6	1.7	(64.7%)
EBIT/Revenue	除利息及稅項前溢利 / 收益	2.2	3.4	(35.3%)
Return on shareholders' funds <sup>2</sup>	股東資金回報率 <sup>2</sup>	1.1	4.3	(74.4%)

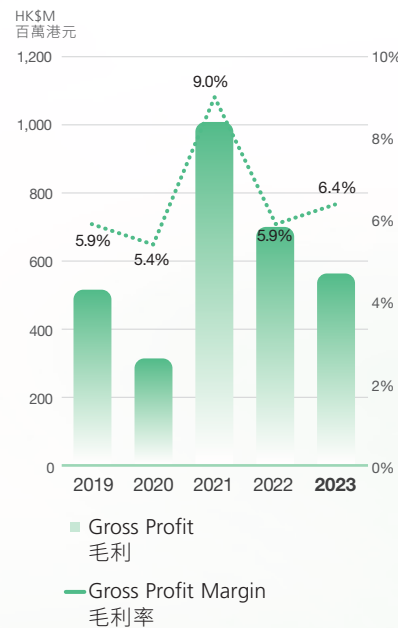
## Financial Highlights 財務摘要

		At 30 June 2023 於二零二三年 六月三十日 (Unaudited) (未經審核)	At 31 December 2022 於二零二二年 十二月三十一日 (Audited) (經審核)	Increase/ (Decrease) 增加/ (減少)
Financial position (HK\$M)	財務狀況 (百萬港元)			
Total assets	資產總值	8,816.4	8,573.0	2.8%
Cash and pledged bank deposits	現金及已抵押銀行存款	6.5	52.3	(87.6%)
Equity attributable to shareholders of the Company	本公司股東應佔權益	4,958.8	4,824.2	2.8%
Shareholders' funds per share (HK\$)	每股股東資金 (港元)	3.01	3.01	0.0%

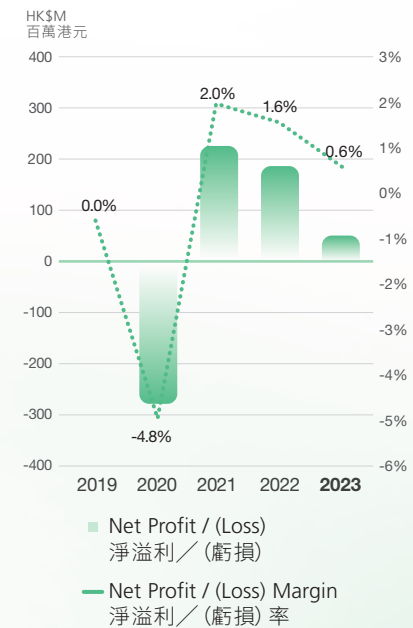
### Revenue (First 6 months) 收益 (首6個月)



### Gross Profit and Gross Profit Margin (First 6 months)<sup>3</sup> 毛利及毛利率 (首6個月)<sup>3</sup>



### Net Profit/(Loss) and Net Profit/ (Loss) Margin (First 6 months)<sup>1</sup> 淨溢利/(虧損)及淨溢利/(虧損)率 (首6個月)<sup>1</sup>



<sup>1</sup> Net profit margin is calculated as profit attributable to shareholders of the Company as a percentage of revenue.

<sup>2</sup> Return on shareholders' funds is calculated based on the profit attributable to shareholders of the Company as a percentage of shareholders' funds.

<sup>3</sup> These figures illustrate the impact after the adoption of HKFRS 15 Revenue and HKFRS 16 Lease for comparison purposes only.

<sup>1</sup> 淨溢利率是根據本公司股東應佔溢利佔收益的百分比計算。

<sup>2</sup> 股東資金回報率是根據本公司股東應佔溢利佔股東資金的百分比計算。

<sup>3</sup> 此等數據闡述採納香港財務報告準則第15號收益及香港財務報告準則第16號租賃之影響，僅作比較用途。

## Chairman's Statement 主席報告



In the first half of 2023, global ferrous and non-ferrous metal prices fluctuated and edged down after experiencing short-term rebound. Market demand from manufacturers and traders in downstream industry shrank while commodities prices declined under the influences of macroeconomic factors such as global economic downturn, continuous rates hike by the Federal Reserve as well as geopolitical conflicts. Metal industry, which is highly sensitive to demand and supply landscape and economic volatilities, also experienced slowdown in capacity growth. With increasing pressures from demand-side shrinkage and inflation, Chiho Environmental Group Limited (the "Group" or "Chiho") recorded lower than expected year-on-year tonnage in metal scrap. On behalf of the Board of Chiho, I am pleased to present the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2023. In the first six months of 2023, the Group achieved total tonnage and revenue of 1.9 million tonnes and HK\$8,821.7 million respectively.

In the face of weak recovery on demand side, the Group continued to deepen its lean management and strengthen its market research efforts during the first half of 2023. In addition, the Group is committed to striving for steady progress and preventing operation risks through project layout coordination in view of the prevailing industry and market conditions as well as its existing production capacity. In European market, the Group continued to stabilize the existing business, while expanding the development opportunities of high growth projects. The recycling development projects in Hungary and the Czech Republic have both advanced by phases, thereby laying a solid foundation for the business expansion layout of the Group in Central Europe. Meanwhile, the Group also actively invested into the recycling yard development project in Southeastern Europe, which will further expand our business networks in the Balkans. In China and East Asia markets, the production capacity of the joint venture project that has already been put into operation continued to increase, while significant progress has also been made in terms of qualification approval and acceptance of projects under construction.

The Group always puts its emphasis on technologically innovative thinking, responds to market changes, maintains close coordination and technological exchanges between upstream and downstream markets, and continues to promote technological research and development of resource reuse. In the first half of 2023, the Group cooperated deeply with the automobile manufacturing circular economy project initiated by the German automobile manufacturer, and jointly explored with automobile manufacturers, spare parts processors and universities to improve the quality of secondary raw materials and intelligent recycling process for end-of-life vehicle ("ELV") recycling. This project successfully won the recognition and financial support from the Federal Ministry for Economic Affairs and Climate Action in Germany.

二零二三年上半年，全球黑色金屬和有色金屬的價格在短暫上漲後震盪下行。由於全球經濟衰退、美聯儲持續加息、地緣政治衝突等宏觀因素影響，生產企業和貿易商的下游市場需求緊縮，大宗商品價格回落下滑，導致與供需格局和經濟水平波動有較高關聯性的金屬行業產能放緩。齊合環保集團有限公司（「本集團」或「齊合」）亦受到需求端下行和通貨膨脹等壓力，再生金屬銷量同比未達預期增長。本人謹代表齊合董事會，提呈本集團截至二零二三年六月三十日止六個月的未經審核簡明綜合中期業績。本集團於二零二三年首六個月，總銷量及收益及分別為1.9百萬噸和8,821.7百萬港元。

面對需求端恢復的疲弱，本集團在二零二三年上半年持續深化精益管理、強化市場調研、堅持穩中求進、防範經營風險，並結合行業市場和自身產能現狀，統籌項目佈局。在歐洲市場方面，本集團繼續穩定現有業務，穩健拓展高成長型項目機會。其中，位於匈牙利和捷克的金屬回收項目建設均取得階段性進展，為推動本集團在中歐地區業務佈局打下堅實基礎。同時，本集團積極投建歐洲東南部的回收料場項目，以進一步擴大巴爾幹地區的業務網絡。在中國和東亞洲市場方面，已投產合資項目的產能不斷攀升，在建項目的資質審批、驗收均獲得重要進展。

本集團始終強調科技創新思維、以變應局，緊密上下游交流合作，持續推進資源再利用的科技研發。二零二三年上半年，本集團深度合作由德國汽車製造商發起的汽車製造循環經濟項目，與汽車製造商、零部件加工商和高校共同探索提升報廢汽車回收中二次原材料的質量以及智能化的回收流程，該項目成功獲得德國聯邦經濟事務和氣候行動部的肯定和資金支持。





## REVIEW OF OPERATIONS

In 2023, the European operations were faced with very challenging economic conditions such as skyrocketed energy prices, weak industrial supply and demand as well as weakened trade activity. To cope with these challenges, Chiho continued to implement the Group's policy of "solidifying operation fundamentals" amongst its European entities, and did its best to achieve balance between social costs and production and operation, thus fulfilling the Group's policy of dynamically reducing costs and enhancing efficiency. Based on this, the gross profit margin for the region increased from 6.5% in 2022 to 7.8% in the current period. In the first half of the year, the Group's investment and construction project in Central Europe has made steady progress and the metal recycling yard development project in Plzen, the Czech Republic scheduled to be completed in September 2023, which will add 500,000 tonnes metal recycling to the Group's subsidiaries per year after completion and put into operation. The Group actively expanded its Southeastern Europe market and has built two new recycling yards in the region, which are expected to put into operation during the second half of 2024. This will further expand the Group's recycling business in the Balkans and accelerate the growth of its core business.

At the same time, the Group accelerated the qualification application for investment projects in the Asian market and strengthened the research and development in the field of ELV and new energy power batteries recycling and reuse. Qishun (Zhejiang) Recycling Technology Co., Ltd., a subsidiary of Chiho located in Zhejiang Province, Taizhou City, actively carried out detailed preparation work for site hardware, environmental protection standards, and system specifications, etc., thus laying a solid ground for the launch of important production lines such as the recycling of ELV, the cascade utilisation of electric vehicle ("EV") batteries, and the recycling of waste metals. In addition, the ELV recycling and dismantling production line of the joint venture project located in Zouping City, Shandong Province has put into operation successfully with over 1,500 tonnes of recycled aluminum per month, which will be increased gradually.

## 營運回顧

歐洲區域的業務在二零二三年經歷了能源價格居高不下、工業供需疲軟、貿易活躍性減弱等充滿挑戰的經濟環境。對此，齊合持續在歐洲實體推行集團「穩定經營基礎」的方針，努力平衡了社會成本壓力和企業生產運營壓力，踐行了集團動態降本增效方針。基於此，本區域期內毛利率由二零二二年的6.5%增加至本期間的7.8%。上半年，本集團在中歐區域的投建項目穩步推進，其中，位於捷克比爾森鎮的金屬回收料場計劃於二零二三年九月完工，該料場建成達產後將為集團子公司的金屬回收年產能增加50萬噸。本集團積極拓展歐洲東南部市場，在該區域新建兩個回收料場，預計新增料場將於二零二四年下半年投產，這將進一步擴大本集團在巴爾幹區域的回收業務，加速核心業務的增長。

同時，本集團在亞洲市場加快投資項目的資質申請和報廢機動車及新能源動力電池回收利用領域的研發。齊合旗下位於浙江省台州市的齊順(浙江)循環科技有限公司積極就場地硬件、環保標準、制度規範等進行詳盡的準備工作，為報廢汽車資源化、動力電池梯次利用、廢舊金屬回收利用等重要產線的啟動打下良好基礎。另外，位於山東省鄒平市的合資項目，其報廢機動車回收拆解產線順利投產，再生鋁產能已超過1500噸/月，並逐步攀升。

## Chairman's Statement 主席報告

### PROSPECT

The recovery progress of the market in the first half of 2023 was not as expected with no significant changes in downstream demand, and the market demonstrated a situation of supply exceeding demand. However, during the transition period of demand restoration, the increasing domestic and international policies have also catalyzed market recovery.

In March 2023, the EU published its latest EU Circular Economy Action Plan, which aims to accelerate the transformational change required by European Green Deal, ensuring the introduction of reasonable, sustainable regulations that maximize the new opportunities offered by the transition while minimizing the burden on people and businesses. The European Commission will also pursue further waste reduction measures, ensuring a well-functioning internal market for high-quality renewable raw materials in the EU, promote climate neutrality on a general level, and harness the potential of research, innovation and digitalization.

In July 2023, the European Commission published a proposal for the regulation on ELV, which formally sets out measures to enhance the circularity of the automotive sector (covering the design, production and end-of-life treatment of vehicles) to ensure that new vehicles are designed in a way that facilitates their recycling and reuse at the end of their life cycle. The proposal emphasizes the need to increase the use of recycled materials in new vehicles by allowing the Commission to set targets for recycled steel, recycled metals and aluminum based on an assessment of their added value and feasibility. Meanwhile, the proposal also aims to increase the quantity, quality and value of materials reused and recycled from ELV in order to achieve high-quality recycling. This initiative will accelerate the achievement of the EU's environmental and climate objectives and help the EU to address the challenges associated with the ongoing transformation of the automotive sector.

### 展望

縱然，二零二三年上半年市場的復甦進程並不及預期，下游需求未見明顯變化，市場表現出供大於求的局面。但在需求修復的過渡期間，國內外政策的加碼使得市場的恢復也在升溫。

二零二三年三月，歐盟發佈最新的《循環經濟行動計劃》(EU Circular Economy Action Plan)，該循環經濟行動計劃的目標旨在加快歐洲綠色新政要求的轉型變革，確保推行合理、符合可持續發展的規章制度，將轉型帶來的新機遇最大化，同時將民眾和企業承受的負擔降至最低。歐洲委員會還將推行進一步的減廢措施，確保歐盟擁有運行良好的內部優質再生原材料市場，全面促進氣候中和，發揮研究、創新與數字化的潛力。

二零二三年七月，歐盟委員會發佈了一項關於報廢車輛(End-of-Life Vehicles, ELVs)的法規提案，正式提出加強汽車行業循環性(涵蓋汽車的設計、生產和報廢處理)的措施，以確保新車的設計方式有利於在其生命週期結束後回收和再利用。該提案強調要增加新車中回收材料的使用，允許委員會根據對其附加價值和可行性的評估，設定再生鋼、再生金屬和鋁的目標。同時，該提案亦旨在提高報廢汽車再利用和回收材料的數量、質量和價值，以實現高質量回收。這一舉措將加快歐盟實現其環境和氣候目標，有助於歐盟應對與汽車行業持續轉型的相關挑戰。

## Chairman's Statement 主席報告

In April 2023, the China's National Standardization Administration and 10 other departments issued the "Guidelines for the Establishment of a Standard System for Carbon Peak and Carbon Neutrality", which shows that by 2025, resource recycling standards will become one of the key construction elements of a carbon peak and carbon neutral standards system.

In July 2023, the China National Resources Recycling Association released the "Industry Development Report of Recycled Resources of China" (2023). The published data showed that the number of ELV recycled in China in 2022 was approximately 3,991,000 units, representing a 32.9% year-on-year increase relative to the 3,002,000 units recycled in 2021. The equivalent weight is approximately 8,207,000 tonnes, representing a 21.0% year-on-year increase. The report mentioned that the scale of motor vehicle ownership in China will further expand in view of the country's economic development vision for 2035. Driven by the encouragement of elimination and consumption boost, the renewal and scrapping of old motor vehicles will continue to accelerate, and it is expected that the number of ELV in China will continue to maintain a growth trend in 2023. During the same period, the Ministry of Industry and Information Technology of China announced that from January to May 2023, China recycled 115,000 tonnes of used power batteries, exceeding the total amount of last year.

Therefore, from a macro perspective, "circular economy" and "decarbonization transformation" will continue to be the long-term needs of all economies. Although the pressure of recession in overseas economies still exists in the second half of 2023, and weak demand in the second half of the year is still a reality, market recovery and overall pick-up will eventually materialize.

In Europe, while stabilizing the existing business, Chiho will continue to optimize the product structure, innovate production technology, and provide customers and partners with high-quality recycled raw materials and high-standard recycling services with more attractive products and more innovative technologies.

二零二三年四月，中國國家標準委等十一部門印發《碳達峰碳中和標準體系建設指南》，相關內容顯示，到2025年，資源循環利用標準成為碳達峰碳中和標準體系重點建設內容之一。

二零二三年七月，中國物資再生協會發佈《中國再生資源回收行業發展報告》(2023)。公佈數據顯示，2022年中國報廢機動車回收數量約為399.1萬輛，相對於2021年回收量300.2萬輛，同比增長了32.9%。折合重量約為820.7萬噸，同比增長21.0%。報告提到，面向2035年的中國經濟發展願景目標，中國機動車的保有規模還將進一步擴大，在鼓勵淘汰與消費提振的推動下，老舊機動車的更新報廢將持續提速，預計2023年中國報廢機動車的數量將繼續保持增長態勢。同期，中國工業和信息化部公佈，2023年1月至5月，中國共回收利用廢舊動力電池11.5萬噸，超過去年全年總量。

因此，從宏觀角度來看，「循環經濟」和「脫碳轉型」將持續成為各經濟體的長期需求。即使，二零二三年下半年，海外經濟體的衰退壓力仍然存在，下半年弱需求依舊是現實，但市場復甦和整體性回暖終會到來。

在歐洲，齊合將在穩定現有業務的同時，不斷優化產品結構，革新生產技術，以更具魅力的產品和更加創新的科技，為客戶和合作夥伴提供高質量的再生原材料和高標準的循環利用服務。

## Chairman's Statement 主席報告

Facing the ever-expanding market size in Asia, especially in the light of China's 2060 carbon neutrality target, the recycling industry was given huge development opportunities. Whether it is new energy vehicles, green infrastructure or supply chain layout, there will be a lot of structural growth in the next few decades. Therefore, on one hand, Chiho will seize the opportunities to open up new markets, find new growth points and sources of profit. On the other hand, Chiho will improve its independent research and development capabilities to meet market demand.

Looking forward to the future, in the face of various challenges and pressures brought by the global economic environment, Chiho will insist on making progress while maintaining stability, maintaining strategic focus, strengthening technological innovation, enhancing development momentum, and better serving customers and returning to shareholders with a sustainable and sound business philosophy.

Last but not least, I would like to extend my heartfelt gratitude to the loyal customers and partners who always trust and support Chiho's development, and all of our employees for the loyalty, efforts, professionalism and valuable contributions. I hope you all stay safe and healthy.

**Qin Yongming**  
*Chairman of the Board*

面對亞洲地區日益擴大的市場規模，特別是中國2060年碳中和目標，給予了循環再生行業巨大的發展機遇，無論是圍繞新能源汽車、綠色基礎設施、或是供應鏈佈局，在接下來的幾十年都會出現很多結構性增長。因此，齊合將一方面緊抓機遇開拓新市場，尋找新的增長點和利潤來源，一方面提升自主研發能力，以滿足市場需求。

展望未來，面對全球經濟環境所帶來的種種挑戰和壓力，齊合將堅持穩中求進、保持戰略定力、強化科技創新、增強發展動能，以持續、健康的經營理念更好的服務客戶、回報股東。

最後，本人謹向始終信任且支持齊合發展的忠實客戶、合作夥伴，以及全球辛勤和敬業的員工，致以誠摯的感謝。祝大家身心安康。

**秦永明**  
*董事會主席*

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

In the first half of 2023, market demand from manufacturers and traders in downstream industry shrank while commodities prices declined under the influences of macroeconomic factors such as global economic downturn, continuous rates hike by the Federal Reserve as well as geopolitical conflicts. Metal industry, which is highly sensitive to demand and supply landscape and economic volatilities, also experienced slowdown in capacity growth. Global ferrous and non-ferrous metal prices fluctuated and edged down after experienced short-term rebound. With increasing pressures from demand-side shrinkage and inflation, Chiho Environmental Group Limited (the "Group" or "Chiho") recorded lower than expected year-on-year tonnage in metal scrap.

The Group sold 1.9 million tonnes of recycled products for the six months ended 30 June 2023, a 6.0% decrease compared to 2.0 million tonnes sold in the same period in 2022. Total external revenue for the first half of 2023 was HK\$8,821.7 million, a decrease of 25.4% as compared to HK\$11,826.0 million for the same period last year.

### 財務回顧

二零二三年上半年，由於全球經濟衰退、美聯儲持續加息、地緣政治衝突等宏觀因素影響，生產企業和貿易商的下游市場需求緊縮，大宗商品價格回落下滑，導致與供需格局和經濟水平波動有較高關聯性的金屬行業產能放緩。全球黑色金屬和有色金屬的價格在短暫上漲後震盪下行。齊合環保集團有限公司（「本集團」或「齊合」）亦受到需求端下行和通貨膨脹等壓力，再生金屬銷量同比未達預期增長。

本集團於截至二零二三年六月三十日止六個月售出1.9百萬噸再生產品，較二零二二年同期的銷量2.0百萬噸減少6.0%。於二零二三年上半年，外部總收益為8,821.7百萬港元，較去年同期的11,826.0百萬港元減少25.4%。

		Six months ended 30 June 截至六月三十日止六個月			
		2023 二零二三年		2022 二零二二年	
		HK\$M 百萬港元	As a percentage of total segment revenue 佔分部收益 總額的百分比	HK\$M 百萬港元	As a percentage of total segment revenue 佔分部收益 總額的百分比
Asia	亞洲	762.5	8.5%	892.6	7.5%
Europe	歐洲	8,224.8	91.5%	10,959.3	92.3%
North America	北美洲	4.0	0.0%	26.9	0.2%
Total segment revenue	分部收益總額	8,991.3	100%	11,878.8	100%
Inter-segment sales	分部間銷售	(169.6)		(52.8)	
Revenue	收益	8,821.7		11,826.0	

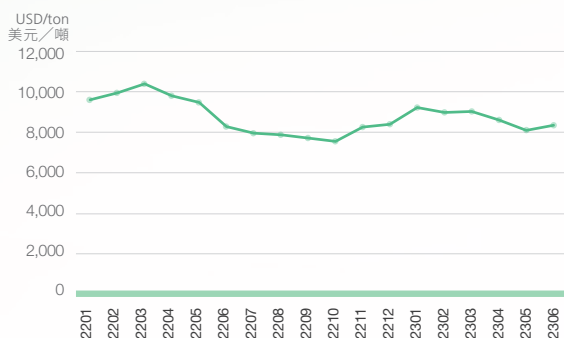
## Management Discussion and Analysis 管理層討論及分析



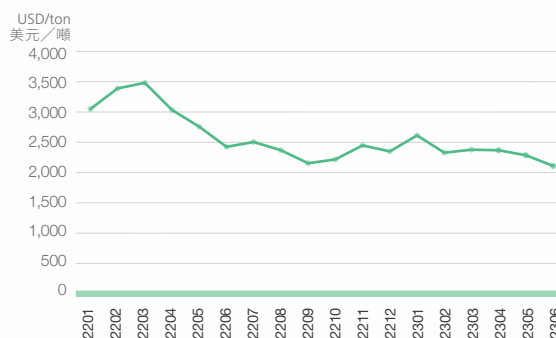
### FINANCIAL REVIEW (continued)

### 財務回顧(續)

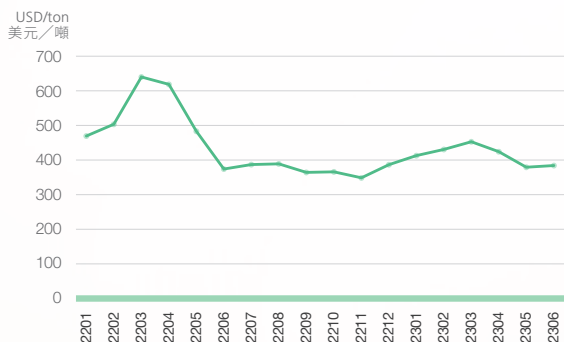
#### LME Copper LME銅



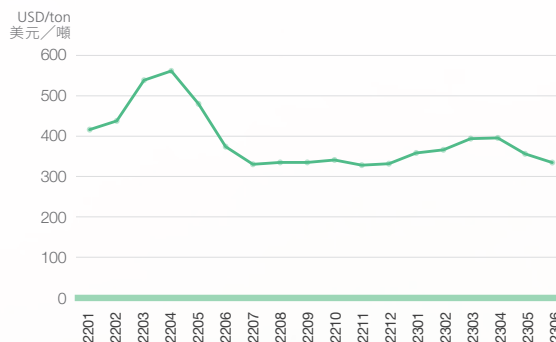
#### LME Aluminum LME鋁



#### LME Steel Scrap LME廢鋼



#### Germany BDSV (Steel Scrap) 德國BDSV (廢鋼)



#### Gross Profit/Margin

Gross profit for the first half of 2023 was HK\$561.3 million, a decrease of 20.0% as compared to HK\$701.2 million for the same period last year. The decrease in gross profit was mainly attributable to the increase in energy prices in Germany and decline in both sales volume and revenue as a result of weak demand for metals in Europe during the first half of 2023.

The gross profit margin increased from 5.9% for the first half of 2022 to 6.4% for the first half of 2023. The increase in the gross profit margin was a result of focusing on high margin businesses and continuing review and clean up of portfolio.

#### 毛利/毛利率

於二零二三年上半年，毛利為561.3百萬港元，較去年同期的701.2百萬港元減少20.0%。毛利減少主要由於德國的能源價格持續上升及銷售量和收入因於二零二三年上半年歐洲疲軟的金屬需求相對均出現下跌。

毛利率由二零二二年上半年的5.9%上升至二零二三年上半年的6.4%。毛利率的上升主要由於本集團專注於高利潤業務，以及不斷審視及梳理業務組合。



## FINANCIAL REVIEW (continued)

### Operating Expenses

Total operating expenses for the first half of 2023 were HK\$484.8 million, a decrease of 7.7% over the same period last year, and as a percentage of revenue, it has increased to 5.5% (2022: 4.4%). As a result of transformation initiatives and optimization programs implemented in previous years, the Group became continuously lean and efficient. The decrease in administrative expenses was mainly attributable to cost reductions related to refinancing activities compared to the same period last year.

## 財務回顧 (續)

### 經營費用

於二零二三年上半年，經營費用總額為484.8百萬港元，較去年同期減少7.7%，且其佔收益的百分比上升至5.5%（二零二二年：4.4%）。由於過往年度實施的轉型計劃及優化方案，本集團持續保持精簡及注重效益。行政開支減少主要由於再融資活動相關費用較去年同期有所減少。

		Six months ended 30 June 截至六月三十日止六個月			
		2023 二零二三年		2022 二零二二年	
		HK\$M	As a percentage of revenue 佔收益的 百分比	HK\$M	As a percentage of revenue 佔收益的 百分比
		百萬港元		百萬港元	
Distribution and selling expenses	分銷及銷售開支	23.1	0.3%	24.8	0.2%
Administrative expenses	行政開支	461.7	5.2%	500.4	4.2%
Total	總計	484.8	5.5%	525.2	4.4%

### Profit Attributable to Shareholders and Earnings Per Share

Profit attributable to shareholders of the Company for the six months ended 30 June 2023 was HK\$53.2 million, as compared to a profit of HK\$199.5 million for the same period last year.

Basic earnings per share for the first half of 2023 was HK\$0.03 as compared to earnings per share of HK\$0.12 in the previous financial period.

### 股東應佔溢利及每股盈利

截至二零二三年六月三十日止六個月，本公司股東應佔溢利為53.2百萬港元，而去年同期溢利為199.5百萬港元。

二零二三年上半年的每股基本盈利為0.03港元，而上一財政期間則為每股盈利0.12港元。

### Analysis of Cash Flow from Operations

The Group's cash generated from operations before changes in working capital for the first half of 2023 was HK\$353.1 million, a decrease of 35.5% compared to the first half of 2022 as a result of a decrease in operating profit. The Group has been carefully managing the working capital in response to the uncertainties in the market conditions.

### 經營業務產生的現金流量分析

於二零二三年上半年，本集團營運資金變動前經營業務產生的現金為353.1百萬港元，較二零二二年上半年減少35.5%，此乃由於經營溢利減少所致。本集團一直審慎管理營運資金，以應對市況不確定性。

## Management Discussion and Analysis 管理層討論及分析

### FINANCIAL REVIEW (continued)

#### Liquidity and Financial Resources

Shareholders' funds as at 30 June 2023 were HK\$4,958.8 million, an increase of 2.8% from 31 December 2022, and included foreign exchange losses from the depreciation of foreign currencies, namely Euro, against Hong Kong dollar over the current period. Shareholders' funds per share increased from HK\$3.01 as at 31 December 2022 to HK\$3.09 as at 30 June 2023.

As at 30 June 2023, the Group had cash, various bank balances and pledged bank deposits amounting to HK\$357.6 million (31 December 2022: HK\$766.0 million), used mainly for the repayment of external borrowings and working capital for the expansion of business operations.

The current ratio as at 30 June 2023 was 1.34 (31 December 2022: 1.31). Certain long-term borrowings were classified as current liabilities as they will be maturing within the next twelve months. Management is in active discussions with potential lenders to refinance the maturing borrowings.

Total external borrowings as at 30 June 2023 were HK\$928.8 million, a reduction of HK\$213.3 million as compared to 31 December 2022. Such borrowings were mainly utilized for the purchase of mixed recycle metal and working capital, and denominated in Euro, US Dollar and Renminbi. Approximately HK\$625.2 million (31 December 2022: HK\$935.0 million) of borrowings are at fixed interest rates.

The gearing ratio of the Group as at 30 June 2023 was 10.5% (31 December 2022: 13.3%) which is calculated based on the total borrowings divided by our total assets.

### 財務回顧 (續)

#### 流動資金與財務資源

於二零二三年六月三十日，股東資金為4,958.8百萬港元，較二零二二年十二月三十一日上升2.8%，當中包括本期間外幣（主要為歐元）兌港元貶值產生的外匯虧損。每股股東資金由二零二二年十二月三十一日的3.01港元上升至二零二三年六月三十日的3.09港元。

於二零二三年六月三十日，本集團持有的現金、多項銀行結餘及已抵押銀行存款為357.6百萬港元（二零二二年十二月三十一日：766.0百萬港元），主要用於償還外部借款及業務營運擴張的營運資金需要。

於二零二三年六月三十日，流動比率為1.34（二零二二年十二月三十一日：1.31）。若干長期借款將於未來十二個月內到期，因而被分類為流動負債。管理層正積極與潛在貸款人商討，為即將到期的借款進行再融資。

於二零二三年六月三十日，外部借款總額為928.8百萬港元，較二零二二年十二月三十一日減少213.3百萬港元。該等借款主要用於購買混合再生金屬及營運資金，並以歐元、美元及人民幣計值。約625.2百萬港元（二零二二年十二月三十一日：935.0百萬港元）的借款乃按固定利率計息。

於二零二三年六月三十日，本集團的資產負債比率為10.5%（二零二二年十二月三十一日：13.3%），此乃根據借款總額除以資產總值計算。



## FINANCIAL REVIEW (continued)

### Working Capital Change

Overall, our net operating cycle has improved significantly in the current period, showing our commitment to improve operating efficiencies.

Inventories as at 30 June 2023 were HK\$1,454.1 million (31 December 2022: HK\$1,323.7 million). The inventory turnover days increase from 25 days for the first half of 2022 to 30 days for the first half of 2023. The increase was mainly attributable to a higher magnitude of decrease of cost of sale than that of average inventories during the first half of 2023.

Provision for inventories as at 30 June 2023 were HK\$46.3 million (31 December 2022: HK\$58.6 million). The decrease of provision was due to the price volatility toward the end of the first half of 2023.

## 財務回顧 (續)

### 營運資金變動

整體而言，我們的淨經營週期於本期內已經顯著改善，體現了我們提升經營效益的決心。

於二零二三年六月三十日，存貨為1,454.1百萬港元（二零二二年十二月三十一日：1,323.7百萬港元）。存貨週轉日數由二零二二年上半年的25天增加至二零二三年上半年的30天。存貨週轉日數的增加主要由於二零二三年上半年銷售成本的下降幅度比平均存貨的下降幅度為高。

於二零二三年六月三十日，存貨撥備為46.3百萬港元（二零二二年十二月三十一日：58.6百萬港元）。撥備減少乃由於二零二三年上半年末價格波動所致。

		As at 30 June 2023 於二零二三年 六月三十日	As at 31 December 2022 於二零二二年 十二月三十一日
Inventories (HK\$M)	存貨 (百萬港元)	1,454.1	1,323.7
Average inventories as a percentage of revenue (annualised)	平均存貨佔收益百分比 (年化)	7.9%	7.4%
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年	2022 二零二二年
Turnover days	週轉日數	30	25

## Management Discussion and Analysis 管理層討論及分析

### FINANCIAL REVIEW (continued)

#### Working Capital Change (continued)

Net trade and bills receivables as at 30 June 2023 were HK\$1,690.6 million, increased from HK\$1,290.5 million as at 31 December 2022. Debtor turnover days decreased from 32 days for the first half of 2022 to 31 days for the first half of 2023. The higher receivables balance as at 30 June 2023 was mainly due to timing of sales toward period end. The Group adopts a tight management on credit exposure.

### 財務回顧 (續)

#### 營運資金變動 (續)

淨貿易及票據應收款項由二零二二年十二月三十一日的1,290.5百萬港元增加至二零二三年六月三十日的1,690.6百萬港元。應收款項週轉日數從二零二二年上半年的32天減少至二零二三年上半年的31天。截至二零二三年六月三十日的應收款項結餘較高，主要由於銷售時間接近期末。本集團對信貸風險採取嚴格管理。

		As at 30 June 2023 於二零二三年 六月三十日	As at 31 December 2022 於二零二二年 十二月三十一日
Trade and bills receivables, net (HK\$M)	淨貿易及票據應收款項 (百萬港元)	1,690.6	1,290.5
Average receivables as a percentage of revenue (annualised)	平均應收款項佔收益百分比 (年化)	8.4%	7.8%
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年	2022 二零二二年
Turnover days	週轉日數	31	32

## FINANCIAL REVIEW (continued)

### Working Capital Change (continued)

Trade and bills payables as at 30 June 2023 were HK\$1,728.6 million (31 December 2022: HK\$1,418.8 million). Creditor turnover days increased from 33 days for the first half of 2022 to 34 days for the first half of 2023.

## 財務回顧 (續)

### 營運資金變動 (續)

貿易及票據應付款項於二零二三年六月三十日為1,728.6百萬港元(二零二二年十二月三十一日：1,418.8百萬港元)。應付賬款週轉日數由二零二二年上半年的33天增加至二零二三年上半年的34天。

		As At 30 June 2023 於二零二三年 六月三十日	As At 31 December 2022 於二零二二年 十二月三十一日
Trade and bills payables (HK\$M)	貿易及票據應付款項 (百萬港元)	1,728.6	1,418.8
		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年	2022 二零二二年
Turnover days	週轉日數	34	33

### Treasury Policies

The Group's treasury policies are designed to mitigate the impact of fluctuations in commodity prices and foreign currency exchange rates arising from the Group's global operations. The Group principally uses future contracts to hedge the commodity risks, and forward foreign exchange contracts to hedge the foreign exchange risks in the ordinary course of business. It is the Group's policy not to enter into derivative transactions for speculative purposes.

### 財政政策

本集團的財政政策旨在紓緩本集團環球營運所造成的商品價格及外幣匯率波動影響。於日常業務過程中，本集團主要以期貨合約對沖商品風險及以外匯遠期合約對沖外匯風險。本集團的政策是不參與投機性的衍生交易。

### Capital Expenditure

For the six months ended 30 June 2023, the Group invested HK\$152.1 million in tangible assets including machinery and equipment, leasehold improvements, office equipment for improving production efficiency (30 June 2022: HK\$117.8 million). These capital expenditures were financed through internal resources and lease arrangements.

### 資本開支

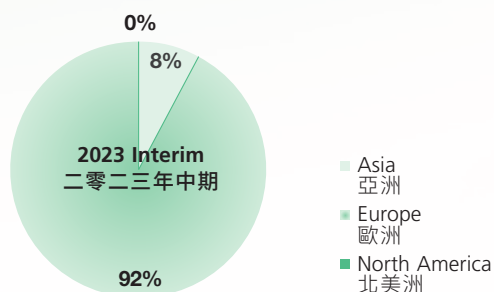
截至二零二三年六月三十日止六個月，本集團投資152.1百萬港元於有形資產，包括機器及設備、租賃物業裝修、辦公室設備以提高生產效率(二零二二年六月三十日：117.8百萬港元)。該等資本開支均以內部資源及租賃安排提供資金。

# Management Discussion and Analysis 管理層討論及分析



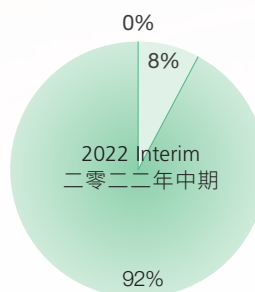
## BUSINESS REVIEW

### Revenue by Regions

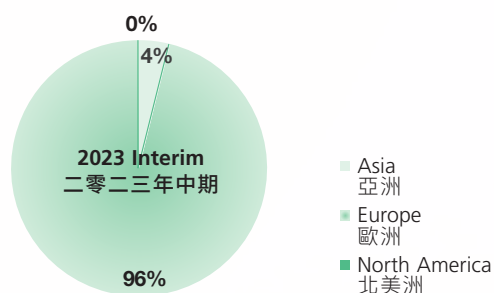


## 業務回顧

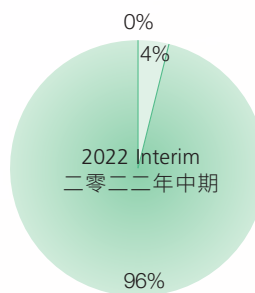
### 按地區劃分的收益



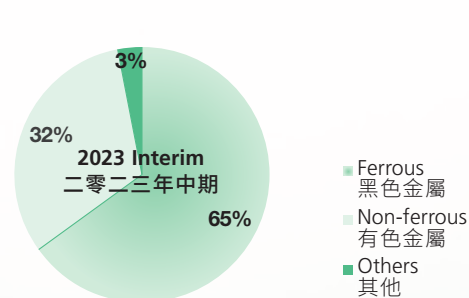
### Sales Quantity by Regions



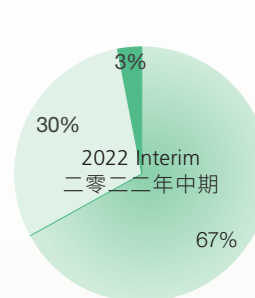
### 按地區劃分的銷售量



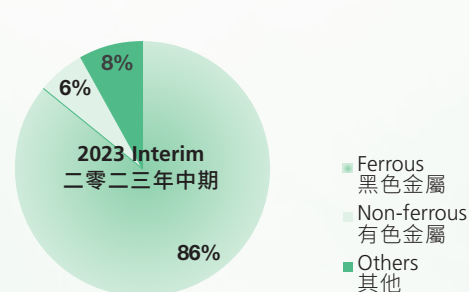
### Revenue by Products



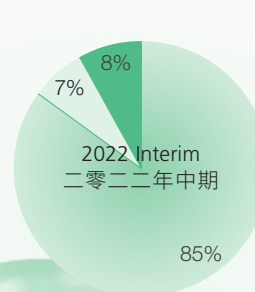
### 按產品劃分的收益



### Sales Quantity by Products



### 按產品劃分的銷售量



## BUSINESS REVIEW (continued)

In the face of weak recovery on demand side, the Group continued to deepen its lean management and strengthen its market research efforts during the first half of 2023. In addition, the Group is committed to strive for steady progress and prevent operation risks through project layout coordination in view of prevailing industry and market conditions as well as its existing production capacity. Through the geographic diversification, we are in a good position to mitigate the risks of depending overly on a single market. We are among the processing and technology leaders in ferrous and non-ferrous metal recycling worldwide, and own many advanced processing technologies in scrap metal shredding and post-shredding processing.

### Europe

In 2023, the European operations were faced with very challenging economic conditions such as skyrocketed energy prices, complex and volatile industry outlook as well as increasing trade deficit. The European segment sold 1.84 million tonnes of recycled products for the six months ended 30 June 2023, a decrease of 6.6% compared to the same period last year of 1.97 million tonnes. Segment revenue decreased by 25.0% to HK\$8,224.8 million as compared to the same period in 2022.

European segment's gross profit for the first half of 2023 was HK\$645.3 million, a decrease of 9.8% as compared to the same period last year, and the gross profit margin for the period increased from 6.5% in 2022 to 7.8% in the current period.

The company benefited from its position on the market as a key competitor within the region as well as the high scrap prices during the period, which contributed to the profitability of the European segment. Segment profit for the first half of 2023 was HK\$337.4 million (2022: HK\$425.7 million).

## 業務回顧 (續)

面對需求端恢復疲弱，本集團在二零二三年上半年持續深化精益管理、強化市場調研、堅持穩中求進、防範經營風險，並結合行業市場和自身產能現狀，統籌項目佈局。地域多元化有利於本集團減輕過度依賴單一市場的風險。我們是全球黑色及有色金屬回收處理及技術領導者之一，擁有多項先進的再生金屬破碎和破碎後處理技術。

### 歐洲

歐洲區域的業務在二零二三年經歷了能源價格居高不下、工業前景複雜多變、貿易逆差增大等充滿挑戰的經濟環境。截至二零二三年六月三十日止六個月，歐洲分部售出1.84百萬噸再生產品，較去年同期的1.97百萬噸下降6.6%。分部收益較二零二二年同期減少25.0%至8,224.8百萬港元。

歐洲分部於二零二三年上半年的毛利為645.3百萬港元，較去年同期減少9.8%，及期內毛利率亦由二零二二年的6.5%增加至本期間的7.8%。

本公司受益於作為區內主要競爭對手的市場地位及期內再生金屬價格高企，均為歐洲分部的利潤作出了貢獻。於二零二三年上半年，分部溢利為337.4百萬港元（二零二二年：425.7百萬港元）。

## Management Discussion and Analysis 管理層討論及分析

### BUSINESS REVIEW (continued)

#### North America

The North American segment has undergone a business transformation process beginning from last year to better allocate resources to other businesses. The North American segment, therefore, reported 65 tonnes of recycled products sold for the six months ended 30 June 2023 (2022: 1,000 tonnes), and segment revenue of HK\$4.0 million (2022: HK\$26.9 million).

Segment gross loss for the first half of 2023 was HK\$0.9 million (2022: HK\$1.5 million) and gross loss margin was at 21.2% (2022: 5.6%). Segment loss for the first half of 2023 was HK\$5.9 million (2022: segment profit of HK\$26.9 million).

#### Asia

The sales tonnage for the Asian segment remained stable at 0.08 million tonnes in the first half of 2023 and 2022. Segment revenue for the first half of 2023 was HK\$762.5 million, representing a 14.6% decrease as compared to the first half of 2022.

Segment gross loss and gross loss margin for the first half of 2023 were HK\$77.5 million (2022: HK\$7.2 million) and 10.2% (2022: 0.8%) respectively. The Asian segment reported a segment loss of HK\$102.6 million for the first half of 2023 (2022: HK\$64.0 million).

### 業務回顧 (續)

#### 北美洲

本集團自去年開始對北美洲分部進行業務轉型，以更好地集中資源於其他業務。因此，北美洲分部於截至二零二三年六月三十日止六個月錄得再生產品銷量65噸（二零二二年：1,000噸），而分部收益為4.0百萬港元（二零二二年：26.9百萬港元）。

於二零二三年上半年錄得分部毛損0.9百萬港元（二零二二年：1.5百萬港元），及毛損率21.2%（二零二二年：5.6%）。於二零二三年上半年錄得分部虧損5.9百萬港元（二零二二年：分部溢利26.9百萬港元）。

#### 亞洲

二零二三年及二零二二年上半年亞洲分部的銷量相比持平為0.08百萬噸。二零二三年上半年的分部收益為762.5百萬港元，較二零二二年上半年減少14.6%。

二零二三年上半年的分部毛損及毛損率分別為77.5百萬港元（二零二二年：7.2百萬港元）及10.2%（二零二二年：0.8%）。於二零二三年上半年，亞洲分部錄得分部虧損102.6百萬港元（二零二二年：64.0百萬港元）。

## CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2023, the Group had pledged certain property, plants and equipment, right-of-use assets, investment properties, inventories, trade receivables, assets held for sale and bank deposits with an aggregate carrying value of approximately HK\$2,655.4 million (31 December 2022: HK\$3,722.9 million) to secure certain borrowings and general banking facilities granted to the Group.

As at 30 June 2023, the Group had capital commitments in respect of acquisition of property, plant and equipment and additions in construction in progress which are contracted, but not provided for in the amount of HK\$99.0 million (31 December 2022: HK\$72.9 million).

As at the date of this interim report, save as disclosed below, the Board is not aware of any material contingent liabilities.

The Group has provided financial guarantees to certain related parties and joint ventures of HK\$19.4 million and HK\$50.8 million (31 December 2022: HK\$19.0 million and HK\$49.9 million), respectively. As the risk of default is very remote and there is no history of default, no financial guarantee liability was recognised.

A writ of summons was issued by Delco Participation B.V. (“Delco”), as plaintiff, on 21 December 2015 in the High Court of Hong Kong (the “Court”) (High Court Action No. 3040 of 2015, “HCA 3040/2015”), followed by an amended writ on 5 December 2016, against the Company and Mr. Fang Ankong (“Mr. Fang”) as defendants for a sum of HK\$57.8 million together with interest and costs. The claim relates to an alleged nonpayment of a portion of the loans advanced by Delco Asia Company Limited (“Delco Asia”) to subsidiaries of the Company in accordance with the terms of a shareholders’ loan assignment dated 24 June 2010 between, amongst others, Delco Asia and the Company. The Company filed its defence on 23 September 2016. An amended writ of summons was filed by Delco on 5 December 2016, adding Mr. Fang as a defendant to the proceedings. The parties subsequently filed amended pleadings. On Delco’s application, the Court granted leave to Delco to discontinue its claim against the Company for the HK\$57.8 million, with certain issues still to be decided by the Court.

## 資本承擔及或然負債

於二零二三年六月三十日，本集團抵押賬面總值約2,655.4百萬港元（二零二二年十二月三十一日：約3,722.9百萬港元）的若干物業、廠房及設備、使用權資產、投資物業、存貨、貿易應收款項、持作出售資產及銀行存款，為授予本集團之若干借款及一般銀行融資作擔保。

於二零二三年六月三十日，本集團有關收購物業、廠房及設備及添置在建工程的已訂約但未撥備資本承擔金額為99.0百萬港元（二零二二年十二月三十一日：72.9百萬港元）。

於本中報日期，除下文所披露者外，董事會概無知悉有任何重大或然負債。

本集團已分別向若干關聯方及合營企業提供金融擔保19.4百萬港元及50.8百萬港元（二零二二年十二月三十一日：19.0百萬港元及49.9百萬港元）。由於違約風險極小且無違約歷史，因此並無確認任何金融擔保負債。

Delco Participation B.V.（「Delco」）作為原告，於二零一五年十二月二十一日將本公司及方安空先生（「方先生」）作為被告，向香港高等法院（「法院」）提交訴狀（高院案例二零一五年第3040號，「HCA 3040/2015」）索償57.8百萬港元連同利息及成本，並於二零一六年十二月五日提交修訂傳票。該索償聲稱Delco Asia Company Limited（「Delco Asia」）未根據雙方（其中包括Delco Asia及本公司）於二零一零年六月二十四日訂立的股東貸款轉讓條款向本公司子公司支付墊付貸款的部分款項。本公司已於二零一六年九月二十三日提出抗辯。Delco於二零一六年十二月五日提交修訂訴狀，加入方先生為法律程序之被告。當事各方隨後提交經修訂訴狀。根據Delco的申請，法院准許Delco終止向本公司索償57.8百萬港元，若干事宜仍有待法院作定奪。

## Management Discussion and Analysis 管理層討論及分析

### CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES (continued)

Each of Mr. Fang, a former director of the Company, and HWH Holdings Limited (“HWH”), undertook to the Company to indemnify and hold harmless on demand (on an after-tax basis) the Company against all losses arising out of, inter alia, HCA 3040/2015 in accordance with the terms of a letter of indemnity signed by Mr. Fang and HWH in favour of the Company on 17 December 2015. The exact scope of the indemnity is yet to be determined.

A writ of summons was issued by Delco as plaintiff on 10 November 2016 in the Court (High Court Action No. 2939 of 2016, “HCA 2939/2016”) against the Company as the 1st defendant, Chiho-Tiande (HK) Limited (“CTHK”), a wholly-owned subsidiary of the Company, as the 2nd defendant, HWH as the 3rd defendant, and Mr. Fang as the 4th defendant. Delco claimed against the Company for damages for an alleged breach of a letter of undertaking dated 3 March 2015 in relation to a convertible bond issued by the Company and subscribed for by Delco on 1 March 2012. Delco further claimed against CTHK for a sum of US\$1.0 million, allegedly advanced by Delco Asia to CTHK on or around 16 April 2009. Delco further claims interests, costs and further or other relief. The Company and CTHK filed their defence on 24 March 2017 and the plaintiff filed its reply to the Company and CTHK’s defence on 20 June 2017. The parties subsequently filed amended pleadings and gave evidence at the trial in July 2021. The case is still in progress, with the parties having made closing submissions, and the parties are awaiting judgment from the Court.

Whilst the Board does not consider HCA 3040/2015 and HCA 2939/2016 to be claims of material importance for the reason set out above, details of HCA 3040/2015 and HCA 2939/2016 are disclosed herein for the sake of completeness.

### 資本承擔及或然負債 (續)

方先生(本公司前任董事)及HWH Holdings Limited(「HWH」)各自向本公司承諾,根據方先生與HWH以本公司為受益人於二零一五年十二月十七日簽署的彌償函件的條款,彌償本公司因(其中包括)HCA 3040/2015產生的所有損失及使本公司免受損失(按除稅後基準)。彌償的具體範圍尚未確定。

Delco作為原告於二零一六年十一月十日將本公司作為第一被告;本公司的全資子公司齊合天地(香港)有限公司(「齊合天地香港」)作為第二被告;HWH作為第三被告;及方先生作為第四被告,向法院提交訴狀(高院案例二零一六年第2939號,「HCA 2939/2016」)。Delco就指稱違反日期為二零一五年三月三日的承諾函(內容關於二零一二年三月一日本公司發行及Delco認購可換股債券)的損害向本公司索償。Delco進一步向齊合天地香港索償1.0百萬美元,其指稱由Delco Asia於二零零九年四月十六日或前後向齊合天地香港墊付該款項。Delco進一步索償利息、訴訟費及進一步或其他寬免。本公司及齊合天地香港於二零一七年三月二十四日提出抗辯,而原告於二零一七年六月二十日就本公司及齊合天地香港的抗辯提交答辯。當事各方隨後提交經修訂訴狀並於二零二一年七月之庭審上作證。案件仍在進行中,當事方已作出結案陳詞,惟須等候法庭作出判決。

董事會因上文所載理由認為HCA 3040/2015及HCA 2939/2016並非重大申索,於本報告中披露HCA 3040/2015及HCA 2939/2016的詳情僅為保持完整性。



## SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

On 10 August 2022, Liberty Iron & Metal, Inc. (“Seller”) (an indirect wholly-owned subsidiary of the Company) entered into a membership interest purchase agreement with American Iron & Metal (U.S.A.) Inc. (“AIM (USA)”) (“Disposal Agreement”), pursuant to which the Seller has conditionally agreed to sell and AIM (USA) has conditionally agreed to purchase 50% of the issued and outstanding membership interests in Kalischatarra Iron & Metal LLC (“Sales Interests I”) and Kalischatarra Iron & Metal NM LLC (“Sales Interests II”), respectively, at the aggregate consideration of the US\$3,500,000 (equivalent to approximately HK\$27,440,000) (“Disposal”).

Disposal was completed on 5 January 2023. For details of the transaction, please refer to the announcement of the Company dated 23 December 2022.

Save as disclosed in this interim report, there were no other significant investments held, material acquisitions or disposals of subsidiaries, associates or joint ventures and any concrete future plans for material investment or capital assets.

## EVENTS DURING AND AFTER THE REPORTING PERIOD

Reference is made to the announcements of the Company dated 30 December 2021, 7 February 2022, 21 March 2022, 22 April 2022, 22 July 2022, 31 October 2022, 18 November 2022, 23 November 2022, 23 December 2022, 19 January 2023, 17 February 2023 and 6 March 2023 in relation to the potential restructuring (the “Restructuring”) of the Controlling Shareholders (as defined below) under the supervision of the Fifth Intermediate People’s Court of Chongqing City (collectively, the “Announcements”).

## 重大投資、收購及出售

於二零二二年八月十日，Liberty Iron & Metal, Inc. (「賣方」) (本公司的間接全資子公司) 與 American Iron & Metal (U.S.A.) Inc. (「AIM (美國)」) 訂立出售股東權益購買協議 (「出售協議」)，據此，賣方已有條件同意出售及 AIM (美國) 已有條件同意以合共3,500,000美元 (相當於約27,440,000港元) (「出售事項」) 的代價購買分別相當於Kalischatarra Iron & Metal LLC (「銷售權益I」) 及Kalischatarra Iron & Metal NM LLC (「銷售權益II」) 已發行及發行在外股東權益的50%。

出售事項已於二零二三年一月五日完成，詳情請參閱本公司公告日期為二零二二年十二月二十三日。

除本中報所披露者外，概無持有其他重大投資，亦無重大收購或出售子公司、聯營公司或合營企業，以及任何重大投資或資本資產的具體未來計劃。

## 報告期內及期後事項

茲提述本公司日期為二零二一年十二月三十日、二零二二年二月七日、二零二二年三月二十一日、二零二二年四月二十二日、二零二二年七月二十二日、二零二二年十月三十一日、二零二二年十一月十八日、二零二二年十一月二十三日、二零二二年十二月二十三日、二零二三年一月十九日、二零二三年二月十七日及二零二三年三月六日有關在重慶市第五中級人民法院的監督下對控股股東 (定義見下文) 進行潛在重整 (「重整」) 之公告 (統稱「該等公告」)。

## Management Discussion and Analysis 管理層討論及分析



### EVENTS DURING AND AFTER THE REPORTING PERIOD (continued)

As disclosed in the Announcements, Loncin Group Co., Limited, Loncin Holdings Co., Limited and USUM Investment Group Limited (the “Controlling Shareholders”), which are intermediate controlling shareholders of the Company, and ten other companies related to the Controlling Shareholders (together with the Controlling Shareholders, the “Loncin Restructuring Companies”) are in the course of implementing the Restructuring plan and the joint administrators of Loncin Restructuring Companies in relation to the Restructuring will continue to monitor the implementation of the Restructuring plan. There is uncertainty as to the progress and outcome of the Restructuring. If the Restructuring is not successfully implemented, there is a risk that the Controlling Shareholders will be declared bankrupt. In the event that the Restructuring is implemented, the ultimate beneficial owner of the Controlling Shareholders may be changed. The Company was informed by the leader of a consortium of investors that will participate in the Restructuring and will invest in and purchase assets from Loncin Restructuring Companies that, on 2 March 2023, it has obtained a confirmation from the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong that it will not trigger a mandatory general offer for the shares of the Company as a result of the Restructuring under Note 8 to Rule 26.1 of the Code to Takeovers and Mergers.

Given that the Company is not one of the Loncin Restructuring Companies and is independent from the Controlling Shareholders in respect of business, personnel, assets and finance, the Board is of the view that the Restructuring mentioned above currently has no material adverse impact on the operation and the financial status of the Company.

The Company will closely monitor the subsequent development and effect of the Restructuring. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and/or the Securities and Futures Ordinance.

### 報告期內及期後事項 (續)

誠如該等公告所披露，本公司間接控股股東隆鑫集團有限公司、隆鑫控股有限公司及渝商投資集團股份有限公司（「控股股東」）以及控股股東關連之十間其他公司（連同控股股東統稱為「隆鑫重整公司」）正在實施重整計劃，而隆鑫重整公司的共同管理人將繼續就重整監察重整計劃的實施情況。重整後續進展和結果仍有不確定性。倘重整並無成功實施，則存在宣佈控股股東破產的風險。倘實施重整，則控股股東的最終實益擁有人可能發生變動。本公司獲將參與重整並將投資及購買隆鑫重整公司資產之投資者聯盟之牽頭人所告知，於二零二三年三月二日，該牽頭人已取得香港證券及期貨事務監察委員會企業融資部執行董事之確認，根據收購及合併守則規則26.1註釋8進行重整不會觸發對本公司股份的強制全面要約責任。

鑒於本公司並非隆鑫重整公司之一，且於業務、人員、資產及財務方面獨立於控股股東，董事會認為，上述重整目前對本公司的營運及財務狀況並無重大不利影響。

本公司會密切關注重整的後續發展及影響。本公司將根據香港聯合交易所有限公司證券上市規則及／或證券及期貨條例的規定，在適當或需要時另行發表公告。



## RISK MANAGEMENT

The Group in its ordinary course of business is exposed to market risks such as commodity price risk, foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's risk management strategy is to mitigate the adverse effects of these risks on its financial performance.

The Group adopted a commodity price risk hedging policy which has been subsequently updated to cater for the changing operating conditions of the Group.

As part of its foreign currency hedging strategy, the Board closely monitors the Group's foreign currency borrowings in view of the volatile exchange rates of Euro, Renminbi and other relevant currencies to US Dollar and considers various measures to minimise foreign currency risk.

Regarding credit risk, the Group continues to follow the best practices of cash collection for sales of most recycled products in order to minimise the carrying amounts of the financial assets in the Group's financial statements. In addition, the Group continues monitoring closely its trade debtors to minimise potential impairment losses.

Regarding liquidity risk, the Group continues maintaining a balance between the continuity of funding and flexibility through the use of bank borrowings.

## EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2023, the Group had a workforce of 2,588 (31 December 2022: 2,748) employees. In addition, we engaged approximately 416 (31 December 2022: 459) workers and office staff through local contractors. We have not experienced any strikes, work suspension or significant labor disputes which have affected our operations in the past. We have not experienced any significant difficulties in recruiting and retaining qualified staff. We continue to maintain good relationships with our employees and we provide a variety of internal and external training programmes to our employees.

## 風險管理

在日常業務過程中，本集團面臨的市場風險包括商品價格風險、外幣風險、利率風險、信貸風險及流動資金風險等。本集團的風險管理策略旨在降低該等風險對財務表現的不利影響。

本集團採納商品價格風險對沖政策，該政策其後已進行更新以迎合本集團不斷變化的營運狀況。

作為本集團的外幣對沖策略的一部分，鑒於歐元、人民幣及其他有關貨幣兌美元匯率波動，因此董事會將密切監察本集團的外幣借款，並考慮多項措施以減少外幣風險。

信貸風險方面，本集團就其大多數再生產品銷售繼續奉行貨到付現的最佳慣例，旨在減低本集團財務報表中的金融資產賬面值。此外，本集團繼續密切監察貿易應收賬情況，以減低潛在減值虧損。

至於流動資金風險方面，本集團繼續透過利用銀行借款，在持續獲取資金與保持靈活程度之間維持平衡。

## 僱員及薪酬政策

於二零二三年六月三十日，本集團共有2,588名（二零二二年十二月三十一日：2,748名）僱員。此外，我們透過當地承包商僱用約416名（二零二二年十二月三十一日：459名）工人以及辦公人員。我們過去並無經歷任何影響經營的罷工、停工或重大勞資糾紛。我們在招聘及挽留合資格僱員方面亦無遇到任何重大困難。我們與僱員一直維持良好的關係，並且我們為僱員提供多項內部及外部培訓計劃。

## Management Discussion and Analysis 管理層討論及分析



### EMPLOYEES AND REMUNERATION POLICY (continued)

The Group's total staff costs for the six months ended 30 June 2023 were approximately HK\$479.8 million (2022: HK\$493.8 million). The remuneration package of staff consists of basic salary, mandatory provident fund, insurances and other benefits as considered appropriate. Remuneration of employees of the Group is determined by the senior management of the Group by reference to market standards, individual performance, experience and their respective contribution to the Group so as to retain competent employees.

The emoluments of the directors of the Company (the "Directors") are recommended by the remuneration committee of the Company with reference to factors including the duties and responsibilities, backgrounds, qualifications and experience of the Directors, having regard to the Company's operating results, individual performance and comparable market statistics, subject to the Board's approval. Other emoluments including discretionary bonuses, are determined by the Board with reference to the Directors' duties, abilities, reputation and performance.

### INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

For the Group, maintaining trusting relationships with investors has always been paramount. The Board accordingly continues to engage with them regularly and to keep them apprised of its latest corporate and business developments in a timely manner.

Looking to the future, the Group will be taking steps to increase transparency with both investors and shareholders to strengthen its corporate governance in line with their best interests. As part of this initiative, additional visibility will be provided around strategic plans and approaches, with the aim of eliciting feedback and reaffirming the collective understanding of the Group's business, market activities and growth opportunities.

### 僱員及薪酬政策 (續)

本集團截至二零二三年六月三十日止六個月的員工成本總額為約479.8百萬港元(二零二二年：493.8百萬港元)。員工薪酬組合包括基本薪金、強制性公積金、保險及其他合適福利。本集團僱員的薪酬乃由本集團高級管理人員參考市場標準、個人表現、經驗及其各自對本集團貢獻而定以留住能幹的員工。

本公司董事(「董事」)酬金由本公司薪酬委員會經考慮因素包括職責、背景、董事資格和經驗，並且有關本公司的經營業績、個別表現和可比較的市場數據而推薦建議及須經董事會批准。其他酬金(包括酌情花紅)由董事會參考董事的職務、能力、名聲及表現釐定。

### 投資者關係及與股東的溝通

對本集團而言，與投資者保持信任關係一直至關重要。因此，董事會將繼續定期與投資者接觸，並及時向彼等通報最新的公司及業務發展情況。

展望未來，本集團將採取措施增加本公司與投資者及股東之間的透明度，加強企業管治，以符合彼等的最大利益。作為該計劃的一部分，我們將圍繞策略計劃和方針提供更多可視性資料，以期獲得反饋並加強對本集團業務、市場活動及增長機會的共同了解。



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉

As at 30 June 2023, the interests or short positions of the Directors and chief executives of the Company ("Chief Executives") in the shares (the "Shares"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (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:

於二零二三年六月三十日，董事及本公司主要行政人員（「主要行政人員」）於本公司或其任何相聯法團（定義見《證券及期貨條例》（「證券及期貨條例」）第XV部）的股份（「股份」）、相關股份及債券中擁有本公司根據證券及期貨條例第352條須予存置的登記冊中所記錄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」）須另行知會本公司及香港聯合交易所有限公司（「聯交所」）的權益或淡倉如下：

Name of Director 董事姓名	Capacity/Nature of Interest 身份／權益性質	Long position (L)/ Short position (S) 好倉(L)／淡倉(S)	Total number of Shares interested 持有權益的股份總數	Approximate percentage of shareholding in the Company (Note 1) 佔本公司股權 概約百分比 (附註1)
Mr. Tu Jianhua 涂建華先生	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%

Notes:

附註：

- (1) As at 30 June 2023, the total number of issued Shares of the Company was 1,605,152,291 Shares.
- (2) The 978,383,181 Shares were held by the USUM Investment Group Hong Kong Limited ("USUMHK"), a company in which Mr. Tu Jianhua ("Mr. Tu") was indirectly interested. USUMHK was directly wholly owned by USUM Investment Group Limited ("USUM Group"), a limited liability company incorporated in the People's Republic of China ("PRC"). The single largest shareholder of USUM Group was Loncin Holdings Co., Ltd. ("Loncin Holdings"), with an equity interest in USUM Group of 53.29%. The remaining equity interests in USUM Group were held by 13 individuals and 27 companies, all of whom were independent third parties of Loncin Holdings and Mr. Tu, and they each held between 0.29% to 10% equity interests in USUM Group. Loncin Holdings was 98% owned by Loncin Group Co., Ltd. ("Loncin Group") and 2% owned by Mr. Tu. Loncin Group was 98% owned by Mr. Tu; 1% owned by Ms. Tu Jianmin and 1% owned by Ms. Tu Jianrong, both being sisters of Mr. Tu. USUMHK held 978,383,181 Shares as at 30 June 2023. Therefore, Mr. Tu was deemed to be interested in the Shares held by USUMHK pursuant to the SFO.

- (1) 於二零二三年六月三十日，本公司已發行股份總數為1,605,152,291股股份。
- (2) 978,383,181股股份乃由渝商投資集團（香港）有限公司（「渝商香港」）持有，渝商香港為一間由涂建華先生（「涂先生」）間接擁有權益的公司。渝商香港由渝商投資集團股份有限公司（「渝商集團」）直接全資擁有，渝商集團為一間於中華人民共和國（「中國」）註冊成立之有限公司。渝商集團的最大單一股東為隆鑫控股有限公司（「隆鑫控股」），其於渝商集團的股權為53.29%。渝商集團的餘下股權由13名個人及27間公司（均為獨立於隆鑫控股及涂先生的第三方）持有。該等個人及公司分別持有渝商集團0.29%至10%之股權。隆鑫控股分別由隆鑫集團有限公司（「隆鑫集團」）擁有98%及涂先生擁有2%。隆鑫集團由涂先生擁有98%，由涂建敏女士及涂建容女士（均為涂先生的姊妹）分別擁有1%。於二零二三年六月三十日，渝商香港持有978,383,181股股份。因此，根據證券及期貨條例，涂先生被視為於渝商香港持有的股份中擁有權益。

## Disclosure of Interests 權益披露

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION (continued)

Save as disclosed above, as at 30 June 2023, none of the Directors and Chief Executives had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 June 2023, the interests and short positions of the persons, other than the Directors and Chief Executives, in the Shares and underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉 (續)

除上文所披露者外，於二零二三年六月三十日，董事及主要行政人員概無於本公司或其任何相聯法團之股份、相關股份或債券中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所（包括根據證券及期貨條例有關條文規定，彼等被當作或視作擁有之權益或淡倉）；或本公司根據證券及期貨條例第352條須予存置之登記冊中所記錄；或根據標準守則須知會本公司及聯交所之任何權益或淡倉。

主要股東於本公司的股份及相關股份的權益及淡倉

於二零二三年六月三十日，除董事及主要行政人員外，以下人士於本公司股份及相關股份中擁有根據證券及期貨條例第336條須予存置之登記冊中所記錄的權益及淡倉如下：

Name of Substantial Shareholder 主要股東名稱/姓名	Capacity/Nature of Interest 身份/權益性質	Long position (L)/ Short position (S) 好倉(L)/淡倉(S)	Total number of Shares interested 持有權益的股份總數	Approximate percentage of Shareholding in the Company (Note 1) 佔本公司股權 概約百分比 (附註1)
USUM Investment Group Hong Kong Limited 渝商投資集團(香港)有限公司	Beneficial owner 實益擁有人	L	978,383,181 (Note 2) (附註2)	60.95%
USUM Investment Group Limited 渝商投資集團股份有限公司	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%
Loncin Holdings Co., Ltd. 隆鑫控股有限公司	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%
Loncin Group Co., Ltd. 隆鑫集團有限公司	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%
Mr. Tu Jianhua 涂建華先生	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%
Tai Security Holding Limited	Beneficial owner 實益擁有人	L	98,773,990 (Note 3) (附註3)	6.15%

## Disclosure of Interests 權益披露

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

### 主要股東於本公司的股份及相關股份的權益及淡倉 (續)

Name of Substantial Shareholder 主要股東名稱/姓名	Capacity/Nature of Interest 身份/權益性質	Long position (L)/ Short position (S) 好倉(L)/淡倉(S)	Total number of Shares interested 持有權益的股份總數	Approximate percentage of Shareholding in the Company (Note 1) 佔本公司股權 概約百分比 (附註1)
Good Union Hong Kong Investment Limited 星滙香港投資有限公司	Beneficial owner 實益擁有人	L	44,700,000 (Note 4) (附註4)	2.79%
Mr. Zhang Mingjie 張明杰先生	Interest in controlled corporations 於受控制法團之權益	L	143,473,990 (Notes 3 & 4) (附註3及4)	8.94%
Notes:		附註:		
(1)	As at 30 June 2023, the total number of issued Shares of the Company was 1,605,152,291 Shares.	(1)	於二零二三年六月三十日，本公司已發行股份總數為1,605,152,291股股份。	
(2)	The 978,383,181 Shares were held by the USUMHK, a company in which Mr. Tu was indirectly interested. USUMHK was directly wholly owned by USUM Group, a limited liability company incorporated in the PRC. The single largest shareholder of USUM Group was Loncin Holdings, with an equity interest in USUM Group of 53.29%. The remaining equity interests in USUM Group were held by 13 individuals and 27 companies, all of whom were independent third parties of Loncin Holdings and Mr. Tu, and they each held between 0.29% to 10% equity interests in USUM Group. Loncin Holdings was 98% owned by Loncin Group and 2% owned by Mr. Tu. Loncin Group was 98% owned by Mr. Tu; 1% owned by Ms. Tu Jianmin and 1% owned by Ms. Tu Jianrong, both being sisters of Mr. Tu. USUMHK held 978,383,181 Shares as at 30 June 2023. Therefore, Mr. Tu was deemed to be interested in the Shares held by USUMHK pursuant to the SFO.	(2)	978,383,181股股份乃由滙商香港持有，滙商香港為一間由涂先生間接擁有權益的公司。滙商香港由滙商集團直接全資擁有，滙商集團為一間於中國註冊成立之有限公司。滙商集團的最大單一股東為隆鑫控股，其於滙商集團的股權為53.29%。滙商集團的餘下股權由13名個人及27間公司（均為獨立於隆鑫控股及涂先生的第三方）持有。該等個人及公司分別持有滙商集團0.29%至10%之股權。隆鑫控股分別由隆鑫集團擁有98%及涂先生擁有2%。隆鑫集團由涂先生擁有98%，由涂建敏女士及涂建容女士（均為涂先生的姊妹）分別擁有1%。於二零二三年六月三十日，滙商香港持有978,383,181股股份。因此，根據證券及期貨條例，涂先生被視為於滙商香港持有的股份中擁有權益。	
(3)	The 98,773,990 Shares were held by Tai Security Holding Limited ("Tai Security") as beneficial owner and Tai Security was directly wholly-owned by Mr. Zhang Mingjie ("Mr. Zhang") as at 30 June 2023. Therefore, Mr. Zhang was deemed to be interested in the same number of Shares as held by Tai Security pursuant to the SFO.	(3)	於二零二三年六月三十日，Tai Security Holding Limited (「Tai Security」) 作為實益擁有人持有98,773,990股股份，而Tai Security由張明杰先生（「張先生」）直接全資擁有。因此，根據證券及期貨條例，張先生被視為於Tai Security持有的相同股份數目中擁有權益。	
(4)	The 44,700,000 Shares were held by Good Union Hong Kong Investment Limited ("Good Union") as beneficial owner and Good Union was directly wholly-owned by Mr. Zhang as at the 30 June 2023. Therefore, Mr. Zhang was deemed to be interested in the same number of Shares as held by Good Union pursuant to the SFO.	(4)	於二零二三年六月三十日，星滙香港投資有限公司（「星滙」）作為實益擁有人持有44,700,000股股份，而星滙由張先生直接全資擁有。因此，根據證券及期貨條例，張先生被視為於星滙持有的相同股份數目中擁有權益。	

Save as disclosed above, as at 30 June 2023, the Company had not been notified by any persons (other than the Directors and Chief Executives) who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company 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 pursuant to Section 336 of the SFO.

除上文所披露者外，於二零二三年六月三十日，本公司並不知悉任何人士（董事及主要行政人員除外）於本公司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分部條文規定須向本公司披露的權益或淡倉，或本公司根據證券及期貨條例第336條須予存置之登記冊中所記錄的權益或淡倉。

## Corporate Governance and Other Information 企業管治及其他資料

### CHANGES IN DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to the disclosure requirement under Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors are set out below:

Mr. Tu Jianhua's term of office as a Member of the National Committee of the 13th Chinese People's Political Consultative Conference, a Standing Committee Member of the Executive Committee of the 12th All China Federation of Industry & Commerce (全國工商聯), the president of Chongqing City Industry and Commerce Federation (重慶市工商聯), the President of Chongqing City General Chamber of Commerce (重慶市總商會), the president of Chongqing City Technology Equipment Industry Chamber of Commerce (重慶市科技裝備業商會), the vice president of Chongqing City Charity Federation (重慶市慈善總會) and the vice president of Chongqing City Private Entrepreneurs Confederation (重慶市民營企業家聯合會) was expired in March 2023.

Mr. Wang Li has resigned as an executive director of Millennium Pacific Group Holdings Limited (whose shares are listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8147)) with effect from 10 May 2023.

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company recognises the importance of corporate transparency and accountability and is committed to achieving a high standard of corporate governance. Throughout the six months ended 30 June 2023, the Company has complied with all the applicable code provisions in Part 2 of the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules, save and except as explained below:

#### C.2.1

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Li Linhui was appointed as the chairman of the Board (the "Chairman") and took up the responsibilities of the chief executive officer of the Company ("CEO") on 13 December 2021.

Vesting the roles of both acting Chairman and CEO in the same person was a temporary measure due to the vacancies of the position of Chairman or CEO. The Directors considered that the arrangement would not impair the balance of power and authority considering the background and experience of the Directors and the number of independent non-executive Directors on the Board. Accordingly, the Directors considered that the temporary deviation from provision C.2.1 of the CG Code was appropriate in such circumstances.

### 按上市規則第13.51B(1)條規定的 董事資料變更

根據上市規則第13.51B(1)條的披露要求，董事資料變更如下：

涂建華先生擔任第十三屆全國政協委員、第十二屆全國工商聯執行委員會常務委員、重慶市工商聯主席、重慶市總商會會長、重慶市科技裝備業商會會長、重慶市慈善總會副會長及重慶市民營企業家聯合會副會長的任期已於二零二三年三月屆滿。

王歷先生辭任為匯思太平洋集團控股有限公司（其股份於聯交所創業板上市（股份代號：8147））之執行董事，自二零二三年五月十日起生效。

### 遵守企業管治守則

本公司深知企業透明度及問責制之重要，並致力於實現高標準企業管治。截至二零二三年六月三十日止六個月，本公司已遵守上市規則附錄十四所載《企業管治守則》（「企業管治守則」）第2部分的所有適用的守則條文，惟以下所述例外情況除外：

#### C.2.1

根據企業管治守則之守則條文第C.2.1條，主席與行政總裁的角色應有所區分，並不應由一人同時兼任。

李林輝先生於二零二一年十二月十三日獲委任為董事會主席（「主席」），並承擔本公司行政總裁（「行政總裁」）的職責。

由於主席及行政總裁職位空缺，由同一人同時擔任主席及行政總裁乃屬暫時舉措。考慮到董事的背景和經驗及董事會中獨立非執行董事的人數，董事認為此安排不會損害權力和權限的平衡。因此，董事認為在此情況下暫時偏離企業管治守則條文第C.2.1條屬恰當。



## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (continued)

With effect from 21 March 2023, Mr. Li Linhui has resigned as an executive Director. He has ceased to be the chairman of the Board and has ceased to assume the responsibilities of chief executive officer of the Company. Mr. Qin Yongming has been appointed as an executive Director and the chairman of the Board. Mr. Zhang Wei has been appointed as an executive Director and the chief executive officer of the Company. Given that the roles of chairman of the Board and chief executive officer are now separate and are no longer performed by the same individual, as at the date of this interim report, the Company complies with all the applicable code provisions of the CG Code.

The Company will, from time to time, review the effectiveness of the Group's corporate governance structure and consider whether any changes are necessary.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions by Directors. All Directors have confirmed, following the specific enquiries made by the Company, that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2023.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2023.

## INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2023.

## 遵守企業管治守則 (續)

自二零二三年三月二十一日起，李林輝先生已辭任執行董事。彼不再擔任董事會主席，以及停止承擔本公司行政總裁之職責。秦永明先生已獲委任為執行董事及董事會主席。張偉先生已獲委任為執行董事和本公司行政總裁。鑒於董事會主席與行政總裁之角色現已分開，且不再由同一個人擔任，截至本中報告日期，本公司遵守企業管治守則的所有適用守則條文。

本公司將不時審閱本集團企業管治架構之效能及考慮是否需要作出任何修改。

## 遵守上市發行人董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」）作為董事進行董事證券交易之行為守則。經本公司作出特定查詢後，所有董事已確認，於截至二零二三年六月三十日止六個月內彼等均一直遵守標準守則所載之規定準則。

## 購買、出售或贖回本公司上市證券

截至二零二三年六月三十日止六個月，本公司或其任何子公司均無購買、出售或贖回本公司的任何上市證券。

## 中期股息

董事會不建議派付截至二零二三年六月三十日止六個月的中期股息。

## Corporate Governance and Other Information 企業管治及其他資料

### SIGNIFICANT EVENTS

Save as disclosed in this interim report, the Company and any of its subsidiaries did not have any significant events after 30 June 2023.

### REVIEW OF INTERIM REPORT

The audit committee has reviewed the accounting principles and practices adopted by the Group and discussed the financial matters, including reviewed and approved of the Group's unaudited condensed consolidated results for the six months ended 30 June 2023 and this interim report. The audit committee has also reviewed the effectiveness of risk management and internal control system of the Group, and considered the risk management and internal control system to be effective and adequate.

### 重大事件

除本中期報告所披露者外，本公司及其任何子公司於二零二三年六月三十日後並無發生任何重大事件。

### 中期報告審閱

審核委員會已審閱本集團採納之會計原則及慣例，並討論財務事宜，包括審閱及批准本集團截至二零二三年六月三十日止六個月之未經審核簡明綜合業績及本中期報告。審核委員會亦已審閱本集團風險管理及內部監控系統之有效性，並認為該風險管理及內部監控系統有效且充足。

## Condensed Consolidated Statement of Profit or Loss

### 簡明綜合損益表

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元 (Unaudited) (未經審核)	2022 二零二二年 HK\$M 百萬港元 (Unaudited) (未經審核)
		Notes 附註	
Revenue	收益	6	8,821.7
Cost of sales	銷售成本		(8,260.4)
Gross profit	毛利		561.3
Other income	其他收入		49.6
Other gains, net	其他收益淨額	7	4.4
Impairments on non-financial assets	非金融資產減值	7	(0.4)
Reversal of/(provision for) impairments on financial assets, net	金融資產減值撥回/(撥備)淨額		21.0
Distribution and selling expenses	分銷及銷售開支		(23.1)
Administrative expenses	行政開支		(461.7)
			151.1
Finance income	財務收入	8	1.9
Finance costs	財務成本	8	(95.2)
Finance costs, net	財務成本淨額		(93.3)
Share of post-tax profit/(loss) of an associate	應佔聯營公司除稅後溢利/(虧損)		0.5
Share of post-tax profit of joint ventures	應佔合營企業除稅後溢利		42.4
Profit before income tax	除所得稅前溢利		100.7
Income tax expense	所得稅開支	10	(50.5)
Profit for the period	期內溢利	9	50.2
Profit/(loss) attributable to: Shareholders of the Company	以下各方應佔溢利/(虧損): 本公司股東		53.2
Non-controlling interests	非控股權益		(3.0)
			50.2
Earnings per share attributable to shareholders of the Company for the period (expressed in HK\$ per share)	本公司股東應佔期內每股盈利 (以每股港元列示)		
Basic earnings per share	每股基本盈利	12	0.03
Diluted earnings per share	每股攤薄盈利	12	0.03

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

上述簡明綜合損益表應與隨附的附註一併閱讀。

# Condensed Consolidated Statement of Comprehensive Income

## 簡明綜合全面收益表

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元 (Unaudited) (未經審核)	2022 二零二二年 HK\$M 百萬港元 (Unaudited) (未經審核)
Profit for the period	期內溢利	50.2	185.4
<b>Other comprehensive income/(loss)</b>	<b>其他全面收入／(虧損)</b>		
<i>Item that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益之項目：</i>		
Currency translation differences	匯兌差額	78.3	(390.1)
<i>Items that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益之項目：</i>		
Change in fair value of financial assets at fair value through other comprehensive income, net of tax	按公平值計入其他全面收益之金融資產公允價值變動，扣除稅項	(0.2)	–
Share of other comprehensive profit/(loss) of joint ventures	應佔合營企業之其他全面溢利／(虧損)	0.6	(0.3)
Other comprehensive income/(loss) for the period	期內其他全面收入／(虧損)	78.7	(390.4)
Total comprehensive income/(loss) for the period	期內全面收入／(虧損) 總額	128.9	(205.0)
<b>Total comprehensive income/(loss) for the period attributable to:</b>	<b>以下各方應佔期內全面收入／(虧損) 總額：</b>		
Shareholders of the Company	本公司股東	134.6	(185.8)
Non-controlling interests	非控股權益	(5.7)	(19.2)
		128.9	(205.0)

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述簡明綜合全面收益表應與隨附的附註一併閱讀。

## Condensed Consolidated Balance Sheet

### 簡明綜合資產負債表

		Notes	At 30 June 2023 於二零二三年 六月三十日 HK\$M 百萬港元 (Unaudited) (未經審核)	At 31 December 2022 於二零二二年 十二月三十一日 HK\$M 百萬港元 (Audited) (經審核)
		附註		
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	2,265.4	2,202.6
Right-of-use assets	使用權資產		597.7	618.0
Investment properties	投資物業		50.7	54.3
Intangible assets	無形資產		790.8	786.1
Investments accounted for using the equity method	使用權益法入賬之投資		759.3	710.7
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產		0.9	0.8
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產		86.8	84.8
Other non-current assets	其他非流動資產	14	8.2	10.8
Deferred income tax assets	遞延所得稅資產		92.6	52.5
			<b>4,652.4</b>	4,520.6
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨		1,454.1	1,323.7
Trade, bills and other receivables	貿易、票據及其他應收款項	14	2,135.7	1,640.3
Amounts due from related parties	應收關聯方款項	20	102.1	82.7
Derivative financial instruments	衍生金融工具		24.6	17.1
Tax recoverable	可退回稅項		32.7	31.9
Pledged bank deposits and restricted bank deposits	已抵押銀行存款及受限制銀行存款		6.5	52.3
Cash and cash equivalents	現金及現金等值項目		351.1	713.7
			<b>4,106.8</b>	3,861.7
Assets held for sale	持作出售資產	21	57.2	190.7
			<b>4,164.0</b>	4,052.4
<b>Total assets</b>	<b>資產總值</b>		<b>8,816.4</b>	8,573.0

## Condensed Consolidated Balance Sheet

### 簡明綜合資產負債表

			<b>At 30 June 2023</b> 於二零二三年 六月三十日 <b>HK\$M</b> 百萬港元 <b>(Unaudited)</b> (未經審核)	At 31 December 2022 於二零二二年 十二月三十一日 <b>HK\$M</b> 百萬港元 <b>(Audited)</b> (經審核)
		Notes 附註		
<b>EQUITY AND LIABILITIES</b>	<b>權益及負債</b>			
<b>Equity attributable to shareholders of the Company</b>	<b>本公司股東應佔權益</b>			
Share capital	股本	15	<b>16.1</b>	16.1
Other reserves	其他儲備		<b>6,471.3</b>	6,389.9
Accumulated losses	累計虧損		<b>(1,528.6)</b>	(1,581.8)
			<b>4,958.8</b>	4,824.2
Non-controlling interests	非控股權益		<b>(49.2)</b>	(43.5)
<b>Total equity</b>	<b>總權益</b>		<b>4,909.6</b>	4,780.7
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Borrowings	借款	16	<b>127.2</b>	111.3
Lease liabilities	租賃負債		<b>212.5</b>	192.1
Retirement benefit obligations	退休福利責任		<b>11.4</b>	11.1
Other payables	其他應付款項	17	<b>128.3</b>	98.8
Deferred income tax liabilities	遞延所得稅負債		<b>319.4</b>	281.0
			<b>798.8</b>	694.3
<b>Current liabilities</b>	<b>流動負債</b>			
Trade, bills and other payables	貿易、票據及其他應付款項	17	<b>2,073.8</b>	1,778.3
Current income tax liabilities	即期所得稅負債		<b>48.7</b>	85.5
Borrowings	借款	16	<b>801.6</b>	1,030.8
Lease liabilities	租賃負債		<b>106.4</b>	119.9
Amounts due to related parties	應付關聯方款項	20	<b>63.2</b>	68.4
Derivative financial instruments	衍生金融工具		<b>14.3</b>	15.1
			<b>3,108.0</b>	3,098.0
<b>Total liabilities</b>	<b>負債總額</b>		<b>3,906.8</b>	3,792.3
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		<b>8,816.4</b>	8,573.0

The above condensed consolidated statement of balance sheet should be read in conjunction with the accompanying notes.

上述簡明綜合資產負債表應與隨附的附註一併閱讀。

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

Unaudited  
未經審核

Attributable to shareholders of the Company  
本公司股東應佔

		Share capital	Share premium	Capital redemption reserve	Capital reserve	Statutory general reserve	Enterprise expansion fund	Re-measurement of financial assets	Re-measurement of pension plans	Foreign currency translation reserve	Accumulated losses	Sub-total	Non-controlling interest	Total equity
		股本	股份溢價	股本贖回儲備	股本儲備	法定一般儲備	企業發展基金	重新計量金融資產	重新計量退休金計劃	外幣匯兌儲備	累計虧損	小計	非控股權益	總權益
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
					(Note i) (附註i)	(Note ii) (附註ii)	(Note ii) (附註ii)							
At 1 January 2022	於二零二二年一月一日	16.1	5,911.9	0.3	221.4	107.1	107.1	(3.9)	(1.3)	361.5	(1,846.3)	4,873.9	(14.4)	4,859.5
Comprehensive income/(loss) for the period	全面收益/(虧損) 期內溢利/(虧損)	-	-	-	-	-	-	-	-	-	199.5	199.5	(14.1)	185.4
Total other comprehensive loss for the period, net of tax	期內其他全面虧損總額，扣除稅項	-	-	-	-	-	-	-	-	(385.0)	-	(385.0)	(5.1)	(390.1)
Currency translation differences	匯兌差額	-	-	-	-	-	-	-	-	(385.0)	-	(385.0)	(5.1)	(390.1)
Share of other comprehensive loss of joint ventures	應佔合營企業之其他全面虧損	-	-	-	-	-	-	-	(0.3)	-	-	(0.3)	-	(0.3)
		-	-	-	-	-	-	-	(0.3)	(385.0)	-	(385.3)	(5.1)	(390.4)
Total comprehensive (loss)/income for the period, net of tax	期內全面(虧損)/收益總額，扣除稅項	-	-	-	-	-	-	-	(0.3)	(385.0)	199.5	(185.8)	(19.2)	(205.0)
Transactions with shareholders in their capacity as shareholders	與股東(以股東身份)進行之交易	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions from non-controlling interests	非控股權益之注資	-	-	-	-	-	-	-	-	-	-	-	5.7	5.7
At 30 June 2022 (unaudited)	於二零二二年六月三十日 (未經審核)	16.1	5,911.9	0.3	221.4	107.1	107.1	(3.9)	(1.6)	(23.5)	(1,646.8)	4,688.1	(27.9)	4,660.2

## Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表

Unaudited  
未經審核

Attributable to shareholders of the Company  
本公司股東應佔

		Share capital	Share premium	Capital redemption reserve	Capital reserve	Statutory general reserve	Enterprise expansion fund	Re-measurement of financial assets	Re-measurement of pension plans	Foreign currency translation reserve	Accumulated losses	Sub-total	Non-controlling interest	Total equity
		股本	股份溢價	股本贖回儲備	股本儲備	法定一般儲備	企業發展基金	重新計量金融資產	重新計量退休金計劃	外幣匯兌儲備	累計虧損	小計	非控股權益	總權益
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
					(Note i) (附註i)	(Note ii) (附註ii)	(Note ii) (附註ii)							
At 1 January 2023	於二零二三年一月一日	16.1	5,911.9	0.3	221.4	107.1	107.1	(6.5)	3.3	45.3	(1,581.8)	4,824.2	(43.5)	4,780.7
Comprehensive income/(loss) for the period	全面收益/(虧損)期內溢利/(虧損)	-	-	-	-	-	-	-	-	-	53.2	53.2	(3.0)	50.2
Total other comprehensive loss for the period, net of tax	期內其他全面虧損總額，扣除稅項	-	-	-	-	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Change in fair value of financial assets at fair value through other comprehensive income, net of tax	按公平值計入其他全面收益之金融資產公允價值變動，扣除稅項	-	-	-	-	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Shares of other comprehensive income of joint venture	應佔合營企業之其他全面收益	-	-	-	-	-	-	-	0.6	-	-	0.6	-	0.6
Currency translation differences	匯兌差額	-	-	-	-	-	-	-	-	81.0	-	81.0	(2.7)	78.3
		-	-	-	-	-	-	(0.2)	0.6	81.0	-	81.4	(2.7)	78.7
Total comprehensive (loss)/income for the period, net of tax	期內全面(虧損)/收益總額，扣除稅項	-	-	-	-	-	-	(0.2)	0.6	81.0	53.2	134.6	(5.7)	128.9
At 30 June 2023 (unaudited)	於二零二三年六月三十日(未經審核)	16.1	5,911.9	0.3	221.4	107.1	107.1	(6.7)	3.9	126.3	(1,528.6)	4,958.8	(49.2)	4,909.6

Notes:

- (i) Capital reserve represents the sum of (a) the difference between the nominal value of the aggregate share capital and share premium of the subsidiaries acquired by the Company upon a group reorganisation in 2008 and the nominal value of the Company's shares issued in exchange and (b) a capitalisation of shareholders' loans in 2010.
- (ii) Statutory general reserve and enterprise expansion fund represent the appropriation of 10% of profit after tax determined based on the relevant accounting rules and regulations of the PRC as required by the Articles of Association of the Company's PRC subsidiaries. The appropriation may cease to apply if the balance of the statutory general reserve and enterprise expansion fund has reached 50% of the PRC subsidiaries' registered capital. The statutory general reserve and enterprise expansion fund can be used to make up prior year losses or to increase share capital.

附註：

- (i) 股本儲備指(a)本公司於二零零八年集團重組時所收購子公司股本及股份溢價總額之面值與本公司交換股權所發行股份之面值之差額及(b)二零一零年資本化股東貸款之總和。
- (ii) 本公司中國子公司的組織章程細則規定，須根據中國相關會計規則及法規釐定將除稅後溢利10%撥入法定一般儲備及企業發展基金。倘法定一般儲備及企業發展基金餘額達中國子公司註冊資本的50%，則可終止撥備。法定一般儲備及企業發展基金可用於彌補過往年度虧損或增加股本。

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述簡明綜合權益變動表應與隨附的附註一併閱讀。



## Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元 (Unaudited) (未經審核)	2022 二零二二年 HK\$M 百萬港元 (Unaudited) (未經審核)
<b>Cash flows from operating activities</b>	<b>經營活動所得現金流</b>		
Cash generated from operations before changes in working capital	經營所得現金 (營運資金變動前)	353.1	547.3
Changes in working capital	營運資金變動	<b>(310.2)</b>	(534.5)
<b>Cash generated from operations</b>	<b>經營所得現金</b>	<b>42.9</b>	12.8
Interest paid	已付利息	<b>(117.4)</b>	(120.3)
Tax paid, net	已支付稅項淨額	<b>(85.8)</b>	(197.1)
<b>Net cash used in operating activities</b>	<b>經營活動所用現金淨額</b>	<b>(160.3)</b>	(304.6)
<b>Cash flows from investing activities</b>	<b>投資活動所得現金流</b>		
Purchases of property, plant and equipment and intangible assets	購置物業、廠房及設備以及無形資產	<b>(152.5)</b>	(118.7)
Investment in financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產之投資	<b>(0.2)</b>	-
Proceeds from disposals of property, plant and equipment, right-of-use assets and intangible assets	出售物業、廠房及設備、使用權資產以及無形資產之所得款項	<b>48.2</b>	26.5
Placement of pledged bank deposits	存入已抵押銀行存款	<b>(0.2)</b>	(22.7)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	<b>46.0</b>	36.2
Dividends received from joint ventures	已收合營企業股息	<b>10.6</b>	38.7
Other dividends received	已收其他股息	<b>0.7</b>	5.7
Proceeds from disposals of assets held for sale	出售持作出售資產之所得款項	<b>138.5</b>	179.7
Interest received	已收利息	<b>2.0</b>	2.3
<b>Net cash generated from investing activities</b>	<b>投資活動所得現金淨額</b>	<b>93.1</b>	147.7

## Condensed Consolidated Statement of Cash Flows

### 簡明綜合現金流量表

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元 (Unaudited) (未經審核)	2022 二零二二年 HK\$M 百萬港元 (Unaudited) (未經審核)
<b>Cash flows from financing activities</b>	<b>融資活動所得現金流</b>		
Proceeds from bank borrowings	銀行借款之所得款項	98.4	205.5
Proceeds from other borrowings	其他借款之所得款項	–	57.9
Repayments of bank borrowings	償還銀行借款	(29.4)	(143.7)
Repayments of other borrowings	償還其他借款	(260.1)	(310.3)
Repayment of lease liabilities	償還租賃負債	(91.7)	(95.8)
Contributions from non-controlling interests	非控股權益注資	–	5.7
<b>Net cash used in financing activities</b>	<b>融資活動所用現金淨額</b>	<b>(282.8)</b>	(280.7)
Cash and cash equivalents at beginning of the period	期初之現金及現金等值項目	713.7	782.3
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(350.0)	(437.6)
Exchange differences on cash and cash equivalents	現金及現金等值項目之匯兌差額	(12.6)	(29.4)
<b>Cash and cash equivalents at end of the period</b>	<b>期末之現金及現金等值項目</b>	<b>351.1</b>	315.3

# Notes to the Condensed Consolidated Financial Information

## 簡明綜合財務資料附註

### 1 GENERAL INFORMATION

Chiho Environmental Group Limited (“the Company”) is an investment holding company. The Company and its subsidiaries (together “the Group”) are mainly engaged in the principal business of resources recycling, involving recycling of mixed metal, end-of-life vehicle (“ELV”), waste electrical and electronic equipment (“WEEE”), wasted oil and Zorba in Asia, Europe and North America.

The Company is incorporated and registered as an exempted company in the Cayman Islands under the Companies Law of the Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in Hong Kong Dollar (“HK\$”), unless otherwise stated.

Significant events and transactions incurred in the current interim period has been disclosed in the Management Discussion and Analysis section in the Interim Report 2023.

### 2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2023 has been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”), ‘Interim Financial Reporting’ issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2022, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

### 1 一般資料

齊合環保集團有限公司(「本公司」)為投資控股公司。本公司及其子公司(統稱「本集團」)主要於亞洲、歐洲及北美洲從事資源再生業務，涉及回收混合金屬、報廢汽車、廢電器電子產品、廢油及破碎鋁料(Zorba)。

本公司根據開曼群島公司法於開曼群島註冊成立及註冊為獲豁免有限公司。其註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司以香港聯合交易所有限公司為第一上市地。

除另有所指外，本簡明綜合中期財務資料以港元(「港元」)呈列。

本中期期間發生的重大事項及交易已於二零二三年中期報告的管理層討論及分析一節披露。

### 2 編製基準

截至二零二三年六月三十日止六個月的本簡明綜合中期財務資料乃按照香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號(「香港會計準則第34號」)「中期財務報告」而編製。簡明綜合中期財務資料應與根據香港財務報告準則(「香港財務報告準則」)編製的截至二零二二年十二月三十一日止年度的年度綜合財務報表一併閱讀。

## Notes to the Condensed Consolidated Financial Information

### 簡明綜合財務資料附註

## 2 BASIS OF PREPARATION (continued)

### 2.1.1 Going concern basis

As at 30 June 2023, the Group had total borrowings of HK\$928.8 million of which HK\$801.6 million are current borrowings. The current borrowings as at 30 June 2023 included a secured syndicated term loan (the "Syndicated Term Loan") with an outstanding principal balance of HK\$484.3 million of which HK\$92.5 million are repayable on 30 September 2023 and HK\$391.8 million are repayable on 30 March 2024, respectively.

As at 30 June 2023, the cash and cash equivalents held by the Group was amounting to HK\$351.1 million.

The above conditions indicated the existence of a material uncertainty with respect to going concern. In view of such circumstance, the Directors have given careful consideration to the future liquidity and performance of the Group, taking into account the potential or unforeseeable impact arising from the current global economic situation resulting in fluctuation of metal commodity prices, and its available sources of financing to mitigate the liquidity pressure and to further improve its financial position which include, but not limited to, the following:

- (i) The Group plans to finance the repayment of the remaining Syndicated Term Loan through financial and operational measures as mentioned in (ii) to (v) below. The Group will continue to monitor its compliance with the undertaking requirements of the Syndicated Term Loan. The Directors expect the Group would be in compliance throughout the remaining term of the Syndicated Term Loan.

## 2 編製基準 (續)

### 2.1.1 持續經營基準

於二零二三年六月三十日，本集團的借款總額為928.8百萬港元，其中801.6百萬港元為流動借款。於二零二三年六月三十日之流動借款包括尚未償還之本金結餘為484.3百萬港元之有抵押銀團定期貸款（「銀團定期貸款」），其中92.5百萬港元及391.8百萬港元須分別於二零二三年九月三十日及二零二四年三月三十日償還。

於二零二三年六月三十日，本集團的現金及現金等值項目為351.1百萬港元。

上述情況顯示存在有關持續經營基準之重大不確定性。鑒於該等情況，董事已審慎考慮本集團的未來流動資金及表現，並計及因全球經濟狀況而產生的金屬商品價格波動產生的潛在或不可預見影響以及其可動用的融資來源，以減輕流動資金壓力及進一步改善其財務狀況包括（但不限於）以下各項：

- (i) 本集團計劃透過下文(ii)至(v)項所述的財務及經營措施為銀團定期貸款的餘下分期還款撥付資金。本集團將繼續監察其對銀團定期貸款承擔要求的遵守情況。董事預計，本集團將在銀團定期貸款的剩餘期限內保持遵守狀態。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 2 BASIS OF PREPARATION (continued)

#### 2.1.1 Going concern basis (continued)

- (ii) The Group is in negotiation with various Asian and European financial institutions for a new secured long-term borrowing with a principal amount of no less than HK\$783.6 million. The Group has short-listed two proposed term sheets for further review and negotiation but has not entered into any binding agreement with the financial institutions as of the date of approval of these condensed consolidated interim financial statements. The Directors are confident that the new long-term borrowing will be obtained in due course.
- (iii) The Group maintains continuous communication with other banks and the Directors believe that the existing other borrowings available to the Group, amounting to approximately HK\$254.8 million as at 30 June 2023, will be successfully renewed with the same terms after expirations.
- (iv) The Group continues its efforts to implement measures in Europe to generate cash flow from operations including further control capital and operating expenditures and speed up the sales of inventories and the collection of outstanding trade receivables to strength its working capital.
- (v) The Group is actively looking for other sources of financing including other debt or equity financing to enhance the capital structure and reduce the overall financing expenses.

The Directors have assessed the Group's cash flow projection covering a period of not less than twelve months from 30 June 2023. They are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of the condensed consolidated balance sheet. Accordingly, the Directors are satisfied that all these measures and actions are appropriate to prepare the Group's condensed consolidated financial statements on a going concern basis.

### 2 編製基準 (續)

#### 2.1.1 持續經營基準 (續)

- (ii) 本集團正與多家亞洲及歐洲金融機構磋商本金不少於783.6百萬港元的新有抵押長期借款。本集團已篩選出兩份建議條款清單作進一步審閱，但截至此等綜合財務報表批准日期，尚未與該等金融機構訂立任何具約束力的協議。董事有信心在適當時候獲得新的長期借款。
- (iii) 本集團與其他銀行持續保持溝通，而董事認為，於二零二三年六月三十日可供本集團使用的現有其他借款約254.8百萬港元將在到期後以相同的條款予以成功續期。
- (iv) 本集團繼續努力在歐洲實施措施以從營運中產生現金流，包括進一步控制資本和營運開支及加快存貨的銷售和收回尚未收回的貿易應收款項以加強其營運資金。
- (v) 本集團正在積極尋求其他融資來源，包括其他債務或股權融資，以改善資本結構並減少整體融資費用。

董事已評估本集團自二零二三年六月三十日起不少於十二個月期間之現金流量預測。彼等認為，本集團將有足夠的營運資金於簡明綜合資產負債表日期起十二個月內為其營運提供資金及履行其到期財務責任。因此，董事信納所有該等措施及行動以按持續經營基準編製本集團之簡明綜合財務報表乃屬適當。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 December 2022, as described in those annual consolidated financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of amendments to HKFRSs effective for the financial year ending 31 December 2023.

Amendments to HKFRSs effective for the financial year ending 31 December 2023 do not have a material impact on the Group.

### 4 ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2022.

### 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

#### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2022.

There have been no changes in the risk management policies since year ended 31 December 2022.

### 3 會計政策

採用的會計政策與截至二零二二年十二月三十一日止年度的年度綜合財務報表(如該等年度綜合財務報表所述)的會計政策一致,惟使用適用於預期年度總盈利的稅率估算所得稅以及採納截至二零二三年十二月三十一日止財政年度生效的香港財務報告準則的修訂除外。

於截至二零二三年十二月三十一日止財政年度生效之香港財務報告準則之修訂並無對本集團造成重大影響。

### 4 估計

管理層須於編製中期財務資料時作出影響會計政策之應用以及資產及負債、收入及支出之呈報金額之判斷、估計及假設。實際結果可能有別於該等估計。

管理層於編製此簡明綜合中期財務資料時就應用本集團之會計政策所作出重大判斷以及估計不明朗因素之主要來源,與截至二零二二年十二月三十一日止年度之年度綜合財務報表所應用者相同。

### 5 金融風險管理及金融工具

#### 5.1 金融風險因素

本集團的業務使本集團面對不同金融風險:市場風險(包括外匯風險、利率風險及價格風險)、信貸風險及流動資金風險。

中期簡明綜合財務資料並不包括年度綜合財務報表規定的所有金融風險管理資料及披露,並應與本集團於二零二二年十二月三十一日的年度綜合財務報表一併閱讀。

風險管理政策自截至二零二二年十二月三十一日止年度起並無變動。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

#### 5.2 Liquidity risk

Compared to year ended 31 December 2022, there was no material change in the contractual undiscounted cash outflows for financial liabilities except for the partial repayment of HK\$260.1 million of the Syndicated Term Loan.

#### 5.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 30 June 2023 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 5 金融風險管理及金融工具 (續)

#### 5.2 流動資金風險

與截至二零二二年十二月三十一日止年度相比，金融負債之合約未貼現現金流出並無重大變動，惟部分償還銀團定期貸款260.1百萬港元。

#### 5.3 公平值估計

下表分析本集團於二零二三年六月三十日按公平值列賬之金融工具，透過計量公平值所用之估值技術之輸入值層級劃分。有關輸入值在公平值層級內分為以下三個級別：

- 活躍市場上相同資產或負債的報價(未經調整)(第一級)。
- 除第一級所包括的報價外，資產或負債的可直接(即價格)或間接(即從價格得出)觀察所得輸入值(第二級)。
- 並非根據可觀察市場數據釐定的資產或負債輸入值(即不可觀察輸入值)(第三級)。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

#### 5.3 Fair value estimation (continued)

### 5 金融風險管理及金融工具 (續)

#### 5.3 公平值估計 (續)

Financial assets/(liabilities) 金融資產/(負債)	Fair value as at 於以下日期的公平值		Fair value hierarchy 公平值層級
	30 June 2023 二零二三年 六月三十日 HK\$M 百萬港元	31 December 2022 二零二二年 十二月三十一日 HK\$M 百萬港元	
1) Publicly traded metal commodities future contracts classified as derivative financial instruments in the condensed consolidated balance sheet 於簡明綜合資產負債表中分類為衍生金融工具之公開交易金屬商品期貨合約	6.3	(1.9)	Level 1 第一級
2) Metal commodities future contracts classified as derivative financial instruments in the condensed consolidated balance sheet 於簡明綜合資產負債表中分類為衍生金融工具之金屬商品期貨合約	16.6 (11.9)	6.1 (13.0)	Level 2 第二級
3) Foreign currency forward contracts classified as derivative financial instruments in the condensed consolidated balance sheet 於簡明綜合資產負債表中分類為衍生金融工具之外幣遠期合約	1.7 (2.4)	11.0 (0.2)	Level 2 第二級
4) Financial assets at fair value through profit or loss 按公平值計入損益之金融資產	0.9	0.8	Level 3 第三級
5) Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益之金融資產	86.8	84.8	Level 3 第三級



## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

#### 5.3 Fair value estimation (continued)

##### Financial instruments in level 1

The fair value of derivative financial instruments publicly traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the quoted bid commodity future price. These instruments are included in level 1 and comprise primarily metal commodities future contracts publicly traded in the London Metal Exchange.

##### Financial instruments in level 2

The Group's metal commodities future contracts represented the Group's derivative financial instruments which are included in level 2. The basis of fair value measurement and valuation technique of such derivative financial instruments are par method and taking actively traded future prices into account.

The Group's foreign currency forward contracts represented the Group's derivative financial instruments which are included in level 2. The basis of fair value measurement and valuation technique of such derivative financial instruments are discount cash flow method and present value of the future cash flows estimated based on forward exchange rates. The unobservable input is expected future cash flow, therefore lower cash flow results in lower present value.

##### Financial instruments in level 3

The Group's equity interests in unlisted entities represented the Group's financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss which are included in level 3. The basis of fair value measurement and valuation technique of such financial assets are discount cash flow method and present value of the estimated future cash flows of the investee entities. The unobservable input is expected future cash flow, therefore lower cash flow results in lower present value.

### 5 金融風險管理及金融工具 (續)

#### 5.3 公平值估計 (續)

##### 第一級金融工具

於活躍市場公開交易的衍生金融工具的公平值以資產負債表日的市場報價為基礎。若可以從交易所、交易商、經紀人、行業團體、定價服務或監管機構隨時獲得定期報價，則該市場被認為是活躍市場，且有關價格代表了公平交易的實際和定期發生的市場交易。本集團持有的金融資產所使用的市場報價為投標商品期貨的報價。該等工具屬於第一級，主要包括在倫敦金屬交易所公開交易的金屬商品期貨合約。

##### 第二級金融工具

本集團的金屬商品期貨合約代表本集團的衍生金融工具，屬於第二級。此類衍生金融工具的公平值計量和估值技術的基準為面值法，並考慮活躍交易的未來價格。

本集團的外幣遠期合約代表本集團的衍生金融工具，屬於第二級。此類衍生金融工具的公平值計量和估值技術的基準為折現現金流量法及根據遠期匯率估計的未來現金流的現值。不可觀察輸入值為預期未來現金流，因此現金流量減少會導致現值降低。

##### 第三級金融工具

本集團於非上市實體中的股權代表本集團按公平值計入其他全面收益之金融資產及按公平值計入損益之金融資產，屬於第三級。此類金融資產的公平值計量和估值技術的基準為折現現金流量法及被投資實體估計未來現金流的現值。不可觀察輸入值為預期未來現金流，因此現金流量減少會導致現值降低。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

#### 5.3 Fair value estimation (continued)

Fair value measurements recognised in the condensed consolidated balance sheet:

		Level 1 第一級 HK\$M 百萬港元	Level 2 第二級 HK\$M 百萬港元	Level 3 第三級 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
As at 30 June 2023	於二零二三年六月三十日				
<b>Assets</b>	<b>資產</b>				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	-	0.9	0.9
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	-	-	86.8	86.8
Hedging derivatives	對沖衍生工具				
- metal commodities futures	- 金屬商品期貨	6.3	16.6	-	22.9
Trading derivatives	交易衍生工具				
- foreign currency	- 外幣	-	1.7	-	1.7
<b>Liabilities</b>	<b>負債</b>				
Hedging derivatives	對沖衍生工具				
- metal commodities futures	- 金屬商品期貨	-	(11.9)	-	(11.9)
Trading derivatives	交易衍生工具				
- foreign currency	- 外幣	-	(2.4)	-	(2.4)
As at 31 December 2022	於二零二二年十二月三十一日				
<b>Assets</b>	<b>資產</b>				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	-	0.8	0.8
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	-	-	84.8	84.8
Hedging derivatives	對沖衍生工具				
- metal commodities futures	- 金屬商品期貨	-	6.1	-	6.1
Trading derivatives	交易衍生工具				
- foreign currency forwards	- 外幣遠期	-	11.0	-	11.0
<b>Liabilities</b>	<b>負債</b>				
Hedging derivatives	對沖衍生工具				
- metal commodities futures	- 金屬商品期貨	(1.9)	(13.0)	-	(14.9)
Trading derivatives	交易衍生工具				
- foreign currency forwards	- 外幣遠期	-	(0.2)	-	(0.2)

### 5 金融風險管理及金融工具 (續)

#### 5.3 公平值估計 (續)

於簡明綜合資產負債表確認的公平值計量：

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

#### 5.3 Fair value estimation (continued)

The following table presents the changes in level 3 instruments for the period ended 30 June 2023:

		Financial assets at fair value through profit or loss 按公平值計入 損益之 金融資產 HK\$M 百萬港元	Financial assets at fair value through other comprehensive income 按公平值計入 其他全面收益 之金融資產 HK\$M 百萬港元	Total  總計 HK\$M 百萬港元
As at 1 January 2023	於二零二三年一月一日	0.8	84.8	85.6
Additions	添置	0.1	0.1	0.2
Currency translation differences	匯兌差額	-	1.9	1.9
As at 30 June 2023	於二零二三年六月三十日	0.9	86.8	87.7

There were no transfers between the three levels during the period ended 30 June 2023. There were also no changes made to any of the valuation techniques applied as at 31 December 2022.

The management considers that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the condensed consolidated financial information approximate their fair values.

### 5 金融風險管理及金融工具 (續)

#### 5.3 公平值估計 (續)

下表載列截至二零二三年六月三十日止期間第三級工具的變動：

截至二零二三年六月三十日止期間，三個層級之間並無轉移。於二零二二年十二月三十一日所應用的估值技術亦無任何變動。

管理層認為，於簡明綜合財務資料內按攤銷成本計量的金融資產及金融負債的賬面值與其公平值相若。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 6 SEGMENT INFORMATION

The Group's revenue mainly represents the amounts received or receivable for the sales of recycled scraps, net of sales related taxes, during the period. The Group derives revenue mainly from transfer of these goods at a point in time.

The Group's Chief Operating Decision Maker ("CODM"), which has been identified as the Executive Committee that makes strategic decisions, assesses the Group's performance from geographic perspective and has identified three reportable segments of its business: Asia, Europe and North America. The operating segments are assessed based on the measure of segment profit. This measurement basis excludes the effects of non-operating gains/losses, such as impairments on non-financial assets, fair value gain/loss on trading derivative financial instruments, and gain/loss on disposals of assets held for sale, joint ventures, property, plant and equipment and right-of-use assets. The measure also excludes centralised costs such as the Group's key managements' remunerations and other central administrative expenses. Finance income, finance costs, income tax expenses and those unallocated income and expenses are not included in the result for each operating segment that is reviewed by the Group's CODM. Inter-segment sales are charged at prevailing market price.

Total segment assets exclude deferred income tax assets, tax recoverable, derivative financial instruments and cash and cash equivalents which are managed centrally. Information relating to segment liabilities is not disclosed as such information is not regularly reported to the CODM.

### 6 分部資料

本集團收益主要指期內銷售再生金屬之已收或應收款項，扣除銷售相關稅項。本集團主要於轉讓該等貨物的時間點產生收益。

本集團的主要營運決策者（「主要營運決策者」）（其已識別為作出戰略性決定之執行委員會）根據地理角度評估本集團的表現，並已確定三個可呈報分部業務：亞洲、歐洲及北美洲。經營分部根據分部溢利的計量方法作評估。此計量基礎不包括非經營收益／虧損的影響，例如非金融資產減值、交易性衍生金融工具之公平值收益／虧損及出售持作出售資產、合營企業、物業、廠房及設備以及使用權資產的收益／虧損。計量亦不包括中央成本，例如本集團主要管理層的薪酬及其他中央行政開支。財務收入、財務成本、所得稅開支及該等未分配收入及開支並不包括在本集團的主要營運決策者所審閱的各個經營分部的業績中。分部間銷售按當前市價收費。

總分部資產不包括集中管理的遞延所得稅資產、可退回稅項、衍生金融工具以及現金及現金等值項目。有關分部負債的資料並不披露，由於該等資料並非定期向主要營運決策者報告。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 6 SEGMENT INFORMATION (continued)

The following table presents revenue and segment profit information regarding the Group's reportable segments for the six months ended 30 June 2023 and 2022, respectively:

### 6 分部資料 (續)

下表分別載列有關本集團截至二零二三年及二零二二年六月三十日止六個月可呈報分部的收益及分部溢利的資料：

		For the six months ended 截至以下日期止六個月									
		30 June 2023 二零二三年六月三十日					30 June 2022 二零二二年六月三十日				
		Asia 亞洲 HK\$M 百萬港元	Europe 歐洲 HK\$M 百萬港元	North America 北美洲 HK\$M 百萬港元	Unallocated 未分配 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元	Asia 亞洲 HK\$M 百萬港元	Europe 歐洲 HK\$M 百萬港元	North America 北美洲 HK\$M 百萬港元	Unallocated 未分配 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
Revenue	收益										
Total segment revenue	分部收益總額	762.5	8,224.8	4.0	-	8,991.3	892.6	10,959.3	26.9	-	11,878.8
Inter-segment sales	分部間銷售	(83.5)	(86.1)	-	-	(169.6)	(3.8)	(49.0)	-	-	(52.8)
External sales	外部銷售	679.0	8,138.7	4.0	-	8,821.7	888.8	10,910.3	26.9	-	11,826.0
Segment (loss)/profit	分部(虧損)/溢利	(102.6)	337.4	(5.9)	(34.9)	194.0	(64.0)	425.7	26.9	13.5	402.1
Finance income	財務收入					1.9					2.5
Finance costs	財務成本					(95.2)					(103.5)
Profit before income tax	除所得稅前溢利					100.7					301.1
Income tax expense	所得稅開支					(50.5)					(115.7)
Profit for the period	期內溢利					50.2					185.4
Depreciation and amortisation expenses	折舊及攤銷開支	(30.8)	(156.7)	-	-	(187.5)	(36.0)	(141.2)	(0.3)	(8.2)	(185.7)
Fair value loss on derivative financial instruments (Note)	衍生金融工具之公平值虧損(附註)	-	-	-	(11.7)	(11.7)	-	-	-	(1.4)	(1.4)
Gain/(loss) on disposals of property, plant and equipment and right-of-use assets	出售物業、廠房及設備以及使用權資產之收益/(虧損)	-	-	-	8.9	8.9	-	-	-	(8.0)	(8.0)
Gain on disposals of assets held for sale	出售持作出售資產之收益	-	-	-	6.1	6.1	-	-	-	115.7	115.7
Provision for impairments on property, plant and equipment (Note 7)	物業、廠房及設備之減值撥備(附註7)	-	-	-	(0.4)	(0.4)	-	-	-	(0.6)	(0.6)
Provision for impairment on investment in a joint venture (Note 7)	投資於一間合營企業之減值撥備(附註7)	-	-	-	-	-	-	-	(50.8)	(50.8)	(50.8)

Note: The fair value gain/(loss) on derivative financial instruments for the period ended 30 June 2023 and 2022 represented the fair value gain/(loss) related to those trading derivative financial instruments that were not subject to hedge accounting.

附註：截至二零二三年及二零二二年六月三十日止期間的衍生金融工具之公平值收益/(虧損)指毋須進行對沖會計處理的該等交易性衍生金融工具有關的公平值收益/(虧損)。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 6 SEGMENT INFORMATION (continued)

#### Segment assets

Reconciliation of segment assets to total assets as at 30 June 2023 and 31 December 2022 are provided as follows:

		30 June 2023 二零二三年六月三十日				31 December 2022 二零二二年十二月三十一日			
		Asia 亞洲 HK\$M 百萬港元	Europe 歐洲 HK\$M 百萬港元	North America 北美洲 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元	Asia 亞洲 HK\$M 百萬港元	Europe 歐洲 HK\$M 百萬港元	North America 北美洲 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
Segment assets	分部資產	1,324.5	6,938.6	52.3	8,315.4	1,337.6	6,273.5	146.7	7,757.8
Deferred income tax assets	遞延所得稅資產				92.6				52.5
Tax recoverable	可退回稅項				32.7				31.9
Derivative financial instruments	衍生金融工具				24.6				17.1
Cash and cash equivalents	現金及現金等值項目				351.1				713.7
Total assets	資產總值				8,816.4				8,573.0

### 6 分部資料 (續)

#### 分部資產

於二零二三年六月三十日及二零二二年十二月三十一日分部資產與資產總值的對賬如下：

### 7 OTHER GAINS NET

### 7 其他收益淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元	2022 二零二二年 HK\$M 百萬港元
Loss on fair value change of:	公平值變動虧損：		
– derivative financial instruments	– 衍生金融工具	(11.7)	(1.4)
Foreign exchange gain, net	匯兌收益淨額	0.1	2.3
Gain/(loss) on disposals of property, plant and equipment, and right-of-use assets	出售物業、廠房及設備以及使用權資產之收益／(虧損)	8.9	(8.0)
Gain on disposals of assets held for sale	出售持作出售資產之收益	6.1	115.7
Others	其他	1.0	2.8
Impairments on non-financial assets	非金融資產減值		
– provision for impairments on property, plant and equipment	– 物業、廠房及設備之減值撥備	(0.4)	(0.6)
– provision for impairment on investment in a joint venture (Note (i))	– 投資於一間合營企業之減值撥備 (附註(i))	–	(50.8)
		4.0	60.0

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 7 OTHER GAINS NET (continued)

#### Notes

- (i) During the six months ended 30 June 2022, the North America region is in the process of divesting an investment in a joint venture located in Mexico, which was classified as assets held for sale. The Group recognised a provision for impairment on investment in a joint venture of HK\$50.8 million between the expected sales proceeds and its net book balance.

### 7 其他收益淨額 (續)

#### 附註

- (i) 於截至二零二二年六月三十日止六個月，北美地區正在出售位於墨西哥的一項對一間合營企業的投資，並已分類為持作出售資產。本集團就投資於一間合營企業的預期銷售所得款項與其賬面淨值之間的差額確認減值撥備為50.8百萬港元。

### 8 FINANCE COSTS, NET

### 8 財務成本淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元	2022 二零二二年 HK\$M 百萬港元
Interest income from bank deposits	銀行存款之利息收入	1.4	1.9
Interest income from joint ventures (Note 20(a))	來自合營企業之利息收入 (附註20(a))	0.3	0.4
Interest income from related parties (Note 20(a))	來自關聯方之利息收入 (附註20(a))	0.2	0.2
<b>Finance income</b>	<b>財務收入</b>	<b>1.9</b>	<b>2.5</b>
Interest expense on bank loans, overdrafts, bills payable and factoring arrangement	銀行貸款、透支、 應付票據及保理安排 之利息開支	(43.3)	(32.0)
Interest expense on other borrowings	其他借款之利息開支	(45.4)	(65.3)
Interest expense on lease liabilities	租賃負債之利息開支	(6.2)	(5.9)
Interest expense on loan from related parties (Note 20(a))	來自關聯方的貸款之 利息開支 (附註20(a))	(0.3)	(0.3)
<b>Finance costs</b>	<b>財務成本</b>	<b>(95.2)</b>	<b>(103.5)</b>
<b>Finance costs, net</b>	<b>財務成本淨額</b>	<b>(93.3)</b>	<b>(101.0)</b>

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 9 PROFIT FOR THE PERIOD

Profit for the period has been arrived after charging:

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元	2022 二零二二年 HK\$M 百萬港元
Changes in inventories of work-in-progress and finished goods	在製品及製成品存貨之變動	54.7	98.6
Raw materials and consumables used	所用原材料及消耗品	7,058.7	9,733.1
Provision for inventories, net	存貨撥備淨額	37.0	147.5
Employee benefit expenses	僱員福利開支	479.8	493.8
Depreciation and amortisation expenses	折舊及攤銷開支	187.5	185.7
Legal and professional expenses	法律及專業開支	20.6	25.6

### 10 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2022: 16.5%) on the estimated assessable profit for the period.

Under the law of the PRC on Enterprise Income Tax (the "EIT") and the relevant EIT Implementation Regulations, the tax rate of PRC EIT has been provided at the rate of 25% (2022: 25%) on the estimated assessable profit for the period.

Germany and US income taxes have been provided at the rate of approximately 30% (2022: 30%) and 26% (2022: 26%), respectively, on the estimated assessable profit for the period.

Taxation on profits from other jurisdictions has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates. Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the period.

### 9 期內溢利

扣除下列各項後達致之期內溢利：

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元	2022 二零二二年 HK\$M 百萬港元
Changes in inventories of work-in-progress and finished goods	在製品及製成品存貨之變動	54.7	98.6
Raw materials and consumables used	所用原材料及消耗品	7,058.7	9,733.1
Provision for inventories, net	存貨撥備淨額	37.0	147.5
Employee benefit expenses	僱員福利開支	479.8	493.8
Depreciation and amortisation expenses	折舊及攤銷開支	187.5	185.7
Legal and professional expenses	法律及專業開支	20.6	25.6

### 10 所得稅開支

香港利得稅乃根據期內估計應課稅溢利按稅率16.5% (二零二二年：16.5%) 計提撥備。

根據中國企業所得稅 (「企業所得稅」) 法及相關企業所得稅實施條例，中國企業所得稅乃根據期內估計應課稅溢利按稅率25% (二零二二年：25%) 計提撥備。

德國及美國所得稅乃根據期內估計應課稅溢利分別按稅率約30% (二零二二年：30%) 及26% (二零二二年：26%) 計提撥備。

來自其他司法權區溢利之稅項乃根據期內估計應課稅溢利按本集團經營所在國家之現行稅率計算。所得稅開支乃根據管理層對期內預期的加權平均年度所得稅稅率的估計確認。



**Notes to the Condensed Consolidated Financial Information**  
**簡明綜合財務資料附註**

10 INCOME TAX EXPENSE (continued)

10 所得稅開支 (續)

		<b>Six months ended 30 June</b> <b>截至六月三十日止六個月</b>	
		<b>2023</b> <b>二零二三年</b> <b>HK\$M</b> <b>百萬港元</b>	<b>2022</b> <b>二零二二年</b> <b>HK\$M</b> <b>百萬港元</b>
Current income tax expense:	即期所得稅開支：		
Germany	德國	<b>51.1</b>	73.0
PRC EIT	中國企業所得稅	<b>0.5</b>	15.7
Hong Kong profits tax	香港利得稅	–	4.0
Other jurisdictions	其他司法權區	<b>2.5</b>	21.7
		<b>54.1</b>	114.4
Over provision in prior years:	於過往年度之超額撥備：		
PRC EIT	中國企業所得稅	<b>(3.4)</b>	–
Deferred income tax expense	遞延所得稅開支	<b>(0.2)</b>	1.3
Income tax expense	所得稅開支	<b>50.5</b>	115.7

11 DIVIDEND

No dividend was paid or proposed during current and previous interim periods, nor has any dividend been proposed by the Company since the end of the reporting period in respect of the period ended 30 June 2023 and 2022.

11 股息

本公司於本中期期間及過往中期期間均無派付或建議派付任何股息，自截至二零二三年及二零二二年六月三十日止期間的報告期末起亦無建議派付任何股息。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 12 EARNINGS PER SHARE

#### (a) Basic

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元	2022 二零二二年 HK\$M 百萬港元
<b>Profit</b>	<b>溢利</b>		
Profit for the period attributable to shareholders of the Company	本公司股東應佔期內溢利	53.2	199.5
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數目 (千股)	1,605,153	1,605,153
Basic earnings per share (expressed in HK\$)	每股基本盈利 (以港元列示)	0.03	0.12

#### (b) Diluted

The Group has no potentially dilutive shares outstanding during the interim periods ended 30 June 2023 and 2022.

### 12 每股盈利

#### (a) 基本

每股基本盈利乃按本公司股東應佔期內溢利除以期內已發行普通股加權平均數目計算得出。

#### (b) 攤薄

於截至二零二三年及二零二二年六月三十日止中期期間，本集團並無發行在外潛在攤薄股份。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 13 PROPERTY, PLANT AND EQUIPMENT

For the six months ended 30 June 2023, the Group acquired property, plant and equipment of HK\$152.1 million (2022: HK\$118.7 million) and disposed of property, plant and equipment with a net book value of HK\$39.3 million (2022: HK\$34.5 million).

For the six months ended 30 June 2023, the Group recognised a provision for impairments on property, plant and equipment of HK\$0.4 million (2022: HK\$0.6 million) which was related to idle assets in Europe (2022: Europe).

For the six months ended 30 June 2023, no property, plant and equipment with net book values were transferred to assets held sales (2022: Nil).

### 14 TRADE, BILLS AND OTHER RECEIVABLES

### 13 物業、廠房及設備

截至二零二三年六月三十日止六個月，本集團購入物業、廠房及設備152.1百萬港元（二零二二年：118.7百萬港元）及出售賬面淨值為39.3百萬港元（二零二二年：34.5百萬港元）的物業、廠房及設備。

截至二零二三年六月三十日止六個月，本集團就物業、廠房及設備確認減值撥備0.4百萬港元（二零二二年：0.6百萬港元），與歐洲（二零二二年：歐洲）的閑置資產有關。

截至二零二三年六月三十日止六個月，概無附帶賬面淨值（二零二二年：零）的物業、廠房及設備已轉撥至持作出售資產。

### 14 貿易、票據及其他應收款項

		At 30 June 2023 於二零二三年 六月三十日 HK\$M 百萬港元	At 31 December 2022 於二零二二年 十二月三十一日 HK\$M 百萬港元
Trade receivables	貿易應收款項	1,710.7	1,312.5
Less: loss allowance	減：虧損撥備	(28.8)	(38.3)
Trade receivables, net	貿易應收款項淨額	1,681.9	1,274.2
Bills receivables	應收票據	8.7	16.3
Deposits and prepayments	按金及預付款項	200.7	123.7
Deposits paid for purchase of raw materials	購買原材料之已付按金	33.2	18.9
VAT recoverable	可退回增值稅	116.6	108.1
Other receivables (Note)	其他應收款項 (附註)	102.8	109.9
		<b>2,143.9</b>	1,651.1
Less: non-current portion	減：非流動部分		
Other deposits	其他按金	(8.2)	(10.8)
		<b>2,135.7</b>	1,640.3

Note: As at 30 June 2023, the balance included a receivable of HK\$41.2 million (31 December 2022: HK\$42.5 million) from the Taizhou Bay Committee, a government authority in the PRC.

附註：於二零二三年六月三十日，結餘包括來自中國政府當局台州灣管委會之應收款項41.2百萬港元（二零二二年十二月三十一日：42.5百萬港元）。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 14 TRADE, BILLS AND OTHER RECEIVABLES (continued)

At 30 June 2023 and 31 December 2022, the aging analysis of the trade receivables based on invoice date was as follows:

		<b>At 30 June 2023</b>	At 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		<b>HK\$M</b>	HK\$M
		百萬港元	百萬港元
0 – 90 days	0至90日	<b>1,644.3</b>	1,258.6
91 – 180 days	91至180日	<b>23.8</b>	18.1
Over 180 days	超過180日	<b>42.6</b>	35.8
		<b>1,710.7</b>	1,312.5

### 14 貿易、票據及其他應收款項 (續)

於二零二三年六月三十日及二零二二年十二月三十一日，貿易應收款項按發票日期的賬齡分析如下：

### 15 SHARE CAPITAL

#### Authorised share capital

### 15 股本

#### 法定股本

		<b>Numbers of shares 股份數目 (Thousands) (千股)</b>	<b>Share capital 股本 HK\$M 百萬港元</b>
Ordinary shares of HK\$0.01 each at 1 January 2022, 31 December 2022, 1 January 2023 and 30 June 2023	於二零二二年一月一日、 二零二二年十二月三十一日、 二零二三年一月一日及 二零二三年六月三十日 每股面值0.01港元之普通股	5,000,000	50.0
<b>Issued and fully paid</b>	<b>已發行及繳足</b>		
At 1 January 2022, 31 December 2022, 1 January 2023 and 30 June 2023	於二零二二年一月一日、 二零二二年十二月三十一日、 二零二三年一月一日及 二零二三年六月三十日	1,605,152	16.1

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 16 BORROWINGS

### 16 借款

		<b>At 30 June 2023</b> 於二零二三年 六月三十日 <b>HK\$M</b> 百萬港元	At 31 December 2022 於二零二二年 十二月三十一日 <b>HK\$M</b> 百萬港元
<b>Non-current</b>	<b>非流動</b>		
Bank borrowings	銀行借款	<b>127.2</b>	111.3
<b>Current</b>	<b>流動</b>		
Bank borrowings	銀行借款	<b>338.6</b>	286.1
Other borrowings (Note)	其他借款 (附註)	<b>463.0</b>	744.7
		<b>801.6</b>	1,030.8
<b>Total borrowings</b>	<b>借款總額</b>	<b>928.8</b>	1,142.1

Note: As at 30 June 2023, the balance included the Syndicated Term Loan of US\$61.8 million (31 December 2022: US\$95.0 million) maturing in March 2024.

附註：於二零二三年六月三十日，該結餘包括銀團定期貸款61.8百萬美元（二零二二年十二月三十一日：95.0百萬美元），其於二零二四年三月到期。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 17 TRADE, BILLS AND OTHER PAYABLES

### 17 貿易、票據及其他應付款項

		<b>At 30 June 2023</b> 於二零二三年 六月三十日 <b>HK\$M</b> 百萬港元	At 31 December 2022 於二零二二年 十二月三十一日 <b>HK\$M</b> 百萬港元
Trade payables	貿易應付款項	<b>1,728.6</b>	1,418.8
Contract liabilities	合約負債	<b>78.8</b>	57.9
Other tax payable	其他應付稅項	<b>34.6</b>	38.0
Accrued salaries and employee benefits	應計薪金及僱員福利	<b>106.5</b>	138.8
Provision for claims and contingencies	索償及或然事項撥備	<b>1.8</b>	2.4
Accrued professional expenses	應計專業開支	<b>38.3</b>	39.1
Asset retirement obligations	資產報廢責任	<b>69.8</b>	68.5
Other payables and accruals	其他應付款項及應計費用	<b>143.7</b>	113.6
		<b>2,202.1</b>	1,877.1
Less: non-current portion	減：非流動部分		
Asset retirement obligations	資產報廢責任	<b>(69.8)</b>	(68.5)
Other payables	其他應付款項	<b>(58.5)</b>	(30.3)
		<b>2,073.8</b>	1,778.3

The aging analysis of the trade payables based on invoice date was as follows:

貿易應付款項根據發票日期之賬齡分析如下：

		<b>At 30 June 2023</b> 於二零二三年 六月三十日 <b>HK\$M</b> 百萬港元	At 31 December 2022 於二零二二年 十二月三十一日 <b>HK\$M</b> 百萬港元
0 – 90 days	0至90日	<b>1,665.0</b>	1,374.0
91 – 180 days	91至180日	<b>11.0</b>	25.6
Over 180 days	超過180日	<b>52.6</b>	19.2
		<b>1,728.6</b>	1,418.8

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 18 PLEDGE OF ASSETS

As at 30 June 2023 and 31 December 2022, the Group has pledged the following assets to banks to secure certain borrowings and general banking facilities granted to the Group:

### 18 資產抵押

於二零二三年六月三十日及二零二二年十二月三十一日，本集團已向銀行抵押以下資產，以擔保授予本集團之若干借款及一般銀行融資：

		<b>At 30 June 2023</b>	At 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		HK\$M	HK\$M
		百萬港元	百萬港元
Property, plant and equipment	物業、廠房及設備	711.4	1,507.9
Right-of-use assets	使用權資產	136.3	142.6
Investment properties	投資物業	50.7	54.3
Inventories	存貨	319.2	1,006.1
Trade receivables	貿易應收款項	1,431.3	969.0
Pledged bank deposits	已抵押銀行存款	6.5	43.0
		<b>2,655.4</b>	3,722.9

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 19 CAPITAL COMMITMENTS

As at 30 June 2023 and 31 December 2022, significant capital expenditure contracted for but not yet incurred is as follows:

		<b>At 30 June 2023</b> 於二零二三年 六月三十日 <b>HK\$M</b> 百萬港元	At 31 December 2022 於二零二二年 十二月三十一日 <b>HK\$M</b> 百萬港元
Capital expenditure contracted for but not provided in the condensed consolidated financial information in respect of:	已訂約但未於簡明綜合財務資料中撥備的資本開支：		
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	<b>85.4</b>	63.4
– additions in construction in progress	– 添置在建工程	<b>13.6</b>	9.5
		<b>99.0</b>	72.9

### 20 RELATED PARTIES TRANSACTIONS

The Group is controlled by USUMHK which owns 60.95% of the Company's shares. The remaining 39.05% of the shares are widely held. The ultimate holding company of the Group is Loncin Group Co., Ltd (incorporated in the PRC). The ultimate controlling party of the Group is Mr. Tu Jianhua.

#### (a) Transactions

In addition to those disclosed elsewhere in the condensed consolidated financial information, the Group had the following transactions with its related parties for the six months ended 30 June 2023 and 2022.

### 19 資本承擔

於二零二三年六月三十日及二零二二年十二月三十一日，已訂約但未產生之重大資本開支如下：

### 20 關聯方交易

本集團由渝商香港控制，渝商香港擁有本公司60.95%股份。其餘39.05%股份由廣泛持有人持有。本集團最終控股公司為隆鑫集團有限公司（於中國註冊成立）。本集團最終控制方為涂建華先生。

#### (a) 交易

除已在簡明綜合財務資料其他部分披露者外，本集團於截至二零二三年及二零二二年六月三十日止六個月曾與其關聯方進行以下交易。



## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 20 RELATED PARTIES TRANSACTIONS (continued)

#### (a) Transactions (continued)

All of the transactions were carried out in the normal course of the Group's business and on terms as agreed between the transacting parties. They are summarised as follows:

### 20 關聯方交易 (續)

#### (a) 交易 (續)

所有交易均於本集團日常業務過程中按交易雙方所協定的條款進行，概述如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元	2022 二零二二年 HK\$M 百萬港元
Sales of goods to	向以下各方銷售商品		
– Joint ventures	– 合營企業	125.3	221.3
– Related parties	– 關聯方	12.8	15.0
Purchases of goods from	從以下各方採購商品		
– Joint ventures	– 合營企業	(231.9)	(319.0)
– Related parties	– 關聯方	(63.2)	(90.0)
Interest income from	來自以下各方之利息收入		
– Joint ventures	– 合營企業	0.3	0.4
– Related parties	– 關聯方	0.2	0.2
Interest expense to	支付予以下各方之利息開支		
– Related parties	– 關聯方	(0.3)	(0.3)
Other income from (Note (i))	來自以下各方之其他收入 (附註(i))		
– Joint ventures	– 合營企業	1.0	1.0
– Related parties	– 關聯方	1.8	1.8
Administrative expenses to (Note (ii))	支付予以下各方之行政開支 (附註(ii))		
– Related parties	– 關聯方	(7.6)	(2.7)

Notes:

- (i) Other income mainly comprised management fee income, rental income, service income and commission income.
- (ii) Administrative expenses mainly comprised management fee, lease expense and service fee.

附註：

- (i) 其他收入主要包括管理費收入、租金收入、服務收入及佣金收入。
- (ii) 行政開支主要包括管理費、租金開支及服務費。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 20 RELATED PARTIES TRANSACTIONS (continued)

#### (b) Key management compensation

Key management includes chairman of the Company, all directors, chief executive officer, chief financial officer, chief operating officer and chief investment officer. The compensation paid or payable to key management for employee services are shown below:

		Six months ended 30 June 截至六月三十日止六個月	
		2023 二零二三年 HK\$M 百萬港元	2022 二零二二年 HK\$M 百萬港元
Wages and salaries, including restructuring costs and other termination benefits	工資及薪金，包括重組成本及其他終止僱傭福利	8.0	8.3
Pension costs – defined contribution plans	退休金成本—界定供款計劃	–	–
Other employee benefits	其他僱員福利	–	–
Total	總計	8.0	8.3

### 20 關聯方交易 (續)

#### (b) 主要管理層薪酬

主要管理層包括本公司主席、全體董事、行政總裁、首席財務官、首席營運官及首席投資官。就提供僱員服務而已付或應付主要管理層的薪酬列示如下：

**Notes to the Condensed Consolidated Financial Information**  
**簡明綜合財務資料附註**

**20 RELATED PARTIES TRANSACTIONS (continued)**

**20 關聯方交易 (續)**

**(c) Period-end balances**

**(c) 期末結餘**

		<b>At 30 June 2023</b>	At 31 December 2022
		於二零二三年 六月三十日	於二零二二年 十二月三十一日
		<b>HK\$M</b>	HK\$M
		百萬港元	百萬港元
Receivables from:	應收以下各方款項：		
– Joint ventures (Note (i))	– 合營企業 (附註(i))	<b>89.4</b>	65.1
– Related parties (Note (i))	– 關聯方 (附註(i))	<b>12.7</b>	17.6
		<b>102.1</b>	82.7
Payables to:	應付以下各方款項：		
– Joint ventures (Note (ii))	– 合營企業 (附註(ii))	<b>(34.9)</b>	(33.1)
– Related parties (Note (ii))	– 關聯方 (附註(ii))	<b>(28.3)</b>	(35.3)
		<b>(63.2)</b>	(68.4)

Notes:

- (i) The receivables from joint ventures and related parties include trade receivables and other receivables. Trade receivables are repayable within 60 days, and other receivables are repayable on demand. Both are unsecured and non-interest bearing.
- (ii) The payables to joint ventures and related parties include trade payables and other payables. Trade payables are repayable within 60 days, and other payable are repayable on demand. Both are unsecured and non-interest bearing.

附註：

- (i) 應收合營企業及關聯方款項包括貿易應收款項及其他應收款項。貿易應收款項須於60日內償還，其他應收款項則須按要求償還。該兩類款項均為無抵押及不計息。
- (ii) 應付合營企業及關聯方款項包括貿易應付款項及其他應付款項。貿易應付款項須於60日內償還，其他應付款項則須按要求償還。該兩類款項均為無抵押及不計息。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 21 ASSETS HELD FOR SALE

### 21 持作出售資產

		<b>At 30 June 2023</b> 於二零二三年 六月三十日 <b>HK\$M</b> 百萬港元	At 31 December 2022 於二零二二年 十二月三十一日 <b>HK\$M</b> 百萬港元
Property, plant and equipment (Note (i))	物業、廠房及設備 (附註(i))	<b>54.9</b>	59.3
Right-of-use assets	使用權資產	<b>2.3</b>	2.3
Investment in a joint venture (Note (ii))	投資於一間合營企業 (附註(ii))	–	129.1
		<b>57.2</b>	190.7
Representing:	指：		
Assets held for sale	持作出售資產	<b>57.2</b>	190.7
		<b>57.2</b>	190.7

#### Notes:

- (i) During the six months ended 30 June 2023, the Group disposed of certain land, building, plant and equipment located in Europe with a net book value of HK\$132.4 million and a gain on disposal of HK\$6.1 million was included in other gains/(losses), net.
- (ii) The balance represented an investment in a joint venture located in Mexico with its investment cost of HK\$157.7 million. During the six months ended 30 June 2023, the Group reclassified an investment in a joint venture as assets held for sale. An impairment provision of HK\$50.8 million was included in other gains/(losses), net.

#### 附註：

- (i) 截至二零二三年六月三十日止六個月，本集團已出售位於歐洲的若干土地、樓宇、廠房及設備，賬面淨值為132.4百萬港元，及出售收益6.1百萬港元已計入其他收益／(虧損)淨額。
- (ii) 結餘指位於墨西哥的投資於一間合營企業，投資成本為157.7百萬港元。於截至二零二三年六月三十日止六個月，本集團將投資於一間合營企業重新分類為持作出售資產。減值撥備50.8百萬港元計入其他收益／(虧損)淨額。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 22 CONTINGENCIES

- (a) The Company is one of the defendants to a legal claim by Delco Participation B.V. (“Delco”) regarding an alleged non-payment of a portion of the loans advanced by Delco Asia Company Limited (“Delco Asia”) to subsidiaries of the Company, amounting to approximately HK\$57.8 million together with interest and costs. Delco alleged that it acquired the assets and liabilities of Delco Asia in 2011. Delco Asia was dissolved by deregistration in 2012. Each of Mr. Fang Ankong (“Mr. Fang”), a former director of the Company, and HWH Holdings Limited (“HWH”) undertook to the Company to indemnify and hold the Company harmless on demand against all losses arising out of, inter alia, this claim in accordance with the terms of a letter of indemnity signed by Mr. Fang and HWH in favour of the Company on 17 December 2015 (the “Indemnity”). The exact scope of the indemnity is yet to be determined.

The court case is still in progress, with the parties filing amended pleadings and evidence. On Delco’s application, the Court granted leave to Delco to discontinue its claim against the Company for the HK\$57.8 million, with certain issues still to be decided by the High Court of Hong Kong. The directors of the Company, after taking legal advice from its legal advisers and in review of the Indemnity, are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle this claim. Accordingly, no provision for this claim has been made.

### 22 或然事項

- (a) 本公司為Delco Participation B.V. (「Delco」) 就聲稱未償還Delco Asia Company Limited (「Delco Asia」) 墊付予本公司子公司的部份貸款金額約57.8百萬港元連同利息及相關費用而提起的法律索賠的被告人之一。Delco聲稱其已於二零一一年收購Delco Asia的資產及負債。於二零一二年，Delco Asia以撤銷註冊方式解散。本公司前董事方安空先生(「方先生」)及HWH Holdings Limited(「HWH」)各自向本公司承諾，根據方先生與HWH以本公司為受益人於二零一五年十二月十七日簽署的彌償函件的條款，彌償本公司因(其中包括)此索賠產生的所有損失及使本公司不受到損失(「彌償」)。彌償的具體範圍尚未確定。

訴訟現正在進行中，當事各方已提交經修訂訴狀和證據。根據Delco的申請，法院准許Delco終止向本公司索償57.8百萬港元，若干事宜仍有待香港高等法院作定奪。經考慮本公司法律顧問的法律意見及審閱彌償後，本公司董事認為清償此索賠不可能導致經濟利益的流出。因此，並無就此索賠作出撥備。

## Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

### 22 CONTINGENCIES (continued)

- (b) The Company and Chiho-Tiande (HK) Limited (“CTHK”), a wholly-owned subsidiary of the Company, are two of the defendants to another legal claim by Delco regarding an alleged breach of a letter of undertaking in relation to a convertible bond issued by the Company and subscribed for by Delco. Delco further claimed against CTHK for a sum of US\$1.0 million, allegedly advanced by Delco Asia to CTHK. Delco further claimed interests, costs and further or other relief of approximately HK\$6.3 million.

The parties subsequently filed amended pleadings and gave evidence at the trial in July 2022. The case is still in progress, with the parties having made close submissions, and the parties are awaiting judgement from the Court. The directors of the Company, after taking legal advice from its legal advisers, are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle this claim. Accordingly, no provision for this claim has been made.

- (c) As at 30 June 2023, the Group has provided financial guarantees to certain related parties and joint ventures of HK\$19.4 million and HK\$50.8 million (31 December 2022: HK\$19.0 million and HK\$49.9 million), respectively. As the risk of default is very remote and there is no history of default, no financial guarantee liability was recognised.

### 22 或然事項 (續)

- (b) 本公司及本公司之全資子公司齊合天地(香港)有限公司(「齊合香港」)為Delco就聲稱違反本公司所發行及Delco所認購之可換股債券所涉及之承諾函件而提起的另一宗法律索賠的其中兩名被告人。Delco進一步向齊合香港申索金額1.0百萬美元，該款項聲稱是由Delco Asia墊付予齊合香港。Delco再申索利息、訟費及進一步或其他寬免，涉及金額約6.3百萬港元。

當事各方隨後提交經修訂訴狀及於二零二二年七月之庭審上作證。案件仍在進行中，當事各方已作出結案陳詞，惟當事各方正待法院作出判決。經考慮本公司法律顧問的法律意見後，本公司董事認為清償此索賠不可能導致經濟利益的流出。因此，並無就此索賠作出撥備。

- (c) 截至二零二三年六月三十日，本集團已分別向若干關聯方及合營企業提供金融擔保19.4百萬港元及50.8百萬港元(二零二二年十二月三十一日：19.0百萬港元及49.9百萬港元)。由於違約風險極小且無違約歷史，因此並無確認任何金融擔保負債。

## BOARD OF DIRECTORS

### Executive Directors

Mr. Tu Jianhua  
Mr. Qin Yongming (*Chairman*)  
(appointed on 21 March 2023)  
Mr. Miao Yu  
Mr. Yao Jietian  
Mr. Wang Li  
Mr. Zhang Wei (*Chief Executive Officer*)  
(appointed on 21 March 2023)  
Mr. Li Linhui  
(resigned on 21 March 2023)

### Independent Non-Executive Directors

Prof. Li Zhiguo  
Prof. Yan Guowan  
Mr. Szeto Yuk Ting

## EXECUTIVE COMMITTEE

Mr. Tu Jianhua  
Mr. Qin Yongming (*Chairman*)  
(appointed on 21 March 2023)  
Mr. Miao Yu  
Mr. Yao Jietian  
Mr. Li Linhui  
(resigned on 21 March 2023)

## AUDIT COMMITTEE

Prof. Yan Guowan (*Chairlady*)  
Prof. Li Zhiguo  
Mr. Szeto Yuk Ting

## NOMINATION COMMITTEE

Mr. Qin Yongming (*Chairman*)  
(appointed on 21 March 2023)  
Mr. Miao Yu  
Prof. Li Zhiguo  
Prof. Yan Guowan  
Mr. Szeto Yuk Ting  
Mr. Li Linhui  
(resigned on 21 March 2023)

## REMUNERATION COMMITTEE

Mr. Szeto Yuk Ting (*Chairman*)  
Mr. Miao Yu  
Prof. Li Zhiguo  
Prof. Yan Guowan

## 董事會

### 執行董事

涂建華先生  
秦永明先生 (*主席*)  
(於二零二三年三月二十一日獲委任)  
苗雨先生  
姚杰天先生  
王歷先生  
張偉先生 (*行政總裁*)  
(於二零二三年三月二十一日獲委任)  
李林輝先生  
(於二零二三年三月二十一日辭任)

### 獨立非執行董事

李志国教授  
晏国苑教授  
司徒毓廷先生

## 執行委員會

涂建華先生  
秦永明先生 (*主席*)  
(於二零二三年三月二十一日獲委任)  
苗雨先生  
姚杰天先生  
李林輝先生  
(於二零二三年三月二十一日辭任)

## 審核委員會

晏国苑教授 (*主席*)  
李志国教授  
司徒毓廷先生

## 提名委員會

秦永明先生 (*主席*)  
(於二零二三年三月二十一日獲委任)  
苗雨先生  
李志国教授  
晏国苑教授  
司徒毓廷先生  
李林輝先生  
(於二零二三年三月二十一日辭任)

## 薪酬委員會

司徒毓廷先生 (*主席*)  
苗雨先生  
李志国教授  
晏国苑教授

## Corporate Information 公司資料

### STRATEGY AND INVESTMENT COMMITTEE

Mr. Tu Jianhua  
Mr. Qin Yongming (*Chairman*)  
(appointed on 21 March 2023)  
Mr. Miao Yu  
Mr. Yao Jietian  
Mr. Li Linhui  
(resigned on 21 March 2023)

### PRICING COMMITTEE

Mr. Qin Yongming (*Chairman*)  
(appointed on 21 March 2023)  
Mr. Miao Yu  
Mr. Yao Jietian  
Mr. Udo Langhans  
Mr. Li Linhui  
(resigned on 21 March 2023)

### AUTHORISED REPRESENTATIVES

Mr. Tu Jianhua  
Ms. Ng Mei Wah  
(appointed on 21 March 2023)  
Ms. So Shuk Yi Betty  
(resigned on 21 March 2023)

### COMPANY SECRETARY

Ms. Ng Mei Wah  
(appointed on 21 March 2023)  
Ms. So Shuk Yi Betty  
(resigned on 21 March 2023)

### AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor

### LEGAL ADVISORS

Conyers Dill & Pearman (Cayman Islands)  
Chiu & Partners (Hong Kong)  
Bird & Bird (Hong Kong)  
DLA Piper (Hong Kong)  
Deacons (Hong Kong)  
LC Lawyers LLP (Hong Kong)  
JYC Law Firm (China)  
Kingpound Law Firm (China)  
Aber-Law (Thailand)  
Latham & Watkins LLP (Germany)  
CMS Hasche Sigle (Germany)  
Menold Bezler (Germany)  
Acuminis (US)  
Withers Worldwide

### 戰略與投資委員會

涂建華先生  
秦永明先生 (*主席*)  
(於二零二三年三月二十一日獲委任)  
苗雨先生  
姚杰天先生  
李林輝先生  
(於二零二三年三月二十一日辭任)

### 定價委員會

秦永明先生 (*主席*)  
(於二零二三年三月二十一日獲委任)  
苗雨先生  
姚杰天先生  
Udo Langhans先生  
李林輝先生  
(於二零二三年三月二十一日辭任)

### 授權代表

涂建華先生  
吳美華女士  
(於二零二三年三月二十一日委任)  
蘇淑儀女士  
(於二零二三年三月二十一日辭任)

### 公司秘書

吳美華女士  
(於二零二三年三月二十一日委任)  
蘇淑儀女士  
(於二零二三年三月二十一日辭任)

### 核數師

羅兵咸永道會計師事務所  
執業會計師  
註冊公眾利益實體核數師

### 法律顧問

Conyers Dill & Pearman (開曼群島)  
趙不渝馬國強律師事務所 (香港)  
鴻鵠律師事務所 (香港)  
歐華律師事務所 (香港)  
的近律師行 (香港)  
LC Lawyers LLP (香港)  
君益誠律師事務所 (中國)  
廣州金鵬律師事務所 (中國)  
Aber-Law (泰國)  
Latham & Watkins LLP (德國)  
CMS Hasche Sigle (德國)  
Menold Bezle (德國)  
Acuminis (美國)  
Withers Worldwide



## PRINCIPAL BANKERS

Agricultural Bank of China  
Landesbank Baden-Württemberg (LBBW)  
Standard Chartered Bank (Hong Kong) Limited

## REGISTERED OFFICE IN CAYMAN ISLANDS

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

## REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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## GROUP HEADQUARTERS

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The PRC

## HEADQUARTERS IN EUROPE

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73457 Essingen  
Germany

## HEADQUARTERS IN NORTH AMERICA

1515 East Avenue  
Erie, PA 16503  
USA

\* For business addresses of other principal operational bases of the Group, please refer to the Company's website.

## 主要往來銀行

中國農業銀行  
Landesbank Baden-Württemberg (LBBW)  
渣打銀行(香港)有限公司

## 開曼群島註冊辦事處

Cricket Square, Hutchins Drive  
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## 香港註冊辦事處及主要營業地點

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## 集團總部

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73457 Essingen  
Germany

## 北美洲總部

1515 East Avenue  
Erie, PA 16503  
USA

\* 請參閱本公司網站以獲取本集團其他主要營運基地之營業地址。

## Corporate Information 公司資料

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
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### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited  
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P.O. Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

### WEBSITE

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

### STOCK CODE

Hong Kong Stock Exchange 976

### 香港股份登記及過戶分處

香港中央證券登記有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心17樓  
1712-1716號舖

### 開曼群島主要股份登記及過戶處

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P.O. Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

### 公司網站

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

### 股份代號

香港聯交所976



CHIHO ENVIRONMENTAL GROUP LIMITED  
齊合環保集團有限公司

