



ANNUAL REPORT
年報 **2023**

HONGCHENG ENVIRONMENTAL
TECHNOLOGY COMPANY LIMITED
鴻承環保科技有限公司

(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 : 2265



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BOARD OF DIRECTORS

Mr. Liu Zeming (*Executive Director and Chairman*)
Mr. Zhan Yirong (*Executive Director and Chief Executive Officer*)
Mr. Sheng Haiyan (*Executive Director and Chief Technical Officer*)
Mr. Zhang Shijun (*Independent non-executive Director*)
Ms. Liu Ye (*Independent non-executive Director*)
Mr. Lau Chung Wai (*Independent non-executive Director*)

COMPANY SECRETARY

Mr. Wong Yun Fai

AUTHORISED REPRESENTATIVES

Mr. Wong Yun Fai
Mr. Zhan Yirong

AUDIT COMMITTEE

Mr. Lau Chung Wai (*Chairman*)
Mr. Zhang Shijun
Ms. Liu Ye

REMUNERATION COMMITTEE

Ms. Liu Ye (*Chairlady*)
Mr. Lau Chung Wai
Mr. Liu Zeming

NOMINATION COMMITTEE

Mr. Liu Zeming (*Chairman*)
Ms. Liu Ye
Mr. Zhang Shijun

EXTERNAL AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, Prince's Building
Central
Hong Kong

董事會

劉澤銘先生 (*執行董事兼主席*)
戰乙榮先生 (*執行董事兼行政總裁*)
盛海燕先生 (*執行董事兼技術總監*)
張式軍先生 (*獨立非執行董事*)
劉曄女士 (*獨立非執行董事*)
劉仲緯先生 (*獨立非執行董事*)

公司秘書

王潤輝先生

授權代表

王潤輝先生
戰乙榮先生

審核委員會

劉仲緯先生 (*主席*)
張式軍先生
劉曄女士

薪酬委員會

劉曄女士 (*主席*)
劉仲緯先生
劉澤銘先生

提名委員會

劉澤銘先生 (*主席*)
劉曄女士
張式軍先生

外聘核數師

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
香港
中環
太子大廈22樓



HONG KONG LEGAL ADVISER

Fangda Partners
26/F, One Exchange Square
8 Connaught Place
Central
Hong Kong

香港法律顧問

方達律師事務所
香港
中環
康樂廣場8號
交易廣場一座26樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY1-1111, Cayman Islands

股份過戶登記總處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY1-1111, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY1-1111, Cayman Islands

開曼群島註冊辦事處

Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY1-1111, Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Yeyan Road North
Dadongzhuang Village North
Shahe Town, Laizhou City
Shandong Province
PRC

中國主要營業地點

中國
山東省
萊州市沙河鎮
大東莊村北
葉延路北段



PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 1806, 18/F
Office Tower
Convention Plaza
1 Harbour Road
Wan Chai, Hong Kong

PRINCIPAL BANK

China Construction Bank (Laizhou Branch)
No. 566 Guangzhou East Road
Laizhou City
Shandong Province
PRC

Shandong Laizhou Rural Commercial Bank (Jincheng Branch)
No. 9 Fuqian Street
Jincheng Town
Laizhou City
Shandong Province
PRC

Bank of China (Hong Kong) Limited
1 Garden Road
Hong Kong

STOCK CODE

2265

COMPANY WEBSITE

www.sdhcgroup.cn

DATE OF LISTING

12 November 2021

香港主要營業地點

香港灣仔
港灣道1號
會展廣場
辦公大樓
18樓1806室

主要往來銀行

中國建設銀行(萊州分行)
中國
山東省
萊州市
光州東路566號

山東萊州農村商業銀行(金城分行)
中國
山東省
萊州市
金城鎮
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中國銀行(香港)有限公司
香港
花園道1號

股份代號

2265

公司網站

www.sdhcgroup.cn

上市日期

二零二一年十一月十二日



FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

A summary of the results and assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and the Prospectus, is set out below.

本集團於過去四個財政年度的業績與資產及負債概要載列如下，乃摘錄自經審核綜合財務報表及招股章程。

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
		(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)
Revenue	收益	107,988	222,801	257,043	205,392	133,664
Gross profit	毛利	59,634	144,015	166,614	123,894	82,185
Profit before income tax	除所得稅前溢利	21,146	103,763	117,144	96,489	63,413
Profit and total comprehensive income for the year, attributable to owners of the Company	本公司擁有人應佔年內溢利及全面收益總額	17,573	81,565	85,613	72,865	48,477

ASSETS AND LIABILITIES

資產及負債

		As at 31 December 於十二月三十一日				
		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)	(RMB'000)
		(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)	(人民幣千元)
Total assets	資產總額	796,655	757,787	622,664	434,506	481,715
Total liabilities	負債總額	325,465	304,170	234,480	328,382	415,345
Total equity	權益總額	471,190	453,617	388,184	106,124	66,370



CHAIRMAN'S STATEMENT 主席報告

LIU ZEMING 劉澤銘
CHAIRMAN AND EXECUTIVE
DIRECTOR
主席兼執行董事

Dear Shareholders:

On behalf of the Board of Directors, I am pleased to present the annual report of the Group for the year ended 31 December 2023.

各位股東：

本人謹代表董事會欣然提呈截至二零二三年十二月三十一日止年度之年度報告。



REVIEW

In 2023, the economy gradually returned to a normal growth, demonstrating a critical period for development recovery and industrial upgrading. Despite a complex and volatile international environment, and amidst a continuous slowdown in the global economy, the Group has consistently pursued robust operations while seeking progress in stable conditions. Confronted with numerous challenges and intensifying competition within the industry, the Group closely aligned with the 14th Five-Year Plan, surmounting obstacles and achieving significant progress. Our focus has been on deeply advancing the development of a green economy and actively pursuing diverse opportunities to adapt to the evolving development landscape. We strive to contribute to the advancement of a high-quality and sustainable circular economy. Revenue and net profit for the year ended 31 December 2023 amounted to approximately RMB108.0 million and RMB17.5 million, respectively, representing a year-on-year decrease of 51.5% and 78.2%, respectively.

EMBRACING THE FUTURE WITH COURAGE

In 2023, the Group invested in the future by steadily promoting major strategies based on the circular economy. To deepen the development of the green economy further and adhere to sustainable practices, the Group grasped the opportunities for growth, promoted the extension of the industrial chain and optimised the industrial penetration. During the Reporting Period, the sulfuric acid production line was put into operation. Building upon its inherent strengths, the Group's profitability and stability were further enhanced with a diversified product portfolio. Preparing for the new development stage, the Group actively promoted the upgrading of the industrial chain of gold solid waste recycling, contributing to its diversified prosperity revolved within the circular economy framework.

STRIVING FOR SUCCESS WITH PRACTICAL ACTIONS

In 2023, the Group actively empowered its business growth by focusing on the commissioning of new production projects. To enhance competitiveness in the industry and optimise its business presence, as well as to enhance the ability of comprehensive utilisation of solid waste resources, the Group enabled the green economy through scientific research and established a circular economy. With the completion of a new research and development experiment line, the Group has increased its investment in research and development. Our focus was to vigorously enhance the innovative research and development to promote business development, providing momentum for growth and sustaining our competitive edge. We improved the efficient utilisation and recycling of resources through enhancement of circular economy practices.

回顧

二零二三年，隨著經濟運行逐步向常態化增長軌道回歸，目前正處於恢復發展和產業升級的關鍵期，伴隨著繁複多變的國際環境，全球經濟發展持續放緩的大背景下，本集團始終堅持穩健經營，穩中求進。面臨諸多挑戰及行業競爭角逐愈演愈烈，本集團緊跟「十四五」規劃，克難前進，深入推進綠色經濟發展，積極探索各方機遇，聚焦發展，融入新發展格局，奮力以高品質可持續性發展助力循環經濟發展。截至二零二三年十二月三十一日止年度實現總收益和純利分別為約人民幣108.0百萬元和人民幣17.5百萬元，同比分別下降51.5%和78.2%。

勇毅前行，擁抱未來

二零二三年，本集團根植循環經濟，穩步推進重大戰略，投資佈局未來。為進一步深化綠色經濟發展，踐行可持續發展，本集團緊抓機遇謀發展，推進產業鏈延伸，優化產業佈局，在報告期內硫酸生產線已開始投產，在充分發揮自身優勢的基礎上，以多元化產品組合，進一步提升本集團盈利穩定性，積極推動黃金固廢循環利用產業鏈升級，立足新發展階段，以循環經濟為發展路徑多元並進蓬勃發展。

奮楫篤行，實幹為基

二零二三年，本集團積極賦能業務發展，緊抓新生產項目的投產。為進一步推進行業競爭力提升及格局優化，提升固廢資源化綜合利用能力，本集團以科研賦能綠色經濟，構建循環經濟體系，隨著新研發實驗線的落成，本集團加大研發的投入，大力提升研發創新推動業務發展，提供增長動力，打造長期競爭力，深化循環經濟發展，提升資源高效利用和循環利用。



OUTLOOK

Looking forward to 2024, in close alignment with the 14th Five-Year Plan for the development of circular economy, the Group will grasp the opportunities of the era, actively contribute to the grand blueprint of China's development, and advance the construction of "Circular Economy". As we cultivate and consolidate our competitive advantage, the Group will actively plan business extension based on enhanced strategic guidance. To this end, we will increase our investment in, and accelerate the transformation of results of, scientific research, contributing to our high-quality development. With adherence to a down-to-earth attitude, the Group will pursue stable progress amidst difficulties.

The year 2024 is a critical year of the 14th Five-Year Plan connecting the past and the future. In 2024, the Group will remain firmly confident that it will advance forward with determination despite challenges. Our efforts will be focused on the following: Firstly, we will expand the industrial chain, optimise the product structure and enhance resource utilisation efficiency; secondly, we will strengthen scientific research through technological innovation and technical reform, facilitating continuous breakthroughs in the emerging sector of comprehensive high value-added utilization of solid waste, which will serve as a new momentum and impetus for the enterprise growth; thirdly, we will strictly implement and strengthen safety management practices, steadily enhancing the foundation for high-quality development; fourthly, we will contribute to the rapid expansion of our business by upgrading our management standards and culture. The Group will insist on the in-depth development of the circular economy, seek the efficient use and recycling of resources, strengthen and expand the circular economy-related industries, aiming to become a leader with market competitiveness in the field of circular economy.

APPRECIATION

The Group's continued success depends on all its employees' commitment, dedication and professionalism. The Board would like to thank every employee for their diligence and dedication and to express its sincere appreciation to the Group's shareholders, clients and suppliers for their continuous and valuable support.

HONGCHENG ENVIRONMENTAL TECHNOLOGY COMPANY LIMITED

Liu Zeming

Chairman and Executive Director

28 March 2024

展望

展望二零二四年，本集團緊扣「十四五」循環經濟發展規劃，緊抓時代機遇，積極投身國家發展的宏偉藍圖，推動構建「循環經濟」發展大局。本集團培育和鞏固競爭優勢，強化戰略引領，積極籌謀佈局，加大科研投入，加快科研成果轉化，助力高品質發展，秉持實幹精神，乘風破浪，行穩致遠。

在「十四五」規劃承上啟下的關鍵之年，本集團堅定信心，迎難而上，廣續前行，聚焦以下幾點：一是拓延產業鏈，優化產品結構，提升資源利用水準利用效率；二是強化科技創新和技術革新的雙驅動推動，完善科研佈局，促使固廢資源化綜合利用高值化發展的新賽道上不斷突破，成為企業發展新動力、新引擎；三是嚴格實行安全管理，加強安全管理力度，穩步發力夯實基礎，為高品質發展保駕護航；四是透過提升管理水準和文化建設，助力業務快速擴展。堅持深入發展循環經濟，實現資源高效利用和循環利用，做強做優做大循環經濟產業，成為具有市場競爭力的循環經濟領域的領頭企業。

致謝

本集團的持續成功有賴全體員工的投入、奉獻及專業精神。董事會要感謝每位員工的勤奮及奉獻，並對本集團的股東、客戶及供應商的持續寶貴支持表示衷心感謝。

鴻承環保科技有限公司

主席兼執行董事

劉澤銘

二零二四年三月二十八日



BUSINESS REVIEW

Consolidate the Leading Position in the Industry Based on Our Own Strengths

The Group, based in Shandong province, the PRC, has been focusing on gold mine hazardous waste treatment and resource recovery, and comprehensive utilisation of gold mine hazardous wastes. We collect cyanide tailings, which is a kind of gold mine hazardous waste resulting from smelting of gold, from the Group's upstream customers, mainly comprised of gold smelting companies under gold mining companies with mine operations in Shandong province and in particular, in Yantai city, which we, leveraging on our experience and expertise, detoxify the cyanide tailings and recover therefrom resources with economic value such as pyrite concentrate. With the commencement of production operation of the Group's production line for sulphuric acid production (the "New Production Line") in 2023, the Group has been able to utilise the pyrite concentrate and add other raw materials to reprocess them to produce sulphuric acid, iron powder and electricity for sale to downstream customers, mainly comprised of chemical manufacturing companies and trading companies of chemicals in the PRC, in order to attain comprehensive utilisation of gold mine hazardous wastes. The Group is the only company in Laizhou city, Shandong province that has obtained the Hazardous Waste Business Licence issued by Yantai Municipal Ecology and Environment Bureau.

Currently, the Group has production facilities strategically located in Laizhou city, Shandong province, where the quantity of gold reserves is ranked first among the county-level cities in the PRC.

In 2023, economic activities have been gradually recovered from the shadow of the COVID-19 Pandemic and returned to normal. However, the international macroeconomic and political situation was profoundly complicated, geopolitics was becoming increasingly volatile, the domestic and international economies were facing challenges, and the fluctuation of commodity prices intensified. Coupled with increasingly fierce competition in the hazardous waste industry and structural imbalance between supply and demand, and the hazardous waste market is sluggish in general. The hazardous waste industry has been undergoing more severe competition and challenges. The global recovery was still slow, facing a contraction in demand and supply shock, and the upstream and downstream players along the value chain where the Company is engaged were affected to varying degrees. During the Reporting Period, the Company's principal activities were also somewhat impacted by such industry and market competition.

業務回顧

立足自身優勢，鞏固行業龍頭地位

本集團紮根於中國山東省，專注於金礦有害廢物處理及金礦有害廢物的資源回收及綜合利用。我們從上游客戶收集氰化尾渣，它是在黃金冶煉過程中產生的一種金礦有害廢物，上游客戶主要包括在山東省（尤其是煙臺市）經營採礦業務的採金公司旗下的黃金冶煉公司，我們利用自身的經驗和專業知識，為氰化尾渣分解毒素，並從中回收硫精礦等具有經濟價值的資源。隨著本集團的硫酸生產的生產線（「新產品線」）已於二零二三年開始生產運營，本集團可利用硫精礦加入其他原材料再加工產出硫酸、鐵粉和電力以供銷售予下游客戶，實現金礦有害廢物的綜合利用，下游客戶主要包括中國的化工製造公司及化工貿易公司。本集團是山東省萊州市唯一一間獲煙臺市生態環境局發出危險廢物經營許可證的公司。

目前本集團的生產設施策略性選址於山東省萊州市，當地的黃金儲量位居全國縣級城市之首。

二零二三年，經濟活動逐漸走出新冠疫情陰霾，回歸正常化。然而，國際宏觀經濟和政治形勢紛繁複雜，地緣政治日趨動盪，國內外經濟面臨威脅，大宗商品價格波動加劇，迭加危廢行業競爭愈發激烈及供需結構性失衡，危廢市場整體大環境低迷，危廢處理行業發展正經受較為嚴峻的競爭格局和挑戰。全球復蘇依然緩慢，面臨需求收縮、供給衝擊，公司所處行業的上下游企業均受到不同程度影響。在報告期間，公司主營業務亦受到該行業及市場競爭帶來的衝擊。



Revenue and net profit of the Group for the year ended 31 December 2023 amounted to approximately RMB108.0 million and RMB17.5 million, respectively, representing a decrease of 51.5% and 78.2% as compared to the same during the year ended 31 December 2022, respectively.

Meanwhile, the Group's gross profit decreased from approximately RMB144.0 million for the year ended 31 December 2022 to approximately RMB59.6 million for the year ended 31 December 2023. The decrease in gross profit was mainly due to the decrease in revenue and gross profit margin. The Group's gross profit margin for the year ended 31 December 2023 was 55.2%, representing a decrease of 9.4% as compared to that of 64.6% for the year ended 31 December 2022.

Be Future-oriented, Build Up a Resource-cycling Industry System and Steadily Promote Product Extension and Expansion

The Group has continued to open up new areas and shape new dynamics by planning and constructing waste recycling projects, expanding hazardous waste recycling, promoting the extension of the value chain, enriching the waste types available for hazardous waste recycling and guiding the development of solid waste recycling projects. During the Reporting Period, the Group's New Production Line has commenced its production operations, which can produce sulfuric acid, iron powder and electricity through an integrated recycling process. This further expanded the Group's product portfolio to enable the Group to achieve stable profitability as well as ecological and economic benefits. The Group believes that, by capitalising on its strengths in the production of recycled products, the Group will be able to extend the value chain for its business, improve the core competitiveness and continue to increase its revenue, so that can focus on a long-term and more sustainable business development.

本集團截至二零二三年十二月三十一日止年度收入和純利分別為約人民幣108.0百萬元和人民幣17.5百萬元，較截至二零二二年十二月三十一日止年度分別下降51.5%和78.2%。

與此同時，本集團的毛利由截至二零二二年十二月三十一日止年度的約人民幣144.0百萬元下降至截至二零二三年十二月三十一日止年度的約人民幣59.6百萬元。毛利的下降主要是由於收入和毛利率的下降。截至二零二三年十二月三十一日止年度，本集團毛利率55.2%，較截至二零二二年十二月三十一日止年度的64.6%下降9.4%。

佈局未來，構建資源循環產業體系，穩健推進產品延伸拓展

本集團不斷開闢新領域、塑造新動能，佈局建設廢物資源化利用項目，拓展危廢循環利用，推進產業鏈延伸，豐富危廢循環利用品類，引導固廢綜合利用項目發展。在報告期內，本集團的新產品線已開始生產運營。該新產品線可以通過資源回收綜合利用的工序，產出硫酸、鐵粉和電力。這進一步擴大本集團的產品組合以實現本集團盈利穩定性，實現生態效益和經濟效益。本集團相信，通過發揮本集團在生產可再生產品相關領域的自身優勢，能夠使集團業務的產業鏈延伸，提升核心競爭力，持續推動營收，從而能夠著眼長遠和更具可持續性的業務發展。



Be Empowered by Scientific Research, Promote the Transformation of Scientific and Technological Achievements, and Strengthen the Leadership of Innovation in the Circular Economy

The Group vigorously promotes innovation-driven development and builds competitive advantages for differentiated development. Following the core principle of “resources recycling”, and with industry upgrade empowered by technology innovation, the Group actively promotes the comprehensive utilisation of recovered solid waste resources towards high-value and in-depth development. Through exploring new technologies, focusing on the big picture of development, reinforcing patents, and fostering technological innovation, the Group aims to build its long-term competitiveness. During the Reporting Period, the Group successfully obtained three patents for its new technologies, serving to enhance the protection of its R&D achievements. Further, the Group was widely and consistently recognised for its solid business performance and efficient management ability. In December 2023, a wholly-owned subsidiary of the Group was awarded as “Model Intelligent Businesses in Yantai City (Third Batch)” (第三批煙臺市智能化示範企業名單) by the Bureau of Industry and Information Technology of Yantai City, Shandong Province (山東省煙臺市工業和信息化局). During the Reporting Period, one of the projects of the Group’s research and development pilot line were supported by business R&D funding granted by the Yantai Science and Technology Bureau (煙臺市科學技術局). Always driven by technology and innovation, the Group vigorously promotes the research of core technologies, explores the development of high value-added products, excites new dynamics and vitality, and strengthens its core competitiveness to enhance its development effectiveness.

Meanwhile, in respect of the research and development of gold tailings disposal and resource recycling, the Group has cooperated with various institutions and colleges in recent years, including the All China Environment Federation (中華環保聯合會), Shandong Solid Waste Industry Association (山東省固廢產業協會) and Yantai University (煙臺大學), to provide strong technical research and development support for the sustainable and high-quality development of the Group.

科研賦能，縱深推進科技成果轉化，強化創新對循環經濟的引領

本集團大力推動創新驅動發展，構築差異化發展的競爭優勢。圍繞「資源循環利用」主線，以技術革新引領產業升級，本集團積極推動固廢資源化綜合利用向高值化深度發展，探索新技術，聚焦發展大局，在專利和科技創新基礎上添磚加瓦，打造長期競爭力。在報告期內，本集團成功申請三項新專利技術以加強研發成果的保護；並以扎實的經營業績和高效的管理能力獲得持續廣泛的認可。在二零二三年十二月，本集團的全資子公司榮獲由山東省煙臺市工業和信息化局認可的「第三批煙臺市智能化示範企業名單」。於報告期間，本集團的研發實驗線的其中一個項目獲得由煙臺市科學技術局授予的企業研發經費資助。本集團始終堅持以科技創新為引領，大力推進核心技術的研究，探索開發高附加值產品，激發新動力新活力，夯實公司核心競爭力及發展效益的提升。

與此同時，在黃金尾礦處置及資源回收利用研發工作方面，本集團近年來與各個機構、學院等合作研發，其中包括中華環保聯合會、山東省固廢產業協會和煙臺大學等院所機構，為實現本集團的可持續、高品質發展提供強而有力的技術研發支援。



Outline the Blueprint for Sustainable Development

The Group fully integrates the ESG factors into its corporate strategy and daily operations, and promotes the full integration of the ESG governance into its corporate governance system in order to achieve high-quality sustainable development. During the Reporting Period, a wholly-owned subsidiary of the Group was awarded as 2023 Shandong Socially Responsible Business (2023山東社會責任企業) jointly by Shandong Federation of Industry and Commerce (山東省工商業聯合會), State-owned Assets Supervision and Administration Commission of Shandong Provincial People's Government (山東省人民政府國有資產監督管理委員會), Shandong Market Supervision and Administration Bureau (山東省市場監督管理局) and Shandong Local Financial Supervision and Administration Bureau (山東省地方金融監督管理局). In addition, the New Production Line project was included in the list of the projects to be supported by the Carbon Peaking and Carbon Neutrality Fund in 2023 (2023年碳達峰碳中和專項資金), which was reviewed by the Development and Reform Commission of Yantai Municipality (煙臺市發展和改革委員會) and the Finance Bureau of Yantai Municipality (煙臺市財政局). Meanwhile, the Group puts safety production first, consolidates the foundation of production safety, enhances safety management efforts and abilities, and ensures the safety of project production and construction. By deepening the sound development of the circular economy, so as to strengthen the resource security capabilities of economic and social development, the Group earnestly fulfils social responsibilities, demonstrates a sense of responsibility, and creates shared value for shareholders, customers, employees, and society.

OUTLOOK

In 2024, with the further implementation of the Fourteenth Five-Year Plan and Vision 2035 Outline (《第十四個五年規劃和2035年遠景目標綱要》) and the continued efforts of the green development policy, the Group will uphold the spirit of pragmatism and seize the opportunities of the times to join the grand blueprint of the country's development and contribute to the green development. In 2024, the Group will focus on the following:

Continuously Advance the Integrated Utilisation of Solid Waste Resources and Further Toward the High-value Development

Under the guidance of national policies and based on its resources, the Group will fully increase substantial requirements for resource utilisation efficiency, vigorously promote the overall shift from the "low efficiency and low value" model to the "high efficiency and high value" model in hazardous waste disposal and recycling, improve product values through sophisticated resource utilisation, and realise the green and high-quality development of hazardous waste disposal

勾勒可持續發展藍圖

本集團將ESG充分納入企業戰略及融入日常運營，推動ESG治理充分融入公司治理體系，致力於實現高品質可持續發展。在報告期內，本集團的一家全資子公司入選由山東省工商業聯合會、山東省人民政府國有資產監督管理委員會、山東省市場監督管理局和山東省地方金融監督管理局聯合頒發的「2023山東社會責任企業」。另外，新產品線項目入選了由煙臺市發展和改革委員會、煙臺市財政局評審的2023年碳達峰碳中和專項資金擬支持項目名單。與此同時，本集團以安全生產為首要宗旨，夯實安全生產基礎，提升安全管理力度能力，確保專案生產建設安全，深化循環經濟穩健發展，以強化經濟社會發展的資源保障能力，切實履行社會責任，彰顯責任擔當，為股東、客戶、員工和社會創造共用價值。

展望

二零二四年，隨著《第十四個五年規劃和2035年遠景目標綱要》的進一步實行，綠色發展政策力度延續，本集團將秉持實幹精神，緊抓時代機遇，投身國家發展的宏偉藍圖，助力綠色發展。二零二四年，本集團將重點做好以下幾點：

持續推動固廢資源化綜合利用並向高值化深度發展

本集團將結合國家政策導向和本集團資源情況，全面提高資源利用效率的本質要求，積極推動危廢處置循環利用由「低效、低值」向「高效、高值」整體轉變，深度資源化提升產品價值，實現危廢處置循環利用產業綠色高品質發展，立



and recycling industry, and carry out global planning based on the current development stage so as to lead the industry to solid development.

Strengthen R&D, Expand Product Diversity, and Build a Synergistic Value Chain Through Coverage with Projects

The Group will intensify its efforts in research and development and increase its support for technological innovation. The Group will actively promote the research and development of integrated utilisation of solid waste resources recovered, speed up the transformation of R&D achievements, optimise existing products, diversify product offerings, and expand the reach of the industry. The Group will achieve the horizontal and vertical coverage with in-depth resource utilisation across domains and categories, and effectively provide integrated service capacity along the whole value chain of solid waste and hazardous waste resource utilisation. At the same time, we will cooperate and exchange with relevant institutions and businesses among others. With a focus on reuse and resource recovery, we will continue to push forward product optimisation, upgrade product quality comprehensively, increase resource recycling level, vigorously enhance resource utilisation efficiency, and further the development of circular economy by adhering to scientific research and innovation in order to actively empower business development and escort high-quality development.

Advance the Circular Development of the Industrial Park and Promote the Integrated Utilisation of Solid Waste Resources

In accordance with the principle of “Horizontal Coupling, Vertical Extension and Circular Connection”, the Group will advance its development of the economic system with small cycle within the business, medium cycle within the industrial park and large cycle within the industry at a faster pace. When strengthening the industrial connections in the industrial park, the Group will encourage the formation of industrial chain clusters where businesses mutually supply raw materials and exchange products. It is committed to promoting synergistic utilisation of various solid wastes, fostering integration and concerted growth of the industries within the industrial park, and facilitating synergistic regional development. The Group will tackle prominent environmental problems at source based on sustainable utilisation of resources so as to enhance resource utilisation efficiency and propel new development of the resource integrated utilisation industry.

足於現發展階段進行全域性謀劃，領軍行業堅實發展。

加強研發，拓展產品多樣性，專案佈局打造協同產業鏈

本集團將加大研發力度，加強科技創新支撐，積極推動固廢資源化綜合利用研發，加快成果轉化，優化現有產品及使產品種類多樣化以及擴大產業的延伸，實現多領域、多品類、深度資源化的橫縱佈局，有效提供固廢危廢資源利用全產業鏈綜合服務能力。同時，我們將與相關機構、企業深入合作及資訊交流，以再利用、資源化為重點，通過堅持科研創新，持續推進產品優化，全面提升產品品質，提升資源回收利用水準，大力提高資源利用效率，深化循環經濟發展，積極賦能業務發展，為高品質發展保駕護航。

推進園區循環化發展，促進固廢資源綜合利用

本集團將按照「橫向耦合、縱向延伸、循環連結」原則，加快構建「企業小循環、園區中循環、產業大循環」的經濟體系，加強園區產業連結，鼓勵企業間原料互供、產品互換的產業鏈群，大力推進多種固廢協同利用，產業園區融合共生、區域間協同發展，以資源可持續利用作支撐，從源頭出發解決環境突出問題，提升資源高效利用，推動資源綜合利用產業實現新發展。



FINANCIAL REVIEW

Revenue

財務回顧

收益

		For the year ended 31 December 截至十二月三十一日止年度			
		2023 二零二三年		2022 二零二二年	
		RMB'000 人民幣千元	% %	RMB'000 人民幣千元	% %
Gold mine hazardous waste treatment services	金礦有害廢物處理服務	49,373	45.7	76,439	34.3
Sales of pyrite concentrate	銷售硫精礦	34,775	32.2	131,855	59.2
Hazardous waste storage rental services	有害廢物倉儲租賃服務	13,519	12.5	14,507	6.5
Sales of products from the reprocessing of pyrite concentrate (including sulphuric acid, iron powder and electricity)	銷售硫精礦再加工產品(包括硫酸、鐵粉和電力)	10,321	9.6	—	—
		107,988	100.0	222,801	100.0

The Group principally collects cyanide tailings, which is a kind of gold mine hazardous waste, from the Group's upstream customers and applied our technical know-how to (i) detoxify those wastes to meet the required safety standards; and (ii) recover and recycle therefrom resources with economic value for sale and recycling, such as pyrite concentrate; and (iii) reuse the pyrite concentrate produced by the Group through addition of other raw materials to produce products (including sulphuric acid, iron powder and electricity) for sale. Therefore, revenue of the Group is mainly derived from (i) gold mine hazardous waste treatment services; and (ii) sale of pyrite concentrate; and (iii) sale of products derived from the reprocessing of pyrite concentrate.

For the year ended 31 December 2023, revenues from gold mine hazardous waste treatment services, sales of pyrite concentrate and sales of products from the reprocessing of pyrite concentrate accounted for approximately 87.5% of our total revenue (31 December 2022: 93.5%). The Group also derived revenue from the hazardous waste storage rental services, which accounted for approximately 12.5% (31 December 2022: 6.5%) of our total revenue.

本集團主要從上游客戶收集氰化尾渣(為金礦有害廢物的一種)，並應用我們的技術知識，(i) 對該等廢物進行解毒，以符合安全標準；(ii) 從中回收及再利用具有經濟價值的資源(如硫精礦)以供銷售以及再利用；及(iii) 再利用本集團生產所得的硫精礦加入其他原材料再加工產出的產品(包括硫酸、鐵粉和電力)以供銷售。因此，本集團的收益主要來自(i) 金礦有害廢物處理服務；(ii) 銷售硫精礦；及(iii) 銷售由硫精礦再加工產出的產品。

截至二零二三年十二月三十一日止年度，金礦有害廢物處理服務，銷售硫精礦及銷售硫精礦再加工產品的收益佔我們總收益約87.5% (二零二二年十二月三十一日：93.5%)。本集團亦從有害廢物倉儲租賃服務獲得收益，佔我們總收益約12.5% (二零二二年十二月三十一日：6.5%)。



For the year ended 31 December 2023, the Group's total revenue was approximately RMB108.0 million, representing a decrease by approximately 51.5% as compared to that of approximately RMB222.8 million for the year ended 31 December 2022. The decrease was mainly due to approximately 73.6% and approximately 35.4% down in revenue from sales of pyrite concentrate and gold mine hazardous waste treatment services, respectively, compared to the previous year.

The significant decrease in revenue was primarily attributable to: (i) the decrease in both sales volume and unit price of pyrite concentrate, due to the downturn in industries that require pyrite concentrate as a key raw material for their production processes. For example, the market price of products in sulphuric acid related market dropped significantly compared to the previous year; (ii) a significant decrease in the amount of cyanide tailings provided by the upstream customers, resulting in a decrease in revenue from gold mine hazardous waste treatment services as compared to the previous year; and (iii) the commencement of the production of the New Production Line by the Group in the fourth quarter of 2023 to diversify the product portfolio and expand the Group's existing business. As pyrite concentrate is the main raw material for the production of the New Production Line, the Group had sufficient pyrite concentrate reserved for the commencement of the production line of sulphuric acid, and therefore reduced the quantity of pyrite concentrate sold. As the sales of the products produced by the New Production line, including sulphuric acid, iron powder and electricity (the "New Income Stream") only commenced in the fourth quarter of 2023, and the market price of sulphuric acid was at a low level, therefore, the New Income Stream was not sufficient to compensate for the decline in pyrite concentrate sales.

Gross profit and gross profit margin

For the year ended 31 December 2023, the Group's gross profit was approximately RMB59.6 million, representing a decline of approximately 58.6% as compared to gross profit of approximately RMB144.0 million for the year ended 31 December 2022. This decline was more significant than the decline in total revenues, which was attributable to the decrease in gross profit margin for the year.

截至二零二三年十二月三十一日止年度，本集團總收益約為人民幣108.0百萬元，較截至二零二二年十二月三十一日止年度的約人民幣222.8百萬元下降約51.5%。該下降主要是由於硫精礦銷售和金礦有害廢物處理服務的收益較去年分別下降約73.6%和約35.4%。

收益大幅減少主要歸因於：(i) 硫精礦的銷量及單價均下降，乃由於需要將硫精礦作為生產過程主要原料的行業正處於低迷，例如硫酸相關市場的產品市價相比去年大幅下跌；(ii) 上游客戶提供的氰化尾渣數量大幅減少，導致金礦有害廢物處理服務收入較去年下降；及(iii) 本集團於二零二三年第四季度投產新產品線，以豐富產品組合及擴展本集團現有業務。由於硫精礦為新產品線生產的主要原料，本集團為硫酸生產線投產儲備充足的硫精礦供應，所以減少了硫精礦的銷售數量。由於二零二三年第四季度方才開始新產品線產出產品的銷售，其中包括硫酸、鐵粉和電力（「新創收來源」），以及硫酸的市場價格處於低位，所以新創收來源不足以補償硫精礦的銷售下降。

毛利及毛利率

截至二零二三年十二月三十一日止年度，本集團毛利約人民幣59.6百萬元，較截至二零二二年十二月三十一日止年度的約人民幣144.0百萬元減少約58.6%。毛利的下降比總收益下降幅度更大，這是由於本年度的毛利率的下降所致。



The overall gross profit margin decreased from approximately 64.6% for the year ended 31 December 2022 to approximately 55.2% for the year ended 31 December 2023. Such fluctuation was due to (i) the decrease in gross profit margin of sales of pyrite concentrate from approximately 61.3% for the year ended 31 December 2022 to approximately 45.1% for the year ended 31 December 2023; (ii) the decrease of gross profit margin for gold mine hazardous waste treatment services of approximately 69.3% for the year ended 31 December 2022 to approximately 65.8% for the year ended 31 December 2023; and (iii) the gross profit margin on the sales of products including sulphuric acid, iron powder and electricity derived from the reprocessing of pyrite concentrate was 22.3%, which pulled down the overall gross profit margin of the Group. The low gross profit margin on sales of products derived from the reprocessing of pyrite concentrate was due to the fact that the production line commenced its production activities in the fourth quarter of 2023, the production capacity of the production line was not yet fully released during the initial period of production activities, more upfront costs were incurred during the start-up of the production line, and the unit price of sulphuric acid was in the midst of a downturn.

Other income

Other income increased significantly from approximately RMB1.8 million for the year ended 31 December 2022 to approximately RMB5.4 million for the year ended 31 December 2023. Such increase was mainly attributable to the increase in income from the agency sales of magnesite by approximately RMB4.4 million as compared to the previous year. Revenue from agency services was a one-off transaction and the Group has not actively pursued business opportunities in relation to the agency business.

Selling expenses

Our selling expenses mainly consist of (i) entertainment expense; and (ii) employee salary and benefit expenses for our sales team. For the year ended 31 December 2023, the Group's selling expenses was approximately RMB1.5 million, representing a decrease of approximately 48.3% as compared to that of selling expenses of approximately RMB2.9 million for the year ended 31 December 2022. The decrease was mainly due to the decrease of approximately RMB1.3 million in entertainment expenses as compared to the previous year.

整體毛利率由截至二零二二年十二月三十一日止年度的約64.6%下降至截至二零二三年十二月三十一日止年度的約55.2%。該波動乃由於(i) 硫精礦銷售毛利率由截至二零二二年十二月三十一日止年度約61.3%下降至截至二零二三年十二月三十一日止年度約45.1%; (ii) 金礦有害廢物處理服務毛利率由截至二零二二年十二月三十一日止年度約69.3%下降至截至二零二三年十二月三十一日止年度約65.8%; 及(iii) 銷售由硫精礦再加工產出的產品(包括硫酸、鐵粉及電力)毛利率為22.3%, 將本集團整體毛利率拉低。銷售由硫精礦再加工產出的產品毛利率低是因為該生產線由二零二三年第四季度開始生產活動, 在開始生產活動初期, 生產線的產能未完全釋放, 而且在啟動生產線時產生較多前期費用, 而且硫酸單價正處於低迷。

其他收入

其他收入由截至二零二二年十二月三十一日止年度的約人民幣1.8百萬元大幅增加至截至二零二三年十二月三十一日止年度的約人民幣5.4百萬元。該增加主要由於代理銷售鎂礦石所得收入較去年上升約人民幣4.4百萬元所致。代理服務收入為一次性交易, 而本集團並無積極尋求有關代理業務的商機。

銷售開支

銷售開支主要包括(i) 招待費用; 及(ii) 銷售團隊的員工薪金及福利開支。截至二零二三年十二月三十一日止年度, 本集團銷售開支約人民幣1.5百萬元, 較截至二零二二年十二月三十一日止年度的銷售開支約人民幣2.9百萬元下降約48.3%。該下降的主要原因是本年度的招待費用較去年減少約人民幣1.3百萬元。



Administrative expenses

The administrative expenses of the Group mainly represent (i) employee benefit expenses, including salaries and wages and staff welfare for administrative and management staff; (ii) taxes and levies which primarily represented various kinds of government levies or taxes such as real estate tax, urban construction tax, tenure tax and stamp duty; (iii) depreciation and amortisation of right-of-use assets, administrative facilities and technology research and development related facilities; (iv) office expenses and utilities; (v) entertainment expense; (vi) professional and consultation fee; (vii) transportation and related expenses, including those incurred in business travels of administrative and management staff and business use of vehicles expenses; (viii) research and development costs; and (ix) other expenses of similar nature.

For the year ended 31 December 2023, the Group's administrative expenses was approximately RMB36.7 million, representing an increase of approximately 12.6% as compared to administrative expenses of approximately RMB32.6 million for the year ended 31 December 2022.

The increase was due to the increase in salaries and wages and staff welfare of approximately RMB3.9 million, which was mainly due to the salaries and staff welfare expenses incurred for the preparation for the commissioning of the New Production Line and the projects of research and development pilot line.

Net finance costs

Our net finance costs reflected interest expenses on bank borrowings, borrowings under finance lease arrangement, lease liabilities, exchange gain or loss and other liabilities after offsetting interest income we received from bank balances. For the year ended 31 December 2023, the Group's net finance costs was approximately RMB7.6 million, representing an increase of 52.0% as compared to the net finance costs of approximately RMB5.0 million for the year ended 31 December 2022. The increase in net finance costs was mainly due to (i) interest expenses on borrowings under finance lease arrangement of approximately RMB0.9 million for the year, while there were no such interest expenses in the previous year; and (ii) the net foreign exchange gain of approximately RMB35,000 recognised by the Group for the year ended 31 December 2023, which was a significant decrease from the net foreign exchange gain of approximately RMB1.2 million recognised for the year ended 31 December 2022.

行政開支

本集團的行政開支主要指(i)僱員福利開支，包括行政及管理人員的薪金及工資以及員工福利；(ii)稅項及徵費，主要指各種政府徵費或稅項，例如房產稅、城市建設維護稅、土地使用稅及印花稅；(iii)使用權資產、行政設施和技術研發相關設施的折舊及攤銷；(iv)辦公室開支和水電費用；(v)招待費用；(vi)專業及諮詢費；(vii)運輸及相關開支，包括行政及管理人員在差旅中產生的開支以及業務用途的汽車開支；(viii)研究開發費用；及(ix)其他類似性質的開支。

截至二零二三年十二月三十一日止年度，本集團行政開支約人民幣36.7百萬元，較截至二零二二年十二月三十一日止年度的行政開支約人民幣32.6百萬元上升約12.6%。

此乃由於薪金及工資以及員工福利增加約人民幣3.9百萬元，這主要因為籌備新生產線投產和研發實驗線的項目產生的薪金以及員工福利費用。

融資成本淨額

融資成本淨額反映銀行借款、融資租賃安排項下借款、租賃負債、匯兌損益及其他負債利息開支（抵銷我們自銀行結餘收取的利息收入後）。截至二零二三年十二月三十一日止年度，本集團融資成本淨額約人民幣7.6百萬元，較截至二零二二年十二月三十一日止年度的融資成本淨額約人民幣5.0百萬元上升約52.0%。融資成本淨額上升主要由於(i)本年度融資租賃安排項下借款的利息開支約人民幣0.9百萬元，而去年并未有發生該等利息開支；及(ii)截至二零二三年十二月三十一日止年度，本集團確認外匯收益淨額約人民幣35,000元，較截至二零二二年十二月三十一日止年度確認的外匯收益淨額約人民幣1.2百萬元大幅下降。



Income tax expense

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act and accordingly is exempted from Cayman Islands income tax. Our Company's direct wholly owned subsidiary was incorporated in the BVI as a business company with limited liability under the BVI Companies Act 2004 and accordingly is exempted from BVI income tax.

Hong Kong profits tax

No Hong Kong profits tax has been provided for as the Group did not generate any assessable profit in Hong Kong for the years ended 31 December 2023 and 2022.

PRC corporate income tax ("CIT")

The tax rate of our subsidiaries established in the PRC is 25%. HC Environmental and HC Mining, engaging in comprehensive utilisation of resources are also entitled to 10% reduction on their CIT tax based on taxable income derived from the sales of pyrite concentrate.

For the year ended 31 December 2023, the Group's income tax expense was approximately RMB3.7 million, representing a decrease of approximately 84.3% as compared to income tax expenses of approximately RMB23.5 million for the year ended 31 December 2022, reflecting effective tax rate (equivalent to income tax expense divided by profit before income tax) of approximately 17.3% and 22.7% for the year ended 31 December 2023 and the year ended 31 December 2022, respectively.

The decrease in the effective tax rate from approximately 22.7% for the year ended 31 December 2022 to approximately 17.3% for the year ended 31 December 2023 was mainly due to (i) the increase in the amounts of deferred income tax assets recognised in relation to the tax loss of a subsidiary which is probable to generate taxable income in the foreseeable future; and (ii) the increase in research and development expenses, which were entitled to be additional deductible in the calculation of corporate income tax.

PRC withholding income tax

According to the CIT Law, a 10% withholding tax on dividends received/receivable will be levied on the PRC companies' immediate holding companies established out of the PRC. A lower withholding tax rate may be applied if there is a tax treaty arrangement between the PRC and the jurisdiction of the foreign immediate holding companies and simultaneously certain conditions are satisfied.

所得稅開支

本公司根據公司法在開曼群島註冊成立為獲豁免有限公司，因而獲豁免繳納開曼群島所得稅。本公司直接全資持有的附屬公司根據二零零四年英屬維爾京群島公司法在英屬維爾京群島註冊成立為商業有限公司，因而獲豁免繳納英屬維爾京群島所得稅。

香港利得稅

截至二零二三年及二零二二年十二月三十一日止年度，由於本集團於香港並無產生任何應課稅溢利，故概無就香港利得稅計提撥備。

中國企業所得稅（「企業所得稅」）

我們在中國成立的附屬公司的適用稅率為25%。就計算企業所得稅，從事資源綜合利用的鴻鉞環保及鴻承礦業亦可以就銷售硫精礦的收益享有應課稅收入10%寬減。

截至二零二三年十二月三十一日止年度，本集團所得稅開支約人民幣3.7百萬元，較截至二零二二年十二月三十一日止年度的所得稅開支約人民幣23.5百萬元下降約84.3%，反映截至二零二三年十二月三十一日止年度及截至二零二二年十二月三十一日止年度，實際稅率（等於所得稅開支除以除所得稅前溢利）分別為約17.3%及22.7%。

實際稅率由截至二零二二年十二月三十一日止年度約22.7%下降至截至二零二三年十二月三十一日止年度的約17.3%，主要是由於(i)就一間附屬公司的稅項虧損確認的遞延所得稅資產金額增加，而該公司很可能於可預見未來產生應課稅收入；及(ii)研發費用支出增加，研發費用在計算企業所得稅時可以加計扣除。

中國預扣所得稅

根據企業所得稅法，在中國境外成立的中國公司的直接控股公司將被徵收已收／應收股息的10%預扣稅。倘中國與外國直接控股公司的司法管轄區之間有稅務條約安排，並同時滿足若干條件，則可適用較低的預扣稅率。



Capital Expenditures

Our capital expenditure mainly consisted of the acquisition of items of property, plant and equipment and right-of-use assets. During the year ended 31 December 2023, we incurred capital expenditure of approximately RMB78.2 million (31 December 2022: RMB252.3 million).

Capital Commitments

As at 31 December 2023, the Group had capital commitments of RMB17.5 million (31 December 2022: RMB9.3 million).

Pledge of Assets

As at 31 December 2023, the total net book value of assets pledged to secure the Group's bank borrowings and finance lease borrowings amounted to approximately RMB29.1 million (31 December 2022: approximately RMB21.9 million) for land use rights, approximately RMB52.3 million (31 December 2022: approximately RMB54.4 million) for buildings, approximately RMB57.1 million (31 December 2022: nil) for machinery and approximately RMB120.1 million (31 December 2022: approximately RMB124.7 million) for investment properties.

As at 31 December 2022, the Group's land use rights with an aggregate net book value of approximately RMB15.6 million and buildings with an aggregate net book value of approximately RMB40.8 million were pledged to secure short-term bank borrowings granted to two third parties totalling RMB16.0 million. As of 31 December 2023, the pledges were fully discharged.

Contingent Liabilities

As at 31 December 2023, we did not have any material contingent liabilities. We are not currently involved in any material legal proceedings, nor are we aware of any pending or potential material legal proceedings, to the knowledge of the Board, threatened against the Group and could have a material adverse effect on our business or operations.

Treasury Policy

The Group adopts a prudent approach towards its treasury policies. To manage the liquidity risk, the Group closely monitors its liquidity position to ensure the liquidity structure of the Group's assets, liabilities and commitments and to ensure the fulfilment of its funding requirements for business development.

資本開支

我們的資本開支主要包括購置物業、廠房及設備項目及使用權資產。我們於截至二零二三年十二月三十一日止年度產生的資本開支為約人民幣78.2百萬元（二零二二年十二月三十一日：約人民幣252.3百萬元）。

資本承擔

於二零二三年十二月三十一日，本集團的資本承擔為約人民幣17.5百萬元（二零二二年十二月三十一日：約人民幣9.3百萬元）。

資產質押

於二零二三年十二月三十一日，已作抵押以擔保本集團的銀行借款和融資租賃借款的資產的賬面淨值總額分別為約人民幣29.1百萬元（二零二二年十二月三十一日：約人民幣21.9百萬元）的土地使用權，約人民幣52.3百萬元（二零二二年十二月三十一日：約人民幣54.4百萬元）的樓宇，約人民幣57.1百萬元（二零二二年十二月三十一日：無）的機器及約人民幣120.1百萬元（二零二二年十二月三十一日：約人民幣124.7百萬元）的投資物業。

於二零二二年十二月三十一日，本集團賬面淨值總額約為人民幣15.6百萬元的土地使用權及賬面淨值總額約為人民幣40.8百萬元的樓宇已抵押作為授予兩名第三方的合共人民幣16.0百萬元的短期銀行借款的擔保。截至二零二三年十二月三十一日，該抵押已全部解除。

或然負債

於二零二三年十二月三十一日，我們並無任何重大或然負債。據董事會所知，我們現時未牽涉任何重大法律訴訟，亦不知悉我們涉及任何對本集團構成威脅，並可能對我們的業務或營運產生重大不利影響的待決或潛在的重大法律訴訟。

庫務政策

本集團對其庫務政策採取審慎態度。為管理流動性風險，本集團密切監控流動性狀況，以確保本集團資產、負債及承諾的流動性結構，確保滿足業務發展的資金需求。



Foreign Exchange Risk Management

The Group carries out its business operations in the PRC with most of the transactions denominated and settled in RMB save for certain fees payable to professional parties and miscellaneous administrative expenses that are denominated in Hong Kong dollars. Hence the Group does not currently have a hedging policy on foreign exchange risk as the Board does not consider the Group's exposure to foreign exchange fluctuations (primarily in the HKD) to be significant, and that any fluctuation thereof will not have any material impact on the Group's business operations or its financial results. The management will, however, closely monitor its foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

Liquidity, Finance Resources and Capital Structure

As at 31 December 2023, the Group had net current assets of approximately RMB25.9 million (31 December 2022: approximately RMB7.9 million). As at 31 December 2023, the gearing ratio was approximately 46.6% (31 December 2022: approximately 30.0%). The gearing ratio is calculated by dividing total debt by total equity at the end of the relevant year and multiplying by 100%. Debt is defined as amounts payable that are not incurred in the ordinary course of business and includes bank and other borrowings, lease liabilities and other liabilities relating to warehouse lease arrangements.

As at 31 December 2023, the Group maintained a strong financial position with cash and cash equivalents of approximately RMB76.1 million (31 December 2022: RMB59.2 million). The Group met and expects to continue meeting its operating capital, capital expenditure and other capital needs with cash generated from operations and proceeds from the Listing.

During the Reporting Period, the Company had no material change in its capital structure. The capital of the Company comprised only ordinary shares.

外匯風險管理

本集團於中國經營業務，除了應付專業人士的若干費用及雜項行政開支以港元計值外，大部分交易均以人民幣計值及結算。故此，本集團目前並無就外匯風險設立對沖政策，乃因董事會認為本集團所面對的外匯波動（主要以港元計值）並不重大，其任何波動不會對本集團之業務營運或財務業績造成重大影響。然而，管理層將密切監察其外匯風險，並於必要時考慮對沖重大外幣風險。

流動資金、財務資源及資本結構

於二零二三年十二月三十一日，本集團流動資產淨值約為人民幣25.9百萬元（二零二二年十二月三十一日：約人民幣7.9百萬元）。於二零二三年十二月三十一日，資產負債比率約為46.6%（二零二二年十二月三十一日：約30.0%）。資產負債比率乃按相關年末的債務總額除以權益總額，再乘以100%計算。債務的定義是並非在一般業務過程中產生的應付款項，包括銀行和其他借款、租賃負債及與倉庫租賃安排有關的其他負債。

本集團維持穩健的財務狀況，於二零二三年十二月三十一日的現金及現金等價物為約人民幣76.1百萬元（二零二二年十二月三十一日：約人民幣59.2百萬元）。本集團以營運所得現金及上市所得款項滿足並預期將繼續滿足其營運資金、資本開支及其他資金需求。

於報告期間，本公司的資本結構概無重大變化。本公司資本僅包括普通股。



EXECUTIVE DIRECTORS

Mr. Liu Zeming (劉澤銘) (formerly known as Liu Zeming (劉澤明)), aged 48

Mr. Liu is an executive Director and chairman of the Board who is responsible for the overall management of the business operations and strategic and corporate development of the Group. He is also a member of the Remuneration Committee and chairman of the Nomination Committee. He was appointed as Director on 12 January 2021 and re-designated as executive Director on 8 April 2021. Mr. Liu is a founder of the Group and our Controlling Shareholder. Mr. Liu has over 10 years of experience in operation and management business of metal ore waste processing. Mr. Liu has been an executive director and general manager of HC Mining since April 2011. He has obtained the qualification of PRC Intermediate Assistant Economist (中級助理經濟師) from Yantai Engineering & Technical Position Intermediate Evaluation Committee (煙臺市工程技術職務中級評審委員會) in February 2003. He was appointed as a member of the standing committee of Shandong People's Political Consultative Conference (中國人民政治協商會議山東省委員會) in January 2013 and January 2018, respectively.

Prior to joining the Group, Mr. Liu worked for Laizhou Jinshan Stone Raw Materials Trading Co., Ltd. (萊州市金山石材銷售有限公司), which principally engaged in the trading of stone raw materials, from September 2003 to April 2011 holding his last position as sales manager. He worked as a manager at Laizhou Property Development Company Limited (萊州房地產開發有限公司) from July 1997 to August 2003. He also worked at the former People's Government of Xiyou Town, Laizhou City (萊州市西由鎮人民政府), and was primarily responsible for clerical works from September 1995 to July 1997.

Mr. Liu has received various awards with social impact throughout the years. He was awarded a certificate of honour for his personal contribution in fighting the COVID-19 in Shandong Province 「(山東省抗擊新冠病毒肺炎疫情先進個人)榮譽證書」 issued by the Shandong Provincial Committee of the China Peasants' and Workers' Democratic Party (中國農工民主黨山東省委員會) in December 2020; the title of "Model Worker of Yantai" ("煙臺市勞動模範") jointly issued by the Yantai Municipal Committee of the Communist Party of China and the Yantai Municipal People's Government (中共煙臺市委和煙臺市人民政府) in April 2019; the "Economic

執行董事

劉澤銘 (前稱為劉澤明) 先生, 48歲

劉先生為執行董事兼董事會主席, 彼負責本集團整體業務營運管理及策略和企業發展。彼亦為薪酬委員會成員及提名委員會主席。彼於二零二一年一月十二日獲委任為董事, 並於二零二一年四月八日調任為執行董事。劉先生為本集團創辦人及控股股東。劉先生擁有超過10年營運及管理金屬礦石廢料加工業務的經驗。劉先生自二零一一年四月起為鴻承礦業的執行董事及總經理。彼於二零零三年二月取得煙臺市工程技術職務中級評審委員會評定的中國中級助理經濟師資格。彼分別於二零一三年一月及二零一八年一月獲委任為中國人民政治協商會議山東省委員會常委。

加入本集團前, 於二零零三年九月至二零一一年四月, 劉先生在萊州市金山石材銷售有限公司(主要從事石材貿易)任職, 最後職位為銷售經理。彼於一九九七年七月至二零零三年八月在萊州房地產開發有限公司擔任科長。彼於一九九五年九月至一九九七年七月亦在前萊州市西由鎮人民政府任職, 主要負責文職工作。

多年來, 劉先生曾數度獲得具有社會影響力的獎項。彼於二零二零年十二月獲得由中國農工民主黨山東省委員會頒發的「山東省抗擊新冠病毒肺炎疫情先進個人」榮譽證書; 於二零一九年四月獲得中共煙臺市委及煙臺市人民政府聯合頒發的「煙臺市勞動模範」稱號; 於二零一九年二月獲得中共萊州市委員會及萊州市人民政府聯合頒發的2018年度「經濟發展進步



Development Progress Award” for the year 2018 (2018年度「經濟發展進步獎」) jointly issued by the Laizhou Municipal Committee of the Communist Party of China and the Laizhou Municipal People’s Government (中共萊州市委員會及萊州市人民政府) in February 2019; the 13th “Ten Outstanding Youth Nomination Award of Yantai City (“煙臺十大傑出青年”)” jointly issued by the Yantai Municipal Committee of the Communist Youth League and the Yantai Youth Federation (共青團煙臺市委及煙臺市青年聯合會) in October 2015; and the honorary title of “Model Youth of Laizhou” (“萊州市模範青年”) jointly issued by the Organisation Department of the Laizhou Municipal Committee of the Communist Party of China (中共萊州市委組織部) and other four departments in December 2012.

Mr. Liu completed the tertiary education program in business administration from Shandong Agricultural Management College (山東省農業管理幹部學院) (currently known as 山東農業工程學院) in July 1999. He further completed a post-graduate education program in modern Chinese history from Shandong Normal University (山東師範大學) in July 2000. Mr. Liu obtained a doctorate’s degree in Business Administration at North Borneo University College in Malaysia by way of distance learning in February 2022.

Mr. Zhan Yirong (戰乙榮) (formerly known as Zhan Dongtang (戰冬棠)) (“Mr. Zhan”), aged 34

Mr. Zhan is an executive Director and the chief executive officer of our Company who is responsible for the overall administrative and operational management of our Group. He was appointed as an executive Director on 8 April 2021. Mr. Zhan has more than ten years of experience in corporate management in the gold mine hazardous waste treatment industry. He joined the Group in March 2012. During the years, he worked as deputy manager and manager of business administration department, general manager assistant and deputy general manager of HC Mining and acquired experiences in sales and business administration. Mr. Zhan served as the general manager of HC Environmental from January 2017 to August 2023. He has been the general manager of HC Mining since January 2017. He was appointed as a representative of the 18th People’s Congress of Yantai City in February 2022.

Mr. Zhan obtained a bachelor’s degree in mechanical design, manufacturing and automation from Qingdao Binhai University (青島濱海學院) in July 2012. He obtained the PRC Cartographer at Senior Skill Level qualification from Shandong Vocational Skills Identification and Guidance Center (山東省職業技能鑒定中心) in February 2011.

獎」；於二零一五年十月獲得由共青團煙臺市委及煙臺市青年聯合會聯合頒發的第十三屆「煙臺十大傑出青年」提名獎；以及於二零一二年十二月獲得由中共萊州市委組織部及另外四個部門聯合頒發的「萊州市模範青年」榮譽稱號。

劉先生於一九九九年七月於山東省農業管理幹部學院(現名為山東農業工程學院)完成工商管理大學本科課程，並於二零零零年七月於山東師範大學完成中國近代史研究生課程。劉先生於二零二二年二月在馬來西亞北婆羅洲大學以遙距教育方式獲得工商管理博士學位。

戰乙榮(前稱為戰冬棠)先生(「戰先生」)，34歲

戰先生為執行董事兼本公司行政總裁，負責本集團的整體行政及營運管理。彼於二零二一年四月八日獲委任為執行董事。戰先生在金礦有害廢物處理行業的企業管理方面擁有逾十年經驗。彼於二零一二年三月加入本集團，多年來擔任鴻承礦業商業管理部門的副經理及經理、總經理助理及副總經理，累積了銷售及商業管理經驗。戰先生由二零一七年一月至二零二三年八月擔任鴻鉞環保的總經理。彼自二零一七年一月起擔任鴻承礦業的總經理。彼於二零二二年二月獲委任為煙臺市第十八屆人民代表大會代表。

戰先生於二零一二年七月取得青島濱海學院機械設計、製造及自動化學士學位。彼於二零一一年二月在山東省職業技能鑒定中心取得中國制圖員高級技能資格。



Mr. Sheng Haiyan (盛海燕) (“Mr. Sheng”), aged 57

Mr. Sheng is an executive Director and chief technical officer of our Company who is responsible for the overall research and development and technical management of the Group. He was appointed as an executive Director on 8 April 2021. He has more than 30 years of experience in chemical related industry. He joined the Group in December 2012 and was mainly engaged in research and development related work of the Group’s subsidiaries. Prior to joining our Group, Mr. Sheng worked at Laizhou Jinxing Chemicals Co., Ltd. (萊州金興化工有限公司), which principally engaged in, among other things chemicals manufacturing and processing from August 1991 to November 2012 holding his last position as chief engineer.

Mr. Sheng obtained a bachelor’s degree in organic chemistry from Jiangxi University (江西大學) (currently known as Nanchang University (南昌大學)) in July 1991. He obtained the qualification of intermediate engineer from Yantai Chemical Engineering and Technical Evaluation Committee (煙臺市化工工程技術職務中級評審委員會) in October 1998.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zhang Shijun (張式軍) (“Mr. Zhang”), aged 58

Mr. Zhang is an independent non-executive Director who is responsible for supervising and providing independent judgement to the Board. He is also a member of the Audit Committee and the Nomination Committee. He was appointed as an independent non-executive Director on 23 October 2021. Mr. Zhang has over 36 years of experience in education and environmental management. He has been teaching at Shandong University (山東大學) since July 2005 and has been working as a professor of law since October 2020. Mr. Zhang served at Qingdao Municipal Bureau of Ecology and Environment (青島市生態環境局), a government bureau located in Qingdao, Shandong province, which principally engaged in the environmental management and supervision of Qingdao city from July 1996 to August 2002, holding his last position as engineer of environmental management. Mr. Zhang served as a lecturer at Normal College of Qingdao University (青島大學師範學院) from April 1996 to June 1996. He also worked as a teacher at No. 3 Middle School of Laoshan Qingdao (青島市嶗山區第三中學) from July 1984 to August 1993. Mr. Zhang served as an independent non-executive director in Shandong Sunway Chemical Group CO., Ltd. (山東三維化學集團股份有限公司), a company listed on Shenzhen Stock Exchange (stock code: 002469), from April 2017 to December 2023.

盛海燕先生 (「盛先生」), 57歲

盛先生為執行董事兼本公司技術總監，負責本集團整體研發及技術管理。彼於二零二一年四月八日獲委任為執行董事。彼擁有超過30年的化工相關行業經驗。彼於二零一二年十二月加入本集團，主要擔任本集團子公司的研發相關的工作。加入本集團前，盛先生曾於一九九一年八月至二零一二年十一月在萊州金興化工有限公司工作，該公司主要從事（其中包括）化學品製造及加工，最後擔任總工程師一職。

盛先生於一九九一年七月獲江西大學（現名南昌大學）有機化學專業學士學位。彼於一九九八年十月獲煙臺市化工工程技術職務中級評審委員會評定為中級工程師資格。

獨立非執行董事

張式軍先生 (「張先生」), 58歲

張先生為獨立非執行董事，負責監督董事會的工作並向董事會提供獨立判斷。彼亦為審核委員會及提名委員會成員。彼於二零二一年十月二十三日獲委任為獨立非執行董事。張先生在教育及環境管理方面擁有超過36年的經驗。彼自二零零五年七月起在山東大學任教，並自二零二零年十月起擔任法學教授。張先生於一九九六年七月至二零零二年八月任職於青島市生態環境局（位於山東省青島市的政府部門），主要從事青島市的環境管理和監督，其最終職位為環境管理工程師。張先生於一九九六年四月至一九九六年六月擔任青島大學師範學院講師。彼亦於一九八四年七月至一九九三年八月在青島市嶗山區第三中學任教。張先生自二零一七年四月至二零二三年十二月於山東三維化學集團股份有限公司任職獨立非執行董事，該公司於深圳證券交易所上市（股份代號：002469）。



Mr. Zhang obtained a bachelor's degree in geography from Shandong Normal University (山東師範大學) in June 1990. He then obtained a master's degree in environmental chemistry from Zhejiang University (浙江大學) in March 1996. Mr. Zhang further obtained a doctorate's degree in science of environment and natural resources protection law from Wuhan University (武漢大學) in June 2005.

Ms. Liu Ye (劉曄) ("Ms. Liu"), aged 49

Ms. Liu is an independent non-executive Director who is responsible for supervising and providing independent judgement to the Board. She is also the chairlady of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee. She was appointed as an independent non-executive Director of our Group on 23 October 2021. Ms. Liu has approximately 26 years of teaching experience and approximately 10 years of part-time working experience in the legal industry. She has worked as a part-time lawyer at Shandong Zhongcheng Renhe Law Firm (山東眾成仁和律師事務所) from March 2012 to May 2015 and Grandall Law Firm (Ji Nan Office) (國浩律師(濟南)事務所) from May 2015 to June 2016 respectively. She has been working as a senior partner at Shandong Ray & Young Law Firm (山東睿揚律師事務所) since June 2016. Ms. Liu taught at Shandong Police Officer Training Institute (山東省警官培訓學院) as a teacher from December 1997 to December 2013. She has been teaching at Shandong University of Political Science and Law (山東政法學院) since May 2014 and has been working as an associate professor since November 2017.

Ms. Liu obtained a bachelor's degree in economics from Yantai University (煙臺大學) in July 1997. She further obtained a master's degree in economics from Shandong University (山東大學) in December 2003. Ms. Liu obtained the qualification of PRC Legal Professional Qualification Certificate in February 2009. She also obtained the qualification of PRC Securities Practice Certificate in April 2017.

張先生於一九九零年六月獲得山東師範大學地理學學士學位。彼隨後於一九九六年三月在浙江大學取得環境化學碩士學位。張先生於二零零五年六月在武漢大學再取得環境與資源保護法學博士學位。

劉曄女士(「劉女士」)，49歲

劉女士為獨立非執行董事，負責監督董事會的工作並向董事會提供獨立判斷。彼亦為薪酬委員會主席以及審核委員會及提名委員會成員。彼於二零二一年十月二十三日獲委任為本集團獨立非執行董事。劉女士擁有約26年教學經驗，以及約10年在法律行業兼職工作的經驗。彼先後於二零一二年三月至二零一五年五月在山東眾成仁和律師事務所，以及於二零一五年五月至二零一六年六月在國浩律師(濟南)事務所出任兼職律師。彼自二零一六年六月起擔任山東睿揚律師事務所的高級合夥人。劉女士於一九九七年十二月至二零一三年十二月在山東省警官培訓學院任教。彼自二零一四年五月起在山東政法學院任教，並自二零一七年十一月起出任副教授。

劉女士於一九九七年七月自煙臺大學取得經濟學學士學位。彼於二零零三年十二月再自山東大學取得經濟學碩士學位。劉女士於二零零九年二月取得中國法律職業資格證書。彼亦於二零一七年四月取得中國證券從業資格證書。



Mr. Lau Chung Wai (劉仲緯), aged 41

Mr. Lau is an independent non-executive Director who is responsible for supervising and providing independent judgement to the Board. He is also the chairman of the Audit Committee and a member of the Remuneration Committee. He was appointed as an independent non-executive Director on 23 October 2021. He is the independent non-executive Director who has the qualifications and experience to meet the requirements under Rule 3.10(2) of the Listing Rules.

Mr. Lau has over 19 years of experience in accounting and finance and is currently the sole practitioner of Yanten (Hong Kong) CPA & Co.. He has been serving as company secretary of Kwung's Holdings Limited, a company listed on the Main Board (stock code: 1925), since March 2019. Mr. Lau has also been working as an independent non-executive director of Fufeng Group Limited, a company listed on the Main Board (stock code: 546), and Metropolis Capital Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8621), since June 2019 and November 2018, respectively. He has been working as a company secretary of Omnibridge Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8462), Hygieia Group Limited, a company listed on the Main Board (stock code: 1650) and IAG Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8513), since April 2022, December 2019 and August 2017, respectively. He worked as chief financial officer of Kwung's Holdings Limited, a company listed on the Main Board (stock code: 1925), from March 2019 to April 2022. Mr. Lau worked as company secretary and chief financial officer of Da Sen Holdings Group Limited, a company listed on the Main Board (stock code: 1580), from August 2015 to March 2019. He worked as group financial controller of Passion Art International Holdings Limited, a company primarily engaged in manufacture and sale of furniture and home decoration products, from May 2013 to July 2015. Mr. Lau worked as financial manager of Starcom Worldwide, a media agency company which is a subsidiary of Publicis Groupe SA, a company listed on the Euronext Paris (stock code: PUB), from September 2011 to April 2013. He worked at the Hong Kong office of Ernst & Young from September 2004 to September 2011, holding his last position as manager in the assurance department.

Mr. Lau graduated from the Hong Kong University of Science and Technology with a degree of bachelor of business administration in accounting in November 2004. He was admitted as a certified public accountant of HKICPA in January 2008 and a fellow member of HKICPA in May 2015.

劉仲緯先生，41歲

劉先生為獨立非執行董事，負責監督董事會的工作並向董事會提供獨立判斷。彼亦為審核委員會主席及薪酬委員會成員。彼於二零二一年十月二十三日獲委任為獨立非執行董事。彼為具備符合上市規則第3.10(2)條規定的資格及經驗的獨立非執行董事。

劉先生在會計及財務方面擁有超過19年經驗並現任駿裕(香港)會計師事務所的獨資擁有人。彼自二零一九年三月起擔任主板上市公司曠世控股有限公司(股份代號: 1925)的公司秘書。劉先生亦自二零一九年六月及二零一八年十一月起分別擔任主板上市公司阜豐集團有限公司(股份代號: 546)及聯交所GEM上市公司Metropolis Capital Holdings Limited(股份代號: 8621)的獨立非執行董事。彼自二零二二年四月、二零一九年十二月及二零一七年八月起分別擔任聯交所GEM上市公司中安控股集團有限公司(股份代號: 8462)、主板上市公司Hygieia Group Limited(股份代號: 1650)及聯交所GEM上市公司官醞控股有限公司(股份代號: 8513)的公司秘書。彼自二零一九年三月至二零二二年四月擔任主板上市公司曠世控股有限公司(股份代號: 1925)的首席財務官。劉先生於二零一五年八月至二零一九年三月擔任主板上市公司大森控股集團有限公司(股份代號: 1580)的公司秘書及首席財務官。彼於二零一三年五月至二零一五年七月擔任Passion Art International Holdings Limited的集團財務總監，該公司主要從事製造及銷售傢俱及家居裝飾產品。劉先生於二零一一年九月至二零一三年四月擔任媒體代理公司Starcom Worldwide的財務經理，該公司為Publicis Groupe SA(一間於巴黎泛歐交易所上市的公司，股份代號: PUB)的附屬公司。彼於二零零四年九月至二零一一年九月在安永會計師事務所香港辦事處工作，最後職位為審計服務部經理。

劉先生於二零零四年十一月畢業於香港科技大學，獲頒會計學工商管理學士學位。彼於二零零八年一月獲准成為香港會計師公會的執業會計師，並於二零一五年五月成為香港會計師公會的資深會員。



SENIOR MANAGEMENT

Mr. Zhang Weiping (張衛平) (“Mr. Zhang”), aged 54

Mr. Zhang is the deputy general manager of HC Mining who is responsible for the overall production safety. Mr. Zhang has over 30 years of experience in production safety and operation. He joined our Group in May 2017 working as the supervisor of production safety and environmental protection at HC Environmental from May 2017 to September 2018. He then worked at HC Mining as deputy general manager for production safety and operation from September 2018 to February 2020. Mr. Zhang has been serving as the deputy general manager of HC Environmental from February 2020 to August 2023. He has been serving as the deputy general manager of HC Mining since August 2023. Prior to joining our Group, Mr. Zhang worked at Shandong Tiancheng Biological Golden Industry Co., Ltd. (山東天承生物金業有限公司) (“**Shandong Tiancheng**”) which principally engages in metal processing from February 1990 to May 2017 holding his last position as supervisor of environmental protection safety.

Mr. Zhang obtained a diploma in mechatronics engineering from Qingdao University of Technology (青島理工大學) in July 2018 by way of distance learning. He obtained the certificate of PRC senior environmental protection safety engineer from AXKG Appraisal Organisation (AXKG 全國職業技能考試鑒定中心) in October 2020.

Mr. Zhu Guangping (朱廣平) (“Mr. Zhu”), aged 52

Mr. Zhu is the deputy general manager of HC Mining who is responsible for the overall daily operation of HC Mining and overall environmental and safety operation of HC Mining. Mr. Zhu has over 34 years of experience in production and manufacturing industry. He joined our Group in November 2017 working as the deputy general manager for production safety and environmental protection of HC Environmental from November 2017 to March 2020. He has been serving as the deputy general manager of HC Mining since March 2020. Prior to joining our Group, Mr. Zhu worked at Shandong Tiancheng from December 1987 to July 2017 holding his last position as workshop supervisor.

Mr. Zhu obtained a diploma in metallurgical technology from Northeastern University (東北大學) in July 2015 by way of distance learning. He obtained the certificate of PRC senior solid waste processing engineer from China Association of Machinery Equipment Maintenance and Renovation (中國機電裝備維修與改造技術協會) in September 2020.

高級管理層

張衛平先生(「張先生」)，54歲

張先生為鴻承礦業的副總經理，負責整體生產安全。張先生於生產安全及營運方面擁有超過30年經驗。彼於二零一七年五月加入本集團，在二零一七年五月至二零一八年九月期間擔任鴻承環保的生產安全及環境保護監督。其後，彼於二零一八年九月至二零二零年二月在鴻承礦業擔任生產安全及營運副總經理。自二零二零年二月至二零二三年八月，張先生為鴻承環保的副總經理。彼自二零二三年八月起擔任鴻承礦業副總經理。加入本集團前，於一九九零年二月至二零一七年五月，張先生在山東天承生物金業有限公司(「山東天承」)任職，該公司主要從事金屬加工，其最終職位為環保安全監理。

張先生於二零一八年七月通過遙距學習取得青島理工大學機械電子工程學文憑。彼於二零二零年十月自AXKG全國職業技能考試鑒定中心取得中國高級環保安全工程師證書。

朱廣平先生(「朱先生」)，52歲

朱先生為鴻承礦業副總經理，負責鴻承礦業的整體日常營運及鴻承礦業的整體環境及安全營運。朱先生在生產製造行業擁有超過34年的經驗。彼於二零一七年十一月加入本集團，自二零一七年十一月至二零二零年三月擔任鴻承環保的安全生產及環保副總經理。彼自二零二零年三月起擔任鴻承礦業副總經理。於加入本集團之前，朱先生於一九八七年十二月至二零一七年七月在山東天承工作，所擔任最終職位為車間主管。

朱先生於二零一五年七月以遠程學習方式取得東北大學冶金技術文憑。彼於二零二零年九月自中國機電裝備維修與改造技術協會取得中國高級固體廢物處理工程師證書。



Mr. Wong Yun Fai (王潤輝) (“Mr. Wong”), aged 36

Mr. Wong is the company secretary and chief financial officer of the Group who is responsible for the overall financial management of the Group. He joined the Group on 21 December 2020 and was subsequently appointed as the chief financial officer of our Group on 23 April 2021. Mr. Wong has over 10 years of experience in audit and accounting. He has been serving as company secretary of Artini Holdings Limited, a company listed on the Main Board (stock code: 789), since December 2023. Prior to joining our Group, Mr. Wong worked at certain PRC subsidiaries of Shenzhen Huaruixin Asset Management Co., Ltd. (深圳市華睿信資產管理有限公司) (“HRX”), a company which principally engaged in asset management from January 2018 to December 2020, holding his last position as chief financial officer of both HRX and EMP Capital Limited, a Hong Kong subsidiary of HRX. He worked at the Xiamen office of Deloitte Touche Tohmatsu and the Hong Kong office of Deloitte Touche Tohmatsu from January 2016 to December 2017 and from February 2015 to January 2016, respectively, holding his last position as a manager of the audit and assurance department. Mr. Wong worked as senior operations planning executive at Neo Derm (HK) Limited, a company which principally engaged in providing medical aesthetics services, from April 2014 to January 2015. He worked at Moore Stephens Associates Limited (currently know as Moore Stephens CPA Limited) from October 2010 to April 2014, holding his last position as audit senior.

Mr. Wong obtained a bachelor’s degree in accountancy from the Hong Kong Polytechnic University in November 2010. He was admitted as a certified public accountant of HKICPA in July 2014. Mr. Wong was further admitted as a certified public accountant by the Washington State Board of Accountancy in January 2020.

王潤輝先生(「王先生」)，36歲

王先生為本集團的公司秘書及財務總監，負責本集團的整體財務管理。彼於二零二零年十二月二十一日加入本集團，其後於二零二一年四月二十三日獲委任為本集團的財務總監。王先生在審計及會計方面擁有超過10年經驗。彼自二零二三年十二月起擔任主板上市公司雅天妮集團有限公司(股份代號:789)的公司秘書。在加入本集團之前，王先生於二零一八年一月至二零二零年十二月在深圳市華睿信資產管理有限公司(「華睿信」)(一間主要從事資產管理的公司)的若干中國附屬公司工作，所擔任最終職位為華睿信及華睿信的香港附屬公司盈創資本有限公司的財務總監。彼於二零一六年一月至二零一七年十二月及二零一五年二月至二零一六年一月分別於德勤華永會計師事務所廈門分所及德勤•關黃陳方會計師行香港辦事處任職，所擔任最終職位為審計及鑒證部門經理。王先生於二零一四年四月至二零一五年一月在Neo Derm (HK) Limited(一間主要從事提供醫學美容服務的公司)擔任高級運營策劃主管。彼於二零一零年十月至二零一四年四月任職於馬施雲聯繫有限公司(現稱大華馬施雲會計師事務所有限公司)，所擔任最終職位為高級審計師。

王先生於二零一零年十一月獲得香港理工大學會計學學士學位。彼於二零一四年七月獲得香港會計師公會的執業會計師資格。王先生於二零二零年一月進一步獲得華盛頓州會計理事會(Washington State Board of Accountancy)的執業會計師資格。



The Company recognises the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and complied with the applicable code provisions in the Corporate Governance Code contained in Appendix C1 to the Listing Rules for the year ended 31 December 2023. The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability.

THE BOARD OF DIRECTORS

The Board is responsible for the overall leadership of the Group, oversees the Group's strategic decisions and monitors business and performance. The management is delegated with authorities and responsibilities by the Board for the Company's daily operations and businesses management according to the Board's instructions. The Board has established various Board committees and has delegated various duties to the Board committees, including the Audit Committee, the Remuneration Committee, and the Nomination Committee (collectively, the "**Board Committees**"). All the Board Committees perform their distinct duties in accordance with their respective terms of reference.

All Directors have carried out duties in good faith and in compliance with applicable laws and regulations, and have acted in the interests of the Company and the Shareholders at all times.

The Company has arranged appropriate liability insurance in respect of legal action against the Directors. The insurance coverage will be reviewed on an annual basis.

Chairman and Chief Executive Officer

Under code provision C.2.1 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules, the roles of chairman and chief executive officer should be separated, and should not be performed by the same individual.

For the year ended 31 December 2023, Mr. Liu, an executive Director, was the chairman of the Board while Mr. Zhan, an executive Director, was the chief executive officer of the Company.

本公司深知在本集團的管理架構及內部監控程序引入良好企業管治的元素至為重要，藉以達致有效的問責。

企業管治常規

截至二零二三年十二月三十一日止年度，本公司已採納上市規則附錄C1所載企業管治守則中的原則並已遵守其中的適用守則條文。本集團致力維持高水準的企業管治，以保障股東的利益並提升企業價值及問責。

董事會

董事會負責本集團的整體領導，監督本集團的戰略決策及監察業務與表現。董事會已向管理層授予有關按照董事會的指示為本公司進行日常運作及業務管理的權力及職責。董事會已成立各個董事委員會，並向董事委員會授予各項職務，包括審核委員會、薪酬委員會及提名委員會（統稱「**董事委員會**」）。所有董事委員均會根據各自的職權範圍擔當其特定角色。

全體董事均以竭誠態度執行職務，並遵守適用法律法規，且始終本着本公司及股東的利益行事。

本公司已就董事面臨的法律訴訟安排適當的責任保險。承保範圍將每年進行檢討。

主席及行政總裁

根據上市規則附錄C1所載企業管治守則的守則條文第C.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。

截至二零二三年十二月三十一日止年度，執行董事劉先生為董事會主席，執行董事戰先生為本公司行政總裁。



The roles of the chairman and the chief executive officer remains separated with a clear division of responsibilities performed by different individuals to maintain their independence, accountability, well-balanced power and authority.

Board Composition

As at 31 December 2023, the Board consists of six Directors, comprising three executive Directors and three independent non-executive Directors.

Executive Directors:

Mr. Liu Zeming (*Chairman*)
Mr. Zhan Yirong (*Chief Executive Officer*)
Mr. Sheng Haiyan (*Chief Technical Officer*)

Independent Non-executive Directors:

Mr. Zhang Shijun
Ms. Liu Ye
Mr. Lau Chung Wai

The Company has entered into service agreement with each of the executive Directors, and letter of appointment with each of the independent non-executive Directors. Further details of the term of appointment of the Directors are set out in the section headed "Directors' Service Contracts" in Report of the Directors on pages 54 to 55 of this annual report.

The Directors' respective biographical information is set out in the section headed "Directors and Senior Management" on pages 21 to 27 of this annual report.

There is no personal relationship (including financial, business, family or other material relationship) between members of the Board.

For the year ended 31 December 2023, the Board at all times met the requirements of Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company also complied with Rule 3.10A of the Listing Rules relating to the appointment of independent non-executive director representing at least one-third of the Board. Each of the independent non-executive Directors has confirmed his independence pursuant to Rule 3.13 of the Listing Rules and the Company considers each of them has satisfied his independence to the Group.

主席與行政總裁的角色仍有區分，職責的分工清晰，由不同人士擔任以維持各自的獨立性、問責和權力及授權的分佈平衡。

董事會組成

於二零二三年十二月三十一日，董事會由六名董事組成，包括三名執行董事及三名獨立非執行董事。

執行董事：

劉澤銘先生（主席）
戰乙榮先生（行政總裁）
盛海燕先生（技術總監）

獨立非執行董事：

張式軍先生
劉擘女士
劉仲緯先生

本公司已與各執行董事訂立服務協議，並與各獨立非執行董事訂立委任函。董事任期的進一步詳情載於本年報第54至55頁的董事會報告中的「董事服務合約」一節。

董事各自的履歷資料載於本年報第21至27頁的「董事及高級管理層」一節。

董事會成員之間概無個人關係（包括財務、業務、家族或其他重大關係）。

截至二零二三年十二月三十一日止年度，無論何時，董事會均符合上市規則第3.10(1)及3.10(2)條的規定，即委任至少三名獨立非執行董事，而其中至少一名獨立非執行董事必須具備適當的專業資格或會計或相關的財務管理專長。

本公司亦已遵守上市規則第3.10A條的規定，即所委任的獨立非執行董事必須佔董事會成員人數至少三分之一。各獨立非執行董事均已根據上市規則第3.13條就其獨立性作出確認，而本公司認為彼等各自確為獨立於本集團的人士。



ANALYSIS OF THE DIVERSITY OF THE BOARD

The Company believes that the diversity of Board members will be immensely beneficial for the enhancement of the Company's performance.

We have adopted a board diversity policy (the “**Board Diversity Policy**”) which sets out the approach to achieve and maintain an appropriate balance of diversity perspectives of our Board that are relevant to our Company's development. Our Board and senior management team, have a balanced mix of experiences and background, including but not limited to, experiences in metal ore waste processing, business administration, corporate management, manufacturing and processing, environmental management, legal, education, and audit and accounting industries. Our Board and senior management team obtained degrees in various majors including business administration, mechanical design, manufacturing and automation, chemistry, geography, environmental chemistry, international trading, political economy, accounting, metallurgical technology, and mechatronics. We have three independent non-executive Directors with different industry backgrounds and of both genders. Moreover, our Board members has a wide range of age, ranging from 34 years old to 58 years old.

The Company will take into account factors relating to the Company's own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the selected candidates will bring to the Board.

The Nomination Committee has been delegated with the overall responsibility for implementation, monitoring and periodic review of our Board Diversity Policy. Any revisions to the policy as recommended by the Nomination Committee will be submitted to the Board for consideration and approval.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding transactions of securities of the Company by Directors on terms no less exacting than the required standard set out in the Model Code.

Having made specific enquiry with each of the Directors, they have all confirmed that they have complied with the required standards as set out in the Model Code and the Company code of conduct for the year ended 31 December 2023.

董事會多元化的分析

本公司相信，董事會成員多元化對本公司提升業績表現大有裨益。

我們已採納董事會多元化政策（「**董事會多元化政策**」），該政策載列使董事會多元化觀點達致及維持適當平衡的方針，與本公司的發展相關。董事會及高級管理層團隊具有均衡的經驗和背景，包括但不限於金屬礦石廢物處理、工商管理、企業管理、生產加工、環境管理、法律、教育和審計及會計行業的經驗。董事會及高級管理層團隊已獲得工商管理、機械設計、製造與自動化、化學、地理學、環境化工學、國際貿易、政治經濟、會計、冶金技術及機電一體化等不同專業的學位。我們擁有三名具有不同行業背景及性別的獨立非執行董事。此外，董事會成員年齡跨度很大，由34歲至58歲不等。

本公司將不時考慮與本公司自身業務模式及特定需求有關的因素。最終決定以選定候選人的才幹及將會為董事會帶來的貢獻為依據。

提名委員會已獲授權全面負責實施、監察及定期檢討我們的董事會多元化政策。提名委員會建議的任何政策修訂均會提交董事會審議及批准。

董事進行證券交易的標準守則

本公司已採納一套與標準守則同樣嚴格的董事進行本公司證券交易的行為守則。

在向各董事作出特定查詢後，彼等均確認於截至二零二三年十二月三十一日止年度一直遵守標準守則所訂有關董事進行證券交易的標準及本公司所訂有關的行為守則。



INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT OF THE DIRECTORS

Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements upon commencement of their directorship in the Company.

To ensure that each Director's better understanding in respect of the Company's conduct and business activities to perform their responsibilities as a Director, the Company will arrange appropriate training, including arranging and funding suitable training and professional development programme for the Directors.

According to the records kept by the Company, all the Directors (a) attended seminars and/or trainings that are relevant to the Directors' professional knowledge and skills and in performing their duties and responsibilities as Directors; and (b) read materials that are relevant to the Directors' professional knowledge and skills and in performing their duties and responsibilities as Directors.

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The company secretary of the Company has from time to time updated and provided written training materials relating to the roles, functions and duties of a director.

The training received by the Directors during the year ended 31 December 2023 is summarised below:

董事的入職培訓及持續專業發展

每位新委任的董事均獲提供必要的入職培訓及資料，以確保其在上任本公司董事時對本集團的營運及業務以及其於相關監管規定下的責任及義務有適當的了解。

為確保各董事更為了解本公司的事務及業務活動，以履行其作為董事的職責，本公司將安排適當的培訓，包括為董事安排及資助合適的培訓及專業發展計劃。

根據本公司保存的記錄，所有董事均有(a)參與有關董事的專業知識和技能以及履行董事職務和職責的研討會及/或培訓；及(b)閱讀有關董事的專業知識和技能以及履行董事職務和職責的資料。

本公司鼓勵董事參與持續專業發展，以發展及更新其知識和技能。本公司的公司秘書不時更新及提供與董事的角色、職能及職務有關的書面培訓資料。

董事於截至二零二三年十二月三十一日止年度接受的培訓概述如下：

Name of Director	董事姓名	Training Areas 培訓範疇		
		Corporate Governance 企業管治	Legal and Regulatory 法律及監管	Businesses/ Directors' Duties 商業/董事職責
Executive Directors	執行董事			
Mr. Liu Zeming	劉澤銘先生	✓	✓	✓
Mr. Zhan Yirong	戰乙榮先生	✓	✓	✓
Mr. Sheng Haiyan	盛海燕先生	✓	✓	✓
Independent Non-executive Directors	獨立非執行董事			
Mr. Zhang Shijun	張式軍先生	✓	✓	✓
Ms. Liu Ye	劉擘女士	✓	✓	✓
Mr. Lau Chung Wai	劉仲緯先生	✓	✓	✓



APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of our executive Directors has entered into a service contract with our Company pursuant to which they agreed to act as executive Directors for an initial term of three years with effect from the Listing Date which may be terminated by either party by giving not less than three months' written notice. The term of service contract shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term until terminated by either party by giving not less than three months' written notice to the other.

Each of the independent non-executive Directors has been appointed for an initial term of three years commencing from 23 October 2021 which may be terminated by either party by giving not less than three months' written notice. The term of appointment shall be renewed and extended automatically for successive terms of two years upon expiry of the then current term until terminated by either party giving not less than three months' written notice to the other.

All the Directors are appointed for a specific term and subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles of Association.

None of the Directors has a service contract which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition and making recommendations to the Board on the appointment or re-election of Directors and succession planning for Directors.

In accordance with article 83(2) of the Articles of Association, subject to the articles and the legal requirements, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy on the Board, or as an addition to the existing Board.

董事的委任及重選

各執行董事已與本公司訂立服務合約，據此，彼等同意出任執行董事，初步任期為三年，自上市日期起生效，惟任何一方發出不少於三個月的書面通知將其終止。服務合約期限在當時的現有任期屆滿時自動更新及延長一年任期，直至任何一方向另一方發出不少於三個月的書面通知將其終止為止。

各獨立非執行董事的初步任期自二零二一年十月二十三日起計為期三年，惟任何一方發出不少於三個月的書面通知將其終止。委任期限在當時的現有任期屆滿時自動更新及延長兩年任期，直至任何一方向另一方發出不少於三個月的書面通知將其終止為止。

所有董事均有特定任期，並且根據組織章程細則須在本公司的股東週年大會上輪流退任及重選連任。

概無董事訂有本公司在一年內可在不予賠償（法定賠償除外）的情況下終止的服務合約。

委任、重選及罷免董事的程序及流程載於組織章程細則。提名委員會負責檢討董事會組成，並就董事的委任或重選以及董事的繼任計劃向董事會提出建議。

根據組織章程細則第83(2)條，在細則及法律規定規限下，本公司可通過普通決議案選舉任何人士擔任董事，以填補董事會的臨時空缺或作為現有董事會的新增成員。



In accordance with article 83(3) of the Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of members after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

In accordance with article 83(7) of the Articles of Association, the Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two.

BOARD MEETINGS

The Company has adopted the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than 14 days will be given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting.

For other Board and Board Committee meetings, reasonable notice will generally be given. The agenda and accompanying Board papers are dispatched to the Directors or committee members seven days (and in any event not less than three days) before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When Directors or committee members are unable to attend a meeting, they will be advised on the matters to be discussed and given an opportunity to make their views known to the chairman prior to the meeting.

Minutes of the Board meetings and committee meetings will be recorded in sufficient detail the matters considered by the Board and the committees and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and committee meeting are/will be sent to the Directors for comments within a reasonable time after the date on which the meeting is held.

根據組織章程細則第83(3)條，董事有權不時及隨時委任任何人士為董事，以填補董事會的臨時空缺或作為現有董事會的新增成員。任何由董事會委任以填補臨時空缺的董事應任職至其委任後的首次股東大會，並須在該大會上重選連任，任何由董事會委任作為現有董事會的新增成員的董事應僅任職至本公司下次股東週年大會，屆時符合資格重選連任。

根據組織章程細則第83(7)條，本公司可不時在股東大會上通過普通決議案增加或減少董事人數，但有關董事人數不得少於兩人。

董事會會議

本公司採用定期舉行董事會會議的做法，每年召開至少四次，大約每季一次。所有董事會定期會議均會發出不少於十四天的通知，以使所有董事均有機會出席並將事項列入定期會議的議程。

對於其他董事會及董事委員會會議，一般會給予合理通知。議程及相關會議文件會在會議前七天（及無論如何不少於三天）送交董事或委員會成員，以確保彼等有足夠時間審閱文件並為會議作好充分準備。若董事或委員會成員未能出席會議，彼等會獲告知討論事項，並有機會在會議召開前向主席表達其意見。

董事會會議及委員會會議記錄將詳盡記錄董事會及委員會審議的事項和達成的決定，包括董事提出的任何關注事項。每次董事會會議及委員會會議的記錄草稿均會在舉行會議當日期後的合理時間內發送予董事以供評論。



ATTENDANCE RECORDS OF BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND GENERAL MEETINGS

董事會會議、董事會委員會會議及股東大會的出席記錄

The attendance of each Director for the Board meetings, board committee meetings and general meetings held during the year ended 31 December 2023 is set out in the following table:

於截至二零二三年十二月三十一日止年度舉行的董事會會議、董事會委員會會議及股東大會中，各董事出席會議的情況載於下表：

Directors	董事	Meeting attended/meetings eligible to attend 出席會議次數／合資格出席的會議				
		Board 董事會	Audit committee 審核委員會	Remuneration committee 薪酬委員會	Nomination committee 提名委員會	General Meeting 股東大會
Executive Directors	執行董事					
Mr. Liu Zeming	劉澤銘先生	5/5	N/A 不適用	1/1	1/1	1/1
Mr. Zhan Yirong	戰乙榮先生	5/5	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Sheng Haiyan	盛海燕先生	5/5	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Independent Non-executive Directors	獨立非執行董事					
Mr. Zhang Shijun	張式軍先生	5/5	2/2	N/A 不適用	1/1	1/1
Ms. Liu Ye	劉 曄女士	5/5	2/2	1/1	1/1	1/1
Mr. Lau Chung Wai	劉仲緯先生	5/5	2/2	1/1	N/A 不適用	1/1

DELEGATION BY THE BOARD

The Board reserves for its decision all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have resource to seek independent professional advice in performing their duties at the Company's expense and are encouraged to consult with the Company's senior management independently.

董事會的授權

董事會保留本公司所有重大事項的決定權，包括批准及監察所有政策事項、整體策略及預算、內部監控及風險管理系統、重大交易（尤其是可能涉及利益衝突的交易）、財務資料、委任董事及其他重大財務及營運事項。董事在履行職務時可運用資源尋求獨立專業意見，費用由本公司支付，並可個別諮詢本公司的高級管理層。

The daily management, administration and operation of the Group are delegated to the senior management of the Group. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the senior management.

本集團的日常管理、行政及運作均授權予本集團的高級管理層。董事會定期審核所授予的職能及職責。在高級管理層進行任何重大交易之前，均須獲得董事會的批准。

BOARD COMMITTEES

The Board has established the Audit Committee, the Remuneration Committee and the Nomination Committee and delegated various responsibilities to these committees, which assist the Board in overseeing particular aspects of the Group's activities. Each of the Board Committees has specific written terms of reference which clearly specify their authority and duties.

董事委員會

董事會已成立審核委員會、薪酬委員會及提名委員會，並授予該等委員會各項職責，協助董事會督導本集團業務的特定範疇。每個董事委員會均有具體的書面職權範圍，明確規定其權力及職務。



Audit Committee

We established the Audit Committee with written terms of reference in compliance with Rule 3.21 and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules on 23 October 2021. The primary duties of the Audit Committee include ensuring that an effective financial reporting, internal control and risk management systems are in place and compliance of the Listing Rules, controlling the completeness of our Company's financial statements, selecting external auditors and assessing their independence and qualifications, and ensuring the effective communication between our internal and external auditors.

The Audit Committee comprises three members, namely Mr. Lau Chung Wai, Mr. Zhang Shijun and Ms. Liu Ye, all of them are independent non-executive Directors. Mr. Lau Chung Wai is the chairman of the Audit Committee who holds the appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules.

The written terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

For the year ended 31 December 2023, the Audit Committee held two meetings to (i) review the annual consolidated financial statements and annual results announcement of the Group for the year ended 31 December 2023 as well as the audit report prepared by the Company's auditor relating to accounting issues and major findings in course of audit; (ii) review the Company's relationship with the external auditor, discussed with the Company's external auditor on the tasks performed by them including the nature and scope of their audit and reporting obligations, and reviewed the terms of engagement and their remuneration; (iii) review the appropriateness and effectiveness of the risk management and internal control systems of the Group and make relevant recommendations to the Board; (iv) review the effectiveness of the internal audit function of the Group; (v) review the adoption of the relevant accounting principles generally accepted and made recommendations to the Board on the adoption of accounting policies; and (vi) discuss the re-appointment arrangement of the Company's auditor; the Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of the Company's auditor.

審核委員會

我們於二零二一年十月二十三日按照上市規則第3.21條及附錄C1所載企業管治守則的規定成立審核委員會，並制定書面職權範圍。審核委員會的主要職責包括確保設立有效的財務申報、內部監控及風險管理系統並遵守上市規則，管控本公司財務報表的完整性，挑選外聘核數師並評估其獨立性及資格，以及確保內部與外聘核數師的有效溝通。

審核委員會由三名成員，即劉仲緯先生、張式軍先生及劉擘女士組成，彼等均為獨立非執行董事。劉仲緯先生為審核委員會主席，彼持有上市規則第3.10(2)條所規定適當的專業資格。

審核委員會的書面職權範圍可在聯交所及本公司的網站上查閱。

截至二零二三年十二月三十一日止年度，審核委員會舉行了兩次會議，以(i)審閱本集團截至二零二三年十二月三十一日止年度的全年綜合財務報表及全年業績公告，以及本公司核數師就審核過程中的會計問題及主要發現所編製的審核報告；(ii)審視本公司與外聘核數師的關係，與本公司外聘核數師討論其執行的工作，包括其審核及申報責任的性質及範圍，並審視聘用條款及其薪酬；(iii)檢討本集團的風險管理及內部監控系統是否適當及有效，並向董事會提出相關建議；(iv)檢討本集團內部審核職能是否有效；(v)審視相關公認會計原則的採納情況，並就採納會計政策向董事會提出建議；及(vi)討論本公司核數師的續聘安排，而董事會概無背離審核委員會就本公司核數師的遴選、委任、辭任或解僱提出的任何建議。



Remuneration Committee

We established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules on 23 October 2021. The primary duties of the Remuneration Committee include assisting our Board in determining the remuneration policy for and structure of our Directors and senior management of our Group, reviewing incentive schemes and service contracts of our Directors, to review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules, and ensuring the execution of the remuneration packages of the executive Directors and senior management of our Group.

The Remuneration Committee comprises three members, including two independent non-executive directors, namely Ms. Liu Ye, Mr. Lau Chung Wai and one executive Director, namely Mr. Liu Zeming. Ms. Liu Ye is the chairlady of the Remuneration Committee.

The written terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

For the year ended 31 December 2023, the Remuneration Committee held one meeting to (i) discuss and make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration; (ii) review the remuneration packages of individual Directors and senior management of the Company; and (iii) assess the performance of Directors and review the terms of service agreements for the Directors and senior management.

Nomination Committee

We established a Nomination Committee with written terms of reference in compliance with the Corporate Governance Code in Appendix C1 to the Listing Rules on 23 October 2021. The primary duties of the Nomination Committee include assisting our Board in identifying suitable candidates for our Directors and making recommendations to our Board, assessing the structure and composition of our Board at least annually and making recommendations on any proposed changes to the Board to complement the Group's corporate strategy, preparing, making recommendations to and supervising the execution of the nomination policy of the Company, making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, and assessing the independence of the independent non-executive Directors.

薪酬委員會

我們於二零二一年十月二十三日按照上市規則第3.25條及附錄C1所載企業管治守則的規定成立薪酬委員會，並制定書面職權範圍。薪酬委員會的主要職責包括協助董事會釐定本集團董事及高級管理層的薪酬政策及架構，審閱本集團董事的獎勵計劃及服務合約，檢討及／或批准上市規則第17章所述有關股份計劃的事宜，並確保執行本集團執行董事及高級管理層的薪酬方案。

薪酬委員會由三名成員（包括兩名獨立非執行董事，即劉擘女士、劉仲緯先生以及一名執行董事，即劉澤銘先生）組成。劉擘女士為薪酬委員會主席。

薪酬委員會的書面職權範圍可在聯交所及本公司的網站上查閱。

截至二零二三年十二月三十一日止年度，薪酬委員會舉行了一次會議，以(i)討論本公司所有董事及高級管理層的薪酬政策及架構並就此向董事會提出建議；(ii)檢討本公司個別董事及高級管理層的薪酬方案；及(iii)評估董事的表現並審視董事及高級管理層的服務協議條款。

提名委員會

我們於二零二一年十月二十三日按照上市規則附錄C1所載企業管治守則的規定成立薪酬委員會，並制定書面職權範圍。提名委員會的主要職責包括協助本公司董事會物色合適的董事人選並向本公司董事會提出建議；至少每年評核本公司董事會的架構及組成，並就任何為配合本集團企業策略而擬對董事會作出的變動提出建議；編製本公司的提名政策並就其提出建議及監督其執行；就董事的委任或重新委任以及董事的繼任計劃向董事會提出建議；以及評估獨立非執行董事的獨立性。



The Nomination Committee comprises three members, including one executive Director, namely Mr. Liu Zeming, and two independent non-executive Directors, namely Ms. Liu Ye and Mr. Zhang Shijun. Mr. Liu Zeming is the chairman of the Nomination Committee.

The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

For the year ended 31 December 2023, the Nomination Committee held one meeting to (i) review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board; (ii) assess the independence of independent non-executive Directors; (iii) review the policy on Board diversity and measurable objectives for implementing the Board Diversity Policy; (iv) review the Nomination Policy; and (v) review the re-appointment of Directors who are subject to retire by rotation at the forthcoming AGM.

NOMINATION POLICY

The Company has adopted the nomination policy (the “**Nomination Policy**”) which sets out the selection criteria and procedures to nominate Board candidates. When making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, the Nomination Committee would consider a number of factors in assessing the suitability of the proposed candidate, including but not limited to:

- (i) reputation for integrity;
- (ii) accomplishment, experience and reputation in the recycling, environmental and other related industries;
- (iii) commitment in respect of sufficient time and attention to the Group’s business;
- (iv) diversity in all aspects, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge;
- (v) the qualification and ability to assist and support management and make significant contributions to the Group;
- (vi) the number of existing directorships and other commitments that may demand the attention of the candidate;

提名委員會由三名成員（包括一名執行董事，即劉澤銘先生，以及兩名獨立非執行董事，即劉擘女士及張式軍先生）組成。劉澤銘先生為提名委員會主席。

提名委員會的書面職權範圍可在聯交所及本公司的網站上查閱。

截至二零二三年十二月三十一日止年度，提名委員會舉行了一次會議，以(i)審視董事會的架構、規模及組成（包括技能、知識、經驗及多元化觀點）；(ii)評估獨立非執行董事的獨立性；(iii)檢討董事會多元化政策及實施董事會多元化政策的可衡量目標；(iv)檢討提名政策；及(v)審視在即將舉行的股東週年大會上輪流退任的董事的重新委任。

提名政策

本公司已採納提名政策（「**提名政策**」），其列明提名董事會候選人的甄選標準及程序。就董事委任或重新委任及董事繼任計劃向董事會作出推薦建議時，提名委員會要考慮包括但不限於以下各項因素以評估建議候選人是否合適：

- (i) 誠信；
- (ii) 於回收與環境及其他相關行業的成就、經驗及聲譽；
- (iii) 承諾就本集團的業務投入足夠時間及關注；
- (iv) 董事會各方面的多元化，包括但不限於性別、年齡、文化及教育背景、經驗（專業或其他方面）、技能及知識；
- (v) 具資格及能力協助及支持管理層，並對本集團作出重大貢獻；
- (vi) 現有董事職位數量及可能需要候選人關注的其他職務；



- (vii) compliance with the criteria of independence as prescribed under Rule 3.13 of the Listing Rules for the appointment or re-appointment of an independent non-executive Directors; and
- (viii) any other relevant factors as may be determined by the Nomination Committee or the Board from time to time.

Appointment of any proposed candidates to the Board or re-appointment of any existing members of the Board shall be made in accordance with the Articles of Association and other applicable rules and regulations and taking into account the Board Diversity Policy. The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at a general meeting.

BOARD DIVERSITY POLICY

We have adopted the Board Diversity Policy which sets out the approach to achieve and maintain an appropriate balance of diversity perspectives of our Board that are relevant to our Company's development. Pursuant to the Board Diversity Policy, selection of our Board candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry experience. The ultimate decision will be based on merit and contribution that the selected candidates will bring to our Board.

Based on the Nomination Committee's review for the year ended 31 December 2023, the Nomination Committee considered that these measurable objectives have been satisfactorily implemented and that there was sufficient diversity in the Board for the Company's corporate governance and business development needs. The Nomination Committee will review the Nomination Policy and the Board Diversity Policy from time to time to ensure its continued effectiveness.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Company has established a formal and transparent procedure for formulating policies on remuneration of Directors and senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 December 2023 are set out in Note 38 to the consolidated financial statements in this annual report.

- (vii) 符合上市規則第3.13條項下對委任或重新委任獨立非執行董事所規定的獨立性準則；及
- (viii) 提名委員會或董事會不時決定的任何其他相關因素。

無論是委任任何董事會建議候選人或重新委任董事會任何現有成員，均須按照組織章程細則及其他適用規則和規例，並在考慮董事會多元化政策後進行。對推薦候選人於股東大會上參選的所有事宜，董事會擁有最終決定權。

董事會多元化政策

我們已採納董事會多元化政策，其載列方針以達至及維持與本公司發展相關的適當的董事會多元化平衡觀點。根據董事會多元化政策，甄選董事會候選人時將以一系列的多元化觀點為基準，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識及行業經驗。最終的決定將基於所選候選人的優點及將為董事會帶來的貢獻。

根據提名委員會對截至二零二三年十二月三十一日止年度的審核，提名委員會認為，這些可衡量的目標已經圓滿實施，董事會對本公司的公司治理和業務發展需求有足夠的多元化。提名委員會將不時檢討提名政策及董事會多元化政策，以確保其持續有效。

董事及高級管理層薪酬

本公司已設立正式且透明的程序，以就本集團董事及高級管理層的薪酬制訂政策。有關各董事於截至二零二三年十二月三十一日止年度的薪酬，詳情載於綜合財務報表附註38。



The biographies of the senior management are disclosed in the section headed “Directors and Senior Management” in this annual report. Remuneration paid to the top five senior management (excluding the Directors) for the year ended 31 December 2023 fell within the following bands are as follows:

高級管理層的履歷於本年報「董事及高級管理層」一節披露。於截至二零二三年十二月三十一日止年度，已付五位最高級管理層（不包括董事）的薪金介乎以下範圍：

Emolument bands	薪金範圍	No. of employees 僱員人數
Nil to HKD1,000,000	零至1,000,000港元	2

DIRECTORS’ RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of consolidated financial statements of the Group for the year ended 31 December 2023 which give a true and fair view of operating results and cash flow for the year. The Directors consider that the financial statements have been prepared in accordance with statutory requirements and applicable accounting standards.

The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group’s ability to continue as a going concern.

The statements of the auditor of the Group about its reporting responsibility on the consolidated financial statements of the Group are set out in the section headed “Independent Auditor’s Report” on pages 65 to 72 of this annual report.

董事就財務報表的財務報告責任

董事知悉彼等有責任編製本集團截至二零二三年十二月三十一日止年度的綜合財務報表，以真實公平地反映年內的經營業績及現金流量情況。董事認為財務報表已遵照法律規定及適用會計準則編製。

就董事所知，並無有關任何事件或情況的重大不明朗因素可能對本集團持續經營的能力產生重大質疑。

本集團核數師就其對本集團綜合財務報表的呈報責任的聲明載於本年報第65至72頁的「獨立核數師報告」一節。

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance functions set out in code provision A.2.1 of the Corporate Governance Code. The Board has reviewed and monitored: (i) the Company’s corporate governance policies and practices, (ii) training and continuous professional development of directors and senior management, (iii) the Company’s policies and practices on compliance with legal and regulatory requirements, (iv) the Company’s code of conduct manual applicable to employee and Directors and (v) the Company’s compliance with the Code disclosures requirements. The Company’s corporate governance practices have complied with the Corporate Governance Code for the year ended 31 December 2023.

The Board reviewed the terms of reference of the Nomination Committee, the Audit Committee and the Remuneration Committee, the Board Diversity Policy, the dividend policy, the Nomination Policy and the shareholders communication policy of the Company.

企業管治職能

董事會負責履行企業管治守則的守則條文第A.2.1條所列的企業管治職能。董事會已審視並監督：(i) 本公司的企業管治政策及慣例；(ii) 董事及高級管理層的培訓及持續專業發展；(iii) 本公司有關法律及監管合規的政策及慣例；(iv) 本公司適用於僱員及董事的操守手冊；及(v) 本公司就披露規定的合規情況。截至二零二三年十二月三十一日止年度，本公司的企業管治慣例符合企業管治守則的規定。

董事會已審視提名委員會、審核委員會及薪酬委員會的職權範圍、董事會多元化政策、股息政策、提名政策及本公司的股東交流政策。



DEED OF NON-COMPETITION

The details and compliance of the are set out in the section headed "Compliance With Non-competition Undertakings By Controlling Shareholders" in Report of the Directors on page 62 of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board, as the main body responsible for risk management and internal control of the Company, have adopted a series of internal control policies, procedures and programmes designed to provide reasonable assurance for achieving objectives including effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations. The Audit Committee reviews the effectiveness of the Group's risk management and internal control systems on an on-going basis and reports to the Board on, at least, an annual basis.

Our code of conduct explicitly communicates to each employee our values, acceptable criteria for decision-making and our ground rules for behaviour. Our anti-corruption and anti-bribery policies provide the tools and resources necessary to enable, monitor and enforce full compliance with the anti-bribery and anti-corruption laws of the PRC and other countries where we conduct our business operations. In order to comply with the applicable laws and regulations in relation to anti-corruption and anti-bribery, we have established and implemented anti-corruption and anti-bribery policies and measures to prohibit all forms of bribery and corruption acts or intention of such acts. The policy also sets out the requirements of a company-wide anti-bribery and corruption training and disciplinary actions to be taken in situation of violation of the policy and/or relevant laws and regulations, including termination of employment and bringing forward to legal proceedings. We have also put in place a whistle-blowing system which is overseen by the Audit Committee.

The Group regularly provides training to our Directors, senior management and employees with respect to our internal control policies and the duties and responsibilities of directors and management of listed companies under the Listing Rules and other applicable laws and regulations.

不競爭契據

有關詳情及遵守情況載於本年報第62頁「董事會報告」內「控股股東對不競爭承諾的遵守情況」一節。

風險管理及內部監控

董事會作為本公司風險管理及內部監控的責任主體，已採取一系列內部監控政策、程序及計劃，旨在為達成切實有效的營運、可靠的財務申報及遵守適用法律法規等目標提供合理保證。審核委員會持續審視本集團風險管理及內部監控制度的有效性，每年至少向董事會匯報一次。

我們的行為守則向各僱員明確傳達我們的價值、決策的可接受標準及行為基本規則。我們的反貪污及反賄賂政策提供必要的工具及資源，以幫助、監控及執行全面遵守中國及我們開展業務的其他國家的反賄賂及反貪污法律。為遵守與反貪污及反賄賂有關的適用法律及法規，我們已建立及實施反貪污及反賄賂政策和措施，以禁止一切形式的賄賂及貪污行為或此類行為的意圖。該政策亦規定全公司反賄賂及反貪污培訓的要求，以及在違反政策及／或相關法律及法規的情況下應採取的紀律行動，包括終止僱用及提出法律訴訟。我們亦已設立舉報系統，由審核委員會監督。

本集團定期向董事、高級管理層及僱員提供有關我們的內部監控政策及上市規則及其他適用法律法規下上市公司董事及管理層職責及責任的培訓。



The Group established the internal audit team which regularly monitors key controls and procedures in order to assure our management that the internal control system is functioning as intended. The Audit Committee is responsible for supervising our internal audit function.

The Board confirms that it has conducted a review of the risk management and internal control systems of the Group for the year ended 31 December 2023. The Board concludes, based on the result of the review, that the risk management and internal control systems currently in place are adequate and effective, in particular, for financial reporting and Listing Rules compliance as well as for resolving internal control defects (if any). In particular, the Board considered the resources, staff qualifications and experience, training programs and budget of the Group's accounting, internal audit and financial reporting functions are adequate. The review was conducted through discussions with the management of the Group, its external and internal auditors and the assessment performed by the Audit Committee. The Board expects that a review of the risk management and internal control systems will be performed annually.

AUDITOR'S REMUNERATION

The Company has appointed PricewaterhouseCoopers ("PwC") as its external auditor for the year ended 31 December 2023.

During the year ended 31 December 2023, the remunerations paid or payable to PwC in respect of its statutory audit services and non-audit services are RMB1,670,000 and RMB30,000, respectively.

DISSEMINATION OF INSIDE INFORMATION

The Company has adopted an inside information policy in accordance with the SFO and the Listing Rules, and made corresponding information disclosures in a timely manner. Before the information is fully disclosed to the public, any persons who possess the knowledge of such information must ensure strict confidentiality, so as to ensure effective protection of the rights and interests of investors and stakeholders. Unauthorised access and use of inside information are strictly prohibited. Any potential inside information identified by senior management will be assessed, and where appropriate, will be escalated for the attention of the Board to resolve on further actions.

本集團已成立內部審核團隊，以定期監察主要控制措施及程序，以向管理層確保內部監控系統按預期運作。審核委員會負責監督我們的內部審核職能。

董事會確認，彼等已審視本集團截至二零二三年十二月三十一日止年度的風險管理及內部監控系統。根據審視結果，董事會判斷既有風險管理及內部監控系統充分和有效，特別是在財務報告與上市規則合規以及填補內部監控漏洞（如有）方面。具體而言，董事會認為本集團會計、內部審核及財務報告部門的資源、員工資歷與經驗、培訓計劃及預算均屬充分。審視過程包括與本集團管理層、外聘及內部核數師進行討論，以及由審核委員會作出評估。董事會預期會每年審視風險管理及內部監控系統一次。

核數師酬金

截至二零二三年十二月三十一日止年度，本公司已委聘羅兵咸永道會計師事務所（「羅兵咸永道」）為外聘核數師。

於截至二零二三年十二月三十一日止年度，就法定審核服務及非審核服務已付或應付羅兵咸永道的酬金分別為人民幣1,670,000元及人民幣30,000元。

發佈內幕消息

本公司已根據《證券及期貨條例》及上市規則採納內幕消息政策，及時進行相應的信息披露。於向公眾全面披露有關消息前，知悉有關消息的任何人士須確保嚴格保密，從而確保有效保護投資者和利益相關方的權益。嚴禁未經授權取得及利用內幕消息。高級管理層會評估發現的任何潛在內幕消息，並在適當情況下上報董事會作進一步行動解決。



INFORMATION DISCLOSURE

The Company discloses information in compliance with the Listing Rules and other applicable laws, and publishes periodic reports and announcements to the public in accordance with relevant laws and regulations. The primary focus is to ensure that information disclosure is timely, fair, accurate, truthful and complete, thereby enabling Shareholders, investors as well as the public to make informed decisions.

COMPANY SECRETARY

The company secretary supports the chairman, the Board and the Board committees by ensuring good information flow and the Board policies and procedures are followed. The company secretary is responsible for ensuring the proper convening and conducting of the Board and Board Committees meetings, with the relevant notices, agenda, and the Board's and the Board Committees papers being provided to the Directors and the relevant Board Committees members respectively in a time manner before the meetings. The company secretary is responsible for keeping minutes of all the Board and the Board Committees meetings. The Board and the Board Committees minutes are available for inspection by the Directors and the relevant Board Committees members.

Mr. WONG Yun Fai (“**Mr. Wong**”) has been appointed as the company secretary of the Company since 8 March 2021. Mr. Wong, who possesses the requisite qualification and experience of a company secretary as required under Rule 3.28 of the Listing Rules, has assisted on the company secretarial matters of the Company since the Listing, and has duly complied with relevant training requirement under Rule 3.29 of the Listing Rules for 2023.

DIVIDEND POLICY

The Company adopted a dividend policy (the “**Dividend Policy**”) on 31 March 2022. Pursuant to the Dividend Policy, the dividend payout ratio shall be determined by the Board from time to time. The remaining net profit will be used for the Group's operations and development. In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among other things, the following factors:

1. Financial results of the Company;
2. Shareholders' interests;

資料披露

本公司根據上市規則及其他適用法例披露資料，及根據有關法律法規向公眾刊發定期報告及公告。本公司的首要任務是確保資料披露的及時、公平、準確、真實及完整，務求使股東、投資者及公眾能作出知情決定。

公司秘書

公司秘書支援主席、董事會及董事會轄下委員會，確保資訊無阻以及董事會政策及程序得到遵循。公司秘書負責確保董事會及董事委員會會議妥善召開及進行，並於會議前及時將相關通知、議程及董事會及董事委員會文件分別提供予董事及相關董事委員會成員。公司秘書負責保存所有董事會及董事委員會會議的會議記錄。董事會及董事委員會會議的會議記錄可供董事及相關董事委員會成員查閱。

王潤輝先生（「王先生」）自二零二一年三月八日起獲委任為本公司的公司秘書。王先生具備上市規則第3.28條規定公司秘書所須的資歷及經驗，自上市起即協助本公司處理公司秘書事務，彼於二零二三年已妥為遵守上市規則第3.29條的相關培訓規定。

股息政策

本公司已於二零二二年三月三十一日採納一項股息政策（「**股息政策**」）。根據股息政策，股息支付比例由董事會不時釐定。餘下淨溢利將用於本集團經營發展。在決定是否建議派發股息及釐定股息金額時，董事會將考慮（其中包括）以下因素：

1. 本公司財務業績；
2. 股東利益；



- | | |
|---|---|
| 3. General business conditions, strategies and future expansion needs of the Company; | 3. 本公司的整體業務狀況、策略及未來擴張需求； |
| 4. The Company's capital requirements; | 4. 本公司所需資金； |
| 5. Possible effects on liquidity and financial position of the Company; and | 5. 對本公司流動資金及財務狀況的可能影響；及 |
| 6. The amount of profit that can be distributed under applicable accounting standards and other factors that the Board may deem relevant and appropriate. | 6. 根據適用會計準則可作分派的溢利金額，以及董事會可能認為相關及恰當的其他因素。 |

Any final dividends declared by the Company must be approved by an ordinary resolution of the Shareholders at an annual general meeting and must not exceed the amount recommended by the Board. The Board may from time to time pay to the Shareholders such interim and/or special dividends as it considers to be justified by the profits of the Group.

本公司宣派任何末期股息前，必須經股東於股東週年大會上以普通決議案批准，且金額不得超過董事會的建議。董事會可參照本集團溢利，不時向股東派付其認為恰當的中期及／或特別股息。

Any dividend shall be declared by the Company in accordance with the Companies Act, the Memorandum of Association and Articles of Association of the Company and other applicable laws and regulations, and shall not affect the normal operation of the Company and its subsidiaries. The Board will review the Dividend Policy, as appropriate, which will include an assessment of the effectiveness of the Dividend Policy and approve any amendments thereto if necessary.

本公司將根據公司法、本公司組織章程大綱及細則以及其他適用法律法規宣派所有股息，而宣派股息不得影響本公司及其附屬公司的正常運作。董事會將按情況審視股息政策，包括評估股息政策的有效性，並在必要時批准對其進行任何修訂。

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

股東通訊及投資者關係

The Group recognises the importance of transparent and timely disclosure of corporate information, which enables the Shareholders and investors to make the best investment decision. The Company believes the effective communication with the Shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies.

本集團認為，透明和及時披露公司資料十分重要，這可使股東及投資者作出最佳投資決定。本公司相信，有效的股東通訊，對增進投資者關係及投資者對本集團的業務表現及策略的了解至關重要。

The Company maintains a website at www.sdhcgroup.cn as a communication platform with Shareholders and investors, where information on the Company's announcements, financial information and other up-to-date information are available for public access.

本公司已於 www.sdhcgroup.cn 架設網站，作為與股東及投資者溝通的平台，公眾可於該網站查閱本公司的公告、財務資料及其他最新資料。



Besides, shareholders' meetings provide an opportunity for communication between the Board and the Shareholders, Board members, in particular, either the chairmen of Board Committees or their delegates, appropriate management executives will be available at the meeting to answer any questions raised by the Shareholders. The Company's auditor will also attend the AGM to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

The Company has also established a shareholders communication policy to ensure the shareholders are provided with timely information about the Company. The policy is regularly reviewed to ensure its effectiveness.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed for each substantially separate issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each general meeting.

Procedures for the convening of an extraordinary general meeting by shareholders and putting forward proposals

Under the Articles of Association, an extraordinary general meeting ("EGM") may be convened by the Board upon requisition of one or more shareholders as at the date of deposit of the requisition holding not less than one tenth of the paid up capital of the Company having the right of voting at general meetings of the Company. The shareholder(s) shall make a written requisition to the Board or the secretary of the Company at the Company's principal place of business in Hong Kong, specifying the shareholding information of the shareholder(s), his/her/their contact details and the proposal regarding any specifying transaction/business and its supporting documents, to require an extraordinary general meeting of the Company to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

此外，股東大會亦提供董事會與股東溝通的機會。董事會成員（尤其是董事委員會主席或其指定人員）、適當的管理行政人員將出席大會，回應股東提出的任何問題。本公司核數師亦會出席股東週年大會，回應有關審核過程、核數師報告編製過程及內容、會計政策及核數師獨立性的問題。

本公司亦已制定股東通訊政策，確保及時向股東提供本公司資料。政策將定期予以審視以確保其成效。

股東權利

為保障股東利益及權利，每一重大事項（包括選舉個別董事）均會於股東大會上以單獨決議案提出。

所有提呈股東大會的決議案，均會根據上市規則以投票方式表決，投票結果會儘快於每屆股東大會後在本公司及聯交所網站公佈。

股東召開股東特別大會及提呈建議的程序

根據組織章程細則，董事會可應一位或以上股東要求召開股東特別大會（「股東特別大會」），惟於提出請求當日，有關股東須持有不少於十分之一的本公司繳足股本，且有權在本公司股東大會投票。股東須向本公司的香港主要營業地點提出書面請求，交董事會或本公司秘書處理，當中須註明股東的股權資料、聯絡資料及有關任何特定交易／業務的建議及其證明文件，以要求董事會就請求中列明的任何業務交易召開本公司股東特別大會，而有關大會須於提出有關請求後兩個月內舉行。



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

Making enquiries to the Board

Shareholders can at any time raise enquiries about the Company to the Board. The enquiries must be in writing with contact information of the Shareholder(s) and deposited at the principal place of business of Company in Hong Kong at Rooms 1806, 18/F, Office Tower, Convention Plaza, 1 Harbour Road, Wan Chai, Hong Kong for the attention of the company secretary of the Company or at admin@sdhcgroup.cn.

CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2023, there has been no change in the Company's constitutional documents.

倘董事會未有於提出請求後21日內召開有關股東特別大會，請求人本身可以同樣方式召開股東特別大會，請求人因董事會未有召開大會而承擔的合理費用，由本公司全數償付請求人。

向董事會提出查詢

股東可隨時就本公司事宜向董事會提出查詢。查詢必須以書面形式提出，並須附上股東聯絡資料，查詢可投遞至本公司的香港主要營業地點，地址為香港灣仔港灣道1號會展廣場辦公大樓18樓1806室，交本公司的公司秘書處理，亦可電郵至 admin@sdhcgroup.cn。

憲章文件

截至二零二三年十二月三十一日止年度，本公司的憲章文件並無任何變動。



The Directors present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2023.

CORPORATE INFORMATION AND LISTING

The Company was incorporated in the Cayman Islands on 12 January 2021 as an exempted company with limited liability under the Companies Act.

The Company's Shares were listed on the Main Board of the Stock Exchange on 12 November 2021.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in the provision of gold mine hazardous waste treatment services and sales of pyritic concentrate in the PRC. During the year ended 31 December 2023, the Group commenced the production and sales of products from the reprocessing of pyritic concentrate (including sulphuric acid, iron powder and electricity). Details of the principal activities of the Company's subsidiaries are set out in Note 36 to the consolidated financial statements of this annual report.

BUSINESS REVIEW

A fair review of the business of the Group, the outlook of future development of the business of the Group as well as a discussion and analysis of the Group's performance during the year ended 31 December 2023 and the material factors underlying its financial performance and financial position as required by section 388(2) and Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) can be found in the section headed "Management Discussion and Analysis" set out on pages 9 to 20 of this annual report. The financial risk management of the Group are set out in Note 3 to the consolidated financial statements of this annual report.

董事欣然提呈本集團截至二零二三年十二月三十一日止年度的董事會報告，連同經審核綜合財務報表。

公司資料及上市

本公司於二零二一年一月十二日根據公司法在開曼群島註冊成立為獲豁免有限公司。

本公司股份已於二零二一年十一月十二日在聯交所主板上市。

主要業務

本公司為投資控股公司。本集團主要於中國從事提供金礦有害廢物處理服務及銷售硫精礦。截至二零二三年十二月三十一日止年度，本集團開始生產及銷售硫精礦再加工產品（包括硫酸、鐵粉及電力）。本公司附屬公司的主要業務詳情載於本年報綜合財務報表附註36。

業務回顧

有關本集團業務的合理回顧、本集團業務的未來發展展望以及本集團截至二零二三年十二月三十一日止年度表現的討論與分析，以及香港法例第622章公司條例第388(2)條及附表5所規定有關其財務表現及財務狀況的重要因素，載於本年報第9至20頁「管理層討論與分析」一節。本集團金融風險管理載於本年報綜合財務報表附註3。



Annual General Meeting

The AGM for the Reporting Period is scheduled to be held on 28 June 2024. A notice convening the AGM will be issued and dispatched to the Shareholders in due course according to the applicable laws, the Articles of Association and the Listing Rules.

RESULTS

The Group's profit for the year ended 31 December 2023 and the Group's financial position at that date are set out in the Group's audited financial statements on pages 73 to 75 of this annual report.

FINAL DIVIDEND

No final dividend for the year ended 31 December 2023 was recommended by the Board.

CLOSURE OF REGISTER OF MEMBERS

The AGM is expected to be held on Friday, 28 June 2024. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 25 June 2024 to Friday, 28 June 2024, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Monday, 24 June 2024.

股東週年大會

就報告期間的股東週年大會謹訂於二零二四年六月二十六日舉行。召開股東週年大會的通告將於適當時候根據適用法律、組織章程細則及上市規則刊發及寄發予股東。

業績

本集團截至二零二三年十二月三十一日止年度的溢利及本集團於該日的財務狀況載於本年報第73至75頁的本集團經審核財務報表。

末期股息

董事會不建議就截至二零二二年十二月三十一日止年度派發末期股息。

暫停辦理股份過戶登記

預期股東週年大會將於二零二四年六月二十八日（星期五）舉行。為釐定出席股東週年大會並於會上投票的資格，本公司將於二零二四年六月二十五日（星期二）至二零二四年六月二十八日（星期五）（包括首尾兩天）暫停辦理本公司的股份過戶登記手續。為符合資格出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票必須於二零二四年六月二十四日（星期一）下午四時三十分前送達本公司的香港股份過戶登記分處卓佳證券登記有限公司，地址為香港夏慤道16號遠東金融中心17樓，以供登記。



ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is principally engaged in the provision of gold mine hazardous waste treatment services and recycling and extracting therefrom resources with economic value for sale. The Group is committed to the long-term sustainability of the environment and communities in which it operates. The Group complies with applicable environmental protection laws and regulations for its business operations, and has implemented relevant environmental protection measures in compliance with applicable laws and regulations of PRC. The Company's 2023 environmental, social and governance report will be available on our website on the same date as the publication date of this annual report.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed under the section headed "Future plans and use of proceeds" in the Prospectus, "Management Discussion and Analysis" section of this annual report and the Transaction disclosed in the announcement of the Company dated 6 January 2022, the Group does not have any other plans for material investments or capital assets.

USE OF NET PROCEEDS FROM THE LISTING

The shares of the Company were listed on the Main Board of the Stock Exchange on the Listing Date by way of global offering, 250,000,000 shares were issued, raising the total net proceeds (after deducting underwriting commissions and other related listing expenses) of approximately RMB177.3 million (equivalent to approximately HKD217.3 million).

環境政策及表現

集團主要從事提供金礦有害廢物處理服務及從中回收及提取具有經濟價值的資源以供銷售。本集團致力於其經營所在環境和社區的長期可持續發展。本集團在業務營運中遵守適用環保法律及法規，並按照中國適用法律及法規實施相關環保措施。本公司二零二三年的環境、社會及管治報告將與本年報發佈當日同日刊發。

重大投資或資本資產的未來計劃

除招股章程「未來計劃及所得款項用途」一節所披露者、本年報「管理層討論與分析」一節所述及本公司日期為二零二二年一月六日的公告所披露的交易外，本集團並無任何其他重大投資或資本資產計劃。

上市所得款項淨額用途

本公司股份於上市日期以全球發售方式在聯交所主板上市，發行250,000,000股股份，合共籌集所得款項淨額（扣除包銷佣金及其他相關上市開支後）約人民幣177.3百萬元（相當於約217.3百萬元）。



	Percentage to total amount	Planned use of net proceeds	Planned use of net proceeds	Net proceeds utilised during the year ended 31 December 2023 截至二零二三年十二月三十一日止年度 已動用之所得款項淨額	Net proceeds unutilised as at 31 December 2023 於二零二三年十二月三十一日 未動用之所得款項淨額	Expected timeline for full utilisation of the unutilised proceeds 預期悉數動用未動用之所得款項之時間表
Establish the New Production Facility, comprising two production compartments, with a permitted annual treatment capacity of 600,000 tonnes, and diversification of our product offerings 設立新生產設施，包括兩個許可年處理能力600,000噸的生產區及拓展產品種類	86.7%	188.4	153.7	123.6	30.1	Will be fully utilised by 2024 將於二零二四年悉數動用
Strengthen our research and development capabilities to enhance existing products and diversify our product offering 加強研發能力以優化現有產品及拓展產品種類	3.9%	8.5	6.9	6.9	-	N/A 不適用
General working capital purpose 一般營運資金用途	9.4%	20.4	16.7	16.7	-	N/A 不適用
	100%	217.3	177.3	147.2	30.1	



As at 31 December 2023, the unutilised net proceeds of approximately RMB30.1 million have been deposited as short-term deposits in the bank account maintained by the Group. It is currently expected that the unutilised net proceeds will continue to be used according to the purpose and allocations as set out in the Prospectus.

Further details of the breakdown and description of the proceeds are set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. As at the date of this annual report, the Directors were not aware of any material change to the planned use of proceeds.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Reporting Period, the Group did not hold any significant investments, nor did it have any material acquisitions or disposals of any subsidiaries, associates or joint ventures.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

Save as disclosed above, as far as the Board and management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operations of the Group. During the year ended 31 December 2023, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

RELATIONSHIP WITH MAJOR STAKEHOLDERS

The Group's primary stakeholder groups include its customers, suppliers, and employees.

Customers

The Group maintains active relationship with its customers to explore new business opportunities and is highly committed to delivering superior quality of services and products to its customers on time.

Suppliers

The Group maintains a list of approved and qualified suppliers (based on their prices, quality, past performance and capacity) and strives to establish long term business relationship with them.

於二零二三年十二月三十一日，約人民幣30.1百萬元的未動用所得款項淨額作為短期存款存入本集團持有的銀行賬戶中。目前預計將繼續依據招股章程所載用途及分配使用未動用所得款項淨額。

所得款項明細及描述的更多詳情載於招股章程「未來計劃及所得款項用途」一節。於本年報日期，董事並不知悉所得款項之計劃用途有任何重大變動。

所持重大投資、重大收購及出售附屬公司、聯營公司及合營企業

報告期內，本集團並無持有任何重大投資，並無任何重大收購或出售任何附屬公司、聯營公司或合營企業。

遵守相關法律及法規

除上文所披露者外，據董事會及管理層所知，本集團已於所有重大方面遵守對本集團業務及營運有重大影響之相關法律及法規。截至二零二三年十二月三十一日止年度，本集團概無重大違反或不遵守適用法律及及法規的情況。

與主要持份者的關係

本集團的主要持份者包括其客戶、供應商及僱員。

客戶

本集團與客戶保持積極的關係，以探索新商機，並高度致力及時向客戶提供優質服務及產品。

供應商

本集團存有一份認可合格供應商名單（根據其價格、品質、以往表現及能力），並努力與彼等建立長期業務關係。



Employees

Employees are regarded as valuable assets of the Group. The objective of the Group's human resource management is to reward and recognise well-performed staff by providing a competitive remuneration package and implementing a sound performance appraisal system with appropriate incentives. In particular, the Group promotes career development and advancement by providing appropriate training and opportunities in order to enhance the employees' work performance.

MAJOR CUSTOMERS AND SUPPLIERS

For the years ended 31 December 2023, our five largest customers accounted for approximately 76.3% of our total revenue and our largest customer accounted for approximately 37.8% of our total revenue.

For the years ended 31 December 2023, our five largest suppliers accounted for approximately 70.1% of our total cost of sales and our largest supplier accounted for approximately 30.1% of our total cost of sales.

None of the Directors or any of their associates or any shareholders (whom, to the best knowledge of the Directors, own more than 5% of the Company's total issued share capital), had any beneficial interest in the Group's five largest customers or suppliers during the year ended 31 December 2023.

CHARITABLE DONATION

Charitable donation made by the Group during the Reporting Period amounted to approximately RMB110,000 (2022: approximately RMB52,000).

PROPERTY, PLANT AND EQUIPMENT

Details of movements of the property, plant and equipment of the Group during the year are set out in Note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company for the Reporting Period are set out in Note 25 to the consolidated financial statements.

僱員

僱員被視為本集團的寶貴資產。本集團人力資源管理的目標是通過提供有競爭力的薪酬待遇和實施健全的績效評估制度，連同給予適當的激勵，來獎勵和表彰表現出色的僱員。特別是，本集團通過提供適當的培訓和機會，促進職業發展和晉升，以提高僱員的工作表現。

主要客戶及供應商

截至二零二三年十二月三十一日止年度，五大客戶佔我們總收益約76.3%，以及最大客戶佔我們總收益約37.8%。

截至二零二三年十二月三十一日止年度，五大供應商佔我們總銷售成本約70.1%，以及最大供應商佔我們總銷售成本約30.1%。

截至二零二三年十二月三十一日止年度，概無任何董事或其任何聯繫人或任何股東（據董事所深知，彼等擁有本公司全部已發行股本5%以上）於本集團五大客戶或供應商中擁有任何實益權益。

慈善捐款

本集團於報告期間的慈善捐款約為人民幣110,000元（二零二二年：約人民幣52,000元）。

物業、廠房及設備

本集團年內物業、廠房及設備的變動詳情載於綜合財務報表附註15。

股本

本公司於報告期間的股本變動詳情載於綜合財務報表附註25。



DEBENTURE

The Group did not issue any debenture during the Reporting Period (2022: Nil).

EQUITY-LINKED AGREEMENTS

There are no equity-linked agreements which were entered into or remained subsisting during the Reporting Period or as of the end of the year ended 31 December 2023 (2022: Nil).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the Companies Act which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the shareholders by reason of their holding of the Company's securities.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 36 to the consolidated financial statements in this annual report.

RESERVES

Movements during the year in the reserves of the Group and the Company are set out in the consolidated statement of changes in equity, Notes 25 and 26 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2023, the Company's reserves available for distribution as dividends, calculated in accordance with the relevant rules and regulations, amounted to approximately RMB172.1 million.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five years is set out on page 5 of this annual report.

債券

本集團於報告期間並無發行任何債券（二零二二年：無）。

股權掛鈎協議

於報告期間或截至二零二三年十二月三十一日止年度結束時概無訂立或仍然有效的股權掛鈎協議（二零二二年：無）。

優先購買權

本公司的組織章程細則或公司法並無有關優先購買權的規定，要求本公司按比例向現有股東提呈發售新股份。

稅項減免

董事並不知悉股東因持有本公司證券而享有任何稅務減免。

附屬公司

本公司附屬公司的詳情載於本年報綜合財務報表附註36。

儲備

本集團及本公司於本年度內儲備之變動詳情載於綜合權益變動表、綜合財務報表附註25及26。

可供分派儲備

於二零二三年十二月三十一日，本公司根據相關規則及法規計算可供分派作股息的儲備約為人民幣172.1百萬元。

財務概要

本集團過去五年之業績、資產及負債概要載於本年報第5頁。



SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 December 2023 are set out in Note 25 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

BORROWINGS

The Group had interest-bearing borrowings of approximately RMB117.2 million as at 31 December 2023 (2022: RMB55.7 million). Borrowings were denominated in RMB and interests on borrowings were mainly charged at fixed rate.

Particulars of borrowings of the Group as at 31 December 2023 are set out in Note 29 to the consolidated financial statements in this annual report.

DIRECTORS

The Directors during the year ended 31 December 2023 and up to the date of this annual report were:

Executive Directors:

Mr. Liu Zeming (劉澤銘) (*Chairman*)
Mr. Zhan Yirong (戰乙榮) (*Chief Executive Officer*)
Mr. Sheng Haiyan (盛海燕) (*Chief Technical Officer*)

Independent Non-executive Directors:

Mr. Zhang Shijun (張式軍)
Ms. Liu Ye (劉曄)
Mr. Lau Chung Wai (劉仲緯)

股本

截至二零二三年十二月三十一日止年度，本公司股本變動詳情載於綜合財務報表附註25。

購買、出售或贖回上市證券

截至二零二三年十二月三十一日止年度，本公司或其附屬公司均未有購買、出售或贖回本公司的任何上市證券。

借款

本集團於二零二三年十二月三十一日有計息借款約人民幣117.2百萬元（二零二二年：人民幣55.7百萬元）。借款乃以人民幣計值，而借款的利息主要按固定利率收取。

本集團於二零二三年十二月三十一日的借款詳情載於本年報綜合財務報表附註29。

董事

截至二零二三年十二月三十一日止年度及截至本年報日期的董事如下：

執行董事：

劉澤銘先生（主席）
戰乙榮先生（行政總裁）
盛海燕先生（技術總監）

獨立非執行董事：

張式軍先生
劉曄女士
劉仲緯先生



In accordance with the provisions of the Articles of Association, at each annual general meeting, one third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire by rotation shall include any Director who wishes to retire and not offer himself for re-election. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

In accordance with articles 84.(1) and 84.(2) of the Articles of Association, Mr. Zhang Shijun and Ms. Liu Ye will retire by rotation and being eligible, will offer themselves for re-election at the AGM.

Details of the Directors to be re-elected at the AGM are set out in the circular to the Shareholders.

ANNUAL CONFIRMATION OF INDEPENDENCE FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received annual confirmations of independence from all independent non-executive Directors regarding each of the factors referred to in rule 3.13 of the Listing Rules. As at the date of this report, the Company still considers all of the independent non-executive Directors to be independent.

DIRECTORS' SERVICE CONTRACTS

Each of our executive Directors has entered into a service contract with our Company pursuant to which they agreed to act as executive Directors for an initial term of three years with effect from the Listing Date which may be terminated by either party by giving not less than three months' written notice. The term of service contract shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term until terminated by either party by giving not less than three months' written notice to the other.

根據組織章程細則，在每屆股東週年大會上，當時三分之一的董事（若人數並非三的倍數，則以最接近但不少於三分之一的人數）須輪流退任，惟每位董事必須最少每三年於股東週年大會上退任一次。輪流退任的董事包括任何有意退任且無意膺選連任的董事。其餘退任董事乃自上次膺選連任或獲委任以來任期最長的董事，但若多位董事於同一日履任或膺選連任，則以抽籤方式決定須退任的董事（除非彼等另有協定）。

根據組織章程細則第84.(1)條及第84.(2)條，張式軍先生及劉曄女士將輪席退任，並符合資格且彼等願意於股東週年大會上膺選連任。

將於股東週年大會上膺選連任的董事詳情載於致股東的通函內。

獨立非執行董事的年度獨立性確認

本公司已收到全體獨立非執行董事就上市規則第3.13條所述各項因素的年度獨立性確認。截至本報告日期，本公司仍然認為全體獨立非執行董事均為獨立。

董事的服務合約

各執行董事已與本公司訂立服務合約，據此，彼等同意出任執行董事，初步任期為三年，自上市日期起生效，可透過由任何一方向另一方發出不少於三個月的書面通知終止。服務合約期限在當時的現有任期屆滿時自動更新及延長一年任期，直至任何一方向另一方發出不少於三個月的書面通知終止為止。



Each of the independent non-executive Directors has been appointed for an initial term of three years commencing from 23 October 2021 which may be terminated by either party by giving not less than three months' written notice. The term of appointment shall be renewed and extended automatically for successive terms of two years upon expiry of the then current term until terminated by either party giving not less than three months' written notice to the other.

Save as disclosed above, none of our Directors has or is proposed to have a service contract with our Company or any of our subsidiaries other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

DIRECTORS' MATERIAL INTEREST IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, there were no significant transactions, arrangements and contracts of significance in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONTRACTS OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDER

Save as disclosed in this annual report, none of the Company or any of its subsidiaries entered into any contracts of significance with the Controlling Shareholder(s) or any of its subsidiaries, nor was there any contracts of significance between the Company or any of its subsidiaries and the Controlling Shareholder or any of its subsidiaries in relation to provision of services for the Reporting Period.

REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the remuneration of the Directors and the five highest paid individuals of the Group for the Reporting Period are set out in Notes 38 and 9 to the consolidated financial statements.

各獨立非執行董事初步任期自二零二一年十月二十三日起計為期三年，可透過由任何一方發出不少於三個月的書面通知終止。委任期限在當時的現有任期屆滿時自動更新及延長兩年任期，直至任何一方向另一方發出不少於三個月的書面通知終止為止。

除上文所披露者外，董事並無與本公司或其任何附屬公司訂立或擬訂立任何服務合約，惟於一年內屆滿或於一年內由僱主終止而毋須補償者（法定補償除外）除外。

董事於重大交易、安排或合約中的重大權益

除本年報所披露者外，於年末或年內任何時間，本公司並無訂立與本集團業務有關且本公司董事於當中直接或間接擁有重大權益的重大交易、安排及合約。

與控股股東之間的重要合約

除本年報所披露者外，概無本公司或其任何附屬公司與控股股東或其任何附屬公司訂立任何重大合約，且本公司或其任何附屬公司與控股股東或其任何附屬公司之間在報告期間亦並無任何有關提供服務的重大合約。

董事及五位最高薪酬人士的薪酬

於報告期間，本集團董事及五位最高薪酬人士的薪酬詳情載於綜合財務報表附註38及9。



EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2023, the Group had 213 employees. For the year ended 31 December 2023, the staff cost of the Group was approximately RMB21.8 million.

The remuneration packages for our employees include salary, bonuses and allowances. The Group participate in social insurance schemes operated by the relevant local government authorities and maintain mandatory pension contribution plans, medical insurance, work-related injury insurance, unemployment insurance, housing accumulation funds and maternity insurance for some of our employees. The Group has also participated in the mandatory provident fund retirement benefit scheme in Hong Kong.

The Group's employee remuneration policy is determined by reference to factors such as remuneration standard of the local market, the overall remuneration standard in the industry, market condition, operating efficiency and employee performance. The Group provides sufficient training to our employees depending on their roles.

The emoluments of the Directors are first reviewed by the Remuneration Committee and then approved by the Board, with regard to the Directors' skill, knowledge, involvement in the Group's affairs and the performance of each Director, together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions.

The Company has adopted a share option scheme (the "Share Option Scheme") as an incentive to the Directors and eligible employees, details of the Share Option Scheme are set out in the Prospectus. No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption and up to the date of this annual report.

During the Reporting Period, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

RETIREMENT BENEFITS PLAN

Details of retirement benefits plan of the Group for the year ended 31 December 2023 are set out in Note 39.20 to the consolidated financial statements.

僱員及薪酬政策

於二零二三年十二月三十一日，本集團聘有213名僱員。截至二零二三年十二月三十一日止年度，本集團的員工成本約為人民幣21.8百萬元。

僱員薪酬待遇包括薪金、獎金及津貼。本集團參加由相關地方政府機構運作的社會保險計劃，並為部分僱員設立強制性養老金供款計劃並投購醫療保險、工傷保險、失業保險、住房公積金及生育保險。本集團亦參與香港的強積金退休福利計劃。

本集團的僱員薪酬政策乃參照當地市場的薪酬標準、行業的整體薪酬標準、市場狀況、經營效益和僱員表現等因素釐定。本集團視乎僱員的崗位，為彼等提供足夠的培訓。

董事的薪酬先由薪酬委員會審視，然後再經董事會批准，當中會考慮董事的技能、知識、對本集團事務的參與以及各董事的表現，同時亦參考本集團的盈利能力、行業的薪酬基準以及當時的市場情況。

本公司已採納購股權計劃（「購股權計劃」）作為對董事和合資格僱員的激勵，購股權計劃的詳情載於招股章程。自採納購股權計劃起至本年報日期，概無購股權根據購股權計劃獲授出、行使、註銷或失效。

於報告期間，本集團並無因勞資糾紛而與僱員發生任何重大問題，且在招聘及挽留有經驗僱員時亦沒有遇到任何困難。

退休福利計劃

本集團截至二零二三年十二月三十一日止年度的退休福利計劃詳情載於綜合財務報表附註39.20。



PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, every Director shall be indemnified and secured harmless out of the assets of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty in their offices. Such permitted indemnity provision has been in force for the year ended 31 December 2023. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group and it remains in force at the date of this annual report.

CHANGES TO INFORMATION OF DIRECTORS

There was no change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules for the Reporting Period and up to the date of this annual report.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management are set out in the section headed "Directors and Senior Management" on pages 21 to 27 of this annual report.

SHARE OPTION SCHEME

The Share Option Scheme was conditionally adopted by the Company on 23 October 2021 and shall be valid until 23 October 2031. On and subject to the terms of the Share Option Scheme and the requirements of the Listing Rules, the Board shall be entitled to, at its absolute discretion and on such terms as it deems fit, grant any employee (full-time or part-time), director, supplier, customer, consultant, adviser, shareholder, service provider of the Group or other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of us, options to subscribe for such number of Shares as the Board may determine in accordance with the terms of the Share Option Scheme. The purpose of the Share Option Scheme is to enable us to grant options to selected participants as incentives or rewards for their contribution to us. Our Directors consider the Share Option Scheme, with its broadened basis of participation, will enable us to reward the employees, our Directors and other selected participants for their contributions to us. A Summary of principal terms of the Share Option Scheme is set out in the paragraph headed "14. Share Option Scheme" in Appendix V to the Prospectus.

獲準許的彌償條文

根據組織章程細則，每名董事就彼等或彼等任何一人任其職位履行其職務時所做、同意或不做的任何行為而可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，均可自本公司的資產獲得彌償，確保免就此受損。該等獲準許的彌償條文於截至二零二三年十二月三十一日止年度一直有效。本公司已就本集團之董事及高級職員購買適當的董事及高級職員責任保險，且該保險於本年報日期仍然有效。

董事資料變動

於報告期間及直至本年報日期，概無董事資料變動須根據上市規則第13.51B(1)條予以披露。

董事及高級管理層履歷詳情

董事及高級管理層的履歷詳情載於本年報第21至27頁之「董事及高級管理層」一節。

購股權計劃

購股權計劃由本公司於二零二一年十月二十三日有條件採納，有效期直至二零三一年十月二十三日。按照並遵循購股權計劃的條款和上市規則的規定，董事會有權全權酌情決定按其認為合適的條款，向本集團的任何僱員（全職或兼職）、董事、供應商、客戶、諮詢人、顧問、股東、服務供應商或其他通過合資、業務聯盟或其他商業安排，對我們的發展和增長作出貢獻或可能作出貢獻的參與者群組或類別授予購股權，以認購董事會根據購股權計劃的條款而釐定的股份數量。購股權計劃旨在使我們可向經挑選的參與者授出購股權，以推動或獎勵彼等對我們所作貢獻。董事認為，由於參與者基礎廣闊，購股權計劃將有助我們獎勵僱員、董事及其他經挑選的參與者對我們所作的貢獻。購股權計劃的主要條款概要載於招股章程附錄五「14. 購股權計劃」一段。



Pursuant to the terms of the Share Option Scheme and in compliance with the provisions in Chapter 17 of the Listing Rules, the total number of the Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of us) to be granted under the Share Option Scheme and any other share option scheme of us must not in aggregate exceed 10% of the number of Shares in issue as at the date of this annual report, being 100,000,000 Shares. As at 1 January and 31 December 2023, there are 100,000,000 options available for grant under the Share Option Scheme. The total number of shares available for issue under the Share Option Scheme is 100,000,000 which represents 10% of the total issue Shares of the Company as at the date of this annual report.

The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by us must not in aggregate exceed 30% of the share capital of our Company in issue from time to time.

The total number of Shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of us (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the number of Shares in issue for the time being (“**Individual Limit**”). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by our Shareholders in general meeting of our Company with such grantee and his close associates (or his associates if the grantee is a connected person) abstaining from voting.

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by our Directors to each grantee, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by our Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

根據購股權計劃的條款及遵照上市規則第17章的條文，因行使根據購股權計劃及我們任何其他購股權計劃所授出所有購股權（就此而言，並不包括根據購股權計劃及我們任何其他購股權計劃的條款而失效者）而可予配發及發行的股份總數不得超過本年報日期已發行股份數目的10%，即100,000,000股股份。於二零二三年一月一日及十二月三十一日，100,000,000份購股權可根據購股權計劃可授出。根據購股權計劃可供發行的股份總數為100,000,000股，佔本年報日期本公司已發行股份總數的10%。

因行使根據購股權計劃及我們採納的任何其他購股權計劃所授出但尚未行使的所有購股權而可予發行的股份總數合共不得超過本公司不時已發行股本的30%。

於任何12個月期間，因行使根據購股權計劃及我們任何其他購股權計劃所授出的購股權（包括已行使或尚未行使購股權兩者）已向各參與者發行及將予發行的股份總數，不得超過當時已發行股份數目的1%（「**個別上限**」）。如進一步授出購股權，使數目超出進一步授出當日止任何12個月期間（包括該日）的個別上限，必須經股東於本公司的股東大會上批准，而有關承授人及其緊密聯繫人（或倘承授人為關連人士，則其聯繫人）須放棄投票。

參與者可於要約授出購股權日期起計21日內接納購股權。

購股權可於董事釐定並通知各承授人的期間內隨時根據購股權計劃的條款行使（該期間須由要約授出購股權日期起計，但無論如何須於購股權授出日期起計十年內屆滿，並可根據有關條文提早終止）。除非本公司董事另行決定及在向承授人授出購股權的要約中列明，購股權計劃並無規定在行使購股權前所需持有的最短期限。



Any grant of options under the Share Option Scheme to a Director, chief executive or substantial shareholder of our Company or any of their respective associates must be approved by independent non-executive Directors (excluding independent non-executive Director who or whose associates is the proposed grantee of the options).

Where any grant of options to a substantial shareholder or an independent non-executive director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the Shares in issue; and; (ii) having an aggregate value, based on the closing price of the Shares at the date of each offer for the grant, in excess of HK\$5 million; such further grant of options must be approved by Shareholders in general meeting. Our Company must send a circular to our Shareholders, within such time as may be specified in the Listing Rules.

The subscription price for the Shares under the Share Option Scheme shall be a price determined by our Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a Share.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

Since the adoption of the Share Option Scheme, no option has been granted. Therefore, no option was exercised, cancelled or lapsed since its adoption and up to the date of this annual report and there was no option outstanding as at 31 December 2023.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 31 December 2023, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be entered in the register 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 contained in Appendix 10 to the Listing Rules, are set out below:

根據購股權計劃向本公司董事、主要行政人員或主要股東或任何彼等各自的聯繫人授出任何購股權，必須經獨立非執行董事（不包括身為或其聯繫人為建議購股權承授人的獨立非執行董事）批准。

倘向主要股東或獨立非執行董事或任何彼等各自的聯繫人授出任何購股權，可能導致於有關授出當日止12個月期間（包括該日），因行使已向有關人士授出或將予授出的所有購股權（包括已行使、已註銷及尚未行使的購股權）而予以發行及將予發行的本公司股份：(i) 合共佔已發行股份的0.1%以上；及(ii) 按各授出的要約日期的股份收市價計算，總值超過5百萬港元；則進一步授出購股權須於股東大會上取得股東的批准。本公司必須於上市規則規定的有關限期內向股東寄發通函。

購股權計劃項下股份的認購價將由董事釐定，但不得低於(i) 要約授出購股權日期（必須為營業日）在聯交所的每日報價表以一手或以上股份買賣單位列示的股份收市價；(ii) 緊接要約授出購股權日期前五個營業日在聯交所的每日報價表所示股份平均收市價；及(iii) 股份面值三者中的最高者。

承授購股權之人士須在接納時支付名義代價1港元。

自採納購股權計劃以來，概無購股權獲授出。因此自其採納以來直至本年報日期概無購股權獲行使、註銷或失效，且於二零二三年十二月三十一日概無未行使購股權。

董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債權證中擁有的權益及淡倉

於二零二三年十二月三十一日，本公司董事及最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有須記入本公司根據證券及期貨條例第352條存置的登記冊或須根據上市規則附錄10所載標準守則通知本公司及聯交所的權益及淡倉如下：



(i) Interest in the Company

(i) 於本公司的權益

Name of Director 董事名稱	Number of Shares held 持有股份數目			Total 總計	Approximate shareholding percentage (%) 概約持股百分比 (%)
	Beneficial owner 實益擁有人	Interest of a controlled corporation ⁽²⁾ 受控法團權益 ⁽²⁾	Interest of spouse ⁽³⁾ 配偶權益 ⁽³⁾		
Mr. Liu 劉先生	6,000,000	589,500,000	–	595,500,000	59.55
Ms. Li Liyan 李麗豔女士	–	–	595,500,000	595,500,000	59.55
Mr. Zhan Yirong 戰乙榮先生	1,000,000	–	–	1,000,000	0.1
Mr. Sheng Haiyan 盛海燕先生	1,000,000	–	–	1,000,000	0.1

1. All interests stated are long position.

1. 所述所有權益均為好倉。

2. 589,500,000 Shares are registered in the name of Zeming International Investment Co., Ltd., the entire issued capital of which is legally and beneficially owned by Mr. Liu. By virtue of the SFO, Mr. Liu is taken to be interested in the Shares held by Zeming International Investment Co., Ltd.

2. 589,500,000股股份以Zeming International Investment Co., Ltd.的名義登記，該公司的全部已發行股本由劉先生合法實益擁有。根據證券及期貨條例，劉先生被視為於Zeming International Investment Co., Ltd.持有的股份中擁有權益。

3. Ms. Li Liyan is the spouse of Mr. Liu. Under the SFO, Ms. Li Liyan is taken to be interested in the same number of Shares in which Mr. Liu is interested.

3. 李麗豔女士為劉先生的配偶。根據證券及期貨條例，李麗豔女士被視為於劉先生擁有權益的相同數目股份中擁有權益。

(ii) Interest in associated corporation

(ii) 於相聯法團的權益

Name of Director 董事名稱	Name of associated corporation 相聯法團名稱	Capacity/Nature 身份／性質	Approximate shareholding percentage (%) 概約持股百分比 (%)
Mr. Liu 劉先生	Zeming International Investment Co., Ltd Zeming International Investment Co., Ltd	Beneficial owner 實益擁有人	100%



DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, as at 31 December 2023, none of the Directors and chief executives of the Company had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2023, according to the register kept by the Company under Section 336 of SFO and so far as was known to the Directors or the chief executives of the Company, the following persons (other than the Directors or chief executives of the Company) who had interests or short positions in the Shares or the underlying Shares of the Company which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO were as follows:

Name of Shareholder 股東姓名／名稱	Capacity/Nature of interest 身份／權益性質	Number of Shares 股份數目	Approximate shareholding percentage (%) 概約持股百分比(%)
Zeming International Investment Co., Ltd	Beneficial owner ⁽²⁾ 實益擁有人 ⁽²⁾	589,500,000	58.95
Ms. Li Liyan 李麗豔女士	Interest of spouse ⁽³⁾ 配偶權益 ⁽³⁾	595,500,000	59.55

- All interests stated are long position.
- By virtue of the SFO, Mr. Liu is taken to be interested in the Shares held by Zeming International Investment Co., Ltd.
- Ms. Li Liyan is the spouse of Mr. Liu. Under the SFO, Ms. Li Liyan is taken to be interested in the same number of Shares in which Mr. Liu is interested.

董事認購股份或債權證的權利

除上文所披露者外，於二零二三年十二月三十一日，概無本公司董事及最高行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有須記入本公司根據證券及期貨條例第352條存置的登記冊或須根據標準守則通知本公司及聯交所的權益或淡倉。

主要股東於股份及相關股份的權益及淡倉

於二零二三年十二月三十一日，根據本公司按證券及期貨條例第336條備存的登記冊及據董事或本公司最高行政人員所知，以下人士（本公司董事或最高行政人員除外）在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分部的條文須予披露的權益或淡倉如下：

- 所述所有權益均為好倉。
- 根據證券及期貨條例，劉先生被視為於Zeming International Investment Co., Ltd.持有的股份中擁有權益。
- 李麗豔女士為劉先生的配偶。根據證券及期貨條例，李麗豔女士被視為於劉先生擁有權益的相同數目股份中擁有權益。



Save as disclosed above, as at 31 December 2023, according to the register kept by the Company under Section 336 of the SFO and so far as were known to the Directors or the chief executives of the Company, there was no other person (other than the Directors or chief executives of the Company) who had an interest or short position in the Shares or the underlying Shares of the Company which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO.

COMPETING BUSINESS

During the year ended 31 December 2023 and up to the date of this annual report, none of the Directors is considered to have interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group pursuant to the Listing Rules.

COMPLIANCE WITH NON-COMPETITION UNDERTAKINGS BY CONTROLLING SHAREHOLDERS

On 23 October 2021, Zeming International Investment Co., Ltd and Mr. Liu, each being a controlling shareholder of the Company, entered into a deed of non-competition (the “**Deed of Non-competition**”) in favour of the Company, details of which are set out in the section headed “Relationship with our Controlling Shareholders — Deed of Non-Competition” in the Prospectus.

Each of Zeming International Investment Co., Ltd and Mr. Liu has confirmed to the Company that it/he has complied with the Deed of Non-competition as disclosed in the Prospectus for the year ended 31 December 2023.

The independent non-executive Directors have reviewed the compliance with the Deed of Non-competition by each of Zeming International Investment Co., Ltd and Mr. Liu, and confirmed that Zeming International Investment Co., Ltd and Mr. Liu have complied with and implemented the Deed of Non-competition.

CONNECTED TRANSACTIONS

The Group has not conducted any non-exempt continuing connected transaction for the year ended 31 December 2023. There were no connected transaction or continuing connected transaction that is subject to, among other things, the reporting, announcement or independent shareholders’ approval requirements under Chapter 14A of the Listing Rules, and the Company has complied with the requirements under Chapter 14A of the Listing Rules.

除上文所披露者外，於二零二三年十二月三十一日，根據本公司按證券及期貨條例第336條規定備存的登記冊及據董事或本公司最高行政人員所知，並無任何其他人士（本公司董事或最高行政人員除外）在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分部的條文須予披露的權益或淡倉。

競爭業務

截至二零二三年十二月三十一日止年度及直至本年報日期，根據上市規則，概無董事被視為於與本集團業務直接或間接構成或可能構成競爭的任何業務中擁有權益。

控股股東遵守不競爭承諾的情況

二零二一年十月二十三日，Zeming International Investment Co., Ltd 與劉先生（各為本公司控股股東）訂立以本公司為受益人的不競爭契據（「**不競爭契據**」），詳情載於招股章程「與控股股東的關係 — 不競爭契據」一節。

Zeming International Investment Co., Ltd 及劉先生各自已向本公司確認，彼等於截至二零二三年十二月三十一日止年度，已遵守招股章程所披露的不競爭契據。

獨立非執行董事已檢視 Zeming International Investment Co., Ltd 及劉先生各自對不競爭契據的遵守情況，並確認 Zeming International Investment Co., Ltd 及劉先生已遵守及執行不競爭契據。

關連交易

本集團截至二零二三年十二月三十一日止年度並無進行任何非豁免持續關連交易。概無關連交易或持續關連交易須（其中包括）根據上市規則第14A章遵守申報、公告或獨立股東批准規定，且本公司已遵守上市規則第14A章下的規定。



Details of the related party transactions carried out in the normal course of business are set out in Note 35 to the financial statements of this annual report. None of these related party transactions constitutes a connected transaction or continuing connected transaction as defined under the Listing Rules, and the Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules.

MANAGEMENT CONTRACTS

For the year ended 31 December 2023, no management or administration contract concerning the management of the whole or substantial part of any business of the Company was entered into, or subsisted at the end of the year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors as at the date of this annual report, there was at least 25% of the Company's total issued shares, being a minimum percentage of sufficient prescribed public float of the issued shares of the Company under the Listing Rules.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 28 to 45 of this annual report.

EVENTS AFTER THE REPORTING PERIOD

Except for the matters disclosed under the "Management Discussion and Analysis" section of this annual report, the Board is not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2023 and up to the date of this annual report.

於日常業務過程中進行的關聯方交易的詳情載於本年報財務報表附註35。概無該等關聯方交易構成上市規則下界定的關連交易或持續關連交易，且本公司已遵守上市規則第14A章的披露規定。

管理合約

截至二零二三年十二月三十一日止年度，概無訂立有關管理本公司全部或重大部分業務的管理或行政合約或於年末仍然存續。

足夠公眾持股量

基於本公司公開可得的資料及就董事所知，於本年報日期，本公司的全部已發行股份中，至少有25%（即上市規則所訂明本公司已發行股份的充足公眾持股量最低百分比）由公眾人士持有。

企業管治

本公司致力於保持最高標準的企業管治常規。本公司所採納企業管治常規的資料載於本年報第28至45頁的企業管治報告內。

報告期後事項

除本年報「管理層討論與分析」一節所披露事項外，董事會概不知悉於二零二三年十二月三十一日後及直至本年報日期發生須作出披露的任何重大事項。



AUDITOR

The consolidated financial statements of the Group for the year ended 31 December 2023 have been audited by PricewaterhouseCoopers, the auditor of the Company. A resolution for the re-appointment of PricewaterhouseCoopers as the Company's auditor will be proposed at the forthcoming AGM.

On behalf of the Board

HONGCHENG ENVIRONMENTAL TECHNOLOGY COMPANY LIMITED

LIU Zeming

Chairman and Executive Director

Shandong, PRC, 28 March 2024

核數師

本集團截至二零二三年十二月三十一日止年度的綜合財務報表已由本公司核數師羅兵咸永道會計師事務所審核。續聘羅兵咸永道會計師事務所為本公司核數師的決議案將於應屆股東週年大會上提呈。

承董事會命

鴻承環保科技有限公司

主席兼執行董事

劉澤銘

中國山東·二零二四年三月二十八日



To the Shareholders of HONGCHENG ENVIRONMENTAL TECHNOLOGY COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

致鴻承環保科技有限公司列位股東

(於開曼群島註冊成立的有限公司)

OPINION

What we have audited

The consolidated financial statements of HONGCHENG ENVIRONMENTAL TECHNOLOGY COMPANY LIMITED (the "Company") and its subsidiaries (the "Group"), which are set out on pages 73 to 176, comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

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

意見

吾等已審核的內容

鴻承環保科技有限公司(「貴公司」)及其附屬公司(「貴集團」)列載於第73至176頁的綜合財務報表，包括：

- 於二零二三年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策及其他解釋資料。

吾等的意見

吾等認為，該等綜合財務報表已根據國際財務報告準則(「國際財務報告準則」)真實而中肯地反映了貴集團於二零二三年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。



BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

KEY AUDIT MATTERS

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

Key audit matter identified in our audit is related to revenue from provision of gold mine hazardous waste treatment services.

意見的基礎

吾等已根據香港會計師公會頒佈的國際審核準則（「國際審核準則」）進行審核。吾等在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表承擔的責任」一節作進一步闡述。

吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。

獨立性

根據國際會計師專業操守理事會頒佈的國際專業會計師道德守則（包含國際獨立性標準）（「道德守則」），吾等獨立於貴集團，並已履行道德守則中的其他專業道德責任。

關鍵審核事項

關鍵審核事項是根據吾等的專業判斷，認為對本期綜合財務報表的審核最為重要的事項。該等事項是在吾等審核整體綜合財務報表及出具意見時進行處理的。吾等不會對該等事項提供單獨的意見。

吾等在審核中所識別的關鍵審核事項與提供金礦有害廢物處理服務之收益有關。



Key Audit Matter 關鍵審核事項

How our audit addressed the Key Audit Matter 吾等的審核如何處理關鍵審核事項

Revenue from provision of gold mine hazardous waste treatment services

提供金礦有害廢物處理服務的收益

Refer to note 5 "Revenue and segment information" to the consolidated financial statements.

請參閱綜合財務報表附註5「收益及分部資料」。

The Group recognised revenue from provision of gold mine hazardous waste treatment services amounting to RMB49.4 million for the year ended 31 December 2023. The Group's gold mine hazardous waste treatment services are conducted in various detoxing processes and integrated with the production processes of pyritic concentrate which can be sold for revenue. The Group recognises revenue of treatment services on over time basis based on the completion percentage of the treatment services performance obligation which is in turn determined with reference to the percentage of cost incurred up to date to the total estimated cost of completion that are attributable to the treatment services. 貴集團於截至二零二三年十二月三十一日止年度確認提供金礦有害廢物處理服務的收益，金額為人民幣49.4百萬元。貴集團的金礦有害廢物處理服務是在多個毒素分解過程中進行，並與可出售賺取收益的硫精礦的生產過程相結合。貴集團根據處理服務履約責任的完成百分比隨著時間確認處理服務的收益，而完成百分比則是參照處理服務迄今產生的成本佔完成總估計成本的百分比釐定。

Our audit procedures in relation to this key audit matter included the following:

吾等就該關鍵審核事項的審計程序包括以下各項：

- Understood, evaluated and tested the Group's key controls over revenue recognition of the provision of gold mine hazardous waste treatment services and assessed the inherent risk of material misstatement by considering the level of complexity and other inherent risk factors;
- 了解、評估及測試 貴集團對提供金礦有害廢物處理服務的收益確認的關鍵控制及通過考慮複雜程度及其他內在風險因素評估重大錯報的內在風險；
- Checked, on a sample basis, the contracts signed with customers for provision of gold mine hazardous waste treatment services, inter alia, unit price of treatment fee and performance obligations of the Group. In addition, discussed with management and with reference to market available information, assessed the reasonableness of management's judgement on the processes of fulfilling the performance obligations related to treatment services;
- 抽查與客戶簽訂的提供金礦危險廢物處理服務的合同，特別是處理費的單價、貴集團的履約義務；此外，與管理層討論並參考市場現有信息，評估管理層對履行與處理服務有關的履約義務過程的判斷的合理性；



Key Audit Matter
關鍵審核事項

How our audit addressed the Key Audit Matter
吾等的審核如何處理關鍵審核事項

Revenue from provision of gold mine hazardous waste treatment services

提供金礦有害廢物處理服務的收益

We focused on this area due to the significant management judgements and estimation involved in determination of performance obligations, the determination of costs attributable to different processes, the allocation of common costs and also determination of the completion percentage of performance obligation attributable to treatment services.

吾等專注於此領域，因為在釐定履約責任、釐定不同流程應佔的成本、分配共同成本以及釐定處理服務應佔的履約義務的完成百分比方面涉及重大的管理判斷及估計。

- Assessed management's determination of costs attributable to the processes for treatment services and the processes for production of pyritic concentrate, and also assessed the reasonableness of the basis for the allocation of common costs by considering the nature of cost incurred, and tested, on a sample basis, (i) the cost incurred during the year to supporting documents, such as invoices, payment slip, etc; and (ii) the cost allocation between the treatment services and the production of pyritic concentrate by tracing to the supporting documents of costs incurred and checking the accuracy of calculation of allocations;
- 評估管理層對處理服務流程及生產硫精礦流程應佔成本的釐定，亦通過考慮所產生成本的性質評估分配共同成本基準的合理性，(i) 抽查年內產生的費用與證明文件，如發票、付款單等；及(ii) 通過追蹤所產生費用的證明文件及檢查分配計算的準確性，抽查處理服務及生產硫精礦之間的費用分配；
- Arranged stock take of the hazardous waste under treatment processes at the end of the year;
- 在年底安排對處理過程中的有害廢物進行盤點；
- Performed recalculation of the percentage of cost for treatment services incurred up to date to the total estimated cost of waste treatment, and then the recalculation of the revenue amount; and
- 重新計算截至目前產生的處理服務費用佔廢物處理總估計費用的百分比，然後重新計算收入數額；及
- Arranged, on a sample basis, confirmations to customers to confirm the quantity of the gold mine hazardous waste collected from customers, the unit price of treatment fees and treatment service fees during the year.
- 用抽樣的方法對客戶進行函證，以確認年內從客戶收集的金礦有害廢物的數量、處理費的單價及處理服務費。

Based on the procedures performed, we found the significant management judgement and estimation involved in the determination of the Group's revenue from provision of gold mine hazardous waste treatment services was supported by available evidences.

根據所執行的程序，吾等發現在確定 貴集團提供金礦有害廢物處理服務的收入時所涉及的重大管理判斷及估計有可用的證據支持。



OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the Company's 2023 annual report (the "annual report") other than the consolidated financial statements and our auditor's report thereon. We have obtained some of the other information including the management discussion and analysis prior to the date of this auditor's report. The remaining other information, including corporate profile, chairman's statement, environmental, social and governance report, director's report, profiles of directors and senior management and the other sections to be included in the annual report, is expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining other information to be included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee and take appropriate action considering our legal rights and obligations.

其他資料

貴公司董事對其他資料負責。其他資料包括 貴公司二零二三年報（「年報」）包含的所有資料，但綜合財務報表及核數師報告除外。吾等已於本核數師報告日期前獲得若干其他資料，包括管理討論及分析。餘下的其他資料（包括公司概覽、主席報告、環境、社會及管治報告、董事會報告、董事及高級管理層簡介以及將列入年報的其他部分）預期將於該日後提供予吾等。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦無且將不會對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任為閱讀上述識別之其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或可能存在重大錯誤陳述。

基於吾等已就於本核數師報告日期前取得的其他資料執行的工作，倘吾等認為其他資料有重大錯誤陳述，吾等須報告該事實。就此，本核數師毋須作出報告。

於吾等閱讀餘下待載入年報的其他資料時，倘得出當中存在重大錯誤陳述的結論，吾等須與審核委員會討論該事項，且於考慮到吾等的法定權力及責任後採取適當行動。



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

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

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

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

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

董事及審核委員會就綜合財務報表須承擔之責任

貴公司董事須負責根據國際財務報告準則及香港公司條例之披露規定，編製真實且公平之綜合財務報表，並落實其認為編製綜合財務報表所必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營相關的事項，並運用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營或別無其他實際的替代方案。

審核委員會負責監管 貴集團之財務申報程序。

核數師就審核綜合財務報表須承擔之責任

吾等的目標為就綜合財務報表整體是否不存在因欺詐或錯誤而導致之重大錯誤陳述取得合理核證，並出具包含吾等意見在內之核數師報告。吾等之報告僅為 閣下（作為一個整體）而編製，並不可用作其他用途。吾等不會就本報告之內容向任何其他人士負上或承擔任何責任。合理核證是高水平的核證，但不能保證按國際審核準則進行的審核在某一重大錯誤陳述存在時總能發現。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決策時，則被視為重大錯誤陳述。



As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

吾等根據國際審核準則執行審核的工作之一，是在審核的過程中運用職業判斷及保持職業懷疑。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當的審核憑證，為吾等意見提供基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部監控，以設計適當的審核程序，惟並非旨在對 貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計及相關披露的合理性。
- 對董事採用持續經營會計基準的恰當性作出結論，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂吾等意見。吾等的結論乃基於截至吾等的核數師報告日期止所得的審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否能公平反映相關交易和事項。



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Dou Wang, Angel.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 28 March 2024

- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審核憑證，以便對綜合財務報發表意見。本核數師負責集團審核的方向、監督及執行。吾等為審核意見承擔全部責任。

吾等與審核委員會就（其中包括）審核的計劃範圍、時間安排及重大審核發現進行溝通，該等發現包括本核數師在審核過程中識別的內部監控的任何重大缺陷。

吾等亦向審核委員會作出聲明，表明吾等已符合有關獨立性的相關道德規定，並與其溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜，以及就消除威脅而採取的行動或相關防範措施（倘適用）。

從與審核委員會溝通的事項中，吾等釐定對本期間綜合財務報表審核至關重要的事項，因而構成關鍵審核事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極少數情況下，倘合理預期在吾等的報告中溝通某事項造成的負面後果超出產生的公眾利益，則吾等決定不應在報告中溝通該事項。

出具本獨立核數師報告之審核項目合夥人為陶宏。

羅兵咸永道會計師事務所
執業會計師
香港，二零二四年三月二十八日



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 附註		
Revenue	收益	107,988	222,801
Cost of sales	銷售成本	(48,354)	(78,786)
Gross profit	毛利	59,634	144,015
Other income	其他收入	5,358	1,759
Other (losses)/gains — net	其他(虧損)/收益淨額	(454)	37
Reversal of provision/(provision for impairment) on financial assets	金融資產撥備撥回/(減值撥備)	2,439	(1,522)
Selling expenses	銷售開支	(1,496)	(2,880)
Administrative expenses	行政開支	(36,712)	(32,609)
Operating profit	經營溢利	28,769	108,800
Finance income	融資收入	128	400
Finance costs	融資成本	(7,751)	(5,437)
Finance costs — net	融資成本淨額	(7,623)	(5,037)
Profit before income tax	除所得稅前溢利	21,146	103,763
Income tax expense	所得稅開支	(3,653)	(23,547)
Profit for the year, all attributable to owners of the Company	本公司擁有人應佔年內溢利	17,493	80,216
Other comprehensive income:	其他全面收益：		
Item that may be reclassified to profit or loss	可重新分類至損益的項目		
Currency translation differences	外幣換算差額	80	1,349
Total comprehensive income for the year, all attributable to owners of the Company	本公司擁有人應佔年內全面收益總額	17,573	81,565
Earnings per share for the year attributable to owners of the Company	本公司擁有人應佔年內每股盈利		
Basic and diluted (expressed in RMB per share)	基本及攤薄 (以每股人民幣元列示)	0.017	0.080

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes. 上述綜合全面收益表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表



As at 31 December 2023 於二零二三年十二月三十一日

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 附註		
ASSETS	資產		
Non-current assets	非流動資產		
Right-of-use assets	使用權資產	14	77,406
Property, plant and equipment	物業、廠房及設備	15	384,860
Investment properties	投資物業	16	120,819
Intangible assets	無形資產	17	30
Prepayment for non-current assets	非流動資產預付款項	18	5,779
Deferred income tax assets	遞延所得稅資產	30	4,207
			593,101
Current assets	流動資產		
Inventories	存貨	19	34,348
Trade receivables	貿易應收款項	21	40,642
Other receivables and prepayments	其他應收款項及預付款項	22	49,103
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益的金融資產	23	3,342
Cash and cash equivalents	現金及現金等價物	24	76,119
			203,554
Total assets	資產總值		796,655
			757,787
EQUITY	權益		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	25	8,208
Share premium	股份溢價	25	517,965
Other reserves	其他儲備	26	(299,119)
Retained earnings	保留盈利		244,136
			471,190
Total equity	權益總額		471,190
			453,617



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2023 於二零二三年十二月三十一日

		As at 31 December	
		於十二月三十一日	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Note			
附註			
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Borrowings	借款	29	49,827
Deferred income tax liabilities	遞延所得稅負債	30	5,039
Other liabilities	其他負債	31	92,902
			–
			3,913
			85,453
			147,768
			89,366
Current liabilities	流動負債		
Trade payables	貿易應付款項	27	3,882
Other payables and accruals	其他應付款項及應計費用	28	76,845
Borrowings	借款	29	67,352
Current income tax liabilities	即期所得稅負債		13,197
Contract liabilities	合約負債	5	6,863
Lease liabilities	租賃負債	14	–
Other liabilities	其他負債	31	9,558
			9,088
			77,858
			55,740
			35,076
			2,577
			608
			33,857
			177,697
			214,804
Total liabilities	負債總額		325,465
			304,170
Total equity and liabilities	權益及負債總額		796,655
			757,787

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述綜合財務狀況表應與隨附附註一併閱讀。

The consolidated financial statements on pages 73 to 176 were approved by the board of directors of the Company on 28 March 2024 and were signed on its behalf.

第73至176頁的綜合財務報表已於二零二四年三月二十八日由本公司董事會批准，並由其代表簽署。

Mr. Liu Zeming
劉澤銘先生

Chairman
主席

Mr. Zhan Yirong
戰乙榮先生

Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表



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

		Equity attributable to owners of the Company 本公司擁有人應佔權益					
		Share capital 股本	Share premium 股份溢價	Other reserves 其他儲備	Retained earnings 保留盈利	Total 總計	
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
Balance at 1 January 2022	於二零二二年 一月一日的結餘		8,208	534,097	(300,552)	146,431	388,184
Comprehensive income	全面收益						
Profit for the year	年內溢利		-	-	-	80,216	80,216
Other comprehensive income	其他全面收益						
— Currency translation differences	— 外幣換算差額		-	-	1,349	-	1,349
Total comprehensive income	全面收益總額		-	-	1,349	80,216	81,565
Transactions with owners	與擁有人的交易						
Dividend distribution	股息分派		-	(16,132)	-	-	(16,132)
Balance at 31 December 2022	於二零二二年 十二月三十一日的結餘		8,208	517,965	(299,203)	226,647	453,617
Balance at 1 January 2023	於二零二三年 一月一日的結餘		8,208	517,965	(299,203)	226,647	453,617
Comprehensive income	全面收益						
Profit for the year	年內溢利		-	-	-	17,493	17,493
Other comprehensive income	其他全面收益						
— Currency translation differences	— 外幣換算差額		-	-	80	-	80
Total comprehensive income	全面收益總額		-	-	80	17,493	17,573
Transactions with owners	與擁有人的交易						
Profit appropriation to statutory reserves	溢利轉撥至法定儲備		-	-	4	(4)	-
Balance at 31 December 2023	於二零二三年 十二月三十一日的結餘		8,208	517,965	(299,119)	244,136	471,190

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes. 上述綜合權益變動表應與隨附附註一併閱讀。



CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 附註		
Cash flows from operating activities	經營活動現金流量		
Cash generated from operations	經營所得現金	32(a) 67,848	56,023
Interest received	已收利息	128	400
Interest paid	已付利息	(3,590)	(2,123)
Income tax paid	已付所得稅	(26,880)	(11,246)
Net cash generated from operating activities	經營活動所得現金淨額	37,506	43,054
Cash flows from investing activities	投資活動現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(75,433)	(166,831)
Purchase of land use rights	購買土地使用權	–	(56,750)
Purchase of intangible assets	購買無形資產	(36)	–
Proceeds from disposal of property, plant and equipment and other assets	出售物業、廠房及設備及其他資產所得款項	32(b) 420	2,113
Loan to the Controlling Shareholder	貸款予控股股東	35(b) –	(2,891)
Repayments from the Controlling Shareholder	控股股東還款	–	2,891
Net cash used in investing activities	投資活動所用現金淨額	(75,049)	(221,468)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表



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

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 附註		
Cash flows from financing activities	融資活動現金流量		
Proceeds from bank borrowings	銀行借款所得款項	32(c) 84,644	27,900
Repayment of bank borrowings	償還銀行借款	32(c) (78,684)	(12,060)
Proceeds from borrowings under finance lease arrangement	融資租賃安排下借款所得款項	32(c) 58,790	—
Repayment of borrowings under finance lease arrangement	根據融資租賃安排償還借款	32(c) (8,021)	—
Deposits paid of borrowings under finance lease arrangement	融資租賃安排下借款的已付按金	(3,500)	—
Increase in amounts due to the Controlling Shareholder	應付控股股東款項增加	35(b) 19,357	—
Repayments of amounts due to the Controlling Shareholder	償還應付控股股東款項	(17,478)	—
Principal and interest elements of lease payments	租賃付款的本金及利息部分	(620)	(331)
Dividends paid	已付股息	—	(16,132)
Net cash generated from/(used in) financing activities	融資活動所得/(所用)現金淨額	54,488	(623)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	16,945	(179,037)
Cash and cash equivalents at beginning of year	年初的現金及現金等價物	59,160	235,593
Effect of exchange rate changes on cash and cash equivalents	現金及現金等價物匯率變動的影響	14	2,604
Cash and cash equivalents at end of year	年末的現金及現金等價物	24 76,119	59,160

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 上述綜合現金流量表應與隨附附註一併閱讀。



1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 12 January 2021 as an exempted company with limited liability under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the "Companies Act"). The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company's subsidiaries (together "the Group") are engaged in the provision of gold mine hazardous waste treatment services and recycling and extracting therefrom resources with economic value for sale, such as pyritic concentrate in Shandong province of the People's Republic of China (the "PRC"). During the year ended 31 December 2023, the Group commenced the production and sales of products from the reprocessing of pyritic concentrate (including sulphuric acid, iron powder and electricity). The Group's headquarter is in Laizhou city, Shandong province of the PRC.

The ultimate controlling party of the Company is Mr. Liu Zeming (the "Controlling Shareholder" or "Mr. Liu").

The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited since 12 November 2021 by way of initial public offering.

The consolidated financial statements are presented in Renminbi ("RMB") and rounded to the nearest thousand RMB ("RMB'000"), unless otherwise stated.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied during the year ended 31 December 2023 and 2022, unless otherwise stated.

1 一般資料

本公司於二零二一年一月十二日根據開曼群島法例第22章公司法（一九六一年第3號法律，經綜合及修訂）（「公司法」）在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為Cricket Square, Hutchins Drive, Po Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司為投資控股公司。本公司之附屬公司（統稱「本集團」）於中華人民共和國（「中國」）山東省從事提供金礦有害廢物處理服務及從中回收及提取具有經濟價值的資源（例如硫精礦）以供銷售。截至二零二三年十二月三十一日止年度，本集團開始生產及買賣硫精礦再加工產品（包括硫酸、鐵粉及電力）。本集團的總部位於中國山東省萊州市。

本公司的最終控股方為劉澤銘先生（「控股股東」或「劉先生」）。

本公司的股份已於二零二一年十一月十二日以首次公開發售方式在香港聯合交易所有限公司上市。

除另外指明外，綜合財務報表以人民幣（「人民幣」）呈列，並已約至最接近的千元（「人民幣千元」）。

2 編製基準及會計政策變動

編製綜合財務報表所採用的主要會計政策載列如下。除另有說明外，該等政策於截至二零二三年及二零二二年十二月三十一日止年度貫徹應用。



2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation

2.1.1 Compliance with IFRS Accounting Standards and HKCO (as defined below)

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards and requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622.

2.1.2 Historical cost convention

The consolidated financial statements have been prepared on the historical cost convention, except for Financial assets at fair value through other comprehensive income (FVOCI), which are carried out at fair value.

2.1.3 New and amended standards adopted by the Group

The following new and amended accounting standards and interpretations become applicable for annual reporting periods commencing on or after 1 January 2023, and have been adopted by the Group in current period:

Amendments to IAS 1 and IFRS Accounting Standards Practice Statement 2

國際會計準則第1號及國際財務報告準則實務報告第2號(修訂本)

Amendments to IAS 8

國際會計準則第8號(修訂本)

Amendments to IAS 12

國際會計準則第12號(修訂本)

Amendments to IAS 12

國際會計準則第12號(修訂本)

IFRS Accounting Standards 17

國際財務報告準則會計準則第17號

2 編製基準及會計政策變動(續)

2.1 編製基準

2.1.1 遵守國際財務報告準則會計準則及香港公司條例(定義見下文)

本集團的綜合財務報表乃根據國際財務報告準則會計準則及第622章香港公司條例(「香港公司條例」)的規定編製。

2.1.2 歷史成本慣例

綜合財務報表以歷史成本慣例編製，惟按公平值計入其他全面收益(按公平值計入其他全面收益)的金融資產按公平值列賬。

2.1.3 本集團採納的新訂及經修訂準則

以下新訂及經修訂會計準則及詮釋於二零二三年一月一日或之後開始的年度報告期間適用，並已由本集團於本期間採納：

Disclosure of Accounting Policies

會計政策披露

Definition of Accounting Estimates

會計估計的定義

Deferred Tax related to Assets and Liabilities arising from a Single Transaction

與單一交易產生的資產及負債有關的遞延稅項

Pillar Two Model Rules

支柱二示範規則

Insurance Contracts

保險合約



2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

2 編製基準及會計政策變動 (續)

2.1 Basis of preparation (Continued)

2.1 編製基準 (續)

2.1.4 New standards and amendments of IFRS Accounting Standards issued effective for the financial periods beginning on and after 1 January 2024 and have not been early adopted by the Group

2.1.4 於二零二四年一月一日及之後開始的財政期間頒佈生效且本集團並無提早採納的新訂準則及國際財務報告準則會計準則修訂本

		Effective for financial periods beginning on or after 於以下日期或之後開始的財政期間生效
Amendments to IAS 1	Classification of Liabilities as current or non-current	1 January 2024
國際會計準則第1號(修訂本)	負債分類為流動或非流動	二零二四年一月一日
Amendments to IAS 1	Non-current liabilities with covenants	1 January 2024
國際會計準則第1號(修訂本)	附帶契諾的非流動負債	二零二四年一月一日
Amendments to IFRS Accounting Standards 16	Lease Liability in a Sale and Leaseback	1 January 2024
國際財務報告準則會計準則第16號(修訂本)	售後租回的租賃負債	二零二四年一月一日
Amendments to IAS 7 and IFRS Accounting Standards 7	Supplier finance arrangements	1 January 2024
國際會計準則第7號及國際財務報告準則會計準則第7號(修訂本)	供應商融資安排	二零二四年一月一日
Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (Int 5 (2020))	Interpretation 5 (2020) Presentation of Financial Statements	1 January 2024
借款人對包含按要求償還條款的定期貸款的分類(詮釋第5號(二零二零年))	詮釋第5號(二零二零年)財務報表的呈列	二零二四年一月一日
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
國際會計準則第21號(修訂本)	缺乏可兌換性	二零二五年一月一日
Amendments to IFRS Accounting Standards 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
國際財務報告準則會計準則第10號及國際會計準則第28號(修訂本)	投資人及其聯營公司或合營企業之間之資產出售或注資	待定



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

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

2.1.4 New standards and amendments of IFRS Accounting Standards issued effective for the financial periods beginning on and after 1 January 2024 and have not been early adopted by the Group (Continued)

The Group is in the process of assessing the impact of the new standards, amendments to standards and conceptual framework on its results of operations and financial position. The Group expects to adopt the relevant new standards, amendments to standards and conceptual framework when they become effective.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and cash flow interest rate risk, and foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from bank deposits and borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash at bank with variable interest rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. During the years ended 31 December 2023 and 2022, the Group's borrowings bore interest both at variable rates and fixed rates.

2 編製基準及會計政策變動 (續)

2.1 編製基準 (續)

2.1.4 於二零二四年一月一日及之後開始的財政期間頒佈生效且本集團並無提早採納的新訂準則及國際財務報告準則會計準則修訂本 (續)

本集團正在評估新訂準則、準則修訂本及概念框架對其經營業績及財務狀況的影響。本集團預期將於相關新訂準則、準則修訂本及概念框架生效時採納。

3 財務風險管理

3.1 財務風險因素

本集團的活動面對各種財務風險：市場風險（包括公平值利率風險及現金流量利率風險及外匯風險）、信貸風險及流動資金風險。本集團的整體風險管理計劃集中於金融市場的不可預測性，並尋求盡量減低對本集團財務表現的潛在不利影響。

(a) 市場風險

(i) 現金流量及公平值利率風險

本集團的利率風險來自銀行存款及借款。按浮動利率取得的借款令本集團承受現金流量利率風險，惟部分被按浮動利率計息的銀行現金所抵銷。按固定利率取得的借款令本集團承受公平值利率風險。截至二零二三年及二零二二年十二月三十一日止年度，本集團的借款按浮動利率及固定利率計息。



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

- (i) *Cash flow and fair value interest rate risk (Continued)*

Bank deposits carried at prevailing market interest rate expose the Group to cash flow interest rate risk. The Group closely monitors trend of interest rate and its impact on the Group's interest rate risk exposure to ensure it is within an acceptable level. The Group currently has not used any interest rate swap arrangements but will consider hedging interest rate risk should the need arise.

During the years ended 31 December 2023 and 2022, if interest rate on borrowings had been higher/lower by 50 basis points of current interest rate, with other variables held constant, the Group's post-tax profit would have been approximately RMB265,000 lower/higher and RMB202,000 lower/higher, respectively.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

- (i) *現金流量及公平值利率風險 (續)*

按現行市場利率計息的銀行存款令本集團承受現金流量利率風險。本集團密切監察利率走勢及其對本集團利率風險的影響，以確保風險在可接受水平。本集團目前並無使用任何利率掉期安排，但於有需要時會考慮對沖利率風險。

截至二零二三年及二零二二年十二月三十一日止年度，倘若借款利率較現時利率上升/下跌50個基點，而其他變量維持不變，則本集團的除稅後溢利將分別下跌/上升約人民幣265,000元及下跌/上升人民幣202,000元。



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. The Group operates mainly in the PRC so it is not exposed to significant foreign exchange risk arising from foreign currency transactions.

(b) Credit risk

Credit risk arises from cash and cash equivalents, as well as trade receivables and other receivables. The carrying amount of each class of the above financial assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets.

Risk management

To manage this risk, cash and cash equivalents are mainly placed with state-owned or reputable financial institutions in Mainland China and reputable financial institutions outside of Mainland China.

To manage risk arising from trade receivables, the Group has policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the counterparties. Trade receivables have been grouped based on shared credit risk characteristics and aging to measure the expected credit losses. Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(ii) 外匯風險

外匯風險來自未來商業交易及已確認的資產及負債，而該等交易及負債的計值貨幣並非相關集團實體的功能貨幣。本集團主要在中國經營，故並無承受外幣交易所產生的重大外匯風險。

(b) 信貸風險

信貸風險來自現金及現金等價物以及貿易應收款項及其他應收款項。上述各類金融資產的賬面值指本集團有關相應類別金融資產所面臨的最大信貸風險。

風險管理

為管理此風險，現金及現金等價物主要存放於中國內地的國有或信譽良好的金融機構及中國內地以外的信譽良好的金融機構。

為管理貿易應收款項產生的風險，本集團已制定政策，以確保向具有適當信貸記錄的交易對手提供信貸條款，且管理層會對對手方進行持續信貸評估。貿易應收款項已根據共同信貸風險特徵及賬齡分類，以計量預期信貸虧損。貿易應收款項於並無合理預期可收回時撇銷。貿易應收款項之減值虧損於經營溢利內呈列為減值虧損淨額。其後收回先前已撇銷之金額，則計入同一項目。



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Risk management (Continued)

For other financial assets carried at amortised cost (excluding input Value Added Tax (“VAT”) to be deducted and prepayments), management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experiences.

Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- cash and cash equivalents;
- trade receivables;
- other receivables.

(i) Cash and cash equivalents

To manage risk arising from cash and cash equivalents, the Group only transacts with state-owned or reputable financial institutions in Mainland China and reputable international financial institutions outside of Mainland China. There has been no recent history of default in relation to these financial institutions. These instruments are considered to have low credit risk because they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term. Cash and cash equivalents are also subject to the impairment requirements of IFRS 9, while the identified impairment loss was immaterial.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

風險管理 (續)

就按攤銷成本列賬的其他金融資產 (不包括將予扣除的增值稅 (「增值稅」) 及預付款項) 而言，管理層根據過往結算記錄及過往經驗對其他應收款項的可收回性定期進行共同評估及個別評估。

金融資產減值

本集團有三類金融資產須遵守預期信貸虧損模式：

- 現金及現金等價物；
- 貿易應收款項；
- 其他應收款項。

(i) 現金及現金等價物

為管理現金及現金等價物產生的風險，本集團僅與中國內地的國有或信譽良好的金融機構及中國內地以外的信譽良好的國際金融機構進行業務往來。該等金融機構近期並無違約記錄。該等工具被視為具有低信貸風險，原因為其違約風險較低，且對手方有較強的能力於短期內履行其合約現金流量義務。現金及現金等價物亦須遵守國際財務報告準則第9號的減值規定，而已確定的減值虧損並不重大。



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and aging.

The expected loss rates are based on the credit rating of counter parties and the payment profiles of sales over a period of each reporting period and probability of default of counter parties on an ongoing basis throughout each reporting period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the Gross Domestic Product ("GDP") in Mainland China to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Individually impaired trade receivable is related to customers who are experiencing unexpected economic difficulties. As at 31 December 2022, trade receivable of approximately RMB2,184,000 was provided for loss allowance for the individually assessed receivable. In 2023, the Group received such trade receivable from the customer and the related individual impairment losses for the trade receivable was reversed. As at 31 December 2023, no loss allowance was provided for individually assessed receivables.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 貿易應收款項

本集團應用國際財務報告準則第9號簡化方法計量預期信貸虧損，對所有貿易應收款項使用全期預期虧損撥備。為計量預期信貸虧損，貿易應收款項已根據共同信貸風險特徵及賬齡分類。

預期虧損率根據對手方的信貸評級及各報告期內的銷售付款情況以及對手方於各報告期內持續違約的可能性釐定。過往虧損率經調整以反映影響客戶償還應收款項能力的有關宏觀經濟因素的當前及前瞻性資料。本集團已識別出，中國內地國內生產總值（「國內生產總值」）屬最為相關的因素，並根據該等因素的預期變動相應調整過往虧損率。

個別減值的貿易應收款項與遭遇意外經濟困難的客戶有關。於二零二二年十二月三十一日，貿易應收款項約人民幣2,184,000元已就個別評估應收款項的虧損撥備作出撥備。於二零二三年，本集團已向客戶收取該等貿易應收款項，而貿易應收款項的相關個別減值虧損已撥回。於二零二三年十二月三十一日，並無就個別評估的應收款項計提虧損撥備。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Trade receivables (Continued)

The following table shows the loss allowance provision for the Group's trade receivables as at 31 December 2023 and 2022.

		1-90 days 1至90日 RMB'000 人民幣千元	91-180 days 91至180日 RMB'000 人民幣千元	181-270 days 181至270日 RMB'000 人民幣千元	271-360 days 271至360日 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 31 December 2023	於二零二三年 十二月三十一日					
Related to provision of gold mine hazardous waste treatment services	與提供金礦有害廢物處理服務相關					
Gross carrying amount	賬面總值	9,263	7,612	16,149	7,210	40,234
Expected loss rate	預期虧損率	0.6%	0.8%	1.1%	1.6%	
Loss allowance	虧損撥備	55	58	181	119	413
Related to sales of sulfuric acid and electricity	與銷售硫酸及電力有關					
Gross carrying amount	賬面總值	825	-	-	-	825
Expected loss rate	預期虧損率	0.5%	-	-	-	
Loss allowance	虧損撥備	4	-	-	-	4
Total loss allowance	虧損撥備總額	59	58	181	119	417

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 貿易應收款項 (續)

下表顯示了本集團於二零二三年及二零二二年十二月三十一日就貿易應收款項計提的虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註



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

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (continued)

(ii) Trade receivables (continued)

		1-90 days	91-180 days	181-270 days	271-360 days	361-450 days	451-540 days	Total
		1至90日	91至180日	181至270日	271至360日	361至450日	451至540日	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 31 December 2022	於二零二二年 十二月三十一日							
Related to provision of gold mine hazardous waste treatment services	與提供金礦有害廢物 處理服務相關							
Gross carrying amount	賬面總值	13,925	21,124	14,127	807	4,946	2,579	57,508
Expected loss rate	預期虧損率	0.3%	0.5%	0.8%	1.4%	3.1%	6.3%	
Loss allowance	虧損撥備	42	106	113	11	153	162	587
Related to sales of pyritic concentrate	與銷售硫精礦有關							
Gross carrying amount	賬面總值	8,151	2,527	-	-	-	-	10,678
Expected loss rate	預期虧損率	0.7%	1.1%	-	-	-	-	
Loss allowance	虧損撥備	57	28	-	-	-	-	85
Individually impaired receivables: Related to sales of pyritic concentrate	個別減值應收款項： 與銷售硫精礦有關							
Gross carrying amount	賬面總值	-	-	-	-	6,143	-	6,143
Loss allowance	虧損撥備	-	-	-	-	2,184	-	2,184
Total loss allowance	虧損撥備總額	99	134	113	11	2,337	162	2,856

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(ii) 貿易應收款項 (續)



3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (continued)

(iii) Other receivables

Other receivables mainly include amounts due from related parties, refundable deposits and others. All of the Group's financial assets at amortised cost are measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition.

Trade receivables and other receivables are written off when there is no reasonable expectation of recovery.

Impairment losses on trade receivables and other receivables are presented as net impairment losses within operating loss. Subsequent recoveries of amounts previously written off are credited against the same line item.

(c) Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group expects to fund its future cash flow needs through internally generated cash flows from operations and borrowings from financial institutions. Management believes that there is no significant liquidity risk in view of the expected cash flow from operations and continuous support from banks in the coming twelve months.

The tables below analyse the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

(iii) 其他應收款項

其他應收款項主要包括應收關聯方款項、可退還按金及其他。本集團所有按攤銷成本計量的金融資產以12個月的預期信貸虧損或全期預期信貸虧損計量，取決於自初次確認以來的信貸風險是否已顯著增加。

貿易應收款項及其他應收款項於並無合理預期可收回時撇銷。

貿易應收款項及其他應收款項的減值虧損於經營虧損內呈列為減值虧損淨額。其後收回先前已撇銷之金額，則計入同一項目。

(c) 流動資金風險

為管理流動資金風險，本集團監察現金及現金等價物水平，並將其維持於管理層視為足夠的水平，以提供資金予本集團的營運及減低現金流量波動影響。本集團預期透過經營所得內部產生的現金流量及向金融機構借款為未來現金流量需求提供資金。管理層認為概無重大流動資金風險，當中已計及未來十二個月的營運預期現金流量及銀行的持續支援。

下表根據各報告期末至合約到期日餘下期間將本集團的非衍生金融負債按相關到期組別作出分析。下表披露的金額為合約未貼現現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

		Less than	Between	Between	Over	Total
		1 year	1 and	2 and	5 years	
		少於1年	1至2年	2至5年	5年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 31 December 2023	於二零二三年 十二月三十一日					
Trade payables	貿易應付款項	3,882	-	-	-	3,882
Other payables (excluding non-financial liabilities)	其他應付款項(不包括非金融負債)	58,298	-	-	-	58,298
Borrowings, including interest payables	借款(包括應付利息)	71,417	24,860	27,009	-	123,286
Other liabilities — payable to LZ Assets	其他負債 — 應付萊州資產	-	-	14,400	57,600	72,000
		133,597	24,860	41,409	57,600	257,466
As at 31 December 2022	於二零二二年 十二月三十一日					
Trade payables	貿易應付款項	9,088	-	-	-	9,088
Other payables (excluding non-financial liabilities)	其他應付款項(不包括非金融負債)	56,971	-	-	-	56,971
Borrowings, including interest payables	借款(包括應付利息)	57,235	-	-	-	57,235
Financial guarantee contracts (i)	財務擔保合約(i)	16,000	-	-	-	16,000
Lease liabilities	租賃負債	616	-	-	-	616
Other liabilities — retention payable	其他負債 — 應付保留金	-	5,639	-	-	5,639
Other liabilities — payable to LZ Assets	其他負債 — 應付萊州資產	22,400	33,600	56,000	-	112,000
		162,310	39,239	56,000	-	257,549

(i) The balance presents guarantee given to the banks in connection with banking facilities granted to third parties (Note 14 and 15).

(i) 結餘為就授予第三方的銀行融資向銀行提供的擔保(附註14及15)。



3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital management

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern, so that the Group can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio, being total net debt divided by total capital. Total capital is the total of net debts and total equity as shown on the consolidated statements of financial position.

The gearing ratios during the years ended 31 December 2023 and 2022 were as follow:

3 財務風險管理 (續)

3.2 資本管理

本集團管理資本的目標為保障其持續經營能力，以讓本集團可以繼續為股東帶來回報及為其他持份者帶來利益；及維持最佳資本架構以減低資本成本。

為維持或調整資本結構，本集團可能會調整支付予股東的股息金額，向股東發還資金，或發行新股或出售資產以減少債務。

本集團基於資本負債比率（即淨債務總額除以總資本）監控資本。總資本為淨債務及總權益的總和（見綜合財務狀況表所示）。

於截至二零二三年及二零二二年十二月三十一日止年度的資本負債比率列載如下：

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Borrowings (Note 29)	借貸(附註29)	117,179	55,740
Lease liabilities (Note 14)	租賃負債(附註14)	–	608
Amount due to the Controlling Shareholder (Note 35(c))	應付控股股東款項(附註35(c))	1,879	–
Other liabilities — payable to LZ Assets (Note 31)	其他負債 — 應付萊州資產(附註31)	55,762	101,292
Total debt	總債務	174,820	157,640
Less: Cash and bank balances (Note 24)	減：現金及銀行結餘(附註24)	(76,119)	(59,160)
Net debt(a)	債務淨額(a)	98,701	98,480
Total equity	權益總額	471,190	453,617
Total capital (b)	總資本(b)	569,891	552,097
Gearing ratio (a/b)	資本負債比率(a/b)	17%	18%



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

3 FINANCIAL RISK MANAGEMENT (Continued)

3.2 Capital management (Continued)

The gearing ratio remained stable during the years ended 31 December 2023 and 2022.

3.3 Fair value estimation

The carrying values less impairment provision of trade receivables, deposits, financial assets at fair value through other comprehensive income and other receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Revenue recognition of treatment services based on percentage of completion

The Group's gold mine hazardous waste treatment services are conducted in various detoxing processes and integrated with the production process of pyritic concentrate which can be sold for sales revenue. The Group recognises revenue based on the completion percentage of the treatment services performance obligation which is in turn determined with reference to the percentage of cost incurred up to date to the total cost. The determination of performance obligation and the completion percentage of performance obligation involves judgement, and the total cost of services involves estimation.

3 財務風險管理 (續)

3.2 資本管理 (續)

截至二零二三年及二零二二年十二月三十一日止年度，資產負債比率保持穩定。

3.3 公平值估計

貿易應收款項、按金、按公平值計入其他全面收益的金融資產以及其他應收款項及應付款項的賬面值減去減值撥備後，為其公平值的合理近似值。就披露而言，金融負債的公平值乃透過將未來合約現金流量按本集團類似金融工具可得的現有市場利率貼現估計。

4 關鍵會計估計及判斷

編製綜合財務報表須使用會計估計，根據定義，該等會計估計甚少會與實際結果相等。管理層亦須於應用本集團會計政策時作出判斷。

持續評估估計及判斷。估計及判斷乃基於過往經驗及其他因素，包括可能對實體產生財務影響並於此等情況下被視為合理之未來事件之預期。具有對未來財政年度的資產及負債的賬面值造成重大調整的重大風險的估計及假設載於下文。

(a) 根據完成百分比確認處理服務收益

本集團的金礦有害廢物處理服務是在多個毒素分解過程中進行，並與可出售賺取銷售收益的硫精礦的生產過程相結合。本集團根據處理服務履約責任的完成進度確認收益，而有關進度乃參考迄今已產生成本佔成本總額的百分比釐定。釐定履約責任及履約責任的完成進度涉及判斷，且服務總成本涉及估計。



4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Cost allocation of reprocessing of pyritic concentrate

The reprocessing of pyritic concentrate produces sulphuric acid, iron powder and electricity in a integrated process. The allocation of cost to sulphuric acid, iron powder and electricity involves management's judgement and estimation.

(c) Estimated lease term of warehouses

The Group leased two warehouses to LZ Assets (as defined in Note 31) in October and December 2018, for a period of 20 years, out of which the first 5 years (to end of year 2023) are committed and non-cancellable. These lease contracts were modified in November 2023 to extend the committed and non-cancellable lease period for another 5 years. The Group accounted for the leases as a five year lease contract at inception of the lease in 2018, and extended it to another five years based on the modified contract terms. The estimation of the lease periods involves interpretation of facts and judgement.

(d) Estimated useful lives and residual values of property, plant and equipment

The Group's management determines the estimated useful lives and residual values and consequently the related depreciation charges for its property, plant and equipment, and reviews the useful lives and residual values periodically to ensure that the method and rates of depreciation are consistent with the expected pattern of realization of economic benefits from property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. If there are significant changes from previously estimated useful lives and residual values, the amount of depreciation expenses may change.

4 關鍵會計估計及判斷 (續)

(b) 硫精礦再加工的成本分配

硫精礦再加工在集成工藝中產生硫酸、鐵粉及電力。硫酸、鐵粉及電力的成本分配涉及管理層的判斷及估計。

(c) 估計倉庫租期

於二零一八年十月及十二月，本集團向萊州資產（定義見附註31）租賃兩間倉庫，租期為20年，其中首五年（至二零二三年末）為已承諾且不可撤銷。該等租賃合約已於二零二三年十一月修訂，以將承諾及不可撤銷租期另外延長五年。本集團於二零一八年租賃開始時將租賃入賬列為五年租賃合約，並根據經修訂合約條款將其再延長五年。租期的估計涉及對事實的詮釋及判斷。

(d) 物業、廠房及設備的估計可用年期及餘值

本集團管理層為其物業、廠房及設備釐定估計可用年期及餘值，以至相關折舊開支，並定期檢討可用年期及餘值，確保折舊方法及比率與物業、廠房及設備經濟利益變現的預期模式一致。此估計乃根據對類似性質及功能的物業、廠房及設備的實際可用年期的過往經驗。倘比起先前估計可用年期及餘值有重大變化，則折舊開支金額可能會改變。



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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(e) Impairment of property, plant and equipment

The carrying amounts of items of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying amounts may not be recoverable in accordance with the accounting policy as disclosed in note 15(b) to the consolidated financial statements. The recoverable amount is the higher of its fair value less costs of disposal and value in use, and calculations of which involve the use of estimates. In estimating the recoverable amounts of assets, various assumptions, including future cash flows and discount rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will need to be revised, and this may have an impact on the Group's results of operations or financial position. The carrying amounts of property, plant and equipment in the consolidated statements of financial positions are set out in note 15 to the consolidated financial statements.

(f) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the note 3.1(b).

4 關鍵會計估計及判斷 (續)

(e) 物業、廠房及設備減值

根據綜合財務報表附註15(b)所披露的會計政策，當事件或情況變動顯示賬面值可能無法收回時，會檢討物業、廠房及設備項目的賬面值是否出現減值。可收回金額為其公平值減出售成本及使用價值兩者間的較高者，其計算涉及使用估計。在估計資產的可收回金額時，會作出各種假設，包括未來現金流量及貼現率。倘未來事件與該等假設不符，則需修訂可收回金額，而這可能對本集團的經營業績或財務狀況造成影響。綜合財務狀況表中物業、廠房及設備的賬面值載於綜合財務報表附註15。

(f) 金融資產減值

金融資產的虧損撥備乃基於對違約風險及預期虧損率之假設而作出。基於本集團之過往記錄、現有市場狀況以及前瞻性估計，本集團於各報告期末作出該等假設及選擇計算減值之輸入數據時會採用判斷。所用的主要假設及輸入數據詳情於附註3.1(b)披露。



4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(g) Current and deferred income taxes

The Group is subject to income taxes in a few jurisdictions. Judgement is required in determining the provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the periods in which such determinations are made.

Deferred income tax assets and liabilities relating to certain temporary differences are recognised as management considers that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and liabilities and taxation in the periods in which such estimate is changed.

(h) Other income on a gross or net basis

The Group is involved in the trading of magnesite between a third party State-owned enterprise supplier of the magnesite and the customers that purchase the magnesite. The Group bought the magnesite from the supplier and sold to the customers. The Group does not assume the inventory risk and also had no right to decide the selling price therefore the Group recognised income related to the agency business on a net basis.

4 關鍵會計估計及判斷 (續)

(g) 即期及遞延所得稅

本集團須於若干司法權區繳納所得稅。在釐定所得稅撥備時需要作出判斷。倘該等事項的最終稅務後果與最初記錄的金額不同，此等差額將影響作出定稅期間的即期所得稅及遞延所得稅撥備。

於管理層認為很可能有未來應課稅溢利可用作抵銷暫時性差異時，本集團確認與若干暫時性差異有關的遞延所得稅資產及負債。倘預期與原來的估計不同，該等差異將會影響有關估計變更期間遞延所得稅資產及負債及稅項的確認。

(h) 按毛額或淨額計算的其他收入

本集團涉及與第三方菱鎂礦國有企業供應商與購買菱鎂礦的客戶進行菱鎂礦買賣。本集團向供應商購買菱鎂礦並出售予客戶。本集團並不承擔存貨風險，亦無權決定銷售價格，因此本集團以淨額確認與代理業務相關的收入。



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

5 REVENUE AND SEGMENT INFORMATION

(a) Description of segments and principal activities

The executive directors of the Board and the chief financial controller have been identified as the Group's chief operating decision-maker (the "CODM").

The Group is principally engaged in the provision of gold mine hazardous waste treatment services and sales of pyritic concentrate in the PRC. The process of the treatment services and production of pyritic concentrate are in one integral process, and the CODM assesses the performance of treatment services and sales of pyritic concentrate as a whole. During the year ended 31 December 2023, the Group commenced the production and sales of products from the reprocessing of pyritic concentrate (including sulphuric acid, iron powder and electricity). The CODM assesses the performance of the Group now from two segments: hazardous waste treatment and recycling and reprocessing of pyritic concentrate and others. Unallocated cost mainly includes administrative expenses incurred by the Company and inter-mediate holding companies of the Group. Management of the Group assesses the performance of operating segments based on segment profit or loss and assets.

Assets grouped under unallocated category comprise cash and bank balances and other receivables held by the Company and intermediate holding companies of the Group.

Liabilities grouped under unallocated category comprise other payables and accruals of the Company and intermediate holding companies of the Group.

Additions to non-current assets comprise additions to property, plant and equipment, right-of-use assets and intangible assets.

The Group's principal market, where majority of revenue and operating profit and all operations and non-current assets, are in Laizhou city of Shandong province of the PRC. Accordingly, no geographical segment information is presented.

5 收益及分部資料

(a) 分部說明及主要活動

本集團的主要經營決策人（「主要經營決策人」）已識別為董事會執行董事及財務總監。

本集團主要於中國從事提供金礦有害廢物處理服務及銷售硫精礦。處理服務的過程及其後生產硫精礦是一個完整的過程，而主要營運決策人整體評估處理服務及銷售硫精礦的表現。截至二零二三年十二月三十一日止年度，本集團開始生產及銷售硫精礦再加工產品（包括硫酸、鐵粉及電力）。主要營運決策人現時從兩個分部評估本集團的表現：有害廢物處理及回收以及硫精礦再加工及其他。未分配成本主要包括本公司及本集團中間控股公司產生的行政開支。本集團管理層根據分部損益及資產評估經營分部的表現。

分類為未分配類別的資產包括本公司及本集團中間控股公司持有的現金及銀行結餘及其他應收款項。

分類為未分配類別的負債包括本公司及本集團中間控股公司的其他應付款項及應計費用。

非流動資產添置包括添置物業、廠房及設備、使用權資產及無形資產。

本集團的主要市場、大部分收益及經營溢利及所有業務和非流動資產均位於中國山東省萊州市。因此，並無地域分部資料需被呈列。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

5 REVENUE AND SEGMENT INFORMATION

(Continued)

(a) Description of segments and principal activities

(Continued)

The segment information for the year ended 31 December 2023 and 2022 is as follows:

5 收益及分部資料 (續)

(a) 分部說明及主要活動 (續)

截至二零二三年及二零二二年十二月三十一日止年度的分部資料如下：

		Hazardous waste treatment and recycling 有害廢物處理及回收 RMB'000 人民幣千元	Reprocessing of pyritic concentrate and others 硫精礦再加工及其他 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
For the year ended 31 December 2023	截至二零二三年十二月三十一日止年度				
Segment revenue	分部收益	97,667	10,321	-	107,988
Segment profit/(loss)	分部溢利/(虧損)	39,505	(7,999)	(2,737)	28,769
Finance costs — net	融資成本淨額	(6,743)	(873)	(7)	(7,623)
Profit before income tax	除所得稅前溢利				21,146
Income tax expense	所得稅開支				(3,653)
Profit for the year	年內溢利				17,493
Other information	其他信息				
Depreciation and amortisation	折舊及攤銷	15,658	3,958	323	19,939
Additions to non-current assets	添置非流動資產	3,645	74,561	-	78,206
As at 31 December 2023	於二零二三年十二月三十一日				
Segment assets	分部資產	398,732	395,738	2,185	796,655
Segment liabilities	分部負債	191,299	104,624	29,542	325,465

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註



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

5 REVENUE AND SEGMENT INFORMATION

(Continued)

(a) Description of segments and principal activities

(Continued)

5 收益及分部資料 (續)

(a) 分部說明及主要活動 (續)

		Hazardous waste treatment and recycling 有害廢物處理及回收 RMB'000 人民幣千元	Reprocessing of pyritic concentrate and others 硫精礦再加工及其他 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
For the year ended 31 December 2022	截至二零二二年十二月三十一日止年度				
Segment revenue	分部收益	222,801	-	-	222,801
Segment profit/(loss)	分部溢利/(虧損)	115,619	(3,756)	(3,063)	108,800
Finance costs — net	融資成本淨額	(6,234)	1,221	(24)	(5,037)
Profit before income tax	除所得稅前溢利				103,763
Income tax expense	所得稅開支				(23,547)
Profit for the year	年內溢利				80,216
Other information	其他信息				
Depreciation and amortisation	折舊及攤銷	15,138	1,269	351	16,758
Additions to non-current assets	添置非流動資產	5,964	246,313	-	252,277
As at 31 December 2022	於二零二二年十二月三十一日				
Segment assets	分部資產	488,239	269,016	532	757,787
Segment liabilities	分部負債	266,415	35,178	2,577	304,170



5 REVENUE AND SEGMENT INFORMATION

(Continued)

(b) Revenue during the years

5 收益及分部資料 (續)

(b) 該等年度收益

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Revenue from contract with customers within the scope of IFRS 15	國際財務報告準則第15號範圍內的客戶合約收益		
Revenue from provision of gold mine hazardous waste treatment services	提供金礦有害廢物處理服務的收益	49,373	76,439
Revenue from sales of pyritic concentrate	銷售硫精礦的收益	34,775	131,855
Revenue from sales of products from the reprocessing of pyritic concentrate (including sulphuric acid, iron powder and electricity)	銷售硫精礦再加工產品 (包括硫酸、鐵粉及電力) 的收益	10,321	–
		94,469	208,294
Other revenue	其他收益		
Rental income (Note 31)	租金收入 (附註31)	13,519	14,507
		107,988	222,801

The analysis of revenue from contract with customers within the scope of IFRS15 recognised over time and at a point in time as required by IFRS15 is set out below:

根據國際財務報告準則第15號規定，國際財務報告準則第15號範圍內隨時間及於某時間點確認的客戶合約收益分析載於下文：

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Recognised over time	隨時間確認		
Revenue from provision of gold mine hazardous waste treatment services	提供金礦有害廢物處理服務的收益	49,373	76,439
Recognised at a point in time	於某時間點確認		
Revenue from sales of pyritic concentrate	銷售硫精礦的收益	34,775	131,855
Revenue from sales of products from the reprocessing of pyritic concentrate (including sulphuric acid, iron powder and electricity)	銷售硫精礦再加工產品 (包括硫酸、鐵粉及電力) 的收益	10,321	–
		94,469	208,294



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

5 REVENUE AND SEGMENT INFORMATION

(Continued)

(c) Contract liabilities

The Group recognised the following contract liabilities:

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Contract liabilities related to provision of gold mine hazardous waste treatment services	與提供金礦有害廢物處理服務有關的合約負債	–	740
Contract liabilities related to sales of pyritic concentrate	與銷售硫精礦有關的合約負債	558	1,837
Contract liabilities related to sales of products from the reprocessing of pyritic concentrate (including sulphuric acid, iron powder)	與銷售硫精礦再加工產品(包括硫酸、鐵粉)有關的合約負債	6,305	–
		6,863	2,577

The following table shows how much of the revenue recognised during the years ended 31 December 2023 and 2022 relates to carried-forward contract liabilities:

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year	計入年初合約負債結餘的已確認收益		
Provision of gold mine hazardous waste treatment services	提供金礦有害廢物處理服務	740	3,370
Sales of pyritic concentrate	銷售硫精礦	–	3,173
		740	6,543

5 收益及分部資料 (續)

(c) 合約負債

本集團確認以下合約負債：

下表列示於截至二零二三年及二零二二年十二月三十一日止年度確認並與結轉合約負債有關的收益金額：



5 REVENUE AND SEGMENT INFORMATION

(Continued)

(d) Unsatisfied contracts

The following table shows unsatisfied performance obligations resulting from contracts with customers:

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Expected to be recognised within one year	預期將於一年內確認		
Provision of gold mine hazardous waste treatment services	提供金礦有害廢物處理服務	–	740
Sales of pyritic concentrate	銷售硫精礦	558	1,837
Sales of products from the reprocessing of pyritic concentrate (including sulphuric acid, iron powder)	銷售硫精礦再加工產品 (包括硫酸、鐵粉)	6,305	–
		6,863	2,577

(e) Information about major customers

Revenue from individual customers which individually accounted for 10% or more of the Group's total revenue during the years ended 31 December 2023 and 2022 is set out below:

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Customer A	客戶A	40,867	51,368
Customer B	客戶B	15,210	N/A 不適用*
Customer C	客戶C	13,519	N/A 不適用*
Customer D	客戶D	N/A 不適用*	23,186

* Contributed less than 10% of the Group's total revenue for the relevant year.

5 收益及分部資料 (續)

(d) 未履行合約

下表列示與客戶訂立的合約所產生的未履行履約責任：

(e) 有關主要客戶的資料

來自個別客戶單獨佔本集團於截至二零二三年及二零二二年十二月三十一日止年度總收益10%或以上的收益載列如下：

* 於相關年度為本集團總收益貢獻少於10%。



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

5 REVENUE AND SEGMENT INFORMATION

(Continued)

(f) Accounting policies of revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(i) *Revenue from provision of gold mine hazardous waste treatment services*

Revenue from the provision of gold mine hazardous waste treatment services is recognised over the relevant period in which the services are rendered based on the completion percentage of the treatment services performance obligation which is in turn determined with reference to the percentage of cost incurred up to date to the total cost. Further analysis of the estimates and judgements applied in the recognition of revenue from provision of gold mine hazardous waste treatment services is set out in Note 4(a).

The portion of service revenue received from customers but not earned is recorded as contract liabilities on the consolidated statements of financial position as at the date of the statement of financial position. Amounts which will be earned within one year is reflected as a current liability, and which will be earned beyond one year is reflected as a non-current liability.

5 收益及分部資料 (續)

(f) 收入確認的會計政策

與客戶簽訂合約的收益

與客戶簽訂合約的收益於貨物或服務的控制權轉移予客戶時予以確認，而該金額反映本集團預期就提供該等貨物或服務有權獲得的代價。

當合約中的代價包括可變金額時，估計代價為本集團將貨物或服務轉移予客戶而有權獲得的金額。可變代價在合約開始時作出估計並受其約束，直至與可變代價相關的不確定性其後消除時累計已確認收益金額極有可能不會發生重大收益撥回。

(i) *提供金礦有害廢物處理服務的收益*

提供金礦有害廢物處理服務所得收益於提供服務的相關期間根據處理服務履約責任的完成進度確認，而有關進度乃參考迄今已產生成本佔成本總額的百分比釐定。有關確認提供金礦有害廢物處理服務的收益所用估計及判斷的更多分析載於附註4(a)。

自客戶收到但未賺取的服務收益部分於財務狀況表日期在綜合財務狀況表中記錄作合約負債。將於一年內賺取的金額呈列作流動負債，而將於一年後賺取的金額則呈列作非流動負債。

**5 REVENUE AND SEGMENT INFORMATION**

(Continued)

(f) Accounting policies of revenue recognition

(Continued)

Revenue from contracts with customers (Continued)*(ii) Sales of products*

Revenue from sales of pyritic concentrate and sales of products from the reprocessing of pyritic concentrate (including sulphuric acid, iron powder and electricity) are recognised at the point in time when control of the product is transferred to customers, generally on delivery of the products.

(iii) Other revenue — rental income

The Group derives rental income from investment properties. Rental income is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease (if any) are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

5 收益及分部資料 (續)**(f) 收入確認的會計政策 (續)****與客戶簽訂合約的收益 (續)***(ii) 銷售產品*

銷售硫精礦及銷售硫精礦再加工產品 (包括硫酸、鐵粉及電力) 的收益於產品控制權轉移至客戶的時間點 (一般為產品交付時) 確認。

(iii) 其他收益 — 租金收入

本集團自投資物業產生租金收入。租金收入於租期內按直線法確認。為取得經營租賃而產生的初始直接成本 (如有) 計入相關資產賬面值及於租期內按與租賃收入相同的基準確認為開支。



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6 OTHER INCOME

6 其他收入

		Year ended 31 December 截至十二月三十一日止年度	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Government grants	政府補助	300	986
Agency service income	代理服務收入	5,001	572
Others	其他	57	201
		5,358	1,759

During the year ended 31 December 2023, the Group's subsidiary, Shandong Hongcheng Resources Comprehensive Utilization Co., Ltd. ("HC Resources") acted effectively as an agent that facilitate the trading of magnesite materials between a State-owned enterprise supplier of magnesite and the customers that purchase the magnesite. HC Resources bought the magnesite from the supplier and sold to the customers. The Group recognises income from these transactions on net basis. As at 31 December 2023, other receivable from the supplier and other payables to the customers amounted to RMB5,380,000 (2022: RMB28,025,000, Note 22) and RMB16,004,000 (2022: RMB23,224,000, Note 28), respectively. The Directors confirm that the agency service income was one-off transaction and the Group is not actively pursuing business opportunities in such agency business.

截至二零二三年十二月三十一日止年度，本集團的附屬公司山東鴻承資源綜合利用有限公司（「鴻承資源」）作為代理，有效地促成菱鎂礦貿易，貿易雙方分別為菱鎂礦供應商（國企）和購買菱鎂礦的客戶。鴻承資源向供應商購買菱鎂礦並出售予客戶。本集團按淨額基準確認該等交易的收入。於二零二三年十二月三十一日，應收供應商的其他款項及應付客戶的其他款項分別為人民幣5,380,000元（二零二二年：人民幣28,025,000元，附註22）及人民幣16,004,000元（二零二二年：人民幣23,224,000元，附註28）。董事確認，代理服務收入為一次性交易，而本集團並無積極尋求有關代理業務的商機。

7 OTHER (LOSSES)/GAINS — NET

7 其他（虧損）／收益—淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Net losses on disposal of property, plant and equipment and other assets (Note 32)	出售物業、廠房及設備及其他資產的虧損淨額（附註32）	(454)	(38)
Others	其他	-	75
		(454)	37



8 EXPENSES BY NATURE

The analysis of cost of sales, selling expenses and administrative expenses is as follow:

8 按性質劃分的開支

銷售成本、銷售開支及行政開支的分析如下：

		Year ended 31 December	
		截至十二月三十一日止年度	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials and consumables used	已使用原材料及耗材	17,455	29,084
Changes in inventories of finished goods and work-in-progress	製成品及在製品存貨變動	(10,679)	3,572
Employee benefit expenses (Note 9)	僱員福利開支(附註9)	21,823	17,473
Transportation expenses	運輸開支	6,219	13,143
Electricity and water expenses	水電開支	10,787	10,499
Amortisation of right-of-use assets (Note 14)	使用權資產攤銷(附註14)	2,258	2,300
Depreciation of property, plant and equipment (Note 15)	物業、廠房及設備折舊(附註15)	13,282	10,065
Depreciation of investment properties (Note 16)	投資物業折舊(附註16)	4,386	4,386
Amortisation of intangible assets (Note 17)	無形資產攤銷(附註17)	13	7
Taxes and levies	稅項及徵費	5,688	6,018
Consultation and professional fees	諮詢及專業費用	3,682	3,880
Repair and maintenance fee	維修及保養費用	1,632	1,542
Auditor's remuneration — audit services	核數師薪酬 — 審核服務	1,887	2,083
Production safety cost	生產安全成本	1,072	1,457
Donations	捐獻	110	52
Others	其他	6,947	8,714
Total	總計	86,562	114,275



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9 EMPLOYEE BENEFIT EXPENSES

9 僱員福利開支

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Salaries, wages and bonuses	薪金、工資及花紅	18,500	14,347
Contributions to pension plans (a)	退休金計劃供款(a)	1,657	1,559
Medical insurance and other social insurance	醫療保險及其他社會保險	1,148	1,080
Housing fund	住房公積金	518	487
		21,823	17,473

(a) Contributions to pension plan

The PRC based employees of the Group participate in various defined contribution retirement and social benefit plans organised by the relevant municipal and provincial governments in the PRC. The Group and the employees are required to make monthly contributions to these plans calculated as a percentage of employees' salaries, subject to certain ceiling. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. The assets of these plans are held separately from those of the Group in an independent fund managed by the PRC government. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The Group's contributions to these plans are expensed as incurred.

There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

(a) 退休金計劃供款

本集團的中國僱員參與由中國相關市政府及省政府組織的各種界定供款退休及社會福利計劃。本集團及僱員須每月向該等計劃供款，金額按僱員工資的百分比計算，設有特定上限。市政府及省政府承諾承擔根據上述計劃應付的所有現有及未來退休中國僱員的退休福利義務。該等計劃的資產與本集團的資產分開，由中國政府管理的獨立基金持有。除每月供款外，本集團並無支付其僱員退休及其他退休後福利的進一步責任。本集團對該等計劃的供款於產生時列為開支。

概無任何遭沒收的供款（由僱主代表在悉數歸屬此類繳款前離開計畫的僱員）以抵消固定供款計畫下的現有供款。



9 EMPLOYEE BENEFIT EXPENSES (Continued)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include three (2022: three) directors for the years ended 31 December 2023. Their emoluments are reflected in the analysis presented in Note 38. Details of the remunerations of the remaining two (2022: two) highest paid individuals during the years ended 31 December 2023 and 2022 are as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Salaries, wages and bonuses	薪金、工資及花紅	1,068	1,097
Contributions to pension plans	退休金計劃供款	57	55
Housing fund, medical insurance and other social benefits	住房公積金、醫療保險及其他社會福利	44	41
		1,169	1,193

The number of highest paid non-director individuals whose remuneration for the years ended 31 December 2023 and 2022 fell within the following bands are as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年	2022 二零二二年
Emolument bands (Nil to HK\$1,000,000)	酬金範圍 (零至1,000,000港元)	2	2

During the years ended 31 December 2023 and 2022, none of the five highest paid individuals waived or has agreed to waive any emoluments, and none of the five highest paid individuals received emoluments from the Group as inducement to join or upon joining the Group, or as compensation for loss of office.

9 僱員福利開支(續)

(b) 五名最高薪酬人士

截至二零二三年十二月三十一日止年度，本集團五位最高薪酬人士分別包括三名(二零二二年：三名)董事。彼等的酬金反映於附註38所載的分析。截至二零二三年及二零二二年十二月三十一日止年度，餘下兩名(二零二二年：兩名)最高薪酬人士的薪酬詳情如下：

於截至二零二三年及二零二二年十二月三十一日止年度，薪酬位於以下範圍的非董事最高薪酬人士的數目載列如下：

於截至二零二三年及二零二二年十二月三十一日止年度，五位最高薪酬人士概無放棄或同意放棄任何酬金，五位最高薪酬人士亦無向本集團收取酬金作為加入本集團或加入本集團時的獎勵或離職補償。



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10 FINANCE COSTS — NET

10 融資成本淨額

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Finance income	融資收入		
— Interest income derived from bank balances	— 自銀行結餘產生的利息收入	(128)	(400)
Finance costs	融資成本		
— Interest expenses on bank borrowings	— 銀行借款利息開支	2,296	2,123
— Interest expenses relating to warehouse lease arrangements (Note 31)	— 與倉庫租賃安排有關的利息開支(附註31)	4,571	4,502
— Interest expenses on lease liabilities (Note 14)	— 租賃負債利息開支(附註14)	10	28
— Interest expenses on borrowings under finance lease arrangement	— 融資租賃安排下借款的利息開支	1,294	—
— Other losses	— 其他虧損	(35)	(1,216)
		8,136	5,437
Less: borrowing costs capitalised in property, plant and equipment	減：於物業、廠房及設備資本化的借款成本	(385)	—
		7,751	5,437
Finance costs — net	融資成本淨額	7,623	5,037



11 INCOME TAX EXPENSE

11 所得稅開支

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
PRC income tax	中國所得稅		
— Current income tax expense	— 即期所得稅開支	5,001	24,234
— Deferred income tax expense (Note 30)	— 遞延所得稅開支(附註30)	(1,348)	(687)
		3,653	23,547

The Group's principal applicable taxes and tax rates are as follows:

本集團的主要適用稅項及稅率如下：

(a) Cayman Islands, British Virgin Islands ("BVI") and Hong Kong

The Company is an exempted company incorporated in the Cayman Islands and is not liable for taxation in the Cayman Islands.

The Group's subsidiary incorporated in the BVI is exempted company and is not liable for taxation in the BVI.

Hong Kong profits tax was considered at the rate of 16.5% on the estimated assessable profits for the years. The Group did not have assessable profits in Hong Kong for the years.

(a) 開曼群島、英屬維爾京群島(「英屬維爾京群島」)及香港

本公司為於開曼群島註冊成立的獲豁免公司，毋須在開曼群島繳稅。

本集團的附屬公司為於英屬維爾京群島註冊成立的獲豁免公司，毋須在英屬維爾京群島繳稅。

於年內，香港利得稅按估計應課稅溢利的16.5%計算。本集團於年內在香並無應課稅溢利。



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11 INCOME TAX EXPENSE (Continued)

(b) PRC corporate income tax ("CIT")

Taxation on PRC income has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the PRC in which the Group's subsidiaries operate. The Company's subsidiaries incorporated in PRC are subject to CIT at the rate of 25% (2022: 25%) for the year ended 31 December 2023.

In accordance with the Announcement of the State Taxation Administration and the Ministry of Finance on Matters Concerning the Continued Deferral of Some Taxes and Fees for Medium, Small and Micro Manufacturing Enterprises [2022] No. 17 (《國家稅務總局、財政部關於製造業中小微企業繼續延緩繳納部分稅費有關事項的公告》[2022]第17號), from 1 September 2022, those medium-sized manufacturing enterprises that have enjoyed deferral in payment of 50% of taxes and fees and small and micro manufacturing enterprises that have deferred payment of all taxes and fees under the Announcement of the State Taxation Administration and the Ministry of Finance on Relevant Matters Concerning Extending the Deferral of Some Taxes and Fees for Medium, Small and Micro Manufacturing Enterprises, will be granted another four months of grace period upon the expiration of the previous deferment period.

11 所得稅開支(續)

(b) 中國企業所得稅(「企業所得稅」)

中國收入的稅項按年內估計應課稅溢利根據本集團附屬公司經營所在的中國現行稅率計算。於截至二零二三年十二月三十一日止年度，本公司在中國註冊成立的附屬公司須按25%（二零二二年：25%）的稅率繳納企業所得稅。

根據《國家稅務總局、財政部關於製造業中小微企業繼續延緩繳納部分稅費有關事項的公告》[2022]第17號，自二零二二年九月一日起，根據《國家稅務總局、財政部關於製造業中小微企業繼續延緩繳納部分稅費有關事項的公告》，享受50%延期繳納稅費的中型製造企業和已全部延期繳納稅費的小微製造企業，在上次延期期滿后，再給予4個月的寬限期。



11 INCOME TAX EXPENSE (Continued)

(c) PRC withholding income tax

According to the CIT Law, a 10% withholding tax on dividends received/receivable will be levied on the PRC companies' immediate holding companies established out of the PRC. A lower withholding tax rate may be applied if there is a tax treaty arrangement between the PRC and the jurisdiction of the foreign immediate holding companies and simultaneously certain conditions are satisfied.

PRC withholding income tax has been provided for the amounts the Group expect Mainland China subsidiaries to distribute these profits in the foreseeable future. As at 31 December 2023, deferred income tax liabilities of RMB1,800,000 (2022: RMB1,800,000) have been recognised for the withholding tax that would be payable on remitted earnings of PRC subsidiaries of the Group amounting to RMB18,000,000 (2022: RMB18,000,000).

No PRC withholding income tax has been provided for the remaining earnings which will be retained in Mainland China for expansion of the Group's operation. As at 31 December 2023, deferred income tax liabilities of RMB26,119,000 (2022: RMB23,382,000) have not been recognised for the withholding tax that would be payable on unremitted earnings of PRC subsidiaries of the Group amounting to RMB261,192,000 (2022: RMB233,818,000).

11 所得稅開支 (續)

(c) 中國預扣所得稅

根據企業所得稅法，在中國境外成立的中國公司的直接控股公司將被徵收已收／應收股息的10%預扣稅。倘中國與外國直接控股公司的司法管轄區之間有稅務條約安排，並同時滿足若干條件，則可適用較低的預扣稅率。

已就本集團預期於可預見未來中國內地附屬公司將會分派該等溢利的金額計提中國預扣所得稅撥備。於二零二三年十二月三十一日，本集團的中國附屬公司匯出盈利的預扣稅為人民幣18,000,000元（二零二二年：人民幣18,000,000元），已確認相關遞延所得稅負債人民幣1,800,000元（二零二二年：人民幣1,800,000元）。

概無就餘下盈利計提中國預扣所得稅撥備，該等盈利將保留在中國內地以供本集團擴充營運。於二零二三年十二月三十一日，本集團的中國附屬公司未匯出盈利的應付預扣稅為人民幣261,192,000元（二零二二年：人民幣233,818,000元），已確認相關遞延所得稅負債人民幣26,119,000元（二零二二年：人民幣23,382,000元）。



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11 INCOME TAX EXPENSE (Continued)

(c) PRC withholding income tax (Continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to profit of the consolidated entities as follows:

11 所得稅開支(續)

(c) 中國預扣所得稅(續)

對本集團除所得稅前溢利徵收的稅項與應用綜合實體溢利適用的法定稅率得出的理論金額有以下差異：

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	21,146	103,763
Tax calculated at the PRC statutory tax rate of 25% (2022:25%)	按中國法定稅率 25% (二零二二年：25%) 計算之稅項	5,287	25,941
Tax effects of:	稅務影響：		
— Impact of different tax rates at a different tax regime	— 不同稅制下不同稅率的影響	503	566
— Expenses not deductible for income tax purpose	— 就所得稅而言的不可扣減開支	413	604
— Tax benefit (i)	— 稅項優惠(i)	(1,191)	(3,296)
— Tax losses for which no deferred income tax asset was recognised	— 並無就此確認遞延所得稅資產的稅項虧損	233	550
— Additional deduction on research and development expenses	— 就研發開支的加計扣減	(722)	(443)
— Utilisation of previously unrecognised tax losses	— 動用先前未確認之稅項虧損	(870)	(86)
— Tax filing difference for prior year	— 上年度報稅差額	—	(289)
Tax charge	稅項支出	3,653	23,547

**11 INCOME TAX EXPENSE** (Continued)**(c) PRC withholding income tax** (Continued)

- (i) In accordance with the Circular of the Ministry of Finance and the State Administration of Taxation on Issues concerning Implementing the Enterprise Income Tax Incentive Catalogue for Comprehensive Utilization of Resources Cai Shui [2008] No. 47 (《財政部、國家稅務總局關於執行資源綜合利用企業所得稅優惠目錄有關問題的通知》財稅[2008] 47 号), an enterprise, which uses the raw materials under the catalogue to produce recycled resource products under the catalogue and the products meet the national or industrial standards, is entitled to incentive tax arrangement such that 90% of the sales revenue of the products is subject to the calculation of the taxable income. The Group's sales of pyritic concentrate qualify for the incentive tax arrangement and therefore 10% of the Group's revenue from sales of pyritic concentrate was exempted from the taxable income of the Group in the calculation of CIT during the years.

12 EARNINGS PER SHARE**(a) Basic**

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years.

11 所得稅開支 (續)**(c) 中國預扣所得稅** (續)

- (i) 根據《財政部、國家稅務總局關於執行資源綜合利用企業所得稅優惠目錄有關問題的通知》財稅[2008]47號，企業利用目錄內的原材料生產目錄內的再生資源產品，且產品符合國家標準或行業標準，可享受稅務寬減安排，即產品銷售收益的90%計入應課稅收入。本集團銷售硫精礦符合稅務寬減安排，因此，在計算企業所得稅時，本集團於年內銷售硫精礦的收益的10%從應課稅收益中扣除。

12 每股盈利**(a) 基本**

每股基本盈利乃透過將本公司擁有人應佔溢利除以年內的已發行普通股加權平均數計算。

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年	2022 二零二二年
Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔溢利 (人民幣千元)	17,493	80,216
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	1,000,000,000	1,000,000,000
Basic earnings per share (RMB)	每股基本盈利(人民幣元)	0.017	0.080



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12 EARNINGS PER SHARE (Continued)

(b) Diluted

During the years ended 31 December 2023 and 2022, the diluted earnings per share presented is the same as the basic earnings per share as there were no instruments outstanding that could have a dilutive effect on the Company's ordinary shares.

13 DIVIDEND

No final dividend was recommended for the year ended 31 December 2023 and 2022.

At the annual general meeting of the Company held on 24 June 2022, a final dividend of HKD0.0189 (equivalent to approximately RMB0.0162) per share was declared, amounting to a total of HKD18.9 million (equivalent to approximately RMB16.1 million) out of the Company's share premium account for the year ended 31 December 2021.

14 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Amounts recognised in the consolidated statement of financial position

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Right-of-use assets	使用權資產		
Land use rights	土地使用權	77,406	79,582
Leased properties	租賃物業	—	360
		77,406	79,942
Lease liabilities	租賃負債		
Leased properties	租賃物業		
— Current	— 流動	—	(608)

12 每股盈利 (續)

(b) 攤薄

截至二零二三年及二零二二年十二月三十一日止年度，呈列的每股攤薄盈利與每股基本盈利相同，因為並無發行在外的工具可對本公司的普通股造成攤薄影響。

13 股息

概無建議截至二零二三年及二零二二年十二月三十一日止年度之末期股息。

在本公司於二零二二年六月二十四日舉行的股東週年大會上，就截至二零二一年十二月三十一日止年度宣派末期股息每股0.0189港元（相當於約人民幣0.0162元），合共18.9百萬港元（相當於約人民幣16.1百萬元）。

14 使用權資產及租賃負債

(a) 於綜合財務狀況表確認的金額



14 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(Continued)

(a) Amounts recognised in the consolidated statement of financial position (Continued)

Movements in right-of-use assets in 2023 and 2022 are analysed as follows:

		Land use rights 土地使用權 RMB'000 人民幣千元	Leased properties 租賃設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	24,742	827	25,569
Additions	添置	56,750	–	56,750
Exchange differences	匯兌差額	–	44	44
Depreciation (Note 8)	折舊(附註8)	(1,910)	(511)	(2,421)
As at 31 December 2022	於二零二二年十二月三十一日	79,582	360	79,942
At 1 January 2023	於二零二三年一月一日	79,582	360	79,942
Exchange differences	匯兌差額	–	2	2
Depreciation (Note 8)	折舊(附註8)	(2,176)	(362)	(2,538)
As at 31 December 2023	於二零二三年十二月三十一日	77,406	–	77,406

The Group's land use rights comprise leases of the factory sites of Shandong Jinjia and HC Mining located at Laizhou city of Shandong Province, the PRC.

The estimated useful life of the Group's land use rights is determined to be 50 years which is the best estimate of the useful life based on the normal terms of land use right leases in the PRC.

As at 31 December 2023, land use rights of the Group with a total net book value of RMB5,541,000 (31 December 2022: RMB5,696,000), RMB15,914,000 (31 December 2022: RMB16,238,000) and RMB7,654,000 (31 December 2022: nil) were pledged as security for long-term bank borrowings, short-term bank borrowings and long-term borrowings under finance lease arrangement of the Group, respectively.

14 使用權資產及租賃負債 (續)

(a) 於綜合財務狀況表確認的金額 (續)

於二零二三年及二零二二年的使用權資產變動分析如下：

本集團的土地使用權包括鴻承礦業位於中國山東省萊州市的廠房地盤的租賃。

本集團土地使用權的估計可使用年期乃釐定為50年，其為根據中國土地使用權租賃一般條款對可使用年期的最佳估計。

於二零二三年十二月三十一日，本集團賬面淨值總額為人民幣5,541,000元（二零二二年十二月三十一日：人民幣5,696,000元）、人民幣15,914,000元（二零二二年十二月三十一日：人民幣16,238,000元）及人民幣7,654,000元（二零二二年十二月三十一日：無）的土地使用權已分別抵押作為長期銀行借款、短期銀行借款及本集團融資租賃安排下長期借款的擔保。



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14 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(Continued)

(a) Amounts recognised in the consolidated statement of financial position (Continued)

In addition, during the year ended 31 December 2023, no land use rights of the Group (31 December 2022: net book value of RMB15,574,000) was pledged to secure the borrowings of third parties. Further details are set out in Note 33.

(b) Amounts recognised in the consolidated statements of comprehensive income

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Cost of sales	銷售成本	393	393
Administrative expenses	行政開支	1,865	1,907
		2,258	2,300
Interest expenses (included in finance cost) (Note 10)	利息開支(計入財務成本)(附註10)	10	28

During the year ended 31 December 2023, the depreciation on Land use rights amounting to approximately RMB280,000 (year ended 31 December 2022: RMB121,000) was capitalised on qualifying assets.

The total cash outflow for leases during the years ended 31 December 2023 was RMB620,000 (2022: RMB331,000).

14 使用權資產及租賃負債(續)

(a) 於綜合財務狀況表確認的金額(續)

此外，截至二零二三年十二月三十一日止年度，本集團並無抵押土地使用權(二零二二年十二月三十一日：賬面淨值人民幣15,574,000元)作為第三方借款的擔保。進一步詳情載於附註33。

(b) 於綜合全面收益表確認的金額

截至二零二三年十二月三十一日止年度，土地使用權折舊約人民幣280,000元(截至二零二二年十二月三十一日止年度：人民幣121,000元)已就合資格資產資本化。

截至二零二三年十二月三十一日止年度，租賃的現金流出總額為人民幣620,000元(二零二二年：人民幣331,000元)。



15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

		Buildings	Machineries	Furniture fixtures and equipment 固定裝置 及設備	Vehicles	Construction in progress	Total
		樓宇	機器		汽車	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 1 January 2022	於二零二二年一月一日						
Cost	成本	112,788	42,398	4,214	8,104	-	167,504
Accumulated depreciation	累計折舊	(13,955)	(10,720)	(2,243)	(1,967)	-	(28,885)
Net book amount	賬面淨值	98,833	31,678	1,971	6,137	-	138,619
Year ended 31 December 2022	截至二零二二年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	98,833	31,678	1,971	6,137	-	138,619
Additions	添置	1,334	47	214	1,505	192,427	195,527
Transfer upon completion	完成後轉撥	22,440	-	-	-	(22,440)	-
Disposals	出售	-	-	-	(2,151)	-	(2,151)
Depreciation (Note 8)	折舊(附註8)	(5,238)	(3,739)	(586)	(677)	-	(10,240)
Others	其他	1,258	(1,258)	-	-	-	-
Closing net book amount	年末賬面淨值	118,627	26,728	1,599	4,814	169,987	321,755
As at 31 December 2022	於二零二二年十二月三十一日						
Cost	成本	137,820	41,187	4,428	6,816	169,987	360,238
Accumulated depreciation	累計折舊	(19,193)	(14,459)	(2,829)	(2,002)	-	(38,483)
Net book amount	賬面淨值	118,627	26,728	1,599	4,814	169,987	321,755
Year ended 31 December 2023	截至二零二三年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	118,627	26,728	1,599	4,814	169,987	321,755
Additions	添置	171	729	527	2,354	74,389	78,170
Transfer upon completion	完成後轉撥	64,499	121,084	3,779	493	(189,855)	-
Disposals	出售	-	(200)	-	(1,294)	-	(1,494)
Depreciation (Note 8)	折舊(附註8)	(6,059)	(6,009)	(740)	(763)	-	(13,571)
Closing net book amount	年末賬面淨值	177,238	142,332	5,165	5,604	54,521	384,860
As at 31 December 2023	於二零二三年十二月三十一日						
Cost	成本	202,490	162,678	8,734	7,869	54,521	436,292
Accumulated depreciation	累計折舊	(25,252)	(20,346)	(3,569)	(2,265)	-	(51,432)
Net book amount	賬面淨值	177,238	142,332	5,165	5,604	54,521	384,860



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

15 PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) Depreciation expenses

Depreciation of property, plant and equipment is included in the following categories in the consolidated statement of comprehensive income:

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Cost of sales	銷售成本	9,377	6,856
Administrative expenses	行政開支	3,905	3,209
Total	總計	13,282	10,065

During the year ended 31 December 2023, the depreciation on construction vehicles amounting to approximately RMB289,000 (year ended 31 December 2022: RMB175,000) was capitalised on qualifying assets.

As at 31 December 2023, buildings of the Group with net book value of RMB2,992,000 (31 December 2022: RMB3,300,000) and RMB49,301,000 (31 December 2022: RMB51,147,000) were pledged to secure long-term and short-term bank borrowings of the Group (Note 29).

The Group's subsidiary, Shandong Jinjia Environmental Co., Ltd. ("Shandong Jinjia") obtained a number of borrowings from certain finance lease institutions through sales and leaseback arrangements (Note 29), whereby certain machineries of Shandong Jinjia were sold and leased back over twenty-four months lease terms. Shandong Jinjia has the option to purchase the machineries on completion of the leases at nominal values. During the lease term and before the exercise of repurchase options at the expiry of lease term, such machineries are effectively pledged as security for the borrowings and are restricted for pledge or disposal unless lessors' prior consent is obtained. As at 31 December 2023, machineries with net book value of RMB57,123,000 (31 December 2022: nil) were under this restriction.

15 物業、廠房及設備 (續)

(a) 折舊費用

物業、廠房及設備折舊於綜合全面收益表計入以下類別：

截至二零二三年十二月三十一日止年度，建築車輛折舊約人民幣289,000元（截至二零二二年十二月三十一日止年度：人民幣175,000元）已就合資格資產資本化。

於二零二三年十二月三十一日，本集團賬面淨值分別為人民幣2,992,000元（二零二二年十二月三十一日：人民幣3,300,000元）及人民幣49,301,000元（二零二二年十二月三十一日：人民幣51,147,000元）的樓宇已抵押作為本集團長期及短期銀行借款的擔保（附註29）。

本集團之附屬公司山東金嘉環保有限公司（「山東金嘉」）透過售後租回安排（附註29）從若干融資租賃機構取得若干借款，據此，山東金嘉若干機器於二十四個月租期內售後租回。山東金嘉有權於租賃完成後按面值購買機器。於租賃期內及於租賃期屆滿時行使回購選擇權前，該等機器實際上已抵押作為借款的擔保，並限制抵押或出售，除非取得承租人的事先同意。於二零二三年十二月三十一日，賬面淨值為人民幣57,123,000元（二零二二年十二月三十一日：無）的機器受此限制。

**15 PROPERTY, PLANT AND EQUIPMENT (Continued)****(a) Depreciation expenses (Continued)**

In addition, during the year ended 31 December 2023, no buildings of the Group (31 December 2022: net book value of RMB40,804,000) was pledged to secure the borrowings of third parties. Further details are set out in Note 33.

(b) Revaluation, depreciation methods and useful lives

Property, plant and equipment (other than construction in progress) are stated at historical cost less depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year/period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Buildings including structures for storage of cyanide tailings and pyritic concentrate	3-30 years
Machinery	5-10 years
Furniture fixtures and equipment	5 years
Vehicle	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 39.7).

15 物業、廠房及設備 (續)**(a) 折舊費用 (續)**

此外，截至二零二三年十二月三十一日止年度，本集團並無抵押樓宇（二零二二年十二月三十一日：賬面淨值人民幣40,804,000元）作為第三方借款的擔保。進一步詳情載於附註33。

(b) 重估、折舊方法及可使用年期

物業、廠房及設備（在建工程除外）按歷史成本減折舊及累計減值虧損（如有）列賬。歷史成本包括收購該等項目直接應佔的開支。

其後成本僅在與該項目相關的未來經濟利益可能流入本集團及該項目的成本能可靠地計量的情況下，方會計入資產賬面值或確認為獨立資產（如適用）。列作獨立資產的任何部分的賬面值於重置時終止確認。所有其他維修及保養於其產生的報告年度／期間自損益扣除。

折舊使用直線法計算，於以下估計可使用年內分配成本（扣除剩餘價值）：

樓宇（包括儲存氰化尾渣及硫精礦的構築物）	3至30年
機器	5至10年
固定裝置及設備	5年
汽車	10年

資產的剩餘價值及可使用年期於各報告期末審閱並作出適當調整。

倘資產賬面值高於其估計可收回金額，則即時將資產賬面值撇減至其可收回金額（附註39.7）。



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15 PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Revaluation, depreciation methods and useful lives (Continued)

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Construction in progress represents properties under construction and is stated at cost less accumulated impairment losses. This includes cost of construction and other direct costs. Construction in progress is not depreciated until such time as the assets are completed and are ready for operational use.

15 物業、廠房及設備 (續)

(b) 重估、折舊方法及可使用年期 (續)

出售收益及虧損按所得款項與賬面值的差額釐定，並計入損益。

在建工程指建造中的物業，按成本減累計減值虧損列賬，包括建造成本及其他直接成本。在建工程於資產完成及可供營運使用前不予折舊。

16 INVESTMENT PROPERTIES

16 投資物業

		Buildings 樓宇 RMB'000 人民幣千元
As at 31 December 2021	於二零二一年十二月三十一日	
Cost	成本	142,565
Accumulated depreciation	累計折舊	(12,974)
Net book amount	賬面淨值	129,591
Year ended 31 December 2022	截至二零二二年十二月三十一日止年度	
Opening net book amount	年初賬面淨值	129,591
Depreciation (Note 8)	折舊(附註8)	(4,386)
Closing net book amount	年末賬面淨值	125,205
As at 31 December 2022	於二零二二年十二月三十一日	
Cost	成本	142,565
Accumulated depreciation	累計折舊	(17,360)
Net book amount	賬面淨值	125,205
Year ended 31 December 2023	截至二零二三年十二月三十一日止年度	
Opening net book amount	年初賬面淨值	125,205
Depreciation (Note 8)	折舊(附註8)	(4,386)
Closing net book amount	年末賬面淨值	120,819
As at 31 December 2023	於二零二三年十二月三十一日	
Cost	成本	142,565
Accumulated depreciation	累計折舊	(21,746)
Net book amount	賬面淨值	120,819

**16 INVESTMENT PROPERTIES (Continued)**

- (a) As at 31 December 2023, investment properties of the Group with net book value of RMB68,748,000 (31 December 2022: RMB71,398,000) and RMB51,343,000 (31 December 2022: RMB53,256,000) were pledged to secure long-term and short-term bank borrowings of the Group (Note 29).
- (b) As at 31 December 2023, the fair value of the Group's investment properties were approximately RMB139,958,000 (2022: RMB146,410,000). The fair value as at 31 December 2023 was estimated by the management of the Group with reference to a professional valuation by Cushman & Wakefield Limited, a professional valuer. The Group's investment properties were warehouses for storage of hazardous waste (Note 31) and located at north of Dadongzhuang Village, Shahe Town, Laizhou City, Yantai, Shangdong Province, the PRC.

Valuation techniques

Income approach is adopted and takes into account the current rents of the property interests and the reversionary potentials of the tenancies, term yield and reversionary yield are then applied respectively to derive the market value of the property, there were no changes to the valuation techniques for each of the two investment properties during the years.

16 投資物業 (續)

- (a) 於二零二三年十二月三十一日，本集團賬面淨值分別為人民幣68,748,000元（二零二二年十二月三十一日：人民幣71,398,000元）及人民幣51,343,000元（二零二二年十二月三十一日：人民幣53,256,000元）的投資物業已抵押作為本集團長期及短期銀行借款的擔保（附註29）。
- (b) 於二零二三年十二月三十一日，本集團投資物業的公平值約為人民幣139,958,000元（二零二二年：人民幣146,410,000元）。於二零二三年十二月三十一日的公平值由本集團管理層參考專業估值師戴德梁行有限公司進行的專業估值釐定。本集團的投資物業為存儲有害廢棄物的倉庫（附註31），位於中國山東省煙臺市萊州市沙河鎮大東莊村村北。

估值技術

本集團已採用收入法，並計及物業權益現有租金，而其後分別應用租約的復歸潛力、租期回報率及復歸收益率以得出物業的市值；年內，兩項投資物業各自的估值技術均無變動。

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16 INVESTMENT PROPERTIES (Continued)

(b) (Continued)

Valuation techniques (Continued)

Information about fair value measurements of investment properties using significant unobservable inputs (level 3) is as follows:

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Fair value (RMB'000)	公平值(人民幣千元)	139,958	146,410
Unobservable inputs	不可觀察輸入數據		
— Term yield	— 租期回報率	每年 5.0% per annum	每年 5.0% per annum
— Reversion yield	— 復歸收益率	每年 5.5% per annum	每年 5.5% per annum
— Annually market rent (RMB/ square meter/annum)	— 年度市場租金 (人民幣/平方米/年)	11-22	11-22

(c) Rental income relating to the lease of investment properties was included in the consolidated statement of comprehensive income as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Revenue	收益		
— rental income(Note 5(b))	— 租金收入(附註5(b))	13,519	14,507

The Group leases investment properties under operating leases. The operating leases are estimated to have a lease period of 10 years. Details of the lease arrangement are set out in Note 31.

16 投資物業(續)

(b) (續)

估值技術(續)

有關使用重大不可觀察輸入數據(第三級)計算的投資物業公平值計量的資料如下:

(c) 與投資物業租賃有關的租金收入計入綜合全面收益表,詳情如下:

本集團根據經營租賃出租投資物業。經營租賃的估計租期為10年。租賃安排詳情載於附註31。



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17 INTANGIBLE ASSETS

17 無形資產

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Software	軟件		
As at the beginning of the year	年初		
Cost	成本	34	34
Accumulated amortisation	累計攤銷	(27)	(20)
Net book amount	賬面淨值	7	14
Opening net book amount	年初賬面淨值	7	14
Additions	添置	36	–
Amortisation (Note 8)	攤銷(附註8)	(13)	(7)
Closing net book amount	年末賬面淨值	30	7
As at the end of the year	年末		
Cost	成本	70	34
Accumulated amortisation	累計攤銷	(40)	(27)
Net book amount	賬面淨值	30	7

Amortisation of the intangible assets was included in administrative expenses in the consolidated statements of comprehensive income.

無形資產攤銷於綜合全面收益表計入行政開支。



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18 PREPAYMENT FOR NON-CURRENT ASSETS

18 非流動資產的預付款項

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Prepayment for purchase of equipment and vehicle	購買設備及汽車的預付款項	782	2,653
Prepayment for construction in progress	在建工程的預付款項	4,997	3,748
		5,779	6,401

19 INVENTORIES

19 存貨

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Raw materials	原材料	5,569	382
Work-in-progress	在製品	248	527
Finished goods	製成品	28,531	17,573
Total	總計	34,348	18,482

During the years ended 31 December 2023 and 2022, the cost of inventories recognised in "cost of sales" amounted to RMB6,776,000 and RMB32,656,000, respectively.

截至二零二三年及二零二二年十二月三十一日止年度，已於「銷售成本」確認的存貨成本分別為人民幣6,776,000元及人民幣32,656,000元。



20 FINANCIAL INSTRUMENTS BY CATEGORY

The Group has the following financial instruments:

20 按類別劃分的金融工具

本集團擁有以下金融工具：

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Assets at amortised cost	按攤銷成本列賬的資產		
Trade receivables (Note 21)	貿易應收款項(附註21)	41,059	74,329
Other receivables excluding non-financial assets (Note 22)	其他應收款項(不包括非金融資產)(附註22)	12,922	33,738
Amount due from a related party (Note 35(c))	應收關聯方款項(附註35(c))	620	–
Cash and cash equivalents (Note 24)	現金及現金等價物(附註24)	76,119	59,160
		130,720	167,227
Liabilities at amortised cost	按攤銷成本計量的負債		
Trade payable (Note 27)	貿易應付款項(附註27)	3,882	9,088
Other payables excluding non-financial liabilities (Note 28)	其他應付款項(不包括非金融負債)(附註28)	55,695	56,766
Amounts due to related parties (Note 35(c))	應付關聯方款項(附註35(c))	2,603	205
Borrowings (Note 29)	借貸(附註29)	117,179	55,740
Lease liabilities (Note 14)	租賃負債(附註14)	–	608
Other liabilities (Note 31)	其他負債(附註31)	55,762	106,931
		235,121	229,338



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21 TRADE RECEIVABLES

21 貿易應收款項

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Trade receivables	貿易應收款項		
— related to provision of gold mine hazardous waste treatment services	— 與提供金礦有害廢物處理服務相關	40,234	57,508
— related to sales of pyritic concentrate	— 與銷售硫精礦有關	—	16,821
— related to sales of sulfuric acid and electricity	— 與銷售硫酸及電力有關	825	—
		41,059	74,329
Less: provision for impairment	減：減值撥備	(417)	(2,856)
		40,642	71,473

(i) Ageing analysis of the trade receivables

The trade receivables represent receivable relating to provision of gold mine hazardous waste treatment services and receivable relating to sales of pyritic concentrate. The credit terms grant to customers are generally from 30 to 60 days.

As at 31 December 2023 and 2022, the ageing analysis of the trade receivables based on the invoice date is as follows:

(i) 貿易應收款項賬齡分析

貿易應收款項指與提供金礦有害廢物處理服務相關的應收款項及與銷售硫精礦相關的應收款項。授予客戶的信貸期通常為30至60日。

於二零二三年及二零二二年十二月三十一日，按發票日期列示的貿易應收款項賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
1-90 days	1 至 90 日	10,088	22,076
91-180 days	91 至 180 日	7,612	23,651
181-270 days	181 至 270 日	16,149	14,127
271-360 days	271 至 360 日	7,210	807
over 360 days	超過 360 日	—	13,668
		41,059	74,329



21 TRADE RECEIVABLES (Continued)

(ii) Impairment of the trade receivables

The Group applies the simplified approach to provide for expected credit loss which was a lifetime expected loss allowance for all trade receivables and retention receivables as prescribed by IFRS 9. Details of the expected loss rates based on the payment profile of sales are set out in Note 3.1 b (ii).

The movements in provision for impairment of trade receivables were as follows:

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
As at 1 January	於一月一日	2,856	1,334
Loss allowance recognised in profit or loss during the year	年內於損益確認的虧損撥備	(2,439)	1,522
As at year end	於年末	417	2,856

The carrying amounts of trade receivables approximated their fair values as at the balance sheet dates and were dominated in RMB.

21 貿易應收款項 (續)

(ii) 貿易應收款項減值

本集團採用簡化法計提預期信貸虧損，根據國際財務報告準則第9號規定，就所有貿易應收款項及應收保留金而言為全期預期虧損撥備。有關根據銷售的付款情況得出的預期虧損比率，詳情載於附註3.1 b(ii)。

貿易應收款項減值撥備變動如下：

貿易應收款項的賬面值與其於資產負債表日期的公平值相若，並以人民幣計值。

22 OTHER RECEIVABLES AND PREPAYMENTS

22 其他應收款項及預付款項

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Other receivable in relation to trading of magnesite materials (Note 6)	與菱鎂礦貿易有關的其他應收款項(附註6)	5,380	28,025
Prepayments for purchase of raw materials, transportation cost and other expenses	原材料採購預付款項、運輸成本及其他開支	11,847	21,629
Value-added tax receivables	增值稅應收款項	23,714	15,912
Performance bonds and deposits for bidding	投標履約保函及保證金	2,875	4,402
Amount due from a related party (Note 35(c))	應收關聯方款項(附註35(c))	620	—
Deposits with financial institutions	金融機構按金	3,500	—
Others	其他	1,167	1,311
		49,103	71,279



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22 OTHER RECEIVABLES AND PREPAYMENTS

(Continued)

The deposits with financial institutions represented the deposits paid to the financial institutions when the Group received long-term borrowings under finance lease arrangement (Note 29).

The carrying amounts of other receivables approximated their fair values as at the balance sheet dates and were dominated in RMB.

22 其他應收款項及預付款項 (續)

金融機構按金指本集團根據融資租賃安排收取長期借款時支付予金融機構的按金(附註29)。

其他應收款項的賬面值與其於資產負債表日期的公平值相若，並以人民幣計值。

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

23 按公平值計入其他全面收益的金融資產

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Debt investments at FVOCI	按公平值計入其他全面收益的債務投資		
Current assets — bank acceptance notes	流動資產— 銀行承兌票據		
At 1 January	於一月一日	2,350	7,130
Additions	添置	992	—
Disposals	出售	—	(4,780)
As at year end	於年末	3,342	2,350

The Group's financial assets at FVOCI comprised bank acceptance notes, where the contractual cash flows are solely principal and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets. Bank acceptance notes are classified as current assets due to short maturity.

On disposal of financial assets at FVOCI, any related balance within the FVOCI reserve is reclassified to profit or loss.

本集團按公平值計入其他全面收益的金融資產包括銀行承兌票據，其合約現金流完全為本金額且本集團通過收取合約現金流和出售金融資產兩種方式達到業務模式的目標。因銀行承兌票據的到期日較短，故分類為流動資產。

出售該等按公平值計入其他全面收益的金融資產後，按公平值計入其他全面收益儲備內的任何相關結餘重新分類至損益。



24 CASH AND CASH EQUIVALENTS

24 現金及現金等價物

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Cash in hand and at bank	銀行存款及現金	76,119	59,160

As at 31 December 2023 and 2022, the cash and bank balances were denominated in the following currencies:

於二零二三年及二零二二年十二月三十一日，現金及銀行結餘以下列貨幣計值：

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
HKD	港元	3,649	1,421
RMB	人民幣	72,278	57,550
USD	美元	192	189
		76,119	59,160

25 SHARE CAPITAL AND SHARE PREMIUM

25 股本及股份溢價

		Number of shares 股份數目	Nominal value 面值 HK\$ 港元
Authorised:	法定：		
As at 1 January 2022 and 31 December 2022 and 2023	於二零二二年一月一日以及 二零二二年及二零二三年 十二月三十一日	200,000,000,000	2,000,000,000

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25 SHARE CAPITAL AND SHARE PREMIUM (Continued) 25 股本及股份溢價 (續)

		Number of shares 股份數目	Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Issued:	已發行：				
As at 1 January 2022	於二零二二年一月一日	1,000,000,000	8,208	534,097	542,305
Dividend distribution (Note 13)	股息分派(附註13)	-	-	(16,132)	(16,132)
As at 31 December 2022	於二零二二年十二月三十一日	1,000,000,000	8,208	517,965	526,173
As at 1 January 2023 and 31 December 2023	於二零二三年一月一日及二零二三年十二月三十一日	1,000,000,000	8,208	517,965	526,173

26 OTHER RESERVES 26 其他儲備

		Capital reserve 資本儲備 RMB'000 人民幣千元	Statutory surplus reserve 法定盈餘儲備 RMB'000 人民幣千元	Translation reserve 換算儲備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 1 January 2022	於二零二二年一月一日	(315,639)	15,087	-	(300,552)
Currency translation differences	外幣換算差額	-	-	1,349	1,349
As at 31 December 2022	於二零二二年十二月三十一日	(315,639)	15,087	1,349	(299,203)
As at 1 January 2023	於二零二三年一月一日	(315,639)	15,087	1,349	(299,203)
Profit appropriation to statutory reserves	溢利轉撥至法定儲備	-	4	-	4
Currency translation differences	外幣換算差額	-	-	80	80
As at 31 December 2023	於二零二三年十二月三十一日	(315,639)	15,091	1,429	(299,119)

**26 OTHER RESERVES (Continued)****(a) Capital reserve**

Capital reserve represents the aggregate paid-in capital of the subsidiaries acquired, offset by investment costs in subsidiaries of the Company during the Reorganization.

(b) Statutory surplus reserves

Pursuant to the relevant laws and regulations in the PRC, the Company's subsidiaries in the PRC shall make appropriations from after-tax profit to non-distributable reserve funds as determined by the boards of directors of the relevant PRC subsidiaries.

In accordance with the relevant laws and regulations in the PRC and Articles of Association of the PRC subsidiaries of the Group, they are required to appropriate 10% of the annual statutory net profits of the PRC subsidiaries, after offsetting any prior years' losses as determined under the PRC accounting standards, to the statutory reserves fund before distributing the net profit. When the balance of the statutory reserves fund reaches 50% of the registered capital of the PRC subsidiaries, any further appropriation is at the discretion of shareholders. The statutory reserves fund can be used to offset prior years' losses, if any, and may be converted into share capital by issuing new shares to shareholders in proportion to their existing shareholding, provided that the remaining balance of the statutory reserves fund after such issue is not less than 25% of registered capital.

26 其他儲備 (續)**(a) 資本儲備**

資本儲備指已收購附屬公司的實繳資本總額，被重組時於本公司附屬公司的投資成本抵銷。

(b) 法定盈餘儲備

根據中國相關法律及法規，本公司於中國境內的附屬公司須按中國相關附屬公司董事會釐定的金額將除稅後溢利分撥至不可分派儲備基金。

根據中國相關法律及法規，以及本集團中國附屬公司之組織章程細則，中國附屬公司抵銷過往年度按中國會計準則釐定的任何虧損後，必須在分派純利之前，將其年度法定純利的10%分撥至法定儲備基金。當法定儲備基金的結餘達致中國附屬公司註冊資本的50%時，任何進一步的撥款由股東酌情決定。法定儲備基金可用於抵銷過往年度的虧損（如有），及可轉換為股本，方法為按股東現有的股權比例向股東發行新股，惟法定儲備基金於有關發行後的餘額不得少於註冊資本的25%。

27 TRADE PAYABLES**27 貿易應付款項**

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Trade and bill payables	貿易應付款項及應付票據		
— related to transportation costs	— 與運輸成本相關	1,266	6,547
— related to raw materials	— 與原材料相關	2,616	2,541
		3,882	9,088



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27 TRADE PAYABLES (Continued)

The ageing analysis of trade payables based on the invoice date is as follows:

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
1-30 days	1至30日	2,509	8,994
31-60 days	31至60日	586	69
61-90 days	61至90日	536	–
91-180 days	91至180日	218	12
Over 180 days	超過180日	33	13
		3,882	9,088

The carrying amounts of trade payables approximated their fair values as at the balance sheet dates and were dominated in RMB.

27 貿易應付款項 (續)

根據發票日期的貿易應付款項賬齡分析如下：

貿易應付款項的賬面值與其於資產負債表日期的公平值相若，並以人民幣計值。

28 OTHER PAYABLES AND ACCRUALS

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Payables for purchase of property, plant and equipment	購買物業、廠房及設備的應付款項	36,425	30,796
Other payables to third parties (Note 6)	其他應付第三方款項(附註6)	16,004	23,224
Other taxes payable	其他應付稅項	13,778	16,869
Employee benefits payables	僱員福利應付款項	4,769	4,018
Amounts due to related parties (Note 35(c))	應付關聯方款項(附註35(c))	2,603	205
Others	其他	3,266	2,746
Total	總計	76,845	77,858

The carrying amounts of other payables and accruals approximated their fair values as at the balance sheet dates and were denominated in RMB.

28 其他應付款項及應計費用

其他應付款項及應計費用的賬面值與資產負債表日期的公平值相若，以人民幣計值。



29 BORROWINGS

29 借款

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current:	非流動：		
Long term bank borrowings, secured and guaranteed	長期銀行借款，有抵押及有擔保	26,800	27,840
Borrowing under finance lease arrangement	融資租賃安排項下借款	55,479	–
Less: Current portion of long-term bank borrowings, secured and guaranteed	減：長期銀行借款即期部分，有抵押及有擔保	(200)	(27,840)
Current portion of borrowing under finance lease arrangement	融資租賃安排項下借款的即期部分	(32,252)	–
Total non-current borrowings	非流動借款總額	49,827	–
Current:	流動：		
Short term bank borrowings, secured and guaranteed	短期銀行借款，有抵押及有擔保	34,900	27,900
Current portion of long-term bank borrowings, secured and guaranteed	長期銀行借款即期部分，有抵押及有擔保	200	27,840
Current portion of borrowing under finance lease arrangement	融資租賃安排項下借款的即期部分	32,252	–
Total current borrowings	流動借款總額	67,352	55,740
Total borrowings	總借款	117,179	55,740

(a) The Group's long-term and short-term bank borrowings as at 31 December 2023 were secured by the Group's land use rights (Note 14), property, plant and equipment (Note 15) and investment properties (Note 16).

The Group's long-term borrowings under finance lease arrangement as at 31 December 2023 were secured by the pledge of the Group's land use rights (Note 14), machineries (Note 15), and supported by guarantees provided by the Group's subsidiary, the Controlling Shareholder and a related party (Note 35).

(a) 於二零二三年十二月三十一日，本集團的長期及短期銀行借款以本集團的土地使用權（附註14）、物業、廠房及設備（附註15）以及投資物業（附註16）作抵押。

於二零二三年十二月三十一日，本集團融資租賃安排項下的長期借款以質押本集團的土地使用權（附註14）、機器（附註15）作抵押，並由本集團的附屬公司、控股股東及一名關聯方（附註35）擔保作支持。



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29 BORROWINGS (Continued)

- (b) For the years ended 31 December 2023, the weighted average effective interest rate of the bank borrowings was 3.78% (2022: 3.94%).

For the years ended 31 December 2023, borrowings under finance lease arrangement of RMB23,479,000 and RMB32,000,000 bore effective interest rate of 9.30% and 4.64% per annum, respectively.

- (c) The carrying amounts of the Group's current bank borrowings approximated their fair values as at the balance sheet dates due to their short term maturity.

The carrying amounts of the Group's non-current bank borrowings and borrowings under finance lease arrangement approximated their fair values as at the balance sheet dates as they were carried at fixed interest rates and the discounting impact was not material.

- (d) The Group's borrowings as at 31 December 2023 were repayable as follows:

29 借款 (續)

- (b) 截至二零二三年十二月三十一日止年度，銀行借款的加權平均實際利率為3.78%（二零二二年：3.94%）。

截至二零二三年十二月三十一日止年度，融資租賃安排項下借款人民幣23,479,000元及人民幣32,000,000元的實際年利率分別為9.30%及4.64%。

- (c) 由於本集團即期銀行借款的到期日較短，故其賬面值與資產負債表日期的公平值相若。

由於本集團非即期銀行借款及融資租賃安排項下借款以固定利率計息，且折現影響並不重大，故其賬面值與資產負債表日期的公平值相若。

- (d) 本集團於二零二三年十二月三十一日的借款須按以下方式償還：

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within 1 year	1年內	67,352	55,740
1-2 years	1-2年	23,427	—
2-3 years	2-3年	26,400	—
Total	總計	117,179	55,740



30 DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

30 遞延所得稅

遞延所得稅資產及負債的分析如下：

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Deferred income tax assets: (a)	遞延所得稅資產：(a)		
— to be recovered within 12 months	— 將於12個月內收回	—	1,013
— to be recovered after 12 months	— 將於12個月後收回	4,207	720
		4,207	1,733
Deferred income tax liabilities: (b)	遞延所得稅負債：(b)		
— to be recovered within 12 months	— 將於12個月內收回	(1,485)	—
— to be recovered after 12 months	— 將於12個月後收回	(3,554)	(3,913)
		(5,039)	(3,913)
Deferred income tax liabilities — net	遞延所得稅負債淨額	(832)	(2,180)

The gross movement of deferred income tax liabilities — net is as follows:

遞延所得稅負債淨額的總額變動如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
At the beginning of year	年初	(2,180)	(2,867)
Credit to consolidated statement of comprehensive income (Note 11)	計入綜合全面收益表(附註11)	1,348	687
At the end of year	年末	(832)	(2,180)

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30 DEFERRED INCOME TAX (Continued)

(a) Deferred income tax assets

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
The balance comprises temporary differences attributable to:	結餘包括以下各項應估的暫時性差異：		
Deductible tax loss	可扣稅虧損	3,381	720
Unrealised profits — intercompany sales of inventories	未變現溢利 — 公司間存貨銷售	826	—
Depreciation difference of property, plant and equipment	物業、廠房及設備折舊差異	—	70
Impairment of trade receivables	貿易應收款項減值	—	614
Accrued payroll	應計薪酬	—	329
Total	總計	4,207	1,733

30 遞延所得稅 (續)

(a) 遞延所得稅資產

The movements in deferred income tax assets were as follows:

遞延所得稅資產變動如下：

		Depreciation difference of property, plant and equipment	Impairment of trade receivables	Accrued payroll	Deductible tax loss	Unrealised profits — intercompany sales of inventories	Total
		物業、廠房及設備折舊差異	貿易應收款項減值	應計薪酬	可扣稅項虧損	公司間存貨銷售未變現溢利	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	(176)	44	231	—	—	99
Credited to the consolidated statements of comprehensive income	計入綜合全面收益表	246	570	98	720	—	1,634
As at 31 December 2022	於二零二二年十二月三十一日	70	614	329	720	—	1,733
Credited to the consolidated statements of comprehensive income	計入綜合全面收益表	(70)	(614)	(329)	2,661	826	2,474
As at 31 December 2023	於二零二三年十二月三十一日	—	—	—	3,381	826	4,207

**30 DEFERRED INCOME TAX (Continued)****(a) Deferred income tax assets (Continued)**

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profits is possible.

The cumulative losses of the Group with and without expiry dates are as follow:

		As at 31 December 於十二月三十一日	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Year of expiration	屆滿年度		
— 2026	— 二零二六年	—	2,103
— 2027	— 二零二七年	—	1,378
— 2028	— 二零二八年	200	—
No expiry date	無屆滿日期	9,761	8,654
Total	總計	9,961	12,135

The tax losses incurred by subsidiaries in Hong Kong that are not likely to generate taxable income in the foreseeable future, which can be carried forward perpetually.

30 遞延所得稅 (續)**(a) 遞延所得稅資產 (續)**

遞延所得稅資產乃就可通過未來應課稅溢利變現相關稅項優惠情況下結轉的稅項虧損確認。

本集團有屆滿日期及並無屆滿日期的累計虧損如下：

附屬公司(在可預見未來不大可能產生應課稅收入)在香港招致可永久結轉的稅項虧損。

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30 DEFERRED INCOME TAX (Continued)

(b) Deferred income tax liabilities

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
The balance comprises temporary differences attributable to:	結餘包括以下各項應佔的暫時性差異：		
Accelerated depreciation of property, plant and equipment	物業、廠房及設備遞增折舊	(3,239)	(2,113)
Accrued withholding tax	應計預扣稅	(1,800)	(1,800)
Total	總計	(5,039)	(3,913)

The movements in deferred income tax liabilities were as follows:

遞延所得稅負債變動如下：

		Accelerated depreciation of property, plant and equipment 物業、廠房及設備遞增折舊 RMB'000 人民幣千元	Accrued withholding tax 應計預扣稅 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	(1,166)	(1,800)	(2,966)
Charged to the consolidated statements of comprehensive income	自綜合全面收益表扣除	(947)	–	(947)
As at 31 December 2022	於二零二二年十二月三十一日	(2,113)	(1,800)	(3,913)
Charged to the consolidated statements of comprehensive income	自綜合全面收益表扣除	(1,126)	–	(1,126)
As at 31 December 2023	於二零二三年十二月三十一日	(3,239)	(1,800)	(5,039)



31 OTHER LIABILITIES

31 其他負債

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Retention payable for construction projects (a) Non-current	建築項目的應付保留金 (a) 非即期	–	5,639
Warehouse lease arrangements (b) (i) Advances from lessee	倉庫租賃安排 (b) (i) 承租人墊款		
— Current portion	— 即期部分	9,558	12,379
— Non-current portion	— 非即期部分	37,140	–
Sub-total	小計	46,698	12,379
(ii) Payables to LZ Assets Current	(ii) 應付萊州資產款項 即期		
— First warehouse	— 第一間倉庫	–	9,705
— Second warehouse	— 第二間倉庫	–	11,773
Non-current	非即期		
— First warehouse	— 第一間倉庫	25,187	36,066
— Second warehouse	— 第二間倉庫	30,575	43,748
Sub-total	小計	55,762	101,292
Total	總計	102,460	113,671
Grand total	總計	102,460	119,310
Presented on the statement of financial position as:	於財務狀況表呈列為：		
Other liabilities — current portion	其他負債 — 即期部分	9,558	33,857
Other liabilities — non-current portion	其他負債 — 非即期部分	92,902	85,453
		102,460	119,310



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31 OTHER LIABILITIES (Continued)

(a) Retention payable for construction projects

According to the construction contracts with the contractors of the Group's buildings, 5% or 10% of the total payables for construction cost was set aside as retention fund with a warranty period of 1 or 2 years from the date of inspection for certification of completion of the buildings.

(b) Warehouse lease arrangements

In October and December 2018, HC Mining entered into two gold mine hazardous waste storage warehouse lease agreements with Laizhou City State-owned Assets Management Company Limited (萊州市國有資產經營有限公司, "LZ Assets"), a state-owned enterprise, for the storage of cyanide tailings hazardous waste. Pursuant to the lease agreements, LZ Assets advanced RMB72 million in the fourth quarter of 2018 and RMB88 million in the first half year of 2019, totalling RMB160 million, to HC Mining for leases of two warehouses at an annual rental of RMB 3.6 million from 1 November 2018 for the first warehouse, and RMB 4.4 million from 1 January 2019 for the second warehouse, totalling RMB 8 million per annum (inclusive of value added tax on rental income), for a twenty years term.

Pursuant to the lease agreements, (i) the minimum term of the lease period shall be five years from the respective lease commencement dates, unless the cyanide tailings hazardous waste in the warehouses is put for tender for detoxing treatment during the five year term, and in the event that HC Environment won the tender, the lease term would terminate and the future treatment fee would then be deducted from the remaining amount of the advanced payments made by LZ Assets, after deduction of rental income up to the date of termination; (ii) from the sixth year, either LZ Assets or HC Mining has the right to terminate the lease arrangement by paying an amount equivalent to one year rental, being RMB 8 million, as compensation to the other party, and HC Mining will be required to repay the remaining balance of the advances to LZ Assets within three years, being 20% for the first year, 30% for the second year and the remaining repayment in the third year, from the receipt of the notice of termination of the lease agreements.

31 其他負債 (續)

(a) 建築項目應付保留金

根據本集團與承包商簽訂的房屋建設合同，按應付建築成本總額的5%或10%作為保留金，保修期為房屋竣工驗收日期起計為期1或2年。

(b) 倉庫租賃安排

於二零一八年十月及十二月，鴻承礦業與國有企業萊州市國有資產經營有限公司（「萊州資產」）訂立兩份金礦有害廢物倉儲租賃協議，以儲存氰化尾渣有害廢物。根據租賃協議，萊州資產於二零一八年第四季度及二零一九年上半年分別向鴻承礦業墊付人民幣72百萬元及人民幣88百萬元，合計人民幣160百萬元，用於租賃兩間倉庫，第一間倉庫的租金由二零一八年十一月一日起計，年租人民幣3.6百萬元；及第二間倉庫的租金由二零一九年一月一日起計，年租人民幣4.4百萬元，合計每年人民幣8百萬元（包括租金收入的增值稅），為期二十年。

根據租賃協議，(i) 租期至少應為期五年，由各自的租約開始日期起計，除非在五年期內，倉庫內的氰化尾渣有害廢物被安排進行除毒處理投標，且如果鴻承環保中標，租期將告終止，而未來處理費其後將從萊州資產作出的墊款餘額（扣除直至終止日期的租金收入後）中扣減；(ii) 自第六年起，萊州資產或鴻承礦業有權終止租賃協議，惟須向對方支付相等於一年的租金，即人民幣8百萬元，作為補償，而鴻承礦業將須於收到終止租賃協議通知後三年內，償還墊款餘額予萊州資產，即首年為20%、第二年為30%及第三年償還餘下款項。



31 OTHER LIABILITIES (Continued)

(b) Warehouse lease arrangements (Continued)

At inception of the lease arrangement in 2018, the Group considered there is a likelihood that LZ Assets would exercise the right to terminate the lease agreements upon the expiry of the five years committed lease term by December 2023, by then the Group would have an obligation to pay back LZ Assets the remaining balances of the advanced payments from LZ Assets, being in total RMB112 million, representing the total advances of RMB160 million less five years' rental income of RMB40 million and compensation of RMB8 million. Accordingly, on initial recognition of the two warehouse lease arrangements in October and December 2018, the Group recorded "Other liabilities — payables to LZ Assets" of RMB84.2 million, being the present value by discounting the obligations to pay back LZ Assets by December 2023 of RMB112 million by instalments as mentioned above. The discount rate applied in deriving the present value of the amounts payable to LZ Assets was the market rate available to the Group for similar financial instruments, which is 4.65%.

In November 2023, the lease agreements were modified to extend the committed and non-cancellable lease term for another five years after the expiry of the first five-year lease term in October and December 2023, with other terms of the original agreements remain unchanged. The Group accounted for the leases as a five year lease contract at inception of the lease in 2018, and extended it to another five years based on the modified contract terms. According to the revised lease term, the Group applied the same accounting treatment as the first five years lease term. The discount rate applied in deriving the present value of the amounts payable to LZ Assets was the market rate available to the Group for similar financial instruments, which is 4.2%. The Group recognised rental income of RMB13,519,000 (2022: RMB14,507,000) for the year ended 31 December 2023, and the resultant payable to LZ Assets amounted to RMB55,762,000 (2022: RMB101,292,000) as at 31 December 2023.

31 其他負債 (續)

(b) 倉庫租賃安排 (續)

於二零一八年租賃安排開始時，本集團認為萊州資產於二零二三年十二月前於五年承諾租期屆滿後，有可能行使終止租賃協議的權利，屆時本集團有責任向萊州資產償還萊州資產的墊款餘額合計人民幣112百萬元，即墊款總額人民幣160百萬元減去五年租金收入人民幣40百萬元及補償金人民幣8百萬元。因此，於二零一八年十月及十二月初步確認兩項倉庫租賃安排時，本集團記錄「其他負債—應付萊州資產款項」人民幣84.2百萬元，即折現於二零二三年十二月前以上述分期向萊州資產償還人民幣112百萬元的責任的現值。計算應付萊州資產款項的現值時所採用的貼現率為本集團就類似金融工具可獲得的市場利率，為4.65%。

於二零二三年十一月，租賃協議已予修訂，於二零二三年十月及十二月首個五年租期屆滿後，將承諾及不可撤銷租期再延長五年，而原協議的其他條款維持不變。本集團於二零一八年租賃開始時將租賃入賬列為五年租賃合約，並根據經修訂合約條款將其再延長五年。根據經修訂租期，本集團採用與首五年租期相同的會計處理方法。計算應付萊州資產款項的現值時所採用的貼現率為本集團就類似金融工具可獲得的市場利率，為4.2%。截至二零二三年十二月三十一日止年度，本集團確認租金收入人民幣13,519,000元（二零二二年：人民幣14,507,000元），而於二零二三年十二月三十一日，因此應付萊州資產的款項為人民幣55,762,000元（二零二二年：人民幣101,292,000元）。



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

31 OTHER LIABILITIES (Continued)

(b) Warehouse lease arrangements (Continued)

Interest expenses from other liabilities — payables to LZ Assets are recognised using the aforementioned discount rate. The amount of interest expenses relating to the two warehouse lease arrangements during the years ended 31 December 2023 and 2022 were RMB4,571,000 and RMB4,502,000, respectively (Note 10).

31 其他負債 (續)

(b) 倉庫租賃安排 (續)

來自其他負債—應付萊州資產款項的利息開支使用上述貼現率確認。截至二零二三年及二零二二年十二月三十一日止年度，與兩項倉庫租賃安排有關的利息開支金額分別為人民幣4,571,000元及人民幣4,502,000元(附註10)。

32 CASH FLOW INFORMATION

(a) Cash generated from operations

32 現金流量資料

(a) 經營所得現金

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	21,146	103,763
Adjustments for	就以下各項作出調整		
— Amortisation of right-of-use assets (Note 14)	— 使用權資產攤銷 (附註14)	2,258	2,300
— Depreciation of property, plant and equipment (Note 15)	— 物業、廠房及設備折舊 (附註15)	13,282	10,065
— Depreciation of investment properties (Note 16)	— 投資物業折舊(附註16)	4,386	4,386
— Amortisation of intangible assets (Note 17)	— 無形資產攤銷(附註17)	13	7
— Loss on disposal of property, plant and equipment and others (Note 7)	— 出售物業、廠房及設備及其他虧損(附註7)	454	38
— (Reversal)/accrual of impairment on financial assets (Note 21)	— 金融資產減值(撥回)/應計金融資產減值 (附註21)	(2,439)	1,522
— Finance costs — net (Note 10)	— 融資成本—淨額 (附註10)	7,623	5,037
Changes in working capital:	營運資金變動：		
— Inventories	— 存貨	(15,866)	4,129
— Contract liabilities	— 合約負債	4,286	(5,688)
— Advances from lessee	— 承租人墊款	(15,783)	(14,507)
— Trade and other payables	— 貿易及其他應付款項	(14,797)	22,195
— Trade and other receivables and prepayments	— 貿易及其他應收款項以及預付款項	63,285	(77,224)
Cash generated from operating activities	經營活動所得現金	67,848	56,023



32 CASH FLOW INFORMATION (Continued)

(b) Proceeds from disposal of properties, plant and equipment and other assets

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Net book value of property, plant and equipment (Note 15)	物業、廠房及設備賬面淨值(附註15)	1,494	2,151
Losses on disposal of property, plant and equipment and others (Note 7)	出售物業、廠房及設備及其他虧損(附註7)	(454)	(38)
Increase in other receivables	其他應收款項增加	(620)	-
Proceeds from the disposal	出售所得款項	420	2,113

32 現金流量資料(續)

(b) 出售物業、廠房及設備及其他資產所得款項

(c) Reconciliation of liabilities arising from financing activities

		Borrowings and interest payable 借款及應付利息 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Amount due to the Controlling Shareholder 應付控股股東款項 RMB'000 人民幣千元	Payable to LZ Assets 應付萊州資產款項 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Total debt as at 1 January 2022	於二零二二年一月一日的總債務	39,900	866	-	96,790	137,556
Cash flows arising from financing activities	融資活動產生的現金流量	15,840	(331)	-	-	15,509
Cash flows arising from operating activities	經營活動產生的現金流量	(2,123)	-	-	-	(2,123)
Exchange differences	匯兌差額	-	45	-	-	45
Amortization of borrowing costs	借貸成本攤銷	2,123	28	-	4,502	6,653
Total debt as at 31 December 2022	於二零二二年十二月三十一日的總債務	55,740	608	-	101,292	157,640
Cash flows arising from financing activities	融資活動產生的現金流量	56,729	(620)	1,879	-	57,988
Cash flows arising from operating activities	經營活動產生的現金流量	(3,205)	-	-	-	(3,205)
Cash flows arising from investing activities	投資活動產生的現金流量	(385)	-	-	-	(385)
Non-cash transaction	非現金交易	4,710	-	-	(50,101)	(45,391)
Exchange differences	匯兌差額	-	2	-	-	2
Amortization of borrowing costs	借貸成本攤銷	3,590	10	-	4,571	8,171
Total debt as at 31 December 2023	於二零二三年十二月三十一日的總債務	117,179	-	1,879	55,762	174,820

(c) 融資活動所產生負債對賬



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

32 CASH FLOW INFORMATION (Continued)

(d) Non-cash transaction

During the year ended 31 December 2023, the major non-cash transactions were as follows:

- Borrowing under finance lease arrangement of approximately RMB4,710,000 was received in terms of bank acceptance notes.
- In November 2023, HC Mining entered into supplementary agreements with LZ Assets to extend the lease for a further five years after the expiry of the first five-year lease term. Pursuant to supplementary agreements, The Group reduced the balance of payables to LZ Assets and increased the balance of advances from lessee, amounting to RMB50.1 million. Further details are set out in Note 31.

33 CONTINGENCIES

As at 31 December 2022, certain of the Group's land use rights and properties (Notes 14 and 15) were pledged to a bank to secure banking facilities of certain third parties amounting to RMB 16,000,000. Such asset pledge was released during the year ended 31 December 2023. As at 31 December 2023, the Group did not have material contingent liabilities.

34 CAPITAL COMMITMENTS

		As at 31 December 於十二月三十一日	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Contracted but not recognised as liabilities	已訂約但未確認為負債		
— Commitments for construction and acquisition of property, plant and equipment	— 建築及收購物業、廠房及設備的承擔	17,499	9,259

32 現金流量資料 (續)

(d) 非現金交易

截至二零二三年十二月三十一日止年度，主要非現金交易如下：

- 融資租賃安排項下借款約人民幣4,710,000元以銀行承兌票據收取。
- 於二零二三年十一月，鴻鉞礦業與萊州資產訂立補充協議，於首個五年租期屆滿後將租約延長五年。根據補充協議，本集團減少應付萊州資產結餘及增加承租人墊款結餘，金額為人民幣50.1百萬元。進一步詳情載於附註31。

33 或然事項

於二零二二年十二月三十一日，本集團已抵押若干土地使用權及物業（附註14及15）予銀行，以擔保若干第三方的銀行融資，金額達人民幣16,000,000元。該資產抵押於截至二零二三年十二月三十一日止年度已解除。於二零二三年十二月三十一日，本集團並無重大或然負債。

34 資本承擔

**35 RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, common significant influence or joint control.

The Controlling Shareholder, members of key management and their close family members of the Group are also considered as related parties. In the opinion of the Directors, the related party transactions were carried out in normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Related parties of the Group

Name of related parties 關聯方名稱	Relationship 關係
Mr. Liu Zeming 劉澤銘先生	The Controlling Shareholder, Chairman and executive director 控股股東、主席兼執行董事
China United Cement Yantai Co., Ltd. 煙臺中鴻水泥有限公司	Controlled by the Controlling Shareholder 受控股股東控制
Yantai Aohua Real Estate Co., Ltd. 煙臺市澳華置業有限公司	Controlled by the Controlling Shareholder 受控股股東控制
Shandong Laizhou Ping An Civil Explosives Franchise Co., Ltd. 山東省萊州平安民用爆炸物品專營有限 公司	Controlled by the Controlling Shareholder 受控股股東控制
Shandong Overseas Chinese Businessmen Double Creation Industrial Park Co., Ltd. 山東僑商雙創產業園有限公司	Controlled by the Controlling Shareholder 受控股股東控制

Save as disclosed elsewhere in these consolidated financial statements, the Group had the following transactions and balances with its related parties during the years ended 31 December 2023.

35 關聯方交易

若一方有能力直接或間接控制另一方，或在作出財務及經營決策時對另一方發揮重大影響，即視為有關聯。倘受到共同控制、共同重大影響力或聯合控制，則該方亦視為有關聯。

本集團控股股東、主要管理人員及其緊密家庭成員亦視為關聯方。董事認為，關聯方交易乃於一般業務過程中及按本集團與有關關聯方磋商的條款進行。

(a) 本集團關聯方

除此等綜合財務報表其他部分所披露者外，本集團於截至二零二三年十二月三十一日止年度與關聯方有以下交易及結餘。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註



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

35 RELATED PARTY TRANSACTIONS (Continued)

35 關聯方交易 (續)

(b) Transactions with related parties

(b) 關聯方交易

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Disposal of motor vehicles Yantai Aohua Real Estate Co., Ltd.	出售汽車 煙臺市澳華置業有限公司	-	1,655
Purchases of goods and services China United Cement Yantai Co., Ltd. Shandong overseas Chinese businessmen double creation Industrial Park Co., Ltd.	購買商品及服務 煙臺中鴻水泥有限公司 山東僑商雙創產業園有限 公司	2,328 257	874 -
		2,585	874
Increase in amounts due from the Controlling Shareholder	應收控股股東款項增加	-	2,891
Increase in amounts due to the Controlling Shareholder	應付控股股東款項增加	19,357	-
Collection by a related party on behalf of the Group Yantai Aohua Real Estate Co., Ltd.	關聯方代本集團收款 煙臺市澳華置業有限公司	620	-
Payment by related parties on behalf of the Group China United Cement Yantai Co., Ltd. the Controlling Shareholder	關聯方代本集團付款 煙臺中鴻水泥有限公司 控股股東	884 517	- -
		1,401	-



35 RELATED PARTY TRANSACTIONS (Continued)

35 關聯方交易 (續)

(c) Balances with related parties

(c) 關聯方結餘

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
(i) Amounts due from a related party: (i) 應收關聯方款項：			
Non-trade	非貿易		
Yantai Aohua Real Estate Co., Ltd.	煙臺市澳華置業有限公司	620	–
(ii) Amounts due to related parties: (ii) 應付關聯方款項：			
Trade	貿易		
Companies controlled by the Controlling Shareholder	控股股東控制的公司	724	205
Non-trade	非貿易		
Amount due to the Controlling Shareholder	應付控股股東款項	1,879	–
		2,603	205

The amounts due from and due to related parties as at 31 December 2023 were unsecured, non-interest bearing and repayable on demand.

於二零二三年十二月三十一日，應收及應付關聯方款項為無抵押、免息及須按要求償還。



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

35 RELATED PARTY TRANSACTIONS (Continued)

(d) Guarantees

As at 31 December 2023, the Group's borrowing under finance lease arrangement of RMB15,653,000 was also guaranteed by Shandong Laizhou Ping An Civil Explosives Franchise Co., Ltd. pursuant to the guarantee agreement between this company and the financial institution. Further details are set out in Note 29.

As at 31 December 2023, the Group's borrowing under finance lease arrangement of RMB32,000,000 was guaranteed by the Controlling Shareholder pursuant to the guarantee agreement between the individual and the financial institution. Further details are set out in Note 29.

(e) Key management compensation

Key management includes directors (executive and non-executive) and executive officers. The compensation paid or payable to key management for employee services is as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Salaries and bonus	薪金及花紅	3,028	2,925
Other benefits	其他福利	511	487
		3,539	3,412

35 關聯方交易 (續)

(d) 擔保

於二零二三年十二月三十一日，本集團融資租賃安排下的借款人民幣15,653,000元亦由山東省萊州平安民用爆炸物品專營有限公司根據該公司與金融機構訂立的擔保協議提供擔保。進一步詳情載於附註29。

於二零二三年十二月三十一日，本集團融資租賃安排下的借款人民幣32,000,000元由控股股東根據個人與金融機構之間的擔保協議提供擔保。進一步詳情載於附註29。

(e) 主要管理層薪酬

主要管理層包括董事（執行及非執行）及管理人員。已付或應付主要管理層的僱員服務相關薪酬如下：



36 SUBSIDIARIES

36 附屬公司

Company name 公司名稱	Date of incorporation 註冊成立日期	Country/Place of incorporation, legal status and the place of principle activity 註冊成立國家/地點、法律狀態及主要業務地點	Paid in capital as at 31 December 2023 於二零二三年十二月三十一日的繳足股本	Effective interest held as at 31 December 2023 2022 二零二三年 二零二二年		Principal activities 主要活動

Directly hold:

直接持有：

Hongcheng International Investment Limited ("HC International") 鴻承國際投資有限公司 (「鴻承國際」)	30 March 2020 二零二零年 三月三十日	BVI 英屬維爾京群島	USD1 1美元	100%	100%	Investment holding 投資控股
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Indirectly hold:

間接持有：

Hongkong Hongcheng Environmental Protection Development Group Co., Ltd. ("HC Hong Kong") 香港鴻承環保開發集團有限公司 (「鴻承香港」)	16 April 2020 二零二零年 四月十六日	Hong Kong, limited liability company 香港，有限公司	USD6,000,000 6,000,000美元	100%	100%	Investment holding 投資控股
Shandong Jinjia Environmental Co., Ltd. ("Shandong Jinjia") 山東金嘉環保有限公司 (「山東金嘉」)	8 June 2020 二零二零年 六月八日	PRC, limited liability company 中國，有限公司	USD28,251,081 28,251,081美元	100%	100%	Production of sulfuric acid, etc. 生產硫酸等。
Shandong Hongcheng Mining (Group) Co., Ltd. ("HC Mining")(i)	28 April 2011	PRC, limited liability company	RMB30,000,000	100%	100%	Provision of gold mine hazardous waste treatment services and recycling gold mine hazardous waste into resources with economic value for sale.
山東鴻承礦業(集團)有限公司 (「鴻承礦業」)(i)	二零一一年 四月二十八日	中國，有限公司	人民幣 30,000,000元			提供金礦有害廢物處理服務及回收金礦有害廢物為具經濟價值的資源以供銷售。



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36 SUBSIDIARIES (Continued)

36 附屬公司 (續)

Company name 公司名稱	Date of incorporation 註冊成立日期	Country/Place of incorporation, legal status and the place of principle activity 註冊成立國家/ 地點、法律狀態 及主要業務地點	Paid in capital as at 31 December 2023 於二零二三年 十二月三十一日 的繳足股本	Effective interest held as at 31 December 2023 2022 二零二三年 二零二二年		Principal activities 主要活動
				100%	100%	
Shandong Hongcheng Resources Comprehensive Utilization Co., Ltd. ("HC Resources")	1 January 2019	PRC, limited liability company	RMB10,000,000	100%	100%	Provision of metal waste processing services, processing and sales of iron powder, building materials, metal products, etc.
山東鴻承資源綜合利用有限公司 (「鴻承資源」)	二零一九年一月一日	中國，有限公司	人民幣 10,000,000元			提供金屬廢物加工服務、加工及銷售鐵粉、建材、五金產品等。
Laizhou Hongcheng Gold Tailings and Cyanidation Comprehensive Utilization Research and Development Center	11 June 2020	PRC, private non-enterprise institution	RMB200,000	100%	100%	Research and development
萊州鴻承黃金尾礦及氰化渣綜合利用技術研究中心	二零二零年六月十一日	中國，民辦非企業單位	人民幣 200,000元			研發

(i) As at 22 December 2023, HC Mining merged all the assets, liabilities and business of its wholly-owned subsidiary, Laizhou Hongcheng Mining Environmental Protection Development Co., Ltd. ("HC Environmental"). Upon completion of the merger, HC Environmental was deregistered and HC Mining became the company to carry out the business including the combined assets and liabilities of HC Mining and HC Environmental.

(i) 於二零二三年十二月二十二日，鴻承礦業合併其全資附屬公司萊州市鴻承礦業環保開發有限公司 (「鴻承環保」) 的所有資產、負債及業務。於合併完成後，鴻承環保被註銷，而鴻承礦業則開展包含鴻承礦業及鴻承環保合併資產及負債的業務。



37 THE STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

37 本公司財務狀況表及儲備變動

(a) The statement of financial position of the Company

(a) 本公司財務狀況表

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Note 附註			
ASSETS	資產		
Non-current assets	非流動資產		
	Right-of-use assets	–	321
	Investment in subsidiaries	345,858	345,858
		345,858	346,179
Current assets	流動資產		
	Other receivables and prepayments	95	403
	Amounts due from subsidiaries	167,719	166,814
	Cash and cash equivalents	37	1,160
		167,851	168,377
Total assets	資產總值	513,709	514,556
EQUITY	權益		
	Share capital	8,208	8,208
	Share premium	37(b) 517,965	517,965
	Other reserves	37(b) 1,345	1,248
	Accumulated losses	(22,940)	(21,303)
Total equity	權益總額	504,578	506,118

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註



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

37 THE STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

(Continued)

(a) The statement of financial position of the Company (Continued)

37 本公司財務狀況表及儲備變動 (續)

(a) 本公司財務狀況表 (續)

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		RMB'000 人民幣千元	RMB'000 人民幣千元
	Note 附註		
LIABILITIES	負債		
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計費用	119	363
Amount due to the Controlling Shareholder	應付控股股東款項	1,368	–
Amounts due to subsidiaries	應付附屬公司款項	7,644	7,724
Lease liabilities	租賃負債	–	351
		9,131	8,438
Total liabilities	負債總額	9,131	8,438
Total equity and liabilities	權益及負債總額	513,709	514,556

The statement of financial position of the Company was approved by the board of directors of the Company on 28 March 2024 and was signed on its behalf.

本公司財務狀況表已於二零二四年三月二十八日獲本公司董事會批准並由以下代表簽署。

Mr. Liu Zeming

劉澤銘先生

Chairman

主席

Mr. Zhan Yirong

戰乙榮先生

Director

董事



37 THE STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

(Continued)

37 本公司財務狀況表及儲備變動 (續)

(b) Reserve movements of the Company

(b) 本公司儲備變動

		Share premium 股份溢價 RMB'000 人民幣千元	Translation reserve 換算儲備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	534,097	–	534,097
Dividend distribution	股息分派	(16,132)	–	(16,132)
Currency translation differences	外幣換算差額	–	1,248	1,248
At 31 December 2022	於二零二二年十二月三十一日	517,965	1,248	519,213
At 1 January 2023	於二零二三年一月一日	517,965	1,248	519,213
Currency translation differences	外幣換算差額	–	97	97
At 31 December 2023	於二零二三年十二月三十一日	517,965	1,345	519,310



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

38 BENEFITS AND INTERESTS OF DIRECTORS

(a) Remuneration of directors

The remuneration of each director of the Company paid/payable by the Group for the years ended 31 December 2023 are set out as follows:

Name of Directors	董事姓名	Basic salaries 基本薪金 RMB'000 人民幣千元	Pensions 養老金 RMB'000 人民幣千元	Other benefits 其他福利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Year ended	截至二零二三年				
31 December 2023	十二月三十一日				
	止年度				
<i>Executive directors</i>	<i>執行董事</i>				
Mr. Liu	劉先生	300	41	44	385
Mr. Zhan Yirong	戰乙榮先生	312	41	44	397
Mr. Sheng Haiyan	盛海燕先生	511	41	44	596
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>				
Mr. Lau Chung Wai	劉仲緯先生	130	–	–	130
Mr. Zhang Shijun	張式軍先生	108	–	–	108
Ms. Liu Ye	劉曄女士	108	–	–	108
		1,469	123	132	1,724

38 董事福利及權益 (續)

(a) 董事酬金

本集團於截至二零二三年十二月三十一日止年度已付/應付本公司各董事的薪酬列載如下：

Name of Directors	董事姓名	Basic salaries 基本薪金 RMB'000 人民幣千元	Pensions 養老金 RMB'000 人民幣千元	Other benefits 其他福利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Year ended	截至二零二二年				
31 December 2022	十二月三十一日				
	止年度				
<i>Executive directors</i>	<i>執行董事</i>				
Mr. Liu	劉先生	300	38	41	379
Mr. Zhan Yirong	戰乙榮先生	308	38	41	387
Mr. Sheng Haiyan	盛海燕先生	406	38	41	485
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>				
Mr. Lau Chung Wai	劉仲緯先生	124	–	–	124
Mr. Zhang Shijun	張式軍先生	103	–	–	103
Ms. Liu Ye	劉曄女士	103	–	–	103
		1,344	114	123	1,581

**38 BENEFITS AND INTERESTS OF DIRECTORS**

(Continued)

(b) Directors' other benefits

There were no retirement benefits paid to or receivable by any Directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiaries undertakings during the years ended 31 December 2023 and 2022.

There were no termination benefits paid to or receivable by any Director during the years ended 31 December 2023 and 2022.

No payment was made to the former employer of Directors for making available the services of them as a Director of the Company during the years ended 31 December 2023 and 2022.

Other than those disclosed in Note 35(b), there were no loans, quasi-loans and other dealings entered into between the Group and the directors and in favour of the directors during the years ended 31 December 2023 and 2022.

Other than those as disclosed in Note 35, there were no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended 31 December 2023 and 2022.

38 董事福利及權益 (續)**(b) 董事的其他福利**

於截至二零二三年及二零二二年十二月三十一日止年度，概無任何董事就本公司或其附屬公司事務的管理提供其他服務而獲支付或應收退休福利。

於截至二零二三年及二零二二年十二月三十一日止年度，概無向任何董事支付或其應收的離職福利。

於截至二零二三年及二零二二年十二月三十一日止年度，概無就以本公司董事身份提供服務而已付董事前僱主的款項。

除附註35(b)所披露者外，於截至二零二三年及二零二二年十二月三十一日止年度，本集團與董事之間概無訂立以董事為受益人的貸款、準貸款及其他交易。

除附註35所披露者外，於年末或於截至二零二三年及二零二二年十二月三十一日止年度任何時間，概無任何與本集團業務有關的、本公司參與及本公司董事直接或間接擁有重大權益的重大交易、安排及合約。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

39.1 Principles of consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. It means the amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

39 其他會計政策概要

39.1 綜合入賬原則

(a) 附屬公司

附屬公司為本集團擁有控制權的所有實體（包括結構性實體）。當本集團從參與實體業務而承擔取得其可變回報的風險或享有可變回報的權利，並有能力透過其對實體的權力影響該等回報時，則表示本集團控制該實體。附屬公司於控制權轉移至本集團當日起全面綜合入賬，並於控制權終止當日不再合併。

倘本集團不再擁有控制權，其於該實體的任何保留權益按其於失去控制權當日的公平值重新計算，而賬面值變動則於損益中確認。就其後入賬列作聯營公司、合營公司或金融資產的保留權益而言，公平值指初始賬面值。此外，先前於其他全面收益內確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。這可能意味著先前在其他全面收益內確認的金額重新分類至損益或轉撥至適用國際財務報告準則指明／允許的另一項權益類別。

本集團內公司間的交易、結餘和未變現的交易收益予以對銷。未變現虧損亦予對銷，除非該交易提供所轉讓資產減值的證據，則作別論。附屬公司的會計政策與本集團採納的政策一致。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill. Investments in subsidiaries are also assessed for impairment and written down to their recoverable amounts in accordance with note 39.8.

39.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company assesses the financial performance and position of the Group, and makes strategic decisions. The chief operating decision maker of the Group consists of the executive directors and the chief financial officer.

39.4 Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Renminbi ('RMB'), which is the Company's functional and the Group's presentation currency.

39 其他會計政策概要 (續)

39.2 獨立財務報表

於附屬公司的投資按成本減減值列賬。成本包括直接應佔投資成本。附屬公司的業績由本公司按已收及應收股息入賬。

倘股息超出附屬公司宣派股息期間的全面收益總額，或倘獨立財務報表中投資的賬面值超出綜合財務報表所示投資對象資產淨值（包括商譽）的賬面值，則須於自該等投資收取股息時對該等附屬公司的投資進行減值測試。於附屬公司的投資亦根據附註39.8進行減值評估及撇減至其可收回金額。

39.3 分部報告

經營分部的報告方式與向主要經營決策者提供的內部報告方式一致。本公司主要經營決策者評估本集團的財務表現及狀況並作出策略決定。本集團主要經營決策者包括執行董事及首席財務官。

39.4 外幣換算

(i) *功能及呈列貨幣*

計入本集團各實體財務報表的項目按實體經營所在主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報表以人民幣（「人民幣」）呈列，其為本公司的功能貨幣及本集團的呈列貨幣。



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

39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.4 Foreign currency translation (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end/period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity instrument measured at fair value through other comprehensive income (FVOCI) are recognised in other comprehensive income. The Group does not have non-monetary items measured at fair value in a foreign currency as at 31 December 2023 and 2022.

39 其他會計政策概要 (續)

39.4 外幣換算 (續)

(ii) 交易及結餘

外幣交易按交易或估值(倘重新計量項目)日期的匯率換算為功能貨幣。因結算該等交易及因按年/期結匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益及虧損於綜合全面收益表中確認。

按公平值計量並以外幣計值的非貨幣性項目使用釐定公平值當日的匯率換算。按公平值列賬的資產及負債換算差額呈報為公平值收益或虧損的一部分。例如，非貨幣性資產及負債(如按公平值計入損益的權益)的換算差額於損益內確認為公平值收益或虧損的一部分，而非貨幣性資產(如按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量的股本工具)的換算差額於其他全面收益內確認。本集團於二零二三年及二零二二年十二月三十一日並無按公平值計量並以外幣計值的非貨幣性項目。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.5 Investment properties

Investment properties, principally comprising buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives. The residual values and useful lives of investment properties are reviewed, and adjusted as appropriate, at each date of the consolidated statement of financial position. The effects of any revision are included in the income statement when the changes arise. The gain or loss on disposal of investment property is calculated as the difference between the net disposal proceeds and the carrying amount at the date of disposal.

Investment properties are depreciated over the estimated useful lives of 30 years.

39.6 Intangible assets

Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. These costs are amortised using the straight-line method over their estimated useful lives of 6 years, which is estimated by the Group based on the expected technical obsolescence and innovations and the useful life of similar computer software estimated by comparable companies in the market. Costs associated with maintaining computer software programmes are recognised as expense as incurred.

39 其他會計政策概要 (續)

39.5 投資物業

投資物業主要由樓宇組成，持有為獲得長期租金收益或作為資本增值或兩者兼備，同時並非由本集團佔用。投資物業初始按成本確認，其後以成本減去累計折舊及累計減值虧損列示。折舊採用直線法，將可折舊成本分攤至預計可使用年限計算。投資物業的剩餘價值及可使用年期應於每個綜合財務狀況表日期進行覆核，並於必要時進行調整。由修正引起的任何影響應於修正的當期計入收益表。出售投資物業所產生的損益為出售所得款項淨額與出售日該等物業賬面值兩者間的差額。

投資物業於估計可使用年期30年內折舊。

39.6 無形資產

軟件

購入的電腦軟件版權按購入及達至指定軟件用途所產生的成本撥充資本。該等成本採用直線法在其6年的估計可使用年期內攤銷，該年期乃由本集團根據預期技術陳舊和創新以及市場上可比較公司所估計的類似電腦軟件的可使用年期估計。與維護電腦軟件程式有關的成本於產生時確認為開支。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.7 Impairment of non-financial assets

Assets that have an indefinite useful life for example, goodwill or other non-amortising intangible assets are not subject to depreciation and are tested annually for impairment. Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

39.8 Financial assets

(i) Classification

The Group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

39 其他會計政策概要 (續)

39.7 非金融資產減值

具無限可使用年期的資產(如商譽或其他非攤銷無形資產)毋須折舊,並每年進行減值測試。當發生事件或情況轉變,顯示賬面值可能無法收回時,則對資產進行減值測試。當資產賬面值超逾其可收回金額,則超出的金額將確認為減值虧損。可收回金額為資產公平值減出售成本與使用價值兩者中的較高者。就評估減值而言,資產按可獨立識別現金流入的最低層次分類,有關現金流入大致上獨立於其他資產或資產組別(現金產生單位)的現金流入。出現減值的非金融資產(商譽除外)將於各報告期末檢討是否有可能作出減值撥回。

39.8 金融資產

(i) 分類

本集團按以下類別對金融資產進行分類:

- 其後按公平值(計入其他全面收益或計入損益)計量的金融資產;及
- 按攤銷成本計量的金融資產。

該分類取決於本集團管理金融資產的業務模式及現金流量的合約條款。

**39 SUMMARY OF OTHER ACCOUNTING POLICIES**

(Continued)

39.8 Financial assets (Continued)**(i) Classification (Continued)**

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

39 其他會計政策概要 (續)**39.8 金融資產 (續)****(i) 分類 (續)**

就按公平值計量的資產而言，其收益及虧損於損益或其他全面收益列賬。至於並非持作買賣的權益工具投資，則取決於本集團有否於初步確認時不可撤銷地選擇將股本投資按公平值計入其他全面收益（「按公平值計入其他全面收益」）入賬。

當且僅當管理該等資產的業務模式有變時，本集團方重新分類債務投資。

(ii) 確認及終止確認

以常規方式購入及出售的金融資產在交易日（即本集團承諾購入或出售該資產之日）確認。當從金融資產收取現金流量的權利已屆滿或已轉讓，且本集團已將擁有權的絕大部分風險及回報轉讓時，即終止確認金融資產。

(iii) 計量

初始計量時，本集團按金融資產的公平值加（倘並非按公平值計入損益（「按公平值計入損益」）的金融資產）直接歸屬於金融資產收購的交易成本計量。按公平值計入損益的金融資產的交易成本於損益支銷。

釐定現金流量是否純粹為支付本金及利息時，附帶嵌入衍生工具的金融資產作為整體考慮。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.8 Financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in profit or loss of the consolidated statements of comprehensive income.

39 其他會計政策概要 (續)

39.8 金融資產 (續)

(iii) 計量 (續)

債務工具

債務工具其後計量取決於本集團管理該資產的業務模式及該資產的現金流量特徵。本集團將債務工具分為以下類別：

- 以攤銷成本計量：對於持有以收取合約現金流量的資產，如果合約現金流量僅代表對本金和利息的支付，則該資產以攤銷成本計量。該等金融資產的利息收入以實際利率法計算，計入財務收入。終止確認時產生的收益或虧損直接計入損益，並與匯兌收益和虧損一同列示在其他收益／（虧損）中。減值虧損作為單獨的項目在綜合全面收益表的損益中列報。

**39 SUMMARY OF OTHER ACCOUNTING POLICIES**

(Continued)

39.8 Financial assets (Continued)**(iii) Measurement (Continued)***Debt instruments (Continued)*

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in "other gains/(losses)- net". Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in "other gains/(losses)- net" and impairment losses are presented as a separate line item in profit or loss of the consolidated statements of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is exchanged in profit or loss and presented net within "other gains/(losses)- net" in the period in which it arises.

39 其他會計政策概要 (續)**39.8 金融資產 (續)****(iii) 計量 (續)***債務工具 (續)*

- 按公平值計入其他全面收益：對於業務模式為持有以收取合約現金流量及出售的金融資產，如果該資產的現金流量僅代表對本金和利息的支付，則該資產被分類為按公平值計入其他全面收益。除減值收益或虧損、利息收益以及匯兌收益和虧損計入損益外，賬面值的變動計入其他全面收益。當金融資產終止確認時，之前計入其他全面收益的累計收益或虧損從權益重分類至損益中，並於「其他收益／（虧損）淨額」內確認。該等金融資產的利息收入以實際利率法計算，計入財務收入。匯兌收益和虧損在「其他收益／（虧損）淨額」中列示，減值虧損作為單獨的項目在綜合全面收益表的損益中列報。
- 按公平值計入損益：不符合以攤銷成本計量或按公平值計入其他全面收益標準的金融資產，被分類為按公平值計入損益。對於其後按公平值計入損益計量的債務投資，其收益或虧損匯兌入損益，並於產生期間以淨值在「其他收益／（虧損）淨額」中列示。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.8 Financial assets (Continued)

(iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at a amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1(b) details how the Group determines whether there has been a significant increase in credit risk.

Expected credit losses are a probability-weighted estimation of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial assets.

The Group has the following types of assets that are subject to IFRS 9's expected credit loss model:

- trade receivables
- other receivables
- cash and bank balances
- restricted bank balances

While cash and bank balances, restricted bank balances and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables with similar risk characteristics and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

39 其他會計政策概要 (續)

39.8 金融資產 (續)

(iv) 減值

本集團按前瞻性基準評估與按攤銷成本列賬的債務工具相關的預期信貸虧損。所採用減值方法視乎信貸風險是否大幅增加而定。附註3.1(b)詳述本集團如何釐定信貸風險是否大幅增加。

預期信貸虧損乃對金融資產預期年期內信貸虧損的可能性加權估計(即所有現金差額的現值)。

本集團有以下類別的資產須遵守國際財務報告準則第9號的預期信貸虧損模式。

- 貿易應收款項
- 其他應收款項
- 現金及銀行結餘
- 受限制銀行結餘

雖然現金及銀行結餘、受限制銀行結餘及其他應收款項亦須遵守國際財務報告準則第9號的減值規定，但已確定的減值虧損並不重大。

對於貿易應收款項，本集團使用國際財務報告準則第9號所允許的簡化法，其要求自資產初次確認起確認預期全期虧損。撥備矩陣基於具有類似風險特點的貿易應收款項預期年期內過往觀察所得違約率釐定並就前瞻性估計作出調整。於各報告日期，過往觀察所得違約率會予以更新，並會分析前瞻性估計的變動。

**39 SUMMARY OF OTHER ACCOUNTING POLICIES**

(Continued)

39.8 Financial assets (Continued)**(iv) Impairment (Continued)**

Impairment on other receivables, cash and bank balances and restricted bank balances are measured as lifetime expected credit losses if a significant increase in credit risk of a receivable has occurred since initial recognition.

Impairment on other receivables and amounts due from related parties is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the consolidated statements of comprehensive income.

39 其他會計政策概要 (續)**39.8 金融資產 (續)****(iv) 減值 (續)**

如果應收款項的信貸風險自初始確認以來顯著增加，則其他應收款項、現金及銀行結餘和受限制銀行結餘的減值按全期預期信貸虧損計量。

其他應收款項及應收關聯方款項的減值以12個月的預期信貸虧損或全期預期信貸虧損計量，取決於自初次確認以來的信貸風險是否已顯著增加。倘應收款項的信貸風險自初次確認以來已顯著增加，則減值以全期預期信貸虧損計量。

倘後續期間減值虧損金額減少及該減少在客觀上與減值確認後發生的事件相關，則於綜合全面收益表內確認先前已確認的減值虧損撥回。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the relevant company or the counterparty.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of

- the amount determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 Revenue from Contracts with Customers.

39.10 Financial guarantee contracts

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

39 其他會計政策概要 (續)

39.9 抵銷金融工具

當本集團目前有可合法強制執行權抵銷已確認金額及擬按淨額基準結算或同時變現資產及結算負債時，金融資產及負債相互抵銷，以淨額於綜合財務狀況表內呈報。合法強制執行權不能取決於未來事件，且必須於一般業務過程以及相關公司或對方公司處於違約、資不抵債、破產的情形中執行。

財務擔保合約於發出擔保時確認為金融負債。該負債初始按公平值計量，其後按下列較高者計量：

- 根據國際財務報告準則第9號金融工具項下的預期信貸虧損模式釐定的金額，與初步確認的金額
- 減去根據國際財務報告準則第15號來自客戶合約的收入確認的累計收入金額（如適用）。

39.10 財務擔保合約

財務擔保公平值乃根據債務工具項下規定的合約付款與無須擔保的付款之間的現金流量差額的現值，或就承擔相關責任而將應支付予第三方的估計金額釐定。

倘就聯營公司貸款或其他應付款項提供的擔保並無補償，則公平值入賬列作出資並確認為投資成本的一部分。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.11 Trade and other receivables and amounts due from related parties

Trade receivables are amounts due from customers for the provision of gold mine hazardous waste treatment services and sales of pyritic concentrate. Amounts due from related parties are loans provided to related parties with interest, and they are unsecured and repayable on demand. If collection of trade and other receivables and amounts due from related parties is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables and amounts due from related parties are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

39.12 Contract assets and liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or services to the customer. The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining conditional rights to consideration exceeds the satisfied performance obligations. Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

39 其他會計政策概要 (續)

39.11 貿易及其他應收款項以及應收關聯方款項

貿易應收款項為就提供金礦有害廢物處理服務及銷售硫精礦應收客戶的款項。應收關聯方款項為提供予關聯方的貸款連同利息，其為無抵押及須按要求償還。倘貿易及其他應收款項以及應收關聯方款項預期將於一年或以內（或更長時間之業務正常營運週期內）收回，其被分類為流動資產。否則其被呈列為非流動資產。

貿易及其他應收款項以及應收關聯方款項初步按公平值確認，其後使用實際利率法按攤銷成本減去減值撥備計量。

39.12 合約資產及負債

本集團於與客戶訂立合約後有權向客戶收取代價並承擔履約義務向客戶轉交貨品或服務。該等權利及履約義務匯總產生淨資產或淨負債，視乎餘下權利與履約義務之間的關係。當收取代價的剩餘有條件權利的計量超過已履行的履約義務時，則合約為一項資產及確認為合約資產。反之，當剩餘履約義務的計量超過剩餘權利的計量時，則合約為一項負債及確認為合約負債。



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39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.13 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labor and an appropriate proportion of overheads. Net realizable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

39.14 Cash and cash equivalents

Cash is cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. In the consolidated statements of cash flows, cash and cash equivalents includes cash at bank and on hand and short-term bank deposits with original maturities of three months or less.

39.15 Share capital

Ordinary shares are classified as equity (Note 25).

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company issued shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums over share capital shall be classified as share premium.

39 其他會計政策概要 (續)

39.13 存貨

存貨按成本與可變現淨值兩者中較低者列賬。成本按加權平均基準釐定，對於在製品及製成品，成本包括直接材料、直接勞工及適當比例的間接費用。可變現淨值按估計售價減去完工及出售前產生的任何估計成本計算。

39.14 現金及現金等價物

現金為手頭現金及活期存款。現金等價物為短期、高流通性的投資，其可隨時轉換成已知數額的現金，且價值變動的風險不大。在綜合現金流量表中，現金及現金等價物包括銀行及手頭現金以及原到期日為三個月或以下的短期銀行存款。

39.15 股本

普通股分類為權益（附註25）。

發行新股或購股權直接應佔的增量成本，於權益中列作所得款項的減項（扣除稅項）。

倘本公司以溢價發行股份，無論為換取現金或其他，相當於溢價超出股本價值總額的款項應分類為股份溢價。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.16 Trade and other payables and amounts due to related parties

Trade payables represent liabilities for products and services provided to the Group prior to the end of the reporting year which are unpaid. Trade and other payables and amounts due to related parties are classified as current liabilities if payment is due within one year or less (or within the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables and amounts due to related parties are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

39.17 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting year/period.

39 其他會計政策概要(續)

39.16 貿易及其他應付款項及應付關聯方款項

貿易應付款項指於報告年度結束前向本集團提供的產品及服務而尚未支付的負債。貿易及其他應付款項及應付關聯方之款項如於一年或以內(或更長時間之業務正常營運週期內)到期,則分類為流動負債。否則,則列為非流動負債。

貿易及其他應付款項及應付關聯方款項初步按公平值確認,其後使用實際利率法按攤銷成本計量。

39.17 借款

借款初步按公平值扣除所產生交易成本後確認。借款其後按攤銷成本計量。所得款項(扣除交易成本)與贖回金額的差額於借款期間以實際利率法在損益中確認。設立貸款融資已付的費用,於可能提取若干或所有融資時確認為貸款的交易成本。於此情況下,該費用會遞延至提取融資為止。倘並無證據顯示可能提取若干或所有融資,則該費用會撥充資本,列作流動資金服務的預付款項,並於其融資相關期間攤銷。

當合約中規定的責任解除、取消或屆滿時,借款自財務狀況表中剔除。已消除或轉讓予另一方的金融負債的賬面值與已付代價(包括已轉讓的非現金資產或所承擔的負債)之間的差額,在損益中確認為其他收入或融資成本。

借款分類為流動負債,惟本集團擁有無條件權利將償還負債的日期遞延至報告年度/期間後最少12個月者則除外。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.18 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

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

39.19 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

39 其他會計政策概要 (續)

39.18 借款成本

收購、建設或生產合資格資產直接應佔的一般及特定借款成本，於完成收購、建設或生產及將資產達致擬定用途或銷售所需時間期限內撥充資本。合資格資產為需要較長時間達到擬定用途或銷售狀況的資產。

就有待用於合資格資產開支的特定借款作出暫時投資賺取的投資收入，自合資格撥充資本的借款成本中扣除。

所有其他借款成本均在其產生的年度／期間的損益中確認。

39.19 當期及遞延所得稅

期內所得稅開支或抵免指根據各司法權區的適用所得稅率按即期應課稅收入支付的稅項，並根據由於暫時性差異及未使用稅務虧損而導致的遞延稅項資產和負債變動作出調整。

(i) 當期所得稅

當期所得稅支出根據本公司附屬公司營運及產生應課稅收入所在國家於報告期末已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例以詮釋為準的情況定期評估稅項收益狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

**39 SUMMARY OF OTHER ACCOUNTING POLICIES**

(Continued)

39.19 Current and deferred income tax (Continued)**(ii) Deferred income tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

39 其他會計政策概要 (續)**39.19 當期及遞延所得稅 (續)****(ii) 遞延所得稅**

遞延所得稅使用負債法就資產與負債的稅基與其於綜合財務報表的賬面值兩者產生的暫時差額悉數計提。然而，倘遞延稅項負債因初始確認商譽產生，則不予確認。倘遞延所得稅乃因資產或負債在一宗交易（業務合併除外）中獲初始確認而產生，並且於交易時對會計或應課稅溢利或虧損均無影響，則遞延所得稅亦不計算入賬。遞延所得稅採用在報告期末已頒佈或實質頒佈，並在變現有關遞延所得稅資產或償付遞延所得稅負債時預期將會適用的稅率（及法例）釐定。

遞延稅項資產僅在未來應課稅金額將可用於利用該等暫時差異及虧損時予以確認。

倘本公司能控制撥回暫時差額的時間及該等差異很可能不會於可見將來撥回，則不會就外國業務投資賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

倘存在可依法強制執行的權利將即期稅項資產與負債抵銷，及倘遞延稅項結餘與同一稅務機構相關，則可將遞延稅項資產與負債抵銷。倘實體有可依法強制執行抵銷權利且有意按淨值基準清償或同時變現資產及清償負債時，則即期稅項資產與稅項負債抵銷。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.19 Current and deferred income tax (Continued)

(ii) *Deferred income tax (Continued)*

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

39.20 Employee benefits

(i) *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

(ii) *Pension obligations*

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to certain ceiling. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from those of the Group in an independent fund managed by the PRC government. The Group's contributions to these plans are expensed as incurred.

39 其他會計政策概要 (續)

39.19 當期及遞延所得稅 (續)

(ii) *遞延所得稅 (續)*

即期及遞延稅項於損益中確認，惟有關於其他綜合收益或直接於權益確認的項目除外。在此情況下，稅項亦分別於其他綜合收益或直接於權益中確認。

39.20 僱員福利

(i) *短期義務*

工資及薪金的負債（包括預期將在僱員提供相關服務的期間結束後的12個月內完全結算的非貨幣性福利及累計病假）就僱員服務確認直至報告期末及按負債結算時預期支付的金額計量。負債於財務狀況表內列為當前僱員福利義務。

(ii) *養老金義務*

根據中國的規則及法規，本集團的中國僱員參與由中國相關市政府及省政府組織的各種界定供款退休福利計劃。根據該等計劃，本集團及僱員須每月供款，每月供款按僱員工資的百分比計算，但須符合特定上限。市政府及省政府承諾承擔根據上述計劃應付的所有現有及未來退休中國僱員的退休福利義務。除每月供款外，本集團並無支付其僱員退休及其他退休後福利的進一步責任。該等計劃的資產與本集團的資產分開，由中國政府管理的獨立基金持有。本集團對該等計劃的供款於產生時列為開支。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.20 Employee benefits (Continued)

(iii) Housing funds, medical insurances and other social insurances

The PRC employees of the Group are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each period.

39.21 Interest income

Interest income on financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in profit or loss as part of other income and finance income.

Interest income is presented as other income and finance income and where it is earned from financial assets that are held for cash management purposes.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

39 其他會計政策概要 (續)

39.20 僱員福利 (續)

(iii) 住房公積金、醫療保險及其他社會保險

本集團的中國僱員有權參與各種政府監管的住房公積金、醫療保險及其他員工社會保險計劃。本集團根據員工工資的若干百分比按月向該等基金供款，但須符合特定上限。本集團對該等資金的責任僅限於每期應付的供款。

39.21 利息收入

按攤銷成本列賬的金融資產及按實際利率法計算的按公平值計入其他全面收益的金融資產的利息收入於損益中確認為其他收入及財務收入的一部分。

倘利息收入來自為現金管理目的而持有的金融資產，則利息收入作為其他收入及財務收入列報。

利息收入透過將實際利率應用於金融資產的賬面總值（惟其後出現信貸減值的金融資產除外）而計算。就信貸減值的金融資產而言，實際利率應用於金融資產的賬面淨值（已扣除虧損撥備）。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.22 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred revenue and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

39.23 Leases

Lease of properties and equipment

The Group leases properties and equipment as a lessee. Rental contracts for properties and equipment are typically made for fixed periods of 2 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

9 其他會計政策概要 (續)

39.22 政府補助

政府補助於有合理保證本集團將收到補助，且能符合補助的所有附帶條件時按公平值確認。

有關成本的政府補助將被遞延，並於其擬補償成本配對所需期間在損益中確認。

與購買物業、廠房及設備相關的政府補助作為遞延收益計入非流動負債，並按直線法於相關資產的預期年期計入損益。

39.23 租賃

物業及設備租賃

本集團以承租人身份租賃物業及設備。物業及設備租賃合約通常簽訂2至3年的固定期限。租賃條款按個別基礎磋商，並包含各種不同的條款及條件。

租賃在租賃資產可供本集團使用之日確認為使用權資產及相應負債。每筆租賃付款在負債及財務成本之間分配。財務成本在租賃期內自損益扣除，以便對各期間的負債餘額產生固定的定期利率。使用權資產按資產使用年期與租期兩者中較短者以直線法計提折舊。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.23 Leases (Continued)

Lease of properties and equipment (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

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

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group's right-of-use assets consist of up-front the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

39 其他會計政策概要 (續)

39.23 租賃 (續)

物業及設備租賃 (續)

租賃所產生的資產及負債初步按現值基準計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款 (包括實質性固定付款) 減去任何應收的租賃激勵
- 基於指數或比率並於開始日期按指數或比率初步計量的可變租賃付款
- 剩餘價值擔保下的本集團預期應付款項
- 購買選擇權的行使價 (倘本集團合理確定行使該選擇權)；及
- 於租賃期反映本集團會行使選擇權終止租賃時，終止租賃的相關罰款

根據合理確定擴大選擇權作出的租賃付款亦計入負債的計量。

租賃付款採用租賃所隱含之利率貼現。倘無法釐定該利率 (本集團中的租賃一般屬此類情況)，則使用承租人的增量借款利率，即個別承租人為在類似經濟環境下獲得與使用權資產類似價值的資產，以類似期限按類似抵押及條件借入資金而必須支付的利率。

本集團的使用權資產包括相應租賃負債的前期初步計量、在開始日或之前支付的租賃款項，減去所收到的任何租賃獎勵及任何初始直接成本。其後按成本減累計折舊及減值虧損計量。



39 SUMMARY OF OTHER ACCOUNTING POLICIES

(Continued)

39.23 Leases (Continued)

Land use rights

For land use rights, the cost comprise the payments to acquire long-term interest in the usage of land, which are stated at cost less accumulated amortisation and accumulated impairment losses. Cost represents consideration paid for the rights to use the land and other direct related costs from the date when the respective rights were granted.

Amortisation of prepaid land lease payments is calculated on a straight-line basis over the lease terms of 50 years as stated in the relevant land use right certificates granted for usage by the Group in the PRC or the best estimate based on the normal terms in the PRC and is charged to profit or loss in the consolidated statements of comprehensive income.

Leases where the Group is a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated statement of financial position based on their nature.

39.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

39 其他會計政策概要 (續)

39.23 租賃 (續)

土地使用權

就土地使用權而言，成本包括收購土地使用權的長期權益的付款，按成本減累計攤銷及累計減值虧損列賬。成本指自獲授有關權利之日起就土地使用權支付的代價及其他直接相關成本。

預付土地租賃款項攤銷乃以直線法按本集團於中國獲授使用的相關土地使用權證書所載的50年租期或根據中國一般條款作出的最佳估計計算，並於綜合全面收益表的損益中扣除。

本集團為出租人的租賃

當本集團為出租人時，經營租賃所得租賃收入會在租賃期按直線法確認為收入。獲得一項經營租賃的初步直接成本加至相關資產的賬面值且在租賃期內按與租賃收入相同的基準確認為開支。相關的租賃資產會按其性質計入綜合財務狀況表內。

39.24 股息分派

向本公司股東作出的股息分派於本公司股東或董事（如適用）批准股息的期間在本集團的財務報表中確認為負債。



In this annual report, unless the context requires otherwise, the following terms have the meanings set out below, and words in plural shall include the singular and vice versa, as applicable:

於本年報中，除非文義另有所指，否則以下詞彙具有下文所載涵義，而複數形式的詞彙應包含單數，反之亦然（如適用）：

<p>“AGM” 「股東週年大會」</p>	<p>指</p>	<p>the forthcoming annual general meeting of the Company 本公司應屆股東週年大會</p>
<p>“Articles of Association” or “Articles” 「章程細則」或「細則」</p>	<p>指</p>	<p>the second amended and restated articles of association of our Company, adopted at a general meeting held on 24 June 2022 本公司第二次經修訂及重列的組織章程細則，於二零二二年六月二十四日舉行的股東週年大會採納</p>
<p>“Audit Committee” 「審核委員會」</p>	<p>指</p>	<p>the audit committee of the Board 董事會審核委員會</p>
<p>“Board” 「董事會」</p>	<p>指</p>	<p>the board of Directors 董事會</p>
<p>“BVI” 「英屬維爾京群島」</p>	<p>指</p>	<p>the British Virgin Islands 英屬維爾京群島</p>
<p>“CIT Law” 「企業所得稅法」</p>	<p>指</p>	<p>PRC Corporate Income Tax Law 《(中華人民共和國企業所得稅法)》 issued by the NPC on 16 March 2007, and subsequently amended on 24 February 2017 and 29 December 2018 全國人大於二零零七年三月十六日頒佈，其後於二零一七年二月二十四日及二零一八年十二月二十九日修訂的《中華人民共和國企業所得稅法》</p>
<p>“Companies Act” 「公司法」</p>	<p>指</p>	<p>the Companies Act (As Revised) of the Cayman Islands 開曼群島公司法（經修訂）</p>
<p>“Company” or “our Company” 「本公司」</p>	<p>指</p>	<p>HONGCHENG ENVIRONMENTAL TECHNOLOGY COMPANY LIMITED (鴻承環保科技有限公司), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2265) 鴻承環保科技有限公司，一間於開曼群島註冊成立的有限公司，其已發行股份於聯交所主板上市（股份代號：2265）</p>
<p>“Controlling Shareholder(s)” 「控股股東」</p>	<p>指</p>	<p>has the meaning ascribed thereto under the Listing Rules and unless the context requires otherwise, refers to Mr. Liu and Zeming International Investment Co., Ltd 具有上市規則賦予該詞的涵義，除非文義另有所指，指劉先生及Zeming International Investment Co., Ltd</p>
<p>“Corporate Governance Code” 「企業管治守則」</p>	<p>指</p>	<p>the Corporate Governance Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules 上市規則附錄C1所載企業管治守則及企業管治報告</p>
<p>“Director(s)” 「董事」</p>	<p>指</p>	<p>the director(s) of the Company 本公司董事</p>

DEFINITIONS

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“Hazardous Waste Business License”		the permit for operation of hazardous wastes within the territory of the PRC under the Measures for the Administration of Permit for Operation of Hazardous Wastes 《危險廢物經營許可證管理辦法》
「危險廢物經營許可證」	指	根據《危險廢物經營許可證管理辦法》，在中國境內經營危險廢物的許可證
“HC Environmental”		Laizhou Hongcheng Mining Environmental Protection Development Co., Ltd. (萊州市鴻鉞礦業環保開發有限公司), a limited liability company established under the laws of the PRC on 12 February 2014 and an indirect wholly owned subsidiary of our Company
「鴻鉞環保」	指	萊州市鴻鉞礦業環保開發有限公司，一間於二零一四年二月十二日根據中國法律成立的有限公司，為本公司的間接全資附屬公司
“HC Mining”		Shandong Hongcheng Mining (Group) Co., Ltd. (山東鴻承礦業(集團)有限公司) (formerly known as Shandong Hongcheng Mining Co., Ltd. (山東鴻鉞礦業有限公司) and Shandong Hongcheng Mining Co., Ltd. (山東鴻承礦業有限公司)), a limited liability company established under the laws of the PRC on 28 April 2011 and an indirect wholly owned subsidiary of our Company
「鴻承礦業」	指	山東鴻承礦業(集團)有限公司(前稱山東鴻鉞礦業有限公司及山東鴻承礦業有限公司)，一間於二零一一年四月二十八日根據中國法律成立的有限公司，為本公司的間接全資附屬公司
“HC Resources”		Shandong Hongcheng Resources Comprehensive Utilisation Co., Ltd. (山東鴻承資源綜合利用有限公司), a limited liability company established under the laws of the PRC on 10 January 2019 and an indirect wholly owned subsidiary of our Company
「鴻承資源」	指	山東鴻承資源綜合利用有限公司，一間於二零一九年一月十日根據中國法律成立的有限公司，為本公司的間接全資附屬公司
“HKD”		Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
「港元」	指	港元及港仙，香港的法定貨幣
“HKICPA”		the Hong Kong Institute of Certified Public Accountants
「香港會計師公會」	指	香港會計師公會
“Hong Kong”		the Hong Kong Special Administrative Region of the People’s Republic of China
「香港」	指	中華人民共和國香港特別行政區
“Hong Kong Branch Share Registrar”		Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of our Company
「香港股份過戶登記分處」	指	卓佳證券登記有限公司，本公司的香港股份過戶登記分處
“IFRSs”		International Financial Reporting Standards
「國際財務報告準則」	指	國際財務報告準則
“Listing”		the listing of the Shares on the Main Board
「上市」	指	股份於主板上市



“Listing Date” 「上市日期」	指	12 November 2021, on which the Shares are listed and from which dealings therein are permitted to take place on the Main Board 二零二一年十一月十二日，股份上市的日期及自該日起可於主板買賣股份
“Listing Rules” 「上市規則」	指	Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“LZ Assets” 「萊州資產」	指	Laizhou City State-owned Assets Management Company Limited (萊州市國有資產經營有限公司) 萊州市國有資產經營有限公司
“Main Board” 「主板」	指	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange 聯交所營運的股票市場（不包括期權市場），獨立於聯交所GEM並與其並列營運
“Memorandum of Association” 「章程大綱」	指	the amended and restated memorandum of association of our Company adopted on 23 October 2021, as amended, supplemented or otherwise modified from time to time 本公司的經修訂及重列組織章程大綱，於二零二一年十月二十三日採納，經不時修訂、補充或以其他方式修改
“Model Code” 「標準守則」	指	the Model Code of Securities Transactions by Directors of the Listed Issuers as set out in Appendix C3 to the Listing Rules 上市規則附錄C3所載上市發行人董事進行證券交易的標準守則
“Mr. Liu” 「劉先生」	指	Mr. Liu Zeming (劉澤銘), chairman of our Board, an executive Director and a Controlling Shareholder 劉澤銘先生，董事會主席、執行董事及控股股東
“New Production Facility” 「新生產設施」	指	has the meaning ascribed to it in the Prospectus 具有招股章程所賦予之涵義
“Nomination Committee” 「提名委員會」	指	the nomination committee of the Board 董事會提名委員會
“PRC” and “China” 「中國」	指	the People’s Republic of China 中華人民共和國
“Prospectus” 「招股章程」	指	the prospectus of the Company dated 29 October 2021 本公司日期為二零二一年十月二十九日的招股章程
“Remuneration Committee” 「薪酬委員會」	指	the remuneration committee of the Board 董事會薪酬委員會
“Reporting Period” 「報告期」	指	the year ended 31 December 2023 截至二零二三年十二月三十一日止年度

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“RMB” 「人民幣」	指	Renminbi, the lawful currency of the PRC 人民幣·中國的法定貨幣
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented and modified from time to time 香港法例第571章《證券及期貨條例》·經不時修訂·補充及修改
“Share(s)” 「股份」	指	ordinary share(s) in the share capital of our Company with a nominal value of HK\$0.01 each 本公司股本中每股面值0.01港元的普通股
“Shareholder(s)” 「股東」	指	holder(s) of the Share(s) 股份持有人
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Transaction” 「交易」	指	the acquisition of the land use rights of three parcels of lands located in Yin Hai Chemical Industrial Park with an aggregate gross site area of approximately 533,300 sq.m., properties including premises and warehouses with building area of approximately 89,273 sq.m., and other infrastructures and machines through an auction 通過拍賣會收購位於銀海化工產業園總佔地面積合共約533,300平方米的三幅土地的土地使用權·總建築面積合共約89,273平方米的房產(包括物業及倉庫)以及其他基建及機器
“VAT” 「增值稅」	指	value-added tax 增值稅
“we”, “us”, “our”, “Group” and “our Group” 「我們」及「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“%” 「%」	指	per cent 百分比



HONGCHENG ENVIRONMENTAL
TECHNOLOGY COMPANY LIMITED
鴻承環保科技有限公司

