



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

*(incorporated in the Cayman Islands with limited liability)*

*(於開曼群島註冊成立的有限公司)*

Stock Code 股份代號：976

ANNUAL REPORT 年報  
**2020**

齊心贏未來 合力闖天下

## **VISION** 願 景

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

## **MISSION** 使 命

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

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

## **CULTURE** 文 化

We are committed to building a long-term and win-win partnership with our customers including suppliers.

We provide a safe workplace and career development opportunities for our employees.

We are devoted to achieving a quality, stable and continuous return for our shareholders.

We meet our corporate social responsibility by making continuous contributions to social well-being and environmental protection.

我們重視與客戶包括供應商建立長期合作關係並共同成長。

我們重視為員工提供安全的工作環境並創造職業增長空間。

我們重視為股東取得合理、穩定和持久的回報。

我們重視企業社會責任，為社區福祉及環境保護不斷作出貢獻。

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## A Snapshot of CEG in 2020 二零二零年齊合環保業務速覽

### ABOUT CEG 關於齊合 環保

We are one of the largest metal recyclers globally, and the only listed metal recycling corporation with major operation bases across three continents (Asia, Europe and North America) in the world.

我們是全球最大的金屬回收商之一，亦是全球唯一一家主要營運基地遍佈亞、歐及北美三大洲的上市再生金屬企業。



## HONG KONG 香港

- ◆ Group headquarters  
集團總部
- ◆ One of the few operators in Hong Kong that recycles material within a closed-loop system  
香港為數不多、能於一個閉環式供應鏈中回收並利用物料的營運商之一
- ◆ The first private company to obtain the Licence to Dispose of Waste in Hong Kong for waste electrical and electronic equipment processing  
香港第一間私營企業獲得廢物處置牌照以處理廢電器電子產品
- ◆ Largest privately owned and most diversified and comprehensive e-waste recycling centre in Hong Kong  
香港最具規模且最多元全面的私營電子廢物回收中心

## A Snapshot of CEG in 2020 二零二零年齊合環保業務速覽

### Beijing head office

#### 北京總辦事處

- Head office of the Greater China operations newly set up in 2020  
大中華地區業務總辦事處，於二零二零年新成立
- A dedicated operations and trading hub to strengthen CEG's existing footprint and to support the new growth strategy implementation in Greater China  
這個專門的營運和交易中心旨在增強齊合環保在大中華地區的現有業務並支持新增長戰略的實施

### Taizhou production site

#### 台州生產基地

- Engaged in aluminium ingot foundry business  
從事鋁錠鑄造業務
- A major metal importer and domestic metal trader  
主要金屬進口商及國內金屬貿易商

### Yantai production sites

#### 煙台生產基地

- Metal recycling operation: mainly engaged in domestic metal trading  
金屬回收業務：主要從事金屬貿易
- Waste-lubricant oil recycling operation: purification, distillation and addition of lubricant additives to produce lubricant base oil for lubricant oil production plants  
廢油回收業務：淨化、蒸餾和添加潤滑油添加劑，以為潤滑油生產廠生產潤滑油基礎油料

### Binzhou production site

#### 濱州生產基地

- Joint venture with China Hongqiao Group, one of the world largest primary aluminium producers  
與世界最大的原鋁生產商之一的中國宏橋集團成立合營企業
- Design and operate a new recycling industrial park in Binzhou City, Shungdong Province  
於山東省濱州市設計和營運一個新回收工業園區
- Mainly engaged in end-of-Life vehicle ("ELV") dismantling, scrap metals recycling and secondary aluminium production  
主要從事報廢汽車拆卸、廢金屬回收及再生鋁生產



## MAINLAND CHINA 中國內地

## A Snapshot of CEG in 2020 二零二零年齊合環保業務速覽



### GERMANY 德國

- ◆ Head office of the European operations  
歐洲業務總辦事處
- ◆ Strongest region of operation in Scholz Group  
順爾茨集團內最強的經營地區
- ◆ Operates 80 yards, including joint ventures, covering South-West, Central and Eastern Germany  
營運80個工場(包括合營企業), 覆蓋德國西南部、中部及東部
- ◆ Covering full scope of collection, sorting and processing with all types of equipment including the most advanced post-shredder material recovery technology  
設備齊全(包括最先進的破碎後物料回收技術), 涵蓋全面的收集、分類及處理服務

#### Technical Equipment and Employee, excluding joint ventures 技術設備及僱員(不包括合營企業)

Shredder 粉碎機 : **5**  
Shears 剪切機 : **>15**  
Employees 僱員 : **>1,400**

- ◆ 3 yards in operation  
營運3個工場
- ◆ Divestment of most of the operations in Northeast US in 2020  
美國東北部的大部分業務於二零二零年剝離
- ◆ Future focus towards Southwest operations in Phoenix, Arizona  
未來重點將放在亞利桑那州鳳凰城的西南區業務上
- ◆ Business model includes brokerage and yard business  
業務模式包括貿易及工場業務

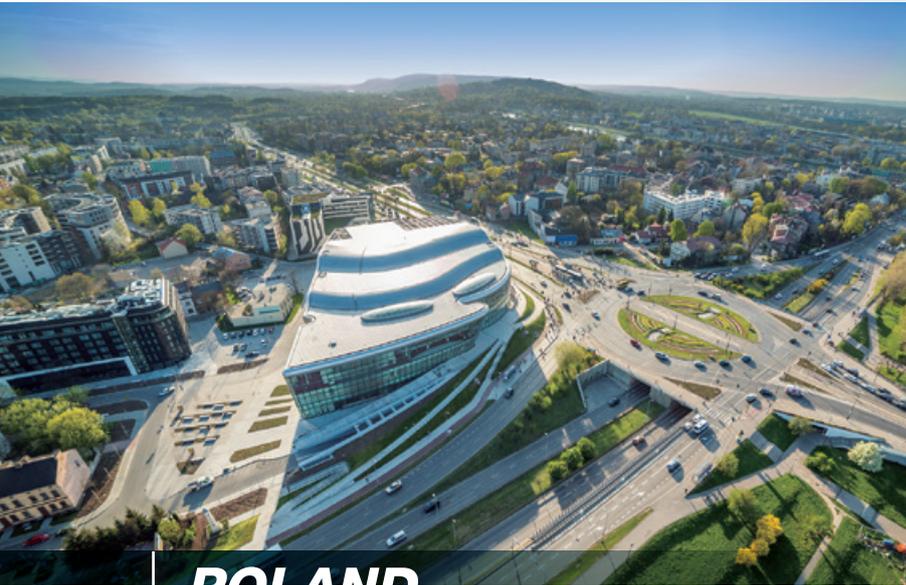
#### Technical Equipment and Employee 技術設備及僱員

Shredder 粉碎機 : **2**  
Shears 剪切機 : **2**  
Employees 僱員 : **>200**



### USA 美國

## A Snapshot of CEG in 2020 二零二零年齊合環保業務速覽



### POLAND 波蘭

- Operates 5 yards covering central and southern Poland, the most industrialised and scrap rich areas  
營運5個工場，覆蓋波蘭工業化程度最高且廢棄物最多的中部及南部
- Operations covering full scope of collection, sorting and processing with all types of equipment  
設備齊全，營運範圍涵蓋全面的收集、分類及處理服務

#### Technical Equipment and Employee 技術設備及僱員

Shears 剪切機：**2**  
Employees 僱員：**>130**

- Joint venture with steel mill Voestalpine Group  
與軋鋼廠奧鋼聯集團成立合營企業
- Operates 12 yards  
營運12個工場
- Market leader for ferrous scrap trading in Austria  
奧地利黑色再生金屬買賣的市場領軍者
- Sourcing subsidiary in Hungary  
位於匈牙利的採購子公司
- Strong track record in project business (e.g. power plant dismantling)  
項目業務 (例如發電廠拆解) 表現出眾

#### Technical Equipment and Employee 技術設備及僱員

Shredder 粉碎機：**2**  
Shears 剪切機：**5**  
Employees 僱員：**>290**



### AUSTRIA 奧地利

## A Snapshot of CEG in 2020 二零二零年齊合環保業務速覽



### CZECH REPUBLIC 捷克共和國

- Operates 18 yards  
營運18個工場
- Strong non-ferrous operations, including paper and plastic recycling  
有色金屬業務 (包括紙張及塑膠回收) 穩健
- Well equipped with yard network, transportation assets and processing capabilities to cover all suppliers (industry and old scrap)  
配備良好的工場網絡、運輸配套及加工設施以覆蓋全部供應商 (工業廢料及舊廢料)
- New shear and plastic recycling/granulation in place in 2020  
新剪切機及塑膠回收/造粒機於二零二零年配置到位

#### Technical Equipment and Employee 技術設備及僱員

Shredder 粉碎機 : **1**  
Shears 剪切機 : **3**  
Employees 僱員 : **>320**

- 40 yards mainly situated in northern Bohemia and Prague area  
營運主要位於波希米亞北部及布拉格地區的40個工場
- Consolidation of yard network to further optimise cost base in 2020  
於二零二零年整合工場網絡以進一步優化成本基礎
- A very strong market share in ferrous market (covering both old scrap and new scrap market)  
於黑色金屬市場 (涵蓋舊廢料及新廢料市場) 所佔市場份額獨佔鰲頭
- Business model is comparable with Germany with a dense yard network including a large number of feeder yards and several processing yards  
與德國相媲美的業務模式, 所持工場分佈密集, 包括多個供料場及多個加工場

#### Technical Equipment and Employee 技術設備及僱員

Shredder 粉碎機 : **2**  
Shears 剪切機 : **6**  
Employees 僱員 : **>330**



### SLOVENIA 斯洛維尼亞

## A Snapshot of CEG in 2020 二零二零年齊合環保業務速覽



### ROMANIA 羅馬尼亞

- 🔗 31 yards in operation  
營運31個工場
- 🔗 Joint venture with two experienced local business partners  
與兩位當地經驗豐富的業務夥伴成立合營企業
- 🔗 Covering the heavily populated and well industrialised areas in this country  
覆蓋該國人口稠密及高度工業化的地區
- 🔗 Market attractive due to strong supply from industry as well as presence of old scrap  
工業廢料及舊廢料供應龐大，市場具吸引力
- 🔗 Proximity to Turkey enables significant scrap exports  
鄰近土耳其，可大量出口廢料
- 🔗 High non-metals share of sales, including significant portion of wood, paper and plastics  
非金屬（包括大量木材、紙張及塑膠）的銷售額佔比高

#### Technical Equipment and Employee 技術設備及僱員

Shredder 粉碎機 : **3**  
Shears 剪切機 : **6**  
Employees 僱員 : **>500**

- 🔗 4 yards in operation  
營運4個工場
- 🔗 Business model with feeder and production yards  
設有供料場及生產工場的業務模式
- 🔗 Divestment of Danish operations in 2021  
丹麥業務將於二零二一年剝離

#### Technical Equipment and Employee 技術設備及僱員

Shears 剪切機 : **2**  
Employees 僱員 : **>30**



### DENMARK 丹麥

## A Snapshot of CEG in 2020 二零二零年齊合環保業務速覽



# MEXICO

## 墨西哥

- Owns 15 yards  
擁有15個工場
- 50% joint venture with a local co-shareholder  
與一名當地共同股東成立擁有50%權益的合營企業
- Strong presence in northern part of Mexico, with strong industrial supplier base  
於墨西哥北部的市場佔有率強勁，搭配穩健的工業供應商
- Strong supply from industrial accounts made operations more robust than peers in North America  
來自眾多工業客戶的供應令業務營運表現較北美洲同業更加強勁

### Technical Equipment and Employee 技術設備及僱員

Shredder 粉碎機：2  
Shears 剪切機：2  
Employees 僱員：>350

- Joint venture with Heng Hup Group  
與興合集團合作
- Engaged in the dismantling of scrap motors and other mixed scrap metal  
從事廢舊電機及其他廢舊混合金屬的拆解
- Ferrous scraps are sold domestically and non-ferrous scraps are exported to China/Hong Kong markets  
再生黑色金屬在國內銷售，再生有色金屬出口至中國／香港市場
- Total labour employed: 199  
僱用勞工總數：199



# MALAYSIA

## 馬來西亞

## A Snapshot of CEG in 2020 二零二零年齊合環保業務速覽



### INDIA 印度

- ◆ Joint venture with Century Metal Recycling Group  
與Century Metal Recycling Group成立合營企業
- ◆ Engaged in the dismantling of scrap motors and other mixed scrap metal  
從事廢舊電機及其他廢舊混合金屬的拆解
- ◆ Ferrous and non-ferrous scraps are sold domestically  
再生黑色和有色金屬均在國內銷售
- ◆ Total labour employed: 447  
僱用勞工總數：447

- ◆ Joint venture with Hidaka Yookoo Enterprises Co. Limited and Suzuki Shokai Co. Limited  
與Hidaka Yookoo Enterprises Co. Limited及Suzuki Shokai Co. Limited合作
- ◆ Engage in the dismantling of scrap motors and other mixed scrap metal  
從事廢舊電機及其他廢舊混合金屬的拆解
- ◆ Commenced operation in 2020  
已於二零二零年投入營運
- ◆ Ferrous scraps are sold domestically and non-ferrous scraps are exported to other Asia markets  
再生黑色金屬在國內銷售，再生有色金屬出口至其他亞洲市場
- ◆ Total labour employed: 42  
僱用勞工總數：42



### THAILAND 泰國

# Financial Highlights

## 財務摘要

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

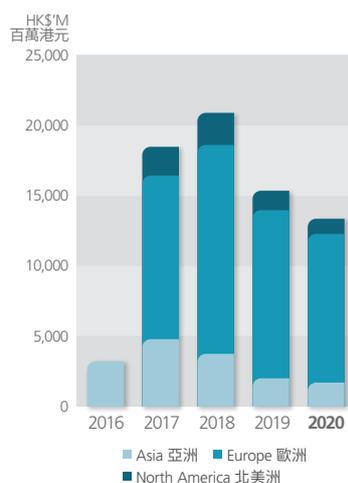
		2020 二零二零年	2019 二零一九年	Increase/ (Decrease) 增加/ (減少)
Operating results (HK\$M)	經營業績 (百萬港元)			
Segment revenue	分部收益			
Asia	亞洲	1,710.5	2,015.4	(15.1%)
Europe	歐洲	10,708.9	12,166.8	(12.0%)
North America	北美洲	1,086.1	1,410.9	(23.0%)
Inter-segment sales	分部間銷售	(137.4)	(229.7)	(40.2%)
Revenue	收益	13,368.1	15,363.4	(13.0%)
Gross profit	毛利	946.5	877.9	7.8%
Segment (loss)/profit	分部 (虧損) / 溢利			
Asia	亞洲	(49.6)	(126.9)	(60.9%)
Europe	歐洲	218.5	379.7	(42.5%)
North America	北美洲	(62.7)	(48.4)	29.5%
Unallocated	未分配	(683.5)	(91.3)	648.6%
(Loss)/Profit before interest and tax (EBIT)	除利息及稅項前 (虧損) / 溢利	(577.3)	113.1	(610.4%)
Finance costs, net	財務成本淨額	(232.5)	(212.6)	9.4%
Loss before income tax	除所得稅前虧損	(809.8)	(99.5)	713.9%
Income tax expense	所得稅開支	(54.4)	(34.3)	58.6%
Loss for the year	年內虧損	(864.2)	(133.8)	545.9%
Financial position (HK\$M)	財務狀況 (百萬港元)			
Cash generated from operations	經營所得現金	953.7	803.6	18.7%
Cash and pledged bank deposits	現金及已抵押銀行存款	1,036.5	976.5	6.1%
Total assets	資產總值	9,872.9	10,190.0	(3.1%)
Equity attributable to shareholders of the Company	本公司股東應佔權益	4,477.6	4,941.3	(9.4%)
Per share data (HK\$)	每股資料 (港元)			
Loss per share attributable to shareholders of the Company	本公司股東應佔每股虧損	(0.53)	(0.08)	562.5%
Shareholders' funds per share	每股股東資金	2.79	3.08	(9.4%)

## Financial Highlights 財務摘要

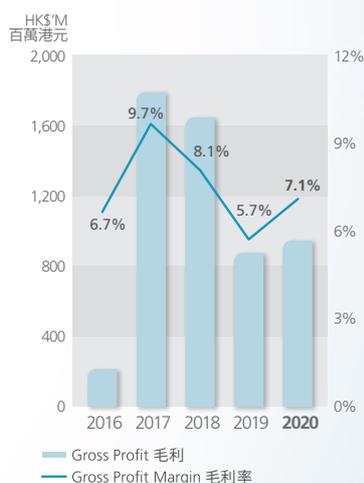
For the year ended 31 December  
截至十二月三十一日止年度

		2020 二零二零年	2019 二零一九年	Increase/ (Decrease) 增加/ (減少)
Key ratios (%)	主要財務比率(%)			
Gross profit margin	毛利率	7.1	5.7	1.4%
Net profit margin <sup>1</sup>	純利率 <sup>1</sup>	(6.3)	(0.8)	(5.5%)
EBIT/Revenue	除利息及稅項前 溢利/收益	(4.3)	0.7	(5.0%)
Return on shareholders' funds <sup>2</sup>	股東資金回報率 <sup>2</sup>	(18.9)	(2.6)	(16.3%)

### Revenue in Last 5 Years 過往五年收益



### Gross Profit and Gross Profit Margin in Last 5 Years<sup>3</sup> 過往五年毛利及 毛利率<sup>3</sup>



### Net Profit (Loss) and Net Profit (Loss) Margin in Last 5 Years 過往五年淨溢利(虧損)及 淨溢利(虧損)率



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

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

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

<sup>1</sup> 純利率是根據本公司股東應佔溢利佔收益的百分比計算

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

<sup>3</sup> 該等數字顯示採納香港財務報告準則第15號收益及香港財務報告準則第16號租賃後之影響，僅供比較之用。

## Chief Executive Officer's Statement 行政總裁報告

The year 2020 was marked by the unprecedented health and safety crisis resulting from the outbreak of the novel coronavirus (“COVID-19”) pandemic. As the crisis unfolded, our first priority has been, and will continue to be, the safety of our employees, our business partners and the communities in which we operate. As the Chief Executive Officer of the Group, I am proud of the management team’s response to swiftly ensure a safe working environment for our employees while keeping our business operations running. The management teams and employees in our more than 250 sites across the globe implemented the necessary measures to reduce costs, preserve cash and ensure liquidity while being faced with lockdowns and industrial shutdown. Safe operations have been ensured via an increased utilisation of various kinds of protective gear combined with social distancing.

Business operations in Asia were hit hardest in the first quarter when a country-wide lockdown was imposed in China and which brought our operations to a standstill from late January onwards. We resumed operations when lockdowns in China were gradually lifted in April 2020. Following the resumption of industrial activity in the second quarter, the Chinese economy was quick to resume growth leading to an overall positive economic development.

Our operations in Europe and North America had a strong start into the year 2020 resulting in first quarter results outperforming those in the same period in 2019. As the pandemic spread across the globe, other countries also adopted various lockdown measures which impacted our operations in Europe and North America. As recycling and waste management are considered essential industries, our operations in Europe and the United States (“US” or “USA”) were allowed to continue operations despite the lockdowns. However, many of our customers and suppliers were affected. During the second quarter of 2020, inflow volume dropped approximately up to 50% during the total lockdowns in Europe and US.

新型冠狀病毒疫情（「COVID-19」）引起的前所未有的健康和 safety 危機是二零二零年的標誌。當危機初現，我們的首要任務一直是（未來也繼續會）確保員工、我們的業務合作夥伴以及我們營運所在社區的安全。作為集團行政總裁，我為管理團隊能維持我們的業務正常運作的同時迅速確保員工工作環境的安全而感到自豪。當面臨封城和工業停工的情況，我們遍佈全球250多個地點的管理團隊和員工實施了必要的措施，以降低成本，保留現金並穩定流動資金。通過充分利用各種防護裝備並保持社交距離，確保了業務的安全操作。

在第一季度，中國從一月下旬開始實施全國封城措施，我們亞洲的業務營運因而陷入停頓，受到最沉重的打擊。中國在二零二零年四月逐步解除封城，我們始恢復營運。隨著第二季度工業活動的恢復，中國經濟迅速恢復了增長，從而帶動了總體經濟呈正增長態勢。

我們在歐洲和北美洲的業務在二零二零年有一個良好的開端，第一季度業績優於二零一九年同期。隨著疫情在全球蔓延，其他國家亦採取了各種封城措施，這影響了我們在歐洲和北美洲的業務。由於回收和廢物管理被視為重要行業，我們在歐洲和美國的業務於封城期間仍可以繼續營運。然而，我們眾多客戶和供應商均受到影響。於二零二零年第二季度，歐洲和美國在全面封城期間的流入量下降了約最多50%。

## Chief Executive Officer's Statement 行政總裁報告

As the lockdowns were lifted, governments adopted various monetary, fiscal, and administrative measures to jumpstart their economies. The stimulus packages rolled out in China, Europe and North America benefit our short-term and long-term business development as they also include significant investments in infrastructure and transportation with an emphasis on sustainability and green development. We already see this translating into greater demand for ferrous and non-ferrous metal scrap leading to a strong business recovery beginning in September 2020. After a very strong fourth quarter 2020, we see that momentum going into 2021.

Most importantly, China resumed the imports of non-ferrous metal scrap beginning 1 November 2020. Import restrictions imposed in 2018 have been detrimental to our Chinese operations for the last two years. The new regulations provide clarity and a framework to resume imports to the world's biggest non-ferrous market – China. The new import standards require recycled aluminium, recycled copper, and recycled brass to meet certain quality requirements which we can ensure in our Southeast Asian operations as well as our extensive yard networks in Europe and US to provide the required recycled metal qualities for the Chinese market.

Operationally, the second half of 2020 performed better than the same period in 2019. As we strive to improve business efficiency, the management team has conducted a thorough portfolio review leading to various optimisation initiatives. While these initiatives included cost savings and tapping synergies, it also involved restructuring and disposal of certain non-performing assets. The restructuring efforts helped to free up resources to target growth opportunities. The disposal and restructuring initiatives lead to one-off non-cash impairments amounting to HK\$519.2 million. Including the impairments, the Group reported a net loss attributable to shareholders of HK\$848.1 million for the year ended 31 December 2020 (2019: net loss attributable to shareholders of HK\$128.7 million).

隨著封城措施的解除，各國政府採取了各種貨幣、財政及行政措施來快速重啟其經濟。在中國、歐洲和北美洲推出的經濟刺激方案均包括了對交通運輸和基礎設施的大額投資，尤其著重可持續綠色環保發展，這對我們的短期和長期業務發展有利。我們已看到這些利好因素正在刺激市場對再生黑色和有色金屬的需求，使我們的業務從二零二零年九月起強勁復甦。二零二零年第四季度表現強勁，這一勢頭將持續到二零二一年。

最重要的是，中國自二零二零年十一月一日起開始恢復了再生有色金屬的進口。此前二零一八年實行的進口限制在過去兩年對我們的中國業務產生了不利影響。新規定提供了明確性和框架，以恢復進口至我們最大的有色金屬市場—中國。新進口標準要求再生銅、再生黃銅及再生鋁需達到若干質量要求，我們可以確保我們東南亞工場的產品達到該等要求，我們亦可利用我們在歐洲和美國的龐大工場網絡為中國市場採購合適的再生金屬。

營運方面，二零二零年下半年的表現較二零一九年同期為佳。本集團致力提高業務效益，並已進行徹底的業務組合檢討，及推出多項優化措施。該等措施包括節省成本及尋求協同效益，亦涉及重組和出售若干不良資產。重組工作有助於釋放資源予其他增長機遇。出售及重組計劃導致一次性非現金減值合共519.2百萬港元。計入減值後，本集團截至二零二零年十二月三十一日止全年錄得股東應佔虧損淨額為848.1百萬港元（二零一九年：股東應佔虧損淨額128.7百萬港元）。

## Chief Executive Officer's Statement 行政總裁報告

### REVIEW OF OPERATIONS

The Group's tonnage and revenue for the year declined by 9.7% and 13.0%, respectively, compared to 2019. The drop is largely attributed to the decline in activities during the total lockdown period in the second quarter of 2020 and the subsequent periods before rebounding in September 2020.

Gross profit for the year rose 7.8% compared to 2019, with gross profit margin increasing from 5.7% in 2019 to 7.1% in 2020. The improvement in margins is largely attributed to focus on strict margin management.

While operations in Europe were hit hard by the lockdowns in the second quarter of 2020, a strong rebound in the second half of 2020 resulted in profitable European operations in 2020 excluding the one-off non-cash impairments. This strong rebound is attributable in part to the strong recovery in the construction and automotive sector.

In North America, where our operations are primarily based in the US, revenue and tonnage dropped by 23.0% and 16.6%, respectively, and reported a segment loss of HK\$62.7 million. Operationally, US was the hardest hit region from the pandemic, if measured in terms of tonnage and revenue decline by percentage. The Group expects the exiting of the loss-making Northeast US region to improve the bottom line of the North America operation in the future.

Our Asian operations, including Greater China, were also affected by the pandemic. Operations in India and Malaysia were closed during the entire second quarter of 2020 before gradually resuming operation in June 2020. In Thailand, lockdown measures and travel restrictions allowed only for a slow start in July 2020 before skilled supervisors and personnel were able to travel from China to Thailand to ramp up operations from February 2021 onwards.

### 營運回顧

本集團於年內的銷量及收益分別較二零一九年下降9.7%及13.0%。下降主要歸因於二零二零年第二季度的全面封城期間以及隨後於二零二零年九月份反彈之前的業務活動減少。

年內的毛利較二零一九年增加7.8%，毛利率亦由二零一九年的5.7%升至二零二零年的7.1%。利潤率的提高主要歸因於嚴格的利潤管理。

雖然歐洲業務在二零二零年第二季度受到封城的沉重打擊，但隨著二零二零年下半年的強勁反彈，除去一次性非現金減值，歐洲業務於二零二零年仍錄得盈利。這一強勁的反彈部分歸因於建築和汽車行業的強勢復甦。

於北美洲，主要在美國，收益及銷量分別下降23.0%及16.6%，錄得分部虧損62.7百萬港元。營運方面，以銷量及收益下降百分比衡量，美國為疫情中受影響最嚴重的地區。本集團預期從虧損的美國東北地區業務退出後，將改善未來北美洲業務的盈利情況。

我們的亞洲業務，包括大中華地區，亦受到疫情的影響。印度和馬來西亞的工場於整個二零二零年第二季度期間關閉，直到二零二零年六月才逐漸恢復營運。因封城措施和旅行限制影響，泰國的業務只能在二零二零年七月緩慢啟動，直到二零二一年二月，我們才能從中國派遣技術主管和人員前往泰國以逐步擴大營運。

## REVIEW OF OPERATIONS (continued)

In Greater China, the tough measures at the onset of the pandemic helped mainland China to emerge out of the pandemic lockdown faster than other countries. The pickup in demand from China subsequently lifted the profitability of the Chinese operations. The domestic ferrous scrap business in mainland China continued to grow. As a whole, revenue in Asia has dropped 15.1% despite the tonnage sold increased by 9.7% comparing to 2019. Gross profit for the year was HK\$48.9 million, a remarkable turnaround from a gross loss of HK\$83.0 million compared to 2019.

Operationally, we adopted various cost-cutting measures to help the Group become leaner and more efficient. During the lockdowns, while the fixed costs were largely unavoidable, we focused on managing variable cost. The initial lockdowns in the second quarter of 2020 caught most people unprepared. It also caused unforeseen issues such as delays at ports which affected normal container shipments. We see that returning to pre-pandemic level as the operators adapt to the new normal.

Towards the end of 2020, with China moving out of the pandemic faster than other countries, it is also exporting more compared to imports. Meanwhile, Europe and US were at different levels of managing the pandemic in their countries. This caused a disruption in supply chains and shipping lines run short on empty containers for China. A spike in freight rates followed. We see the situation easing gradually as supply chains across the globe stabilise over time. We were mostly able to pass this increase in freight cost to customer in China in need of the supplies.

## 營運回顧 (續)

在大中華地區，中國大陸在疫情剛開始時就採取了強硬的措施，使其較其他國家更快地擺脫疫情枷鎖。中國需求的回升隨後提升了中國業務的盈利能力。中國大陸的再生黑色金屬內銷業務繼續增長。整體而言，儘管銷量較二零一九年增長9.7%，但亞洲地區的收益卻下降15.1%。年內的毛利為48.9百萬港元，較二零一九年的毛損83.0百萬港元顯著扭虧為盈。

營運方面，我們採取了多項成本削減措施，以使集團變得更為精簡和提高效率。於封城期間，固定成本在很大程度上無法避免，我們已積極管理變動成本。二零二零年第二季度的首次封城使大部分人措手不及，這亦導致不可預見的問題產生，例如港口延誤影響了正常的集裝箱運輸。我們注意到，隨著營運商適應新常態，一切正回復到疫情前的水平。

到二零二零年底，隨著中國相較其他國家更快地擺脫疫情，中國的出口亦相比進口正不斷增加。同時，歐洲和美國在各自國家應對疫情方面卻處於不同水平。這導致供應鏈的中斷及航運公司發往中國的空集裝箱短缺。隨之而來是激增的運費。隨著全球供應鏈逐漸穩定，我們注意到情況正在逐漸緩解。我們基本能夠將增加的運費成本轉嫁予需要該等物料的中國客戶。

## Chief Executive Officer's Statement 行政總裁報告

### PROSPECT

The various expansionary monetary policies combined with increased infrastructure investments have an effect on inflation expectations and commodities prices. We foresee commodities likely to move into the upswing cycle. Stricter environmental requirements are also leading to a higher utilisation of metal scrap.

In 2020, the Chinese government has announced its target to reach carbon neutrality by 2060 and reaching a carbon dioxide emissions peak in 2030. This goal translates into the Chinese government's requirement for the steel industry, which accounts for more than half of global steel production and consumption, to implement measures in the coming five years to reach a carbon dioxide emissions peak already in 2025. As one of the requirements, the ratio of recycled ferrous scrap in the production of steel in China has to increase to 30% by 2025 leading to an annual demand increase for recycled ferrous scrap of more than 100 million tons to more than 300 million tons per year.

Similar measures are being required from non-ferrous metal producers in China. Since the production of aluminium based on recycled scrap material requires approximately 95% less energy, producers in China have an increased demand for aluminium scrap. As part of our growth strategy in China, we entered into a joint venture with a unit of China Hongqiao Group Limited ("Hongqiao") to jointly develop a recycling industrial park project in Binzhou City, Shandong Province, China. Combined Phase I and II is envisaged to process up to 100,000 ELVs and 500,000 tonnes of aluminium per annum. As part of Phase II, the Group is preparing a feasibility study for the recycling of 50,000 electric vehicle lithium batteries in Binzhou. As design, development and construction are already underway, we expect first pour of liquid aluminium by end of 2021, and ELV processing line going live by mid-2022.

The European Commission's 2020 Circular Economy Action Plan, which outlines policy solutions that would create compelling incentives for aluminium recycling, had and will have positive implications for our extensive business in the region and serves as important milestone for the continent's transition to a climate-neutral and waste-free economy.

### 前景

各種擴張性貨幣政策和對基礎設施的資金投入均會對通貨膨脹預期和商品價格產生影響。我們預計商品價格可能會進入上升週期。更嚴格的環境要求也會提高再生金屬的使用率。

二零二零年，中國政府宣佈了要在二零六零年前實現碳中和，以及力爭在二零三零年實現碳排放達峰（「碳達峰」）的目標。在全球鋼鐵生產及消耗方面，中國佔據過半，所以中國的碳達峰和碳中和目標已轉化為中國政府對國內鋼鐵行業的要求，促使鋼鐵行業在未來五年內採取措施，以在二零二五年實現碳達峰。其中一個要求是中國鋼鐵生產行業要在二零二五年前將再生黑色金屬的利用比率提高到30%，這令到再生黑色金屬的年需求從一億噸增加到每年三億噸。

中國有色金屬生產商也需要採取類似的措施。由於利用再生物料生產鋁能減少能源消耗約95%，中國的生產商對再生鋁的需求增加。作為我們在中國發展戰略的一部分，我們與中國宏橋集團有限公司（「宏橋」）的一家子公司訂立合營企業協議，以共同開發位於中國山東省濱州市的一個循環產業園項目。項目的第一階段及第二階段完成後，預計將每年處理多達100,000輛報廢汽車和500,000噸鋁。項目第二階段時的其中一項工作為研究在濱州回收50,000顆電動汽車鋰電池的可行性。隨著設計、開發及施工的進行，我們預計到二零二一年底將出產第一罐鋁液，而報廢汽車加工線將於二零二二年中期投入生產。

歐盟委員會發佈的《二零二零年循環經濟行動計劃》里概述的政策解決方案涵蓋了對鋁回收業有利的矚目的刺激措施，該方案已經並將繼續對我們在歐洲的廣泛業務產生正面影響，這將是歐洲轉型為氣候中和、零浪費的經濟體的重要里程碑。

## **PROSPECT (continued)**

Our operations in Malaysia, Thailand and India are gradually ramping up. Through our wide network, we are able to source the material to feed the processing. We leverage on our local partners for domestic ferrous sales, while exporting recycled copper scrap to China with our in-depth understanding of the Chinese market. The focus for these operations in 2021 is to increase productivity and expand production level.

In the regions where we operate, we see effects from the strong industrial rebound on both ferrous and non-ferrous metals. The resumption of import of recycled non-ferrous metals into China beginning late last year is also positive for our business. We see this volume continuing to grow in 2021 as demand remains strong in the Chinese market.

We are cautiously optimistic on the future as the global community is adapting to the new normal. The vaccination roll out is also gathering pace, and this improves the prospects of getting the pandemic under control in the foreseeable future.

Last but not least, I would like to extend my heart-felt gratitude to the members of the board of directors of the Company and all our employees around the world for their loyalty, efforts, professionalism, and valuable contributions, and also to our customers and partners for their priceless support and trust. Keep safe and stay healthy.

**Rafael Heinrich Suchan**

*Chief Executive Officer*

行政總裁

Hong Kong, 31 March 2021

香港，二零二一年三月三十一日

## **前景 (續)**

我們在馬來西亞、泰國及印度的業務正在逐步擴大。通過自身龐大的網絡，我們能夠採購足夠的加工所需材料。我們透過當地合作夥伴於當地銷售再生黑色金屬，同時憑藉我們對中國市場的深入了解出口再生銅到中國銷售。該等業務於二零二一年的重點為擴大生產水平。

在我們經營的地區，我們看到工業強勁反彈對有色和黑色金屬帶來的影響。從去年年底開始，中國開始恢復進口可再生有色金屬，這對我們的業務也是有利的。我們預計，由於中國市場需求仍然強勁，銷量將在二零二一年持續增長。

全球社會將會適應新常態，我們對未來持謹慎樂觀態度。疫苗接種計劃的推出亦在加快步伐，這將加大在可預見未來控制疫情的可能性。

最後，本人謹向本公司董事會同仁及本集團全球所有員工之忠誠勤勉、專業精神與寶貴貢獻致以衷心的感謝；向客戶及其他合作夥伴對本集團的支持與信任致以衷心的感謝。保持安全、身體健康！

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

#### Revenue

The Group sold 4.3 million tonnes of recycled products in 2020, a 9.7% decrease comparing to 4.8 million tonnes sold in 2019. Revenue for the year was HK\$13,368.1 million, a decrease of approximately 13.0% as compared to HK\$15,363.4 million last year.

The COVID-19 pandemic has caused significant impact to the up- and downstream industries in all the countries where the Group operates, as such, the Group's core recycling business has also been inevitably affected, particularly in the first half of 2020. Thanks to the increasing demand for metal across the globe, an ongoing recovery in the automotive sector, increasing government spending on infrastructure programs to restart economies, combined with newly realised business opportunities, the Group's tonnage volume of recycled metal has improved over the second half of 2020, and also an improvement over the same period in 2019.

### 財務回顧

#### 收益

本集團於二零二零年售出超過4.3百萬噸再生產品，較二零一九年的銷量4.8百萬噸下跌9.7%。年內收益為13,368.1百萬港元，較去年15,363.4百萬港元減少約13.0%。

COVID-19疫情對本集團營運所在的所有國家的上下游產業產生了重大影響，因此，本集團的核心回收業務亦無可避免地受到影響，尤其於二零二零年上半年。受惠於全球對金屬的需求不斷增長、汽車行業持續復甦、用於重啟經濟的基礎設施計劃的政府支出增加，加上新實現的商機，本集團的再生金屬銷量於二零二零年下半年有所改善，對比二零一九年同期亦有所改善。

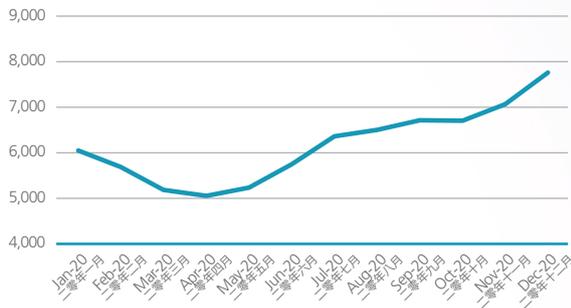
		2020 二零二零年		2019 二零一九年	
		HK\$M	As a percentage of total segment revenue 佔分部收益 總額的百分比	HK\$M	As a percentage of total segment revenue 佔分部收益 總額的百分比
		百萬港元		百萬港元	
Europe	歐洲	10,708.9	79.3%	12,166.8	78.0%
North America	北美洲	1,086.1	8.0%	1,410.9	9.1%
Asia	亞洲	1,710.5	12.7%	2,015.4	12.9%
Total segment revenue	分部收益總額	13,505.5	100.0%	15,593.1	100%
Inter-segment sales	分部間銷售	(137.4)		(229.7)	
Revenue	收益	13,368.1		15,363.4	

FINANCIAL REVIEW (continued)

財務回顧(續)

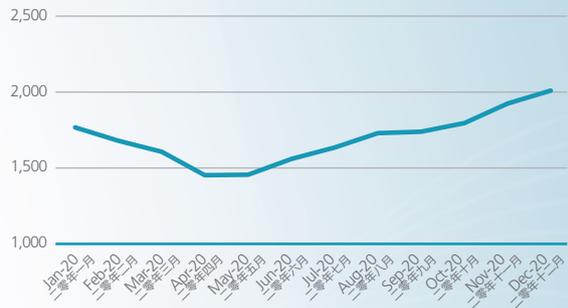
LME Copper  
LME銅

US\$/ton  
美元/噸



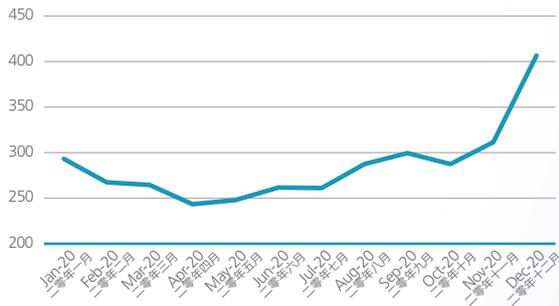
LME Aluminium  
LME鋁

US\$/ton  
美元/噸



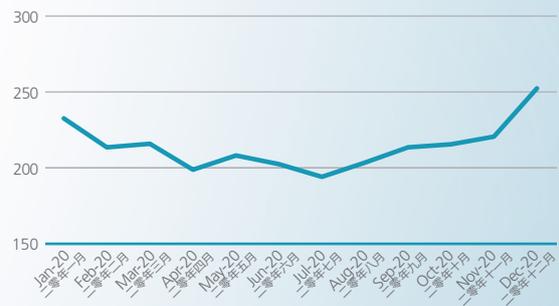
LME Steel Scrap  
LME廢鋼

US\$/ton  
美元/噸



Germany BDSV (Steel Scrap)  
德國BDSV (廢鋼)

EUR/ton  
歐元/噸



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

### FINANCIAL REVIEW (continued)

#### Gross Profit/Margin

Despite of the drop in tonnage sold and revenue in 2020 as compared to 2019, gross profit for year was HK\$946.5 million, an increase of 7.8% compared to the previous financial year and the gross profit margin was 7.1% (2019: 5.7%) due to margin management. Interruptions to the supply chains during the lockdowns in the first half of 2020 and depletion of inventories did drive demand, as well as scrap prices, up in the second half of 2020 as businesses recover.

#### Operating expenses

Total operating expenses were HK\$1,138.8 million, an increase of 11.5% over the previous financial year. The increase is in part due to one-time effects. Total operating expenses as a percentage of revenue increased from 6.6% to 8.5%. Various cost cutting measures have been adopted to make our operations leaner, which lead to higher efficiency from 2021 awards.

		2020 二零二零年		2019 二零一九年	
		HK\$M 百萬港元	As a percentage of revenue 佔收益的百分比	HK\$M 百萬港元	As a percentage of revenue 佔收益的百分比
Distribution and selling expenses	分銷及銷售開支	54.0	0.4%	51.5	0.3%
Administrative expenses	行政開支	1,084.8	8.1%	970.1	6.3%
Total	總計	1,138.8	8.5%	1,021.6	6.6%

#### Loss Attributable to Shareholders and Loss Per Share

Loss attributable to shareholders of the Company for the year ended 31 December 2020 was HK\$848.1 million, as compared to a loss of HK\$128.7 million in the last financial year.

### 財務回顧(續)

#### 毛利/毛利率

儘管二零二零年的銷量及收益較二零一九年減少，但本年度實現毛利946.5百萬港元，較上一財政年度增加7.8%，毛利率為7.1%（二零一九年：5.7%），乃由於對利潤管理所致。隨著業務復甦，二零二零年上半年封城期間的供應鏈中斷以及存貨消耗推動了二零二零年下半年需求以及廢料價格的上漲。

#### 經營費用

經營費用總額為1,138.8百萬港元，較上一財政年度增長11.5%。增長部分歸因於一次性效應。經營費用總額佔收益的百分比由6.6%增加至8.5%。我們已採取多項成本削減措施，以使營運更加精簡，從而自二零二一年起提高了效率。

#### 股東應佔虧損及每股虧損

截至二零二零年十二月三十一日止年度，本公司股東應佔虧損為848.1百萬港元，而上一財政年度則為虧損128.7百萬港元。

## **FINANCIAL REVIEW (continued)**

### **Loss Attributable to Shareholders and Loss Per Share (continued)**

The increased losses mainly attributable to the one-off non-cash impairment losses of HK\$519.2 million recorded for the year ended 31 December 2020. As the Group strived to improve business efficiency, it has conducted a thorough portfolio review, leading to various optimisation initiatives. While these initiatives included cost savings and tapping synergies, it also involved restructuring and disposal of certain non-performing assets as the Group aims to free up resources to target growth opportunities. These restructuring and disposal initiatives included disposing our loss making operations in Northeastern US and Denmark, and restructuring of certain Asia businesses, leading to the one-off non-cash impairment losses.

Basic loss per share for the year ended 31 December 2020 was HK\$0.53 as compared to loss per share of HK\$0.08 in the previous financial year.

### **Analysis of Cash Flow from Operations**

The Group's cash generated from operations for the year was HK\$953.7 million, an increase of 18.7% compared to last year as operating profit decreased. The Group has been carefully managing the working capital in response to the uncertainties in the market conditions due to the pandemic.

### **Liquidity and Financial Resources**

Shareholders' funds as at 31 December 2020 were HK\$4,477.6 million, a decline of 9.4% from 31 December 2019, and included foreign exchange gains from the appreciation of foreign currencies, namely Euro and Renminbi, against Hong Kong dollar over the current year. Shareholders' funds per share dropped slightly from HK\$3.08 as at 31 December 2019 to HK\$2.79 as at 31 December 2020.

## **財務回顧 (續)**

### **股東應佔虧損及每股虧損 (續)**

虧損增加主要歸因於截至二零二零年十二月三十一日止年度錄得一次性非現金減值虧損519.2百萬港元。本集團致力提高業務效益，並已進行徹底的業務組合檢討，及推出多項優化措施。該等措施包括節省成本及尋求協同效應，亦涉及重組和出售若干不良資產以釋放資源予其他增長機遇。該等重組和出售舉措包括出售我們於美國東北部及丹麥的虧損業務以及重組若干亞洲業務，從而導致一次性非現金減值虧損。

截至二零二零年十二月三十一日止年度的每股基本虧損為0.53港元，而上一財政年度則為每股虧損0.08港元。

### **經營業務產生的現金流量分析**

二零二零年本集團經營業務產生的現金為953.7百萬港元，較去年增加18.7%，此乃由於經營溢利減少所致。本集團一直審慎管理營運資金，以應對疫情引致的市況不確定性。

### **流動資金與財務資源**

於二零二零年十二月三十一日，股東資金為4,477.6百萬港元，較二零一九年十二月三十一日下降9.4%，並包括本年度外幣（即歐元及人民幣）兌港元升值產生的外匯收益。每股股東資金由二零一九年十二月三十一日的3.08港元微跌至二零二零年十二月三十一日的2.79港元。

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

### FINANCIAL REVIEW (continued)

#### Liquidity and Financial Resources (continued)

The Group's financial resources remain steady. As at 31 December 2020, the Group had cash, various bank balances and pledged bank deposits amounting to HK\$1,036.5 million (2019: HK\$976.5 million), used mainly for repayment of external borrowings and working capital needs for expansion of business operations.

The current ratio improved from 1.01 as at 31 December 2019 to 1.03 as at 31 December 2020. Certain long-term borrowings were classified as current liabilities as they will be maturing within the next twelve months. Management is in active discussions with lenders and potential lenders to refinance the maturing borrowings.

Total external borrowings as at 31 December 2020 were HK\$2,298.4 million (2019: HK\$2,795.4 million). Such borrowings were mainly utilised for the purchase of mixed recycle metal and working capital, and denominated in Euro, US Dollar and Renminbi. Approximately HK\$1,928.2 million (2019: approximately HK\$2,102.8 million) of borrowings are at fixed interest rates.

The gearing ratio of the Group as at 31 December 2020 was 23.3% (2019: 27.4%) which is calculated based on the total borrowings divided by our total assets.

### 財務回顧 (續)

#### 流動資金與財務資源 (續)

本集團的財務資源保持穩健。於二零二零年十二月三十一日，本集團持有的現金、多項銀行結餘及已抵押銀行存款為1,036.5百萬港元（二零一九年：976.5百萬港元），主要用於償還外部借款，以及業務營運擴張的營運資金需要。

流動比率由二零一九年十二月三十一日的1.01上升至二零二零年十二月三十一日的1.03。若干長期借款將於未來十二個月內到期，故分類為流動負債。管理層正積極與貸款人及潛在貸款人討論，為即將到期的借款再融資。

於二零二零年十二月三十一日，外部借款總額為約2,298.4百萬港元（二零一九年：2,795.4百萬港元）。該等借款主要用於購買混合再生金屬及營運資金，並以歐元、美元及人民幣計值。借款約1,928.2百萬港元（二零一九年：約2,102.8百萬港元）按固定利率計息。

於二零二零年十二月三十一日，本集團的資產負債比率為23.3%（二零一九年：27.4%）（根據借款總額除以我們的資產總值計算）。

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

### FINANCIAL REVIEW (continued)

#### Working Capital Change

Inventories as at 31 December 2020 were HK\$1,169.3 million (2019: HK\$1,495.9 million). The inventory turnover days for the financial year was 39 days as compared to 45 days for 2019 as business activities increased towards the end of year.

Provision for inventories as at 31 December 2020 were HK\$14.0 million, as compared to the provisions of HK\$35.9 million as at 31 December 2019.

### 財務回顧(續)

#### 營運資金變動

於二零二零年十二月三十一日，存貨為1,169.3百萬港元(二零一九年：1,495.9百萬港元)。本財政年度的存貨週轉日數為39天，而二零一九年為45天，乃由於業務活動於年底增加。

於二零二零年十二月三十一日，存貨撥備為14.0百萬港元，而於二零一九年十二月三十一日的撥備則為35.9百萬港元。

		2020 二零二零年	2019 二零一九年
All figures are in HK\$M unless stated otherwise	除另有說明外，所有金額以百萬港元表示		
Inventories	存貨	1,169.3	1,495.9
Average inventories as a percentage of revenue	平均存貨佔收益百分比	10.0%	11.7%
Turnover days	週轉日數	39 days天	45 days天

Net trade and bills receivables as at 31 December 2020 were HK\$1,302.0 million, increased from HK\$957.3 million as at 31 December 2019. Debtor turnover days for the financial year increased from 28 days to 31 days compared with the last financial year. Strong volumes and sales were noted towards the end of 2020 as businesses recover strongly as well as favourable commodity prices.

淨貿易及票據應收款項由二零一九年十二月三十一日的957.3百萬港元增加至二零二零年十二月三十一日的1,302.0百萬港元。與上一財政年度相比，本財政年度的應收賬款週轉日數從28天增加至31天。到二零二零年底，隨著業務強勁復甦及有利的大宗商品價格，銷售量及銷售額均呈強勁增長趨勢。

		2020 二零二零年	2019 二零一九年
All figures are in HK\$M unless stated otherwise	除另有說明外，所有金額以百萬港元表示		
Trade and bills receivables, net	淨貿易及票據應收款項	1,302.0	957.3
Average receivables as a percentage of revenue	平均應收款項佔收益百分比	8.5%	7.6%
Turnover days	週轉日數	31 days天	28 days天

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

### FINANCIAL REVIEW (continued)

#### Working Capital Change (continued)

Trade and bills payables as at 31 December 2020 were HK\$1,377.2 million (2019: HK\$639.3 million). Creditor turnover days for the year ended 31 December 2020 were 30 days (2019: 21 days).

### 財務回顧 (續)

#### 營運資金變動 (續)

貿易及票據應付款項於二零二零年十二月三十一日為1,377.2百萬港元(二零一九年：639.3百萬港元)。截至二零二零年十二月三十一日止年度的應付賬款週轉日數為30天(二零一九年：21天)。

		2020 二零二零年	2019 二零一九年
All figures are in HK\$M unless stated otherwise	除另有說明外， 所有金額以百萬港元表示		
Trade and bills payables	貿易及票據應付款項	1,377.2	639.3
Turnover days	週轉日數	30 days天	21 days天

#### Treasury Policies

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

#### 財政政策

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

#### Capital Expenditure

For the year ended 31 December 2020, the Group invested HK\$329.8 million (2019: HK\$733.2 million) in the purchase of tangible assets including land, buildings, plant, machinery and equipment, leasehold improvements, office equipment for improving production efficiency. These capital expenditures were financed through internal resources and lease arrangements.

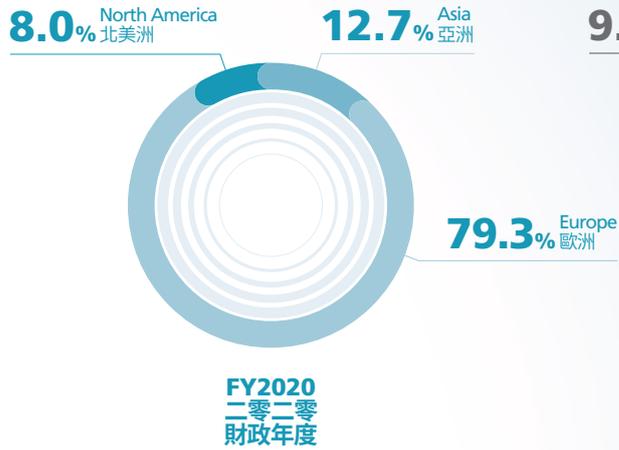
#### 資本開支

截至二零二零年十二月三十一日止年度，本集團投資329.8百萬港元(二零一九年：733.2百萬港元)用於購置有形資產，包括土地、樓宇、廠房、機器及設備、租賃物業裝修、辦公室設備以提高生產效率。該等資本開支均以內部資源及租賃安排提供資金。

Management Discussion and Analysis  
管理層討論及分析

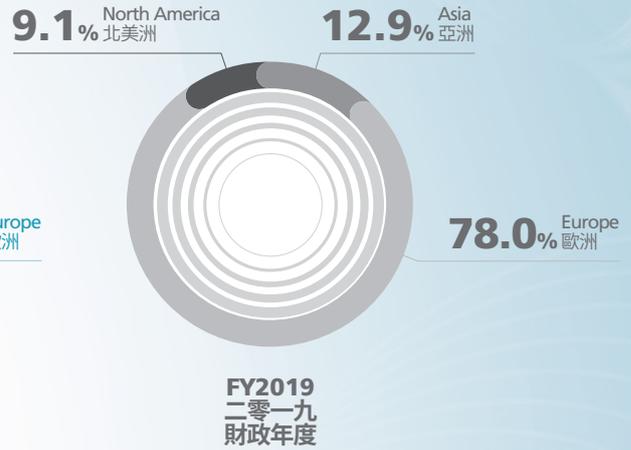
BUSINESS REVIEW

Revenue by Regions

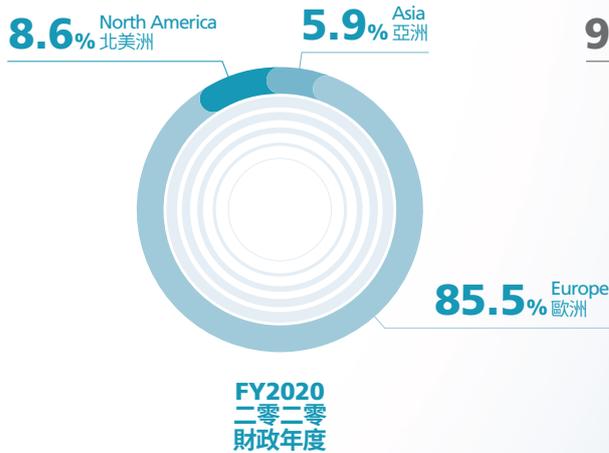


業務回顧

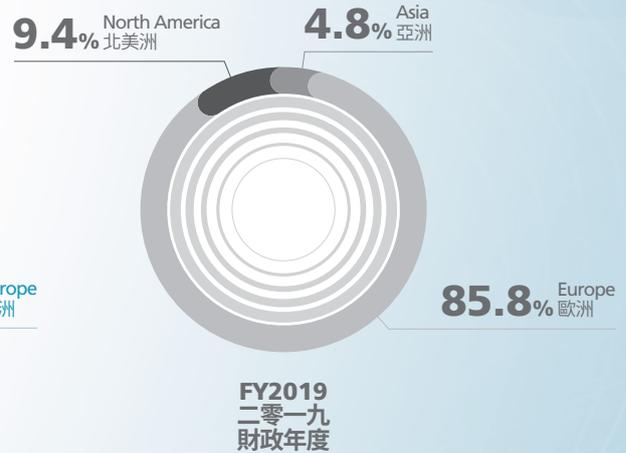
按地區劃分的收益



Sales Quantity by Regions



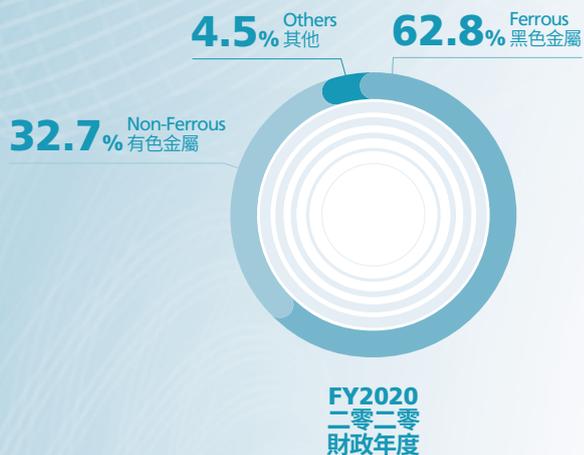
按地區劃分的銷售量



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

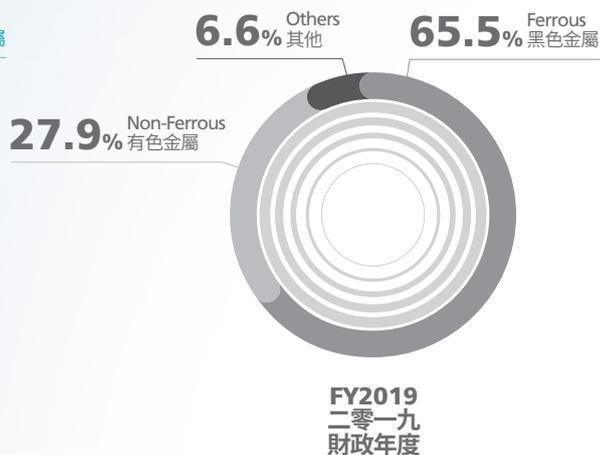
**BUSINESS REVIEW (continued)**

**Revenue by Products**

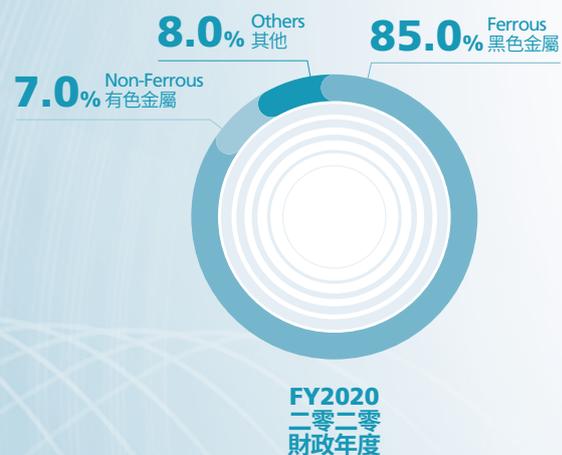


**業務回顧 (續)**

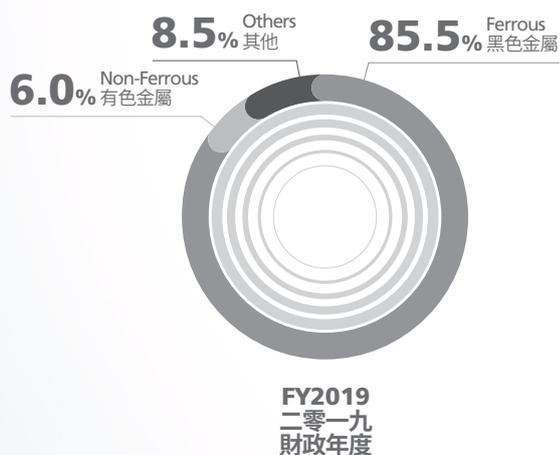
**按產品劃分的收益**



**Sales Quantity by Products**



**按產品劃分的銷售量**



## **BUSINESS REVIEW (continued)**

### **Operational Performance**

The Group continued to operate in our long established markets and expanded into new markets in South/Southeast Asia. Through the geographic diversification, we are in a good position to mitigate the risks of depending overly on a single market. We are among the processing and technology leaders in ferrous and non-ferrous metal recycling worldwide, and own many advanced processing technologies in scrap metal shredding and post-shredding processing.

### **Europe**

Our Europe segment provides all steps in recycling mixed metal scraps and is equipped with one-stop shop services for collecting, gathering, sorting, processing and trading.

Our scrap metal services include cleaning, sorting, shearing, shredding, baling, crushing, blending and briquetting. In post shredding technologies, we are able to achieve approximately 97% recovery rate for ELV, ranking as a world leader (95% recycling rate is the existing recovery target under the European Union directive).

The Europe segment sold 3.68 million tonnes of recycled products for the year ended 31 December 2020, a drop of 10.0% compared to last year of 4.09 million tonnes. Segment revenue was HK\$10,708.9 million, decreased by 12.0% against 2019. Steel producers have been hit by a general freeze in steel consumption, shutdowns and disrupted supply chains during the lockdown periods. Crude steel production in 2020 dropped by around 12% as compared to 2019. With automotive manufacturing and steel mill production capacity recovering from late August 2020 onwards, scrap flows have begun to ease up in the second half of the year, driving our sales rebound in the latter half of the year.

Scrap prices remained at a low level in the first half of 2020 but have been rising in the second half of this year as the production sector restarted. Global infrastructure spending have further driven the scrap price higher. Gross profit for the year reached HK\$835.4 million, a decrease of 4.7% compared with last year due to the reduced volume. Gross profit margin for the year has increased from 7.2% in 2019 to 7.8% in the current year due to better margin management, product mix and rising prices towards year end.

### **業務回顧 (續)**

#### **營運表現**

本集團繼續於其經營多年的市場營運，同時向南亞／東南亞等拓展新市場。透過地域多元化，我們處於有利位置以減輕過度依賴單一市場的風險。我們是全球黑色及有色金屬回收處理及技術領導者之一，並擁有多項先進的再生金屬破碎和破碎後處理技術。

#### **歐洲**

我們的歐洲分部提供回收混合再生金屬的所有工序，配備集收集、集中、分類、處理及貿易於一體的一站式服務。

我們的再生金屬服務包括清潔、分類、剪切、破碎、打包、壓碎、混合及壓塊。在破碎後處理技術方面，我們能達到報廢機動車約97%的回收率，位居全球之冠（95%的回收率是歐盟指令的現有回收目標）。

截至二零二零年十二月三十一日止年度，歐洲分部售出3.68百萬噸再造產品，較去年的4.09百萬噸下跌10.0%。分部收入為10,708.9百萬港元，較二零一九年減少12.0%。於封城期間，鋼鐵生產商受到普遍鋼材消耗停頓、停工及供應鏈中斷的打擊。與二零一九年相比，二零二零年的粗鋼產量下降約12%。隨著汽車製造業和鋼廠產能自二零二零年八月下旬開始恢復，下半年的廢料流動開始恢復，推動了本年度下半年的銷售反彈。

廢料價格於二零二零年上半年仍處於較低水平，但隨著生產行業的重啟，於本年度下半年持續上漲。全球基礎設施支出進一步推動了廢料價格上漲。由於銷量減少，本年度的毛利為835.4百萬港元，較去年下降4.7%。由於更好的利潤管理、產品組合及年底價格上漲，毛利率由二零一九年的7.2%增加至本年度的7.8%。

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

### BUSINESS REVIEW (continued)

#### Europe (continued)

Segment profit for the year was HK\$218.5 million (2019: HK\$379.7 million) as impacted by lower sales volume during the lockdown periods. Intensive cost cutting measures, including temporary work reduction and people optimisation, were implemented also preserving liquidity during the turbulent times. Apart from margin control, several business improvement initiatives have been initiated, including yard network reorganisations and restructuring plans at certain locations.

#### North America

The North America segment possesses extensive recycling process know-how in all relevant process steps from collection, sorting, processing to trading of materials. It operates state-of-the-art shredder technology and has extensive post-shredding technologies in place for recovery optimisation.

For the year ended 31 December 2020, the North America segment sold 0.37 million tonnes, as compared to 0.45 million tonnes last year. Segment revenue was HK\$1,086.1 million, a decline of 23.0% against last year, as our operations in the US was the region hardest hit from the pandemic. Similar to Europe, the pandemic and the subsequent lockdown measures have continued to impede the scrap flows in North America. Demand recovered as most electric arc furnace production capacity has restarted, partly recovering the loss of sales and volume from the first half of the year.

Segment gross profit for the year was HK\$79.0 million (2019: HK\$103.2 million) as volume dropped but gross profit margin remained constant at 7.3% as compared to 2019, as the global scrap prices have been increasing towards the end of 2020.

While intensive cost cutting and people optimising measures were also implemented to our North America operation to mitigate the impact brought about by the pandemic, the low sales tonnage has inevitably increased the segment loss from HK\$48.4 million in 2019 to HK\$62.7 million this year. To focus on growth opportunities and better utilisation of resources, the Group is in the process of divesting the loss-making business in the US Northeast region and expects the profitability of the North America operation will improve in the future.

### 業務回顧 (續)

#### 歐洲 (續)

受封城期間銷量下降的影響，年內分部溢利為218.5百萬港元（二零一九年：379.7百萬港元）。在這動盪時期，我們已實施強力的成本削減措施，包括暫時減少臨時工人及優化人員，以保留流動資金。除控制溢利外，我們已採取多項業務改善措施，包括於若干地區進行工場網絡重組及架構重整計劃。

#### 北美洲

北美洲分部在由收集、分類、處理至物料貿易的所有有關工序中具備高度再生處理的專業知識，其採用最先進的破碎技術，且具有廣泛的破碎後處理技術供回收優化。

截至二零二零年十二月三十一日止年度，北美洲分部售出0.37百萬噸，而去年為0.45百萬噸。由於我們的美國業務為疫情中受影響最嚴重的地區，因此分部收益為1,086.1百萬港元，較去年下降23.0%。與歐洲類似，疫情和隨後的封城措施持續阻礙了北美地區的廢料流動。隨著多數電弧爐重啟生產，需求得以恢復，部分彌補了上半年以來的銷售額和銷量損失。

由於銷量下降，年內分部毛利為79.0百萬港元（二零一九年：103.2百萬港元），但由於全球廢料價格到二零二零年底一直在上漲，毛利率與二零一九年相比持平於7.3%。

儘管我們北美洲的業務亦實施強力的成本削減及人員優化措施，以減輕疫情帶來的影響，但由於銷售量低，導致分部虧損由二零一九年的48.4百萬港元無可避免地增加至本年度的62.7百萬港元。為專注於增長機會及更好地利用資源，本集團正在出售美國東北地區的虧損業務，預期未來北美洲業務的盈利能力將會有所改善。

## **BUSINESS REVIEW (continued)**

### **Asia**

Our Asia operation focuses on recycling of mixed metal, in particular e-motor dismantling, waste electrical and electronic equipment (“WEEE”) and waste oil. Our major production facilities in Asia include China (Hong Kong, Taizhou and Yantai), Malaysia, India, and expanded into Thailand in the current year.

The sales tonnage for the Asia segment increased by approximately 9.7% from 0.23 million tonnes in 2019 to 0.25 million tonnes in the current year. Our Asian businesses were also affected by complete lockdowns firstly in China and then in South/Southeast Asia, but a growing domestic scrap steel business in China has compensated for the lost tonnage during lockdowns. Sales tonnage increased with more ferrous scraps sold in Asia in the current year, but segment revenue for the year was HK\$1,710.5 million, a drop of 15.1% from HK\$2,015.4 million as compared to 2019, due to changes in the sales mix.

The Asia scrap prices followed the global upward trend as demand boosted from government measures are in place to revive the economy. Segment gross profit and gross profit margin for the year was HK\$48.9 million and 2.9%, respectively, a turnaround from a gross loss of HK\$83.0 million and gross loss margin of 4.1% in 2019. Hence, Asia’s segment loss has narrowed from HK\$126.9 million in 2019 to HK\$49.6 million in 2020.

As the Chinese market resumes the import of non-ferrous scraps with the lift of the import restrictions imposed by the Chinese government, and the stimulus plans lay down by the Chinese government in promoting investments and infrastructure, the performance of the Asia segment will recover in the near future.

## **業務回顧 (續)**

### **亞洲**

我們於亞洲的業務著重回收混合金屬，特別是電機拆解、廢電器及電子設備，以及廢油。我們位於亞洲的主要生產基地包括中國（香港、台州及煙台）、馬來西亞、印度，並於本年度擴展至泰國。

亞洲分部的銷量由二零一九年的0.23百萬噸增加約9.7%至本年度的0.25百萬噸。我們的亞洲業務亦受到首先於中國完全封城，繼而於南亞及東南亞封城帶來的影響，但中國日益增長的國內廢鋼業務已彌補封城期間損失的銷量。本年度，隨著亞洲再生黑色金屬銷售的增加，銷量增加，但由於銷售組合的變動，本年度的分部收益為1,710.5百萬港元，較二零一九年的2,015.4百萬港元下降15.1%。

由於政府採取措施刺激經濟復甦，從而提振了需求，刺激廢料價格上漲，亞洲廢料價格亦跟隨全球上漲趨勢。本年度的分部毛利及毛利率分別為48.9百萬港元及2.9%，較二零一九年的毛損83.0百萬港元及毛損率4.1%實現扭轉。因此，亞洲的分部虧損由二零一九年的126.9百萬港元收窄至二零二零年的49.6百萬港元。

隨著中國政府解除對進口的限制，中國市場恢復再生有色金屬的進口，以及中國政府制定了刺激計劃以促進投資和基礎設施建設，亞洲分部的表現不久將來將會重回正軌。

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

### CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2020, the Group had pledged certain plants and buildings, land use rights, inventories, trade receivables and bank deposits with an aggregate carrying value of approximately HK\$4,337.0 million (31 December 2019: HK\$3,807.4 million) to secure borrowings.

As at 31 December 2020, the Group had capital commitments in respect of acquisition of property, plant and equipment and additions in construction in progress which are contracted for but not provided for in the consolidated financial statements and amounted to HK\$16.5 million (31 December 2019: HK\$128.9 million).

As at the date of this report, save as disclosed below, the board of directors of the Company ("Board") is not aware of any material contingent liabilities.

The Group has provided financial guarantees to a related party and certain joint ventures of HK\$9.5 million (31 December 2019: HK\$1.2 million and HK\$38.0 million (31 December 2019: HK\$35.3 million), respectively. As the risk of default is very remote and there is no history of default, no financial guarantee liability was recognised.

A writ of summons was issued by Delco Participation B.V. ("Delco"), as plaintiff, on 21 December 2015 in the High Court of Hong Kong (High Court Action No. 3040 of 2015, "HCA 3040/2015"), followed by an amended writ on 5 December 2016, against the Company and Mr. Fang Ankong ("Mr. Fang") as defendants for a sum of HK\$57.8 million together with interest and costs. The claim relates to an alleged nonpayment of a portion of the loans advanced by Delco Asia Company Limited ("Delco Asia") to subsidiaries of the Company in accordance with the terms of a shareholders loan assignment dated 24 June 2010 between, amongst others, Delco Asia and the Company. The Company filed its defence on 23 September 2016. An amended writ of summons was filed by Delco on 5 December 2016, adding Mr. Fang as a defendant to the proceedings. The Company filed its amended defence on 13 December 2016 and the Plaintiff filed its amended reply to the Company's defence on 21 December 2016. The case is still in progress, with the parties filling amended pleadings and evidence, and preparing for trial.

### 資本承擔及或然負債

於二零二零年十二月三十一日，本集團抵押賬面總值約4,337.0百萬港元（二零一九年十二月三十一日：3,807.4百萬港元）的若干廠房及樓宇、土地使用權、存貨、貿易應收款項及銀行存款，為借款作擔保。

於二零二零年十二月三十一日，本集團有關收購物業、廠房及設備及添置在建工程的已訂約但未於綜合財務報表計提撥備的資本承擔為16.5百萬港元（二零一九年十二月三十一日：128.9百萬港元）。

於本報告日期，除下文所披露者外，本公司董事會（「董事會」）概無知悉有任何重大或然負債。

本集團已分別向一位關聯方及若干合營企業提供財務擔保9.5百萬港元（二零一九年十二月三十一日：1.2百萬港元）及38.0百萬港元（二零一九年十二月三十一日：35.3百萬港元）。由於違約風險極小且無違約歷史，因此並無確認任何金融擔保負債。

Delco Participation B.V.（「Delco」）作為原告於二零一五年十二月二十一日以本公司及方安空先生（「方先生」）作為被告索償利息及成本57.8百萬港元向香港高等法院提交訴狀（高院案例二零一五年第3040號，「HCA 3040/2015」），並於二零一六年十二月五日提交修訂傳票。該索償聲稱未根據（其中包括）Delco Asia Company Limited（「Delco Asia」）與本公司於二零一零年六月二十四日訂立的股東貸款轉讓條款支付Delco Asia向本公司子公司墊付貸款的部分款項。本公司已於二零一六年九月二十三日提出抗辯。Delco於二零一六年十二月五日提交修訂訴狀，加入方先生為法律程序之被告。本公司已於二零一六年十二月十三日提出經修訂抗辯，而原告於二零一六年十二月二十一日對本公司抗辯提交經修訂答辯。案件仍在進行中，當事各方已提交經修訂訴狀和證據，並在準備庭審。

## **CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES (continued)**

Each of Mr. Fang, a former director of the Company, and HWH Holdings Limited (“HWH”), undertook to the Company to indemnify and hold harmless on demand (on an after-tax basis) the Company against all losses arising out of, inter alia, HCA 3040/2015 in accordance with the terms of a letter of indemnity signed by Mr. Fang and HWH in favour of the Company on 17 December 2015. Such indemnity was previously secured by a sum, including the amount of HK\$57.8 million in an escrow account set up by HWH, and is now subject to a Mareva injunction granted by the Court on 30 October 2019 until the determination of, inter alia, HCA3040/2015 or further order of the Court. As such, the Board does not consider HCA 3040/2015 to be a claim of material importance.

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

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

## **資本承擔及或然負債 (續)**

方先生(本公司前任董事)及HWH Holdings Limited(「HWH」)各自向本公司承諾,根據方先生與HWH以本公司為受益人於二零一五年十二月十七日簽署的彌償函件的條款,彌償本公司因(其中包括)HCA 3040/2015產生的所有損失及使本公司免受損失(按除稅後基準)。有關彌償先前由一筆款項作抵押(包括由HWH開設之託管賬戶內57.8百萬港元的金額),而目前受法院於二零一九年十月三十日頒佈的資產凍結令所規限,直至(其中包括)HCA 3040/2015的裁決或法院進一步頒令為止。因此,董事會認為HCA 3040/2015並非重大申索。

Delco作為原告於二零一六年十一月十日以本公司作為第一被告;本公司的全資子公司齊合天地(香港)有限公司(「齊合天地香港」)作為第二被告;HWH作為第三被告;及方先生作為第四被告向香港高等法院提交訴狀(高院案例二零一六年第2939號,「HCA 2939/2016」)。據本公司及其子公司所知,Delco就指稱違反日期為二零一五年三月三日的承諾函(內容關於二零一二年三月一日本公司發行及Delco認購可換股債券)的損害向本公司索償。Delco進一步向齊合天地香港索償1.0百萬美元,其指稱由Delco Asia於二零零九年四月十六日或前後向齊合天地香港墊付該款項。Delco進一步索償利息、費用及更多或其他濟助。本公司及齊合天地香港於二零一七年三月二十四日提出抗辯,而原告於二零一七年六月二十日向本公司及齊合天地香港的抗辯提交答辯。案件仍在進行中,當事各方已提交經修訂訴狀和證據,並在準備庭審。

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

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

### RISK MANAGEMENT

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

Since March 2018, the Group adopted a commodity price risk hedging policy which the Board believes is suitable for the current operating conditions. The commodity price risk hedging policy is recently modified in February 2021 and is available on the Company's website, [www.chihogroup.com](http://www.chihogroup.com).

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

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

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

### 風險管理

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

自二零一八年三月起，本集團採納商品價格風險對沖政策，董事會認為其較適合現行營運狀況。有關商品價格風險對沖政策已於二零二一年二月作出修訂，詳情可於本公司網站[www.chihogroup.com](http://www.chihogroup.com)查閱。

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

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

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

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

### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2020, the Group had a workforce of 2,832 employees. In addition, we engaged approximately 270 separation and selection workers through local recognised contractors. We have not experienced any strikes, work stoppages or significant labour disputes which have affected our operations in the past. We have not experienced any significant difficulties in recruiting and retaining qualified staff. We continue to maintain good relationships with our employees.

The Group's total staff costs for the year was approximately HK\$1,065.6 million. The remuneration package of staff consists of basic salary, mandatory provident fund, insurances and other benefits as considered appropriate. Remuneration of the employees of the Group is determined by reference to the market standard, individual performance and their respective contribution to the Group.

The emoluments of the directors of the Company ("Director(s)") are subject to the recommendations of the remuneration committee of the Company and the Board's approval. Other emoluments including discretionary bonuses, are determined by the Board with reference to the Directors' duties, abilities and performance.

### INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

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

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

### 僱員及薪酬政策

於二零二零年十二月三十一日，本集團共有2,832名僱員。此外，我們透過當地認可承包商僱用約270名拆解及選料工人。我們過去並無經歷任何影響經營的罷工、停工或重大勞資糾紛。我們在招聘及挽留合資格僱員方面亦無遭遇任何重大困難。我們與僱員一直維持良好的關係。

本集團的年內員工成本總額為約1,065.6百萬港元。員工薪酬組合包括基本薪金、強制性公積金、保險及其他合適福利。本集團僱員的薪酬乃參考市場標準、個人表現及其各自對本集團貢獻而定。

本公司董事（「董事」）的酬金由本公司薪酬委員會推薦建議及須經董事會批准。其他酬金（包括酌情花紅）由董事會參考董事的職務、能力及表現釐定。

### 投資者關係及與股東的溝通

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

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

## Profile of Directors and Senior Management 董事及高級管理人員履歷

### EXECUTIVE DIRECTORS 執行董事

**Mr. Tu Jianhua (“Mr. Tu”)**, aged 57, is an executive director of the Company. He was appointed as an executive director in 2015. Mr. Tu is a member of each of the executive committee and the strategy and investment committee of the Company. Mr. Tu also acted as the chairman of the Board from 29 April 2015 to 17 July 2017, and as the chief executive officer of the Company from 16 February 2016 to 31 March 2016. He was the chairman of USUM Investment Group Limited from April 2014 to November 2019. He has been a director of Loncin Group Co., Ltd. (隆鑫集團有限公司) since January 1996 and a director of Loncin Holdings Co., Ltd. (隆鑫控股有限公司) since January 2003. USUM Investment Group Limited, Loncin Group Co., Ltd. (隆鑫集團有限公司) and Loncin Holdings Co., Ltd. (隆鑫控股有限公司) are controlling shareholders of the Company.

He served as the chairman of the board of Loncin Holdings Co., Ltd. (隆鑫控股有限公司) in the period from January 2003 to July 2010 and from February 2013 to December 2013, an executive director of Loncin Group Co., Ltd. (隆鑫集團有限公司) from January 1996 to January 1997, and the chairman of the board of directors of Loncin Group Co., Ltd. (隆鑫集團有限公司) from January 1996 to December 2013. He served as a general manager of Chongqing Loncin Gasoline Engine Company (SinoAmerican Joint Venture) (中美合資重慶隆鑫汽油機公司), a company that used to be controlled by Mr. Tu during its existence, from 1995 to 1996, and served as the chief director of Chongqing Loncin Transportation and Machinery Factory (重慶隆鑫交通機械廠), a company that used to be controlled by Mr. Tu during its existence, from 1993 to 1996. He served as the chairman of factory director City Jiulongpo District Loncin Metal Factory (重慶市九龍坡區隆鑫金屬廠), a company that used to be controlled by Mr. Tu during its existence, from 1991 to 1993 and the factory director of Chongqing Cinhua Metals Factory (重慶鑫華金屬製品廠), from 1984 to 1990.

Mr. Tu graduated from the Economic Management (經濟管理專業) of the Open College in Chongqing City Municipal Party School (重慶市委黨校函授學院) in December 1998. Mr. Tu previously acted as the deputy to the 11th, 12th National People’s Congress, the deputy to the 2nd, 3rd and 4th Chongqing Municipal People’s Congress and the member of the Finance and Economic Affairs Committee of Chongqing Municipal People’s Congress. He currently serves as a Member of the National Committee of the 13th Chinese People’s Political Consultative Conference, a Standing Committee Member of the Executive Committee of the 12th All China Federation of Industry & Commerce (全國工商聯), the president of Chongqing City Industry and Commerce Federation (重慶市工商聯), the President of Chongqing City General Chamber of Commerce (重慶市總商會), the president of Chongqing City Technology Equipment Industry Chamber of Commerce (重慶市科技裝備業商會會長), the vice president of Chongqing City Charity Federation (重慶市慈善總會) and the vice president of Chongqing City Private Entrepreneurs Confederation (重慶市民營企業家聯合會).

Mr. Tu is a director of Loncin Motor Co., Ltd., a company whose shares are listed on the Shanghai Stock Exchange (stock code: 603766). Mr. Tu resigned as a non-executive director of Hanhua Financial Holding Co., Ltd.\* (瀚華金控股份有限公司) whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (stock code: 3903) with effect from 17 December 2020.

\* For identification purpose only

\* 僅供識別

## Profile of Directors and Senior Management 董事及高級管理人員履歷

涂建華先生（「涂先生」），57歲，本公司執行董事。彼於二零一五年獲委任為執行董事。涂先生為本公司執行委員會及戰略與投資委員會各自之成員。涂先生曾亦於二零一五年四月二十九日至二零一七年七月十七日擔任董事長及於二零一六年二月十六日至二零一六年三月三十一日擔任本公司行政總裁。彼由二零一四年四月至二零一九年十一月擔任渝商投資集團股份有限公司董事長。彼自一九九六年一月至今任隆鑫集團有限公司董事，自二零零三年一月至今任隆鑫控股有限公司董事。渝商投資集團股份有限公司、隆鑫集團有限公司及隆鑫控股有限公司為本公司控股股東。

彼於二零零三年一月至二零一零年七月期間及自二零一三年二月至二零一三年十二月期間擔任隆鑫控股有限公司董事長，於一九九六年一月至一九九七年一月期間任隆鑫集團有限公司執行董事，於一九九六年一月至二零一三年十二月期間擔任隆鑫集團有限公司董事長。彼於一九九五年至一九九六年擔任中美合資重慶隆鑫汽油機公司（存在時由涂先生控制的公司）總經理，於一九九三年至一九九六年擔任重慶隆鑫交通機械廠（存在時由涂先生控制的公司）總經理，於一九九一年至一九九三年擔任重慶市九龍坡區隆鑫金屬廠（存在時由涂先生控制的公司）廠長，以及於一九八四年至一九九零年擔任重慶鑫華金屬製品廠廠長。

涂先生於一九九八年十二月畢業於重慶市委黨校函授學院經濟管理專業。涂先生曾擔任第十一屆、第十二屆全國人民代表大會代表，第二屆、第三屆及第四屆重慶市人民代表大會代表及重慶市人民代表大會財政經濟委員會委員。彼目前擔任第十三屆全國政協委員、第十二屆全國工商聯執行委員會常務委員、重慶市工商聯主席、重慶市總商會會長、重慶市科技裝備業商會會長、重慶市慈善總會副會長及重慶市民營企業家聯合會副會長。

涂先生為隆鑫通用動力股份有限公司董事（該公司股份於上海證券交易所上市（股份代號：603766）），涂先生已辭任瀚華金控股份有限公司（該公司股份於香港聯合交易所有限公司（「聯交所」）主板上市（股份代號：3903）之非執行董事，自二零二零年十二月十七日起生效。

## **Profile of Directors and Senior Management**

### **董事及高級管理人員履歷**

**Mr. Rafael Heinrich Suchan (“Mr. Suchan”)**, aged 39, was appointed as the chief executive officer and executive director of the Company on 1 March 2020. Mr. Suchan serves as a member of each of the executive committee, pricing committee and strategy and investment committee of the Company. He also acts as a director of certain subsidiaries of the Company.

Mr. Suchan started his career at Bayer AG, a German pharmaceutical and chemical company, as a management trainee in 2002 where he worked across various marketing and finance functions in Germany and Poland. In 2006, he joined Lanxess, a specialty chemicals company, as a strategy consultant working in Germany, Canada and China. From there he moved to become the head of corporate development based in Shanghai at Lanxess Greater China in 2008. In 2010, Mr. Suchan joined Lanxess’ inorganic pigments business unit as the commercial director for Asia Pacific and in 2012, he took over the responsibility as the vice president for global product management. In 2014, Mr. Suchan was additionally appointed as the vice president for all operations of the inorganic pigments business unit in the Asia Pacific region which also included the responsibility as the managing director for Lanxess’ three inorganic pigments production sites in Shanghai and Ningbo, the PRC. Since April 2017, Mr. Suchan had been globally responsible for identifying and implementing digital solutions which can be used along the whole chemical value chain within Lanxess’ digital transformation activities. In addition, Mr. Suchan was also the chief digital officer at Lanxess coordinating digital transformation efforts in the Asia-Pacific region.

Mr. Suchan holds a Bachelor’s degree (Diplom-Kaufmann) in Business Administration and Economics from the University of Applied Sciences in Essen, Germany and a Master’s degree in Business Administration from Nanyang Technological University in Singapore and from Tsinghua University in Beijing, the PRC, respectively.

**Rafael Heinrich Suchan先生 (「Suchan先生」)**，39歲，彼於二零二零年三月一日委任為本公司行政總裁兼執行董事。Suchan先生為本公司執行委員會、定價委員會以及戰略與投資委員會各自之成員。彼亦為本集團若干子公司之董事。

Suchan先生於二零零二年作為管理培訓生於德國制藥和化工公司Bayer AG開展其事業，於德國及波蘭擔任各種營銷及財務職務。於二零零六年，彼作為戰略顧問加入特殊化學品公司朗盛，於德國、加拿大及中國工作。此後，彼於二零零八年調任為朗盛大中華區上海企業發展主管。於二零一零年，Suchan先生加入朗盛無機顏料業務部門，擔任亞太區商務總監及於二零一二年，彼接任全球產品管理副總裁。於二零一四年，Suchan先生亦獲委任為亞太區無機顏料業務部門副總裁，負責所有業務，亦包括擔任朗盛於中國上海及寧波的三個無機顏料生產基地的董事總經理。自二零一七年四月以來，Suchan先生一直參與朗盛的數碼化轉型工作，負責於全球物色及實施適用於整個化學價值鏈的數碼解決方案。此外，Suchan先生亦為朗盛的亞太區數碼總監，於該地區協調數碼化轉型工作。

Suchan先生分別持有德國埃森經濟管理應用技術大學工商管理與經濟學學士學位 (Diplom-Kaufmann)，以及新加坡南洋理工大學及中國北京清華大學工商管理碩士學位。

## **Profile of Directors and Senior Management** **董事及高級管理人員履歷**

**Mr. Martin Simon (“Mr. Simon”)**, aged 54, joined the Group as the chief financial officer of Scholz Group, a major operation group of the Group, on 2 July 2019. He took up the additional roles as an executive director and the chief financial officer of the Company with effect from 23 June 2020. He also acts as a director of certain subsidiaries of the Company. Mr. Simon also serves as a member of each of the executive committee, pricing committee and strategy and investment committee of the Company.

Mr. Simon started his career as an auditor at ERNST & YOUNG in 1995. In 1999, he moved to become a business controller based in Germany at Dyckerhoff Group, an international producer of cement and ready-mixed concrete. In 2001, he was relocated for the Dyckerhoff Group as the finance vice president and chief financial officer of Glens Falls Lehigh Cement Company in New York, United States. From 2005, Mr. Simon worked in the paper and packaging industry for SCA Packaging Europe as the chief financial officer for the Region Central Europe and subsequently as the managing director and vice president with full financial responsibility for the Region Central and Eastern Europe, successfully steering the region through the 2008/09 world economic crisis. From 2013, Mr. Simon held chief financial officer positions in the automotive supplier industry with NBHX Trim Group, a wholly owned subsidiary of Ningbo Huaxiang Group, working in the field of interior surfaces for premium vehicles. and from 2016 onwards, with the German SHW AG, a global supplier of motor & transmission oil pumps and brake discs, where he was responsible for the transition after the takeover by a European strategic investor.

Mr. Simon holds a Master’s degree in Business Administration (Diplom-Kaufmann) from University of Würzburg in Germany.

**Martin Simon先生 (「Simon先生」)**，54歲，彼於二零一九年七月二日加入本集團擔任本集團主要營運集團順爾茨集團的首席財務官。自二零二零年六月二十三日起，彼亦兼任本公司執行董事兼首席財務官。彼亦為本集團若干子公司之董事。Simon先生亦為本公司執行委員會、定價委員會以及戰略與投資委員會各自之成員。

Simon先生於一九九五年作為審計師於安永會計師事務所開展其事業。此後，彼於一九九九年加入Dyckerhoff集團（水泥和預拌混凝土的國際生產商）於德國擔任其業務總監。彼於二零零一年調任至Dyckerhoff集團擔任美國紐約公司Glens Falls Lehigh Cement Co的財務副總監及首席財務官。自二零零五年起，Simon先生於紙品及包裝行業任職，擔任SCA Packaging Europe的中歐地區首席財務官，隨後擔任中歐及東歐地區董事總經理及副總裁，全面負責財務，成功領導該地區度過二零零八／零九年世界經濟危機。自二零一三年起，Simon先生於寧波華翔集團的全資子公司NBHX Trim Group（從事高檔汽車內飾表面領域業務）擔任汽車供應商業務的首席財務官。自二零一六年起，彼於德國SHW AG（一家全球性馬達和變速箱油泵及製動盤供應商）任職，負責該公司被一家歐洲戰略投資者接管之後的過渡工作。

Simon先生持有德國維爾茨堡大學工商管理碩士學位(Diplom-Kaufmann)。

## **Profile of Directors and Senior Management**

### **董事及高級管理人員履歷**

**Mr. Miao Yu (“Mr. Miao”)**, aged 42, was appointed as an executive director of the Company on 29 December 2020. He also serves as a member of each of the executive committee, the strategy and Investment committee and the pricing committee. He also acts as the president of USUM Investment Group Limited, a controlling shareholder of the Company.

Mr. Miao has extensive experience in investment management, corporate finance, financing structure and implementation. He served as the investment and financing director of China General Consulting and Investment Co., Ltd. from 2017 to 2019 and as the senior vice president of Tensant Securities Limited from 2015 to 2017. He was the vice general manager of Beijing Maosen Capital Management Ltd. from 2012 to 2015.

Mr. Miao holds a Bachelor’s degree in Finance from Hebei University of Economics and Business in the PRC.

**苗雨先生（「苗先生」）**，42歲，彼於二零二零年十二月二十九日獲委任為執行董事。彼亦為本公司執行委員會、戰略與投資委員會以及定價委員會各自之成員。彼亦擔任本公司的控股股東渝商投資集團股份有限公司總裁。

苗先生在投資管理、企業融資、融資結構及實施方面擁有豐富的經驗。彼於二零一七年至二零一九年擔任中國通用諮詢投資有限公司之投融資總監及於二零一五年至二零一七年擔任天晟證券有限公司之高級副總裁。彼於二零一二年至二零一五年曾擔任北京茂森資本有限公司之副總經理。

苗先生持有中國河北經貿大學金融學士學位。

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## **Profile of Directors and Senior Management** **董事及高級管理人員履歷**

### **Former Executive Director 前執行董事**

**Mr. Qin Yongming (“Mr. Qin”)**, aged 57, joined the Group on 1 June 2016 as the executive vice president. He was appointed as an executive director of the Company with effect from 30 June 2016, and as the chairman of the Board from 17 July 2017. He also acted as the chief executive office of the Company from 24 October 2016 to 17 July 2017, and from 11 October 2017 to 1 March 2020. Mr. Qin resigned as the chairman of the Board, an executive director of the Company, and the chairman of each of the executive committee, the nomination committee, the strategy and investment committee and the pricing committee of the Company with effect from 16 December 2020.

From 2004 to 2016, Mr. Qin worked with LafargeHolcim group and his last position with LafargeHolcim group was the purchasing director of the China region, with a particular focus on raw materials and cementitious materials. Mr. Qin served as the head of the purchasing department of Tianjin Henkel Detergent Co. Ltd. from 1996 to 1999 and the finance director of Tianjin Philips Sy Catering and Entertainment Co., Ltd. from 1994 to 1996. Mr. Qin has extensive experience in corporate operation management, process and budget control, strategic materials procurement and supplier management.

Mr. Qin holds a Bachelor’s degree in Finance and Accounting from Renmin University of China and a Master’s degree in Business Administration from the University of Southampton in England.

**秦永明先生 (「秦先生」)**，57歲，彼於二零一六年六月一日加入本集團並擔任常務副總裁，彼獲委任為本公司執行董事，自二零一六年六月三十日起生效，並自二零一七年七月十七日起擔任董事會主席。彼亦於二零一六年十月二十四日至二零一七年七月十七日以及於二零一七年十月十一日至二零二零年三月一日擔任本公司行政總裁。秦先生已辭任董事會主席、本公司執行董事以及本公司執行委員會、提名委員會、戰略與投資委員會以及定價委員會各自之主席，自二零二零年十二月十六日起生效。

二零零四年至二零一六年，秦先生任職於拉法基豪瑞集團，彼於該集團之最後職位為中國區原材料及膠凝材料採購總監。秦先生於一九九六年至一九九九年擔任天津漢高洗滌劑有限公司採購部部長，一九九四年至一九九六年擔任天津大施餐飲娛樂有限公司首席財務官。秦先生在企業營運管理、流程與預算控制、戰略物資採購和供貨商管理等方面有豐富的經驗。

秦先生持有中國人民大學財務會計專業學士學位及英國南安普頓大學工商管理碩士學位。

## Profile of Directors and Senior Management 董事及高級管理人員履歷

**Mr. Chen Chunguo (“Mr. Chen”)**, aged 47, was appointed as the chairman of the Board and an executive director of the Company on 16 December 2020. Mr. Qin Chen also served as the chairman of each of the executive committee, the nomination committee, the strategy and investment committee and the pricing committee of the Company. He resigned from these positions with effect from 3 March 2021.

Mr. Chen has extensive experience in corporate management, strategic investment and group restructuring. He joined Dalian Shide Group Limited\* (大連實德集團有限公司) in July 1996 and served as the president and a director from February 2004 to April 2012. He served as the president and a director of Dalian Hairunlai Construction Engineering Co., Ltd.\* (大連海潤來集團有限公司) and the chairman of Shanghai Chonghan Equity Investment Limited\* (上海涌涵股權投資有限公司) from October 2014 to June 2016. Mr. Chen then joined China Regenerative Medicine International Limited whose shares are listed on Stock Exchange (stock code: 8158), in July 2016 and served as the president from October 2016 to February 2017 and as the chief executive director from February 2017 to July 2018. He then served as the president and the chairman of Anlian Group Limited\* (鞍煉集團有限公司) from September 2018 to June 2020. Mr. Chen joined Liaoning Guoke Industrial Co., Ltd.\* (遼寧國科實業有限公司) as the chairman from June 2020.

Mr. Chen previously acted as the deputy to the 10th and the 11th People’s Congress of Liaoning Province, the PRC, the vice chairman of Dalian Youth Federation\* (大連市青聯) and the executive chairman of Beijing Youth Chamber of Commerce\* (北京青年商會). He previously served as a director of Sino Life Insurance Co., Ltd.\* (生命人壽保險股份有限公司), Bank of Dalian Co., Ltd. and Huahui Life Insurance Co., Ltd.\* (華匯人壽保險股份有限公司).

Mr. Chen holds a Master’s degree in Finance and a Master’s degree in Business Administration (“MBA”) from the Dongbei University of Finance and Economics in Liaoning, the PRC, and an Executive Master of Business Administration (“EMBA”) degree from Tsinghua University in Beijing, the PRC.

**陳春国先生 (「陳先生」)**，47歲，彼於二零二零年十二月十六日獲委任為本公司董事會主席兼執行董事。陳先生亦為本公司執行委員會、提名委員會、戰略與投資委員會及定價委員會各自之主席。彼已辭任該等職務，自二零二一年三月三日起生效。

陳先生在企業管理、戰略投資及集團重組方面擁有豐富的經驗。彼於一九九六年七月加入大連實德集團有限公司並於二零零四年二月至二零一二年四月擔任總裁兼董事。彼於二零一四年十月至二零一六年六月於大連海潤來集團有限公司擔任總裁兼董事及於上海涌涵股權投資有限公司擔任主席。陳先生隨後於二零一六年七月加入中國再生醫學國際有限公司(該公司股份於聯交所上市，股份代號：8158)，並於二零一六年十月至二零一七年二月擔任總裁及於二零一七年二月至二零一八年七月擔任首席執行官。彼隨後於二零一八年九月至二零二零年六月擔任鞍煉集團有限公司的總裁兼主席。陳先生於二零二零年六月加入遼寧國科實業有限公司擔任主席。

陳先生曾擔任中國遼寧省第十屆及第十一屆人民代表大會代表、大連市青聯副主席及北京青年商會執行會長。彼曾任生命人壽保險股份有限公司、大連銀行股份有限公司及華匯人壽保險股份有限公司董事。

陳先生持有中國遼寧東北財經大學金融學碩士學位與工商管理碩士學位(「MBA」)，以及中國北京清華大學高級管理人員工商管理碩士學位(「EMBA」)。

\* For identification purpose only  
\* 僅供識別

## **Profile of Directors and Senior Management** **董事及高級管理人員履歷**

**Mr. Ding Zhiyi (“Mr. Ding”)**, aged 38, was appointed as an executive director of the Company on 29 December 2020. He also served as a member of each of the executive committee, the strategy and Investment committee and the pricing committee of the Company. He resigned from these positions with effect from 5 March 2021

He held various senior positions in China Huarong International Holdings Limited, a subsidiary of China Huarong Asset Management Co., Ltd. whose shares are listed on the Stock Exchange (stock code: 2799) from 2014 to 2019, including the assistant to the general manager and the general manager of the business review division. He was the head of the corporate finance department of CCB International (Shanghai) Limited before 2014. He acted as an executive director, the chairman of the board of directors and the chief executive officer of Silk Road Logistics Holdings Limited whose shares are listed on the Stock Exchange (stock code: 988) from November 2017 to January 2019.

Mr. Ding holds a Bachelor’s degree in Pure Mathematics and Applied Mathematics from Shanghai University in the PRC and a Master’s degree in Mathematics Science from University of Adelaide in Australia.

**丁志懿先生 (「丁先生」)**，38歲，彼於二零二零年十二月二十九日獲委任為本公司執行董事。彼亦為本公司執行委員會、戰略與投資委員會以及定價委員會各自之成員。彼已辭任該等職務，自二零二一年三月五日起生效。

彼於二零一四年至二零一九年於中國華融國際控股有限公司 (其股份於聯交所上市 (股份代碼：2799)) 之子公司歷任多個高級職位，包括總經理助理及審查部總經理。於二零一四年前，他曾擔任建銀國際 (上海) 有限公司企業融資部主管。彼於二零一七年十一月至二零一九年一月，曾任絲路物流控股有限公司 (其股份於聯交所上市，股份代碼：988) 的執行董事、董事會主席、首席執行官。

丁先生持有中國上海大學純數學及應用數學學士學位及澳洲阿德雷得大學數學科學碩士學位。

## Profile of Directors and Senior Management 董事及高級管理人員履歷

### INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事

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#### Current Independent Non-Executive Directors 現任獨立非執行董事

**Dr. Loke Yu alias Loke Hoi Lam (“Dr. Loke”)**, aged 71, was appointed as an independent non-executive director of the Company on 23 June 2010. Dr. Loke also serves as the chairman of the audit committee and a member of each of the remuneration committee and the nomination committee of the Company.

Dr. Loke has over 42 years of experience in accounting and auditing for private and public companies, financial consultancy and corporate management. He holds a Master of Business Administration degree from Universiti Teknologi Malaysia and a Doctor of Business Administration degree from University of South Australia. He is a fellow member of The Institute of Chartered Accountants in England and Wales, The Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Chartered Secretaries. He is also a member of The Hong Kong Independent Non-Executive Director Association.

He currently serves as an independent non-executive director of the following companies whose shares are listed on the Stock Exchange: China Silver Technology Holdings Limited (formerly known as TC Orient Lighting Holdings Limited) (stock code: 515), Hang Sang (Siu Po) International Holding Company Limited (stock Code: 3626), Hong Kong Resources Holdings Company Limited (stock Code: 2882), Matrix Holdings Limited (stock Code: 1005), Tianjin Development Holdings Limited (stock Code: 882), Times Universal Group Holdings Limited (formerly known as Forebase International Holdings Limited) (stock code: 2310), TradeGo FinTech Limited (stock Code: 8017), V1 Group Limited (stock Code: 82), Zhenro Properties Group Limited (stock Code: 6158), Zhong An Group Limited (stock Code: 672). He also serves as a non-executive director of Veson Holdings Limited (formerly known as SCUD Group Limited) (stock code: 1399). He was an independent non-executive director of CIMC-TianDa Holdings Company Limited (stock Code: 445) from 1 August 2006 to 1 February 2021.

**陸海林博士 (「陸博士」)**，71歲，彼於二零一零年六月二十三日獲委任為本公司獨立非執行董事。陸博士為本公司審核委員會主席，以及薪酬委員會以及提名委員會各自之成員。

陸博士於私人及上市公司之會計及審計工作、財務顧問及企業管理等方面擁有逾42年經驗，持有馬來西亞科技大學工商管理碩士學位和南澳大學工商管理博士學位。彼為英格蘭與威爾斯特許會計師學會、香港會計師公會、香港特許秘書公會之資深會員，彼亦為香港獨立非執行董事協會之會員。

彼現為股份於香港聯交所上市之下列多家公司之獨立非執行董事：中華銀科技控股有限公司（前稱達進東方照明控股有限公司）（股份代號：515）、Hang Sang (Siu Po) International Holding Company Limited（股份代號：3626）、香港資源控股有限公司（股份代號：2882）、美力時集團有限公司（股份代號：1005）、天津發展控股有限公司（股份代號：882）、時代環球集團控股有限公司（前稱申基國際控股有限公司）（股份代號：2310）、捷利交易寶金融科技有限公司（股份代號：8017）、第一視頻集團有限公司（股份代號：82）、正榮地產集團有限公司（股份代號：6158）、眾安集團有限公司（股份代號：672）。彼亦擔任銳信控股有限公司（前稱飛毛腿集團有限公司）（股份代號：1399）非執行董事。彼自二零零六年八月一日至二零二一年二月一日為中集天達控股有限公司（前稱中國消防企業集團有限公司）（股份代號：445）獨立非執行董事。

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## **Profile of Directors and Senior Management** **董事及高級管理人員履歷**

**Mr. Ko Frankie Andrew (“Mr. Ko”)**, aged 70, acted as an independent non-executive director of the Company from 19 February 2020 to 29 December 2020 and was re-appointed as an independent non-executive director of the Company on 5 March 2021. He also serves as the chairman of the remuneration committee of the Company and a member of each of the audit committee, the nomination committee and the strategy and investment committee of the Company.

Mr. Ko started his career at Dow Chemical Company in 1976 and spent 31 years in various manufacturing and commercial leadership roles, with his most recent role from 2005 to 2007 as a vice president of Greater China for business development. He also previously served as a director of operations of Greater China, a general manager of Greater China, and also an executive director of various joint ventures of Dow Chemical Company. In 2007, Mr. Ko joined AEA Investors, a global private investment firm focused on private equity and debt investments in the middle market, and is currently a partner and an operating executive.

Mr. Ko holds a Bachelor’s degree in Chemical Engineering from the University of Wisconsin-Madison in the United States and a Master’s degree in Chemical Engineering from the University of Kentucky in the United States, and a Master’s degree of Business Administration from Marshall University in the United States.

**高瑞強先生 (「高先生」)**，70歲，彼於二零二零年二月十九日至十二月二十九日擔任本公司獨立非執行董事及於二零二一年三月五日獲重新委任為本公司獨立非執行董事。彼亦為本公司酬委員會主席以及審核委員會、提名委員會及戰略與投資委員會各自之成員。

高先生於一九七六年於陶氏化學公司開展事業，擔任各種製造及商業領導職務31年，最近期職務為於二零零五年至二零零七年擔任大中華地區副總裁，負責業務開發。彼先前亦擔任陶氏化學公司的大中華地區營運總監、大中華地區總經理，亦擔任其多間合營企業的行政人員或董事。於二零零七年，高先生加入安盈投資（一間專注於中端市場私募股權及債務投資的環球私人投資公司），現時擔任其合夥人及營運行政官。

高先生持有美國威斯康辛大學麥迪遜分校化學工程學士學位、肯德基大學化學工程碩士學位以及馬歇爾大學工商管理碩士學位。

## Profile of Directors and Senior Management 董事及高級管理人員履歷

### Former Independent Non-Executive Directors 前獨立非執行董事

**Ms. Yang Yali (“Ms. Yang”)**, aged 35, was appointed as an independent non-executive director of the Company on 29 December 2020. She also served as the chairman of the remuneration committee and a member of each of the audit committee and the nomination committee. She resigned from these positions with effect from 5 March 2021.

Ms. Yang obtained a Bachelor’s degree in Business Management from Southwestern University of Finance and Economics and a Master’s degree in Law from Tsinghua University in the PRC. She is a lawyer with law professional qualifications in the PRC. She is currently a trainee solicitor of Beijing Guan Heng Law Firm. She acted as the senior legal consultant of Tencent Music (Beijing) Company Limited from May 2018 to May 2020 and the senior researcher for criminal law of Tencent Technology (Beijing) Company Limited from March 2017 to May 2018. She held the positions as the prosecutor and assistant prosecutor of Beijing Municipal People’s Procuratorate from July 2011 to March 2017.

楊雅麗女士（「楊女士」），35歲，彼於二零二零年十二月二十九日獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席以及審核委員會及提名委員會各自之成員。彼已辭任該等職務，自二零二一年三月五日起生效。

楊女士於中國之西南財經大學取得工商管理學士學位及清華大學取得法律系碩士學位。彼為具有中國法律職業資格之律師。楊女士現為北京市冠衡律師事務所之實習律師。彼於二零一八年五月至二零二零年五月曾擔任騰訊音樂（北京）有限公司之高級法律顧問及於二零一七年三月至二零一八年五月曾擔任騰訊科技（北京）有限公司之刑事法律中心高級研究員。彼於二零一一年七月至二零一七年三月期間曾於北京市人民檢察院擔任檢察官及助理檢察官。

**Mr. Wang Qiwei (“Mr. Wang”)**, aged 29, was appointed as an independent non-executive director of the Company on 29 December 2020. He also served as a member of each of the audit committee, the nomination committee and the remuneration committee. He resigned from these positions with effect from 5 March 2021.

Mr. Wang graduated from Shenyang University of Technology– Engineering College in China with a major in measurement and control technology and instrument. He is currently the manager of a health service management company in the PRC. He is specialised in sale and marketing planning, research and analysis, and he is also experienced in retail operations and management, administrative management and staff training.

王奇偉先生（「王先生」），29歲，彼於二零二零年十二月二十九日獲委任為本公司獨立非執行董事。彼亦為審核委員會、提名委員會以及薪酬委員會各自之成員。彼已辭任該等職務，自二零二一年三月五日起生效。

王先生於中國之瀋陽工業大學工程學院取得測控技術與儀器本科學位。彼現任中國一家健康服務管理公司的經理。彼專門從事銷售和營銷計劃，研究和分析，並且在零售營運和管理，行政管理和員工培訓方面也很有經驗。

## **Profile of Directors and Senior Management** **董事及高級管理人員履歷**

**Ms. Qian Liping (“Ms. Qian”)**, aged 43, was appointed as an independent non-executive director of the Company in 2016. She also served as a member of each of the audit committee, the remuneration committee and the nomination committee of the Company. She resigned from these positions with effect from 29 December 2020.

Ms. Qian is currently a professor at the School of Economics and Business Administration in Chongqing University and a managing director of Marketing Committee, Chinese Research Council of Modern Management. She was also a visiting scholar of the Chinese University of Hong Kong from 2010 to 2011. She has more than 17 years of research experience in B2B Marketing and Marketing Channel Management and has intimate knowledge of the marketing environment and management mechanism in mainland China. Ms. Qian holds a doctoral degree in Management from School of Management of Xi’an Jiaotong University in the PRC.

**錢麗萍女士（「錢女士」）**，43歲，彼於二零一六年獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、薪酬委員會以及提名委員會各自之成員。彼已辭任該等職務，自二零二零年十二月二十九日起生效。

錢女士現為重慶大學經濟與工商管理學院教授及中國管理現代化研究會營銷專業委員會常務理事。彼自二零一零年至二零一一年間亦為香港中文大學訪問學者。彼於研究B2B市場營銷及營銷渠道管理方面有著超過十六年的經驗，且十分熟悉中國大陸的營銷環境及管理機制。錢女士持有西安交通大學管理學院管理學博士學位。

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**Mr. Zhu Hongchao (“Mr. Zhu”)**, aged 61, was appointed as an independent non-executive director of the Company in 2018 and resigned from an independent non-executive director of the Company, the chairman of the remuneration committee of the Company and a member of each of the audit committee and the nomination committee of the Company on 19 February 2020.

Mr. Zhu holds a Juris Master from Fudan University in the PRC. He is one of the founding partners of Shanghai United Law Firm and a senior lawyer. He has rich litigation and non-litigation experience in terms of Contract Law, Law of Torts, Company Law and other legal fields.

**朱洪超先生（「朱先生」）**，61歲，彼於二零一八年獲委任為本公司獨立非執行董事，並於二零二零年二月十九日辭任本公司獨立非執行董事以及酬委員會主席以及審核委員會及提名委員會各自之成員。

朱先生持有復旦大學法學碩士學位。彼為上海市聯合律師事務所創始合夥人之一及高級律師。彼在合同法、民事侵權法、公司法等法律領域具有豐富的訴訟和非訴訟經驗。

## **Profile of Directors and Senior Management** **董事及高級管理人員履歷**

### **SENIOR MANAGEMENT 高級管理人員**

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**Mr. Marc Breidenbach (“Marc”)**, aged 37, is the chief operating officer of the Company and the international chief operating officer of Scholz group, a major operation group of the Group. Marc joined the Scholz group in January 2014 and has been playing a key role in the management of Scholz group. He took up the additional role as the chief operating officer of the Company with effect from 23 June 2020. He also serves as a member of the strategy and investment committee of the Company and acts as a director of certain subsidiaries of the Company. Marc has extensive experience in growth and restructuring situations in family-run and listed companies in an international environment. From 2008 to 2012, Marc worked as a consultant in an internationally active management consultancy firm focusing on restructuring, operational excellence, mergers and acquisitions.

Marc holds a Bachelor’s degree in Business Administration (Diplom-Kaufmann) from the International School of Management in Germany. He also completed several courses at Nanyang Technological University in Singapore and Euromed – Ecole de Management Marseille in France.

**Marc Breidenbach先生 (「Marc先生」)**，37歲，彼為公司的首席營運官並為順爾茨集團 (本公司的主要營運集團之一) 的國際首席營運官。Marc先生於二零一四年一月加入順爾茨集團，並一直於順爾茨集團的管理中發揮關鍵作用。自二零二零年六月二十三日起，彼兼任本公司首席營運官。彼亦為本公司戰略與投資委員會成員，以及本集團若干子公司之董事。Marc於國際家族營運及上市公司的發展及重組方面擁有豐富經驗。二零零八年至二零一二年，Marc於一間活躍於環球市場的管理諮詢公司中擔任顧問，該公司專注於重組、卓越營運及併購領域。

Marc先生持有德國國際管理學院的工商管理學士學位(Diplom-Kaufmann)。彼亦於新加坡南洋理工大學及法國馬賽商學院修畢多門課程。

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## **Profile of Directors and Senior Management** **董事及高級管理人員履歷**

**Mr. Goh Kian Guan ("Mr. Goh")**, aged 43, is the vice president, the chief investment officer of the Company and the general manager of the investment & development department of the Company. He also serves as a member of the strategy and investment committee of the Company and acts as a director of certain subsidiaries of the Company. He joined the Group on 1 January 2016. Before joining the Group, Mr. Goh was the managing director for investments at USUM Investment Group Limited, a controlling shareholder of the Company. Mr. Goh has extensive experience in merger and acquisition transactions, covering energy, commodities, transportation, telecom-media-technology (TMT) and high end manufacturing industry. After graduation, Mr. Goh spent 6 years as an engineer, working on various projects, including oil fields, refineries, petrochemical plants, pharmaceutical plants, power plants, oil rigs, real estates and advance equipment manufacturing, covering technical, commercial and financial management. He then joined the strategic investment team of Singapore Telecom specialising in merger and acquisition. Mr. Goh also once worked in Standard Chartered Corporate Advisory and BNP Paribas Investment Banking Energy & Commodities team and served as the head of international merger & acquisition at an investment firm in Shanghai, the PRC.

Mr. Goh holds a Bachelor's degree in Engineering in Civil from the Nanyang Technological University in Singapore and a Master's degree in Finance from the Royal Melbourne Institute of Technology in Australia.

**吳健源先生 (「吳先生」)**，43歲，本公司副總裁、首席投資官兼投資發展部總經理。彼亦為本公司戰略與投資委員會成員，以及本集團若干子公司之董事。彼於二零一六年一月一日加入本集團。加入本集團之前，吳先生就職於本公司控股股東滙商投資集團股份有限公司，擔任投資管理部董事總經理。吳先生在併購交易中擁有豐富的經驗，涉及能源、大宗商品、運輸業、電信／媒體／科技和高端製造。畢業後，吳先生還擁有6年的工程師經歷，參與過多項工業項目，涉及油田、煉化廠、製藥廠、發電廠、海上鑽井平台、房地產、高端設備製造的技術、商務、財務管理。彼隨後加入了新加坡電信專門從事併購的戰略投資團隊。吳先生亦曾就職於渣打銀行企業諮詢部和法國巴黎銀行投行部能源及大宗商品團隊，並曾於中國上海一家投資公司擔任任國際併購部負責人。

吳先生持有新加坡南洋理工大學土木工程學士學位及澳洲皇家墨爾本理工大學金融碩士學位。

## Directors' Report 董事會報告

The directors of the Company have the pleasure in presenting their report and the audited consolidated financial statements of the Group for the year ended 31 December 2020 (the "Reporting Period").

### PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are set out in Note 42 to the consolidated financial statements.

An analysis of the Group's performance by operating segments for the year ended 31 December 2020 is set out in Note 5 to the consolidated financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Company for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss and the consolidated statement of comprehensive income of the Group on pages 121 to 122 of this annual report 2020 ("Annual Report").

### FINAL DIVIDEND

The board of directors did not recommend the payment of final dividend for the year ended 31 December 2020 (2019: Nil).

### BUSINESS REVIEW

The review of the business of the Group for the year ended 31 December 2020 is set out in sections headed "Chief Executive Officer's Statement", "Management Discussion and Analysis" from pages 12 to 17 and pages 18 to 33, respectively, of this Annual Report which also form part of this Directors' Report.

### ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has implemented a number of resources conservation initiatives in its operations and workplaces. It is our strategy to gradually embed sustainability into our daily management, thus, we will continue to improve environmental sustainability measures in all our facilities. During the Reporting Period, we complied with all relevant environmental regulations in the PRC, Germany and the United States that have a significant impact on the Group's business. There were no significant fines and no non-monetary sanctions for non-compliance with environmental laws and regulations during the year. Details of the above information will be set out in our environmental, social and governance report which is scheduled to be published within three months after the issuance of this Annual Report.

本公司董事欣然提呈截至二零二零年十二月三十一日止年度（「報告期間」）彼等的報告及本集團的經審核綜合財務報表。

### 主要業務及地區之營運分析

本公司為一間投資控股公司。主要子公司的主要業務載於綜合財務報表附註42。

以經營分部分分析本集團截至二零二零年十二月三十一日止年度的表現載於綜合財務報表附註5。

### 業績及溢利分配

本公司截至二零二零年十二月三十一日止年度業績載於本二零二零年年報（「年報」）第121至122頁的本集團綜合損益表及綜合全面收益表。

### 末期股息

董事會不建議派付截至二零二零年十二月三十一日止年度的末期股息（二零一九年：無）。

### 業務回顧

有關本集團截至二零二零年十二月三十一日止年度的業務回顧分別載於本年報（亦構成本董事會報告之一部分）第12至17頁及第18至33頁的「行政總裁報告」及「管理層討論及分析」各節內。

### 環境政策及績效

本集團已在營運及工作場所實施多項資源節約項目。我們的策略是逐步在日常管理中注入可持續發展元素。據此，我們將繼續提升在所有設施內的環境可持續發展措施。於報告期間內，我們已遵守香港和中國所有與環境有關並且對本集團業務有重大影響的法規。年內，並無因違反環境法律及法規而招致的大額罰款及非金錢性質的制裁。上述資料的詳情將載於我們的環境、社會及管治報告，該報告預定於本年報刊發後三個月內刊發。

## COMPLIANCE WITH LAWS AND REGULATIONS

The Group was not aware of any non-compliance with laws and regulations during the year ended 31 December 2020 that would have a significant impact on the Group in relation to issues such as environmental protection, employment and labour practices, operating practices and the community.

## RELATIONSHIP WITH CUSTOMERS, SUPPLIERS AND EMPLOYEES

Maintaining and consolidating its relationship with customers is crucial to increasing the profits of the Company. When carrying out business with customers, the Group has adopted various methods to collect and report their needs and expectations and taken corresponding measures for improvement. The results of such measures were reviewed and feedbacks were provided to the customers. The main duties include conducting customer satisfaction survey by sending out questionnaires to have their feedbacks, opinions, suggestions, complaints or praises to ensure the service quality and to make improvement.

The Group's raw materials are required to be purchased in both overseas and domestic markets. Maintaining a good relationship with our scrap metal suppliers is one of the most important tasks in scrap metal procurement. In addition, the Group continues to secure a group of quality scrap suppliers by conducting regular evaluations, so as to lay a solid foundation for the recycling and dismantling production of the Group.

The Group is committed to providing equal employment opportunities without regard to sex, age or nationality, which is in accordance with anti-discrimination laws. We endeavor to ensure employees are treated equally within our welfare system and are provided with effective channels to freely express and communicate their opinions.

Our Group is committed to maintaining the highest standard of ethical and responsible conduct when conducting business. A group-level Whistle-blowing Policy is in place to deter corruption or any possible violation of law or company policy and to promote standards of good corporate practices.

## 遵守法律及法規

於截至二零二零年十二月三十一日止年度，本集團並不知悉因違反任何法例及規例而對本集團有關環保、僱傭及勞工規範、經營規範及社區等議題構成重大影響。

## 與客戶、供應商及僱員的關係

維持及鞏固與客戶的關係，對增加本公司溢利相當重要。與客戶進行業務往來時，本集團已採納多種辦法以收集及報告彼等之需要及期望，並已採取相應措施加以改善。我們已就有關措施的結果作出檢討，並向客戶作出反饋。主要工作包括透過發出問卷進行客戶滿意度調查，以徵集反饋、意見、提議、投訴或讚譽，藉此確保服務質素並加以改良。

本集團原材料須從海外及本地市場購買。與再生金屬供應商維持良好關係是再生金屬採購的重要一環。此外，本集團繼續藉由定期評估覓得一批優質的再生金屬供應商，進而為本集團的再生及回收拆解生產打下穩固基礎。

本集團致力提供平等的就業機會，而不論其性別、年齡或國籍，並根據反歧視法例施行。我們竭力確保僱員在福利制度下獲公平對待，且設立有效途徑，供彼等自由發表意見。

本集團在進行業務時，致力維持最高標準的道德操守及負責任的行為。我們已在集團層面設立告密政策，防止貪污或任何可能違反法律或公司政策的事宜，以及提倡良好的企業管治標準。

## Directors' Report 董事會報告

### CHANGE IN SHARE CAPITAL IN THE YEAR

Details of the changes in the Company's share capital in issue during the year ended 31 December 2020 are set out in Note 28 to the consolidated financial statements.

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

There were no contracts of significance with any member of the Group as the contracting party and in which any of the controlling shareholders or any of its subsidiaries possessed direct or indirect substantial interests, and which was still valid as at 31 December 2020 or any time during such year and related to the business of the Group.

### DIRECTORS

The Directors who held office during the year and up to the date of this report are:

#### Executive Directors

Mr. Chen Chunguo (*Chairman*)  
(appointed on 16 December 2020  
and resigned on 3 March 2021)

Mr. Qin Yongming (*Chairman*)  
(resigned on 16 December 2020)

Mr. Tu Jianhua

Mr. Rafael Heinrich Suchan (*Chief Executive Officer*)  
(appointed on 1 March 2020)

Mr. Martin Simon (*Chief Financial Officer*)  
(appointed on 23 June 2020)

Mr. Ding Zhiyi  
(appointed on 29 December 2020  
and resigned on 5 March 2021)

Mr. Miao Yu  
(appointed on 29 December 2020)

### 年內股本變動

截至二零二零年十二月三十一日止年度本公司已發行的股本變動詳情載於綜合財務報表附註28。

### 控股股東於合約之權益

本集團任何成員公司並無訂立任何控股股東或其子公司於當中直接或間接擁有重大權益，且於二零二零年十二月三十一日或於年內任何時間仍屬有效及與本集團業務有關的重大合約。

### 董事

年內及截至本報告日期任職之董事包括：

#### 執行董事

陳春国先生 (主席)  
(於二零二零年十二月十六日獲委任及  
於二零二一年三月三日辭任)

秦永明先生 (主席)  
(於二零二零年十二月十六日辭任)

涂建華先生

Rafael Heinrich Suchan先生 (行政總裁)  
(於二零二零年三月一日獲委任)

Martin Simon先生 (首席財務官)  
(於二零二零年六月二十三日獲委任)

丁志懿先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)

苗雨先生  
(於二零二零年十二月二十九日獲委任)

## DIRECTORS (continued)

### Independent Non-Executive Directors

Dr. Loke Yu

Ms. Yang Yali

(appointed on 29 December 2020  
and resigned on 5 March 2021)

Mr. Wang Qiwei

(appointed on 29 December 2020  
and resigned on 5 March 2021)

Ms. Qian Liping

(resigned on 29 December 2020)

Mr. Ko Frankie Andrew

(appointed on 19 February 2020  
and resigned on 29 December 2020;  
re-appointed on 5 March 2021)

Mr. Zhu Hongchao

(resigned on 19 February 2020)

In accordance with the Articles of Association of the Company, Mr. Tu Jianhua shall retire from office and, being eligible, offer himself for re-election at the forthcoming annual general meeting of the Company under articles 84(1) & (2).

Mr. Martin Simon, Mr. Miao Yu, and Mr. Ko Frankie Andrew shall hold office until the next forthcoming annual general meeting of the Company pursuant to article 83(3) of the Company's Articles of Association and then being eligible, offer themselves for re-election.

## DIRECTORS' SERVICE CONTRACTS

		Start 開始	Expire 到期	Duration of contract 合約年期
Executive Directors 執行董事	Tu Jianhua 涂建華	29 April 2018 二零一八年四月二十九日	28 April 2021 二零二一年四月二十八日	3 years 三年
	Rafael Heinrich Suchan Rafael Heinrich Suchan	1 March 2020 二零二零年三月一日	29 February 2023 二零二三年二月二十九日	3 years 三年
	Martin Simon Martin Simon	23 June 2020 二零二零年六月二十三日	N/A 不適用	perpetual 永久
	Miao Yu 苗雨	29 December 2020 二零二零年十二月二十九日	N/A 不適用	perpetual 永久

## 董事 (續)

### 獨立非執行董事

陸海林博士

楊雅麗女士

(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)

王奇偉先生

(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)

錢麗萍女士

(於二零二零年十二月二十九日辭任)

高瑞強先生

(於二零二零年二月十九日獲委任及  
於二零二零年十二月二十九日辭任；  
於二零二一年三月五日獲重新委任)

朱洪超先生

(於二零二零年二月十九日辭任)

根據本公司組織章程細則，涂建華先生須予告退，惟彼根據細則第84(1)及(2)條合資格並願意於本公司應屆股東週年大會上膺選連任。

根據本公司組織章程細則第83(3)條，Martin Simon先生、苗雨先生及高瑞強先生將任職直至本公司應屆股東週年大會為止，屆時彼等符合資格並願意膺選連任。

## 董事服務合約

## Directors' Report 董事會報告

### DIRECTORS' APPOINTMENT LETTERS

### 董事委任函件

		Start 開始	Expire 到期	Duration of contract 合約年期
Independent Non-Executive Directors 獨立非執行董事	Loke Yu 陸海林	24 June 2019 二零一九年六月二十四日	23 June 2022 二零二二年六月二十三日	3 years 三年
	Ko Frankie Andrew 高瑞強	5 March 2021 二零二一年三月五日	4 March 2022 二零二二年三月四日	1 year 一年

None of the Directors proposed for re-election at the forthcoming annual general meeting has any services contract with the Company and/or any of its subsidiaries which is not terminable within one year without payment of compensation other than statutory compensation.

擬於應屆股東週年大會上膺選連任的董事概無與本公司及／或其任何子公司訂有不可於一年內不付補償(法定補償除外)而終止的任何服務合約。

### BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set at on pages 34 to 47.

### 董事及高級管理人員履歷詳情

董事及高級管理人員的簡歷詳情載於第34至47頁。

### CHANGES OF INFORMATION IN RESPECT OF DIRECTORS

In accordance with Rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), the changes in information required to be disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules after the publication of the Interim Report 2020 of the Company are set out below:

### 有關董事資料的變動

根據聯交所證券上市規則(「上市規則」)第13.51B(1)條,本公司二零二零年中期報告刊登後,董事根據上市規則第13.51(2)條第(a)至(e)段及第(g)段須予披露的資料變動載列如下:

#### Experience including other directorships

Dr. Loke Yu, an independent non-executive director of the Company, was appointed as a non-executive director of Veson Holdings Limited (formerly known as SCUD Group Limited) (stock code: 1399) with effect from 1 September 2020 and resigned as an independent non-executive director of CIMC-TianDa Holdings Company Limited (stock code: 445) with effect from 1 February 2021.

#### 經驗(包括其他董事職務)

本公司獨立非執行董事陸海林博士已獲委任為彼亦擔任銳信控股有限公司(前稱飛毛腿集團有限公司)(股份代號:1399)之非執行董事,自二零二零年九月一日起生效,並辭任中集天達控股有限公司(股份代號:445)之獨立非執行董事,自二零二一年二月一日起生效。

Mr. Tu Jianhua, an executive director of the Company, resigned as a non-executive director of Hanhua Financial Holding Co., Ltd.\* (stock code: 3903) with effect from 17 December 2020.

本公司執行董事涂建華先生已辭任瀚華金控股份有限公司(股份代號:3903)非執行董事,自二零二零年十二月十七日起生效。

\* For identification purpose only

\* 僅供識別

## **DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS**

Saved as disclosed under the section headed "Continuing Connected Transactions" on pages 55 to 57 in this Annual Report and Note 38 to the consolidated financial statements, no transactions, arrangements or contracts of significance in relation to the Group's business (including those to which the Company's subsidiaries, fellow subsidiaries or its parent company was a party) in which a director of the Company or an entity connected with a director had material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## **PERMITTED INDEMNITY PROVISION**

The Articles of Association of the Company provide that every Director shall be indemnified out of the assets and profits of the Company against liabilities (to the extent permitted by the Companies Ordinance (Cap 622)) incurred by him as such Director in the execution of his duties or otherwise in relation thereto, provided that such indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any such Director.

The Company has taken out insurance against the liabilities and costs associated with defending any proceeding which may be brought against the Directors of the Company.

## **EQUITY-LINKED AGREEMENTS**

Save as disclosed under the section headed "Share Option Scheme" on pages 59 to 60 in this Annual Report, no equity-linked agreements were entered into during the year or which subsisted at the end of the year.

## **DIRECTOR'S RIGHT TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed under the section headed "Share Option Scheme" on pages 59 to 60 of this Annual Report, during the year, none of the Company, its parent company, or any of its subsidiaries or fellow subsidiaries was a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

## **董事於有關本公司業務之重大交易、安排及合約中擁有的重大權益**

除本年報第55至57頁「持續關連交易」一節及綜合財務報表附註38所披露者外，於年末或年內任何時間，概無訂立本公司董事或與董事有關連之實體於當中直接或間接擁有重大權益的有關本集團業務之重大交易、安排或合約（包括本公司子公司、同系子公司或其母公司為訂約方的有關本集團業務之重大交易、安排及合約）。

## **獲准許的彌償條文**

本公司組織章程細則規定，每位董事有權就因執行其董事職務或相關的其他事宜而可能發生與此相關之一切的債務（按公司條例（第622章）容許的最大程度），將獲本公司從其資產及溢利中賠償，惟本彌償保證不延伸至任何與該董事欺詐或不忠誠有關之事宜。

本公司就可能對本公司董事提起的任何法律訴訟相關的負債及成本投保。

## **股權掛鈎協議**

除本年報第59至60頁「購股權計劃」一節披露者外，於年內概無訂立股權掛鈎協議或於年底仍然生效。

## **董事購買股份或債券之權利**

除本年報第59至60頁「購股權計劃」一節所披露者外，於年內，概無本公司、其母公司或其任何子公司或同系子公司訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益。

## **Directors' Report**

### **董事會報告**

#### **PROPERTY, PLANT AND EQUIPMENT**

Details of the movement in property, plant and equipment of the Group during the year are set out in Note 14 to the consolidated financial statements.

#### **BORROWINGS**

Details of the borrowings, including the maturity profile, currency and interest rate structure of the Group are set out in Note 31 to the consolidated financial statements.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company or any of its subsidiaries during the year ended 31 December 2020.

#### **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company is incorporated under, which would oblige the Company to offer new Shares on a pro-rata basis to its existing shareholders.

#### **TAX RELIEF**

The Company is not aware of any relief from taxation available to the shareholders of the Company (the "Shareholders") by reason of their holding of the shares of the Company.

#### **RESERVES**

Details of the movement in the reserves of the Group during the year are set out in the consolidated statement of changes in equity. As at 31 December 2020, the distributable reserves of the Company amounted to approximately HK\$3,612.8 million.

#### **DONATIONS**

Donations to charitable organisations by the Group during the year amounted to approximately HK\$0.4 million (2019: Nil).

#### **物業、廠房及設備**

有關本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註14。

#### **借款**

有關本集團借款(包括到期情況、貨幣及利率結構)的詳情載於綜合財務報表附註31。

#### **購買、出售或贖回本公司上市證券**

截至二零二零年十二月三十一日止年度,本公司或其任何子公司均無購買、出售或贖回本公司或其任何子公司的任何上市證券。

#### **優先購買權**

本公司組織章程細則或開曼群島(即本公司註冊成立所在司法權區)法律並無有關優先購買權的任何條文,規限本公司須向其現有股東按持股比例發售新股份。

#### **稅項減免**

本公司概不知悉有任何因本公司股東(「股東」)持有本公司股份而向彼等提供之稅項減免。

#### **儲備**

年內,本集團的儲備變動詳情載於綜合權益變動表。於二零二零年十二月三十一日,本公司的可分派儲備約為3,612.8百萬港元。

#### **捐贈**

本集團於年內向慈善組織的捐款約為0.4百萬港元(二零一九年:無)。

## MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2020, the Group's largest supplier accounted for 2.7% (2019: 1.6%) of the total purchases. The five largest suppliers comprised 7.4% (2019: 6.1%) of the total purchases.

Aggregate sales attributable to the Group's five largest customers were less than 25% of total revenue in 2020.

None of the Directors or any of their respective close associates or any shareholder of the Company (which, to the knowledge of the Directors, owns more than 5% of the Company's share capital) had any beneficial interest in the Group's five largest suppliers or five largest customers during the year.

## MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business were entered into or subsisted during the year.

## CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2020, the Company had the following connected transaction and continuing connected transactions:

As disclosed in the Company's announcement dated 22 January 2020, the sales framework agreement (the "Sales Framework Agreement") entered into between the Company and Loncin International Limited ("Loncin International") on 11 January 2017 in relation to the sale of the certain products by the relevant member (s) of the Group to Loncin International expired on 31 December 2019, and the Company and Loncin International entered into a new sales framework agreement (the "New Agreement") on 22 January 2020 (which is effective from 22 January 2020 to 31 December 2020), and set the annual cap for the continuing connected transactions contemplated under the New Agreement for the year ended 31 December 2020. Pursuant to the New Agreement, relevant member(s) of the Group would continue to supply certain non-ferrous metal products to Loncin International.

The annual cap in respect of the transactions contemplated under the New Agreement was US\$3.8 million for the year ended 31 December 2020.

## 主要客戶及供應商

於截至二零二零年十二月三十一日止年度，本集團的最大供應商佔總採購額2.7%（二零一九年：1.6%）。五大供應商佔總採購額的7.4%（二零一九年：6.1%）。

於二零二零年，本集團的五大客戶銷售總額佔總收益少於25%。

本公司董事或彼等各自之任何緊密聯繫人或本公司任何股東（就董事所知擁有本公司超過5%股本）年內概無於本集團五大供應商或五大客戶擁有任何實益權益。

## 管理合約

除僱用合約外，年內概無訂立或存續有關本公司業務整體或任何重要部分的管理及行政合約。

## 持續關連交易

於截至二零二零年十二月三十一日止年度，本公司有以下關連交易及持續關連交易：

誠如本公司日期為二零二零年一月二十二日的公告所披露，根據本公司與隆鑫國際有限公司（「隆鑫國際」）於二零一七年一月十一日訂立的銷售框架協議（「銷售框架協議」），本集團相關成員向隆鑫國際提供的產品於二零一九年十二月三十一日到期，本公司與隆鑫國際於二零二零年一月二十二日訂立新銷售框架協議（「新協議」）（該協議自二零二零年一月二十二日起至二零二零年十二月三十一日生效），及截至二零二零年十二月三十一日止年度，設定了新協議下擬進行之持續關連交易之年度上限。根據新協議，本集團相關成員公司將繼續向隆鑫國際供應若干有色金屬產品。

截至二零二零年十二月三十一日止年度，新協議項下擬進行之交易之建議年度上限為3.8百萬美元。

## Directors' Report 董事會報告

### CONTINUING CONNECTED TRANSACTIONS (continued)

Mr. Tu, a Director and controlling shareholder of the Company, holds 98% equity interests in Loncin Group Co., Limited, which in turn holds 98% equity interests in Loncin Holdings Co., Limited ("Loncin Holdings"). Loncin International is wholly-owned by Loncin Holdings. Therefore, Loncin International is a connected person of the Company under the Listing Rules by virtue of being an associate of Mr. Tu.

As one or more of the applicable percentage ratios for the annual cap in respect of the New Agreement exceeded 0.1% but is less than 5%, the New Agreement as well as the annual cap for the continuing connected transactions contemplated thereunder are subject to reporting, annual review, and announcement requirements but are exempted from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. For further details, please refer to the Company's announcements dated 22 January and 17 February 2020, respectively.

As disclosed in the Company's announcement dated 17 June 2020, the Company and Loncin International entered into a supplemental agreement to the New Agreement (the "Supplemental Agreement") on 17 June 2020 to, among others, extend the term of the New Agreement for an additional two years to 31 December 2022 and revise the annual cap for the continuing connected transactions for the year ended 31 December 2020 and set the annual caps for the continuing connected transactions for the years ending 31 December 2021 and 2022.

The annual caps in respect of the transactions contemplated under the Supplemental Agreement for each of the financial years ending 31 December 2020, 2021 and 2022 are US\$18.8 million, US\$35.0 million and US\$50.0 million, respectively. The total amount of the transactions for the year ended 31 December 2020 was US\$5.4 million.

As one or more of the applicable percentage ratios for the annual cap in respect of the Supplemental Agreement exceeded 5%, accordingly, the Supplemental Agreement constituted a continuing connected transaction for the Company and was subject to reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. On 31 July 2020, an extraordinary general meeting of the Company was convened and the Supplemental Agreement was duly approved.

### 持續關連交易 (續)

本公司董事及控股股東涂先生持有隆鑫集團有限公司98%股權，而隆鑫集團有限公司持有隆鑫控股有限公司（「隆鑫控股」）98%股權。隆鑫國際由隆鑫控股全資擁有。因此，隆鑫國際由於為涂先生之聯繫人而根據上市規則為本公司之關連人士。

由於有關新協議之年度上限之一項或多項適用百分比率超過0.1%但低於5%，故根據上市規則第14A章，新協議及其項下擬進行之持續關連交易之年度上限須遵守申報、年度審閱及公告規定，但獲豁免遵守獨立股東批准規定。有關進一步詳情，請參閱本公司日期分別為二零二零年一月二十二日及二月十七日之公告。

誠如本公司日期為二零二零年六月十七日之公告所披露，本公司與隆鑫國際於二零二零年六月十七日訂立新協議的補充協議（「補充協議」），（其中包括）將新協議的有效期限再延長兩年，至二零二二年十二月三十一日，並修訂截至二零二零年十二月三十一日止年度持續關連交易之年度上限，並修訂截至二零二一年及二零二二年十二月三十一日止年度持續關連交易之年度上限。

截至二零二零年、二零二一年及二零二二年十二月三十一日止財政年度各年，有關補充協議項下擬進行之交易之年度上限分別為18.8百萬美元、35.0百萬美元及50.0百萬美元。截至二零二零年十二月三十一日止年度之交易總額為5.4百萬美元。

由於有關補充協議之年度上限之一項或多項適用百分比率超過5%，因此，補充協議構成本公司持續關連交易，且須遵守上市規則第14A章項下申報、公告及獨立股東批准之規定。於二零二零年七月三十一日，本公司已召開股東特別大會，而銷售框架協議獲正式批准。

## **CONTINUING CONNECTED TRANSACTIONS (continued)**

The aforesaid continuing connected transactions have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors of the Company have confirmed that the aforesaid continuing connected transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) either on normal commercial terms or on terms no less favourable to the Group than terms available to or from (as the case may be) independent third parties;
- (c) in accordance with the relevant agreements governing such transactions on terms that are fair and reasonable and in the interests of the Shareholders as a whole; and
- (d) within the respective cap amounts as disclosed in the previous announcements in which the relevant continuing connected transactions were disclosed.

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

Apart from the aforesaid continuing connected transactions, no other related party transactions disclosed in Note 38 to the consolidated financial statements entered into by the Group during the year ended 31 December 2020 constituted connected transactions or continuing connected transactions under the Listing Rules. The Company confirms that it has complied with applicable disclosure requirements in accordance with Chapter 14A of the Listing Rules.

## **持續關連交易 (續)**

上述持續關連交易已由獨立非執行董事審閱。獨立非執行董事確認，上述持續關連交易乃基於下列各項訂立：

- (a) 於本集團一般及日常業務過程中訂立；
- (b) 按一般商業條款或不遜於本集團向或獲獨立第三方提供(視情況而定)之條款訂立；
- (c) 根據監管此類交易之相關協議按公平合理且符合股東整體利益之條款進行；及
- (d) 不超逾於過往有關持續關連交易公告中披露之有關上限。

本公司已委聘核數師根據香港會計師公會頒佈的香港核證工作準則第3000號「審核或審閱歷史財務資料以外的核證工作」，及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，就本集團的持續關連交易作出報告。根據上市規則第14A.56條，核數師已就本集團披露之持續關連交易，發出無保留意見並載有其發現及結論的函件。本公司已將該核數師函件副本送呈聯交所。

除上述持續關連交易外，概無於綜合財務報表附註38披露的本集團於截至二零二零年十二月三十一日止年度訂立的其他關聯方交易構成上市規則項下的關連交易或持續關連交易。本公司確認其已遵守上市規則第14A章項下之適用披露規定。

## Directors' Report 董事會報告

### DIRECTORS' INTEREST IN COMPETING BUSINESS

During the year ended 31 December 2020, none of the Directors (except Mr. Tu Jianhua, details of which are set out below) has interests in any businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group, pursuant to the Listing Rules:

### 董事於競爭業務中的權益

於截至二零二零年十二月三十一日止年度，根據上市規則，概無董事（涂建華先生除外，其詳情載列如下）於與本集團業務直接或間接構成競爭或可能構成競爭的任何業務中擁有權益：

Name of Director 董事姓名	Name of entity which businesses are considered to compete or likely to compete with the business of the Group 被視為與本集團業務構成競爭或可能構成競爭的業務實體名稱	Description of businesses of the entity which are considered to compete or likely to compete with the business of the Group 被視為與本集團業務構成競爭或可能構成競爭的實體從事的業務的描述	Nature of interest of the Director in the entity 董事於實體的權益性質
Mr. Tu Jianhua	Chongqing USUM Recycling Resources Development Co., Ltd. ("Chongqing USUM")*	According to the business scope as registered with the State Administration For Industry & Commerce of the PRC, this entity may engage in, inter alia, recycling, processing, marketing and sale of recycling resources, scrap metal related businesses.	Controlling Shareholder
涂建華先生	重慶渝商再生資源開發有限公司 （「重慶渝商」）	根據於中國國家工商行政管理局登記的經營範圍，此實體可從事（其中包括）再生資源回收、加工、營銷及銷售、再生金屬相關業務。	控股股東

\* for identification purposes only

\* 僅供識別

Although the scope of business of Chongqing USUM allows it to engage in businesses that are considered likely to compete with the business of the Group, Mr. Tu Jianhua reported to the Board that Chongqing USUM is currently only engaged in the disintegration of automobiles and trading of steel scrap in the PRC, which are neither the same as nor compete with the businesses of the Group. Further, Chongqing USUM has no intention to engage in businesses that compete with or are likely to compete with the Group's businesses.

儘管重慶渝商的業務範圍容許其從事被視為可能與本集團構成競爭的業務，涂建華先生向董事會報告，重慶渝商現時在中國僅從事汽車解體及廢鋼貿易業務，與本集團的業務不同，亦不構成競爭。再者，重慶渝商無意從事與本集團業務構成競爭或可能構成競爭的業務。

The Board and management team of the Company and Chongqing USUM do not overlap with each other and are independent of each other. Therefore, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of Chongqing USUM in which Mr. Tu Jianhua has declared interests.

本公司董事會及管理團隊與重慶渝商並不重疊且互相獨立於對方。因此，本集團有能力獨立於涂建華先生已申報於其中擁有利益之重慶渝商之業務公正地經營其業務。

## SHARE OPTION SCHEME

The Post-IPO Share Option Scheme was adopted by the Company on 23 June 2010 (the "Post-IPO Share Option Scheme"). The Post-IPO Share Option Scheme was approved by written resolutions of the shareholders of the Company and as approved by the listing committee of the Stock Exchange is valid and effective for a period of 10 years commencing on 23 June 2010. It is a share incentive scheme established to recognise and acknowledge the contributions that the eligible participants have or may have made to the Group. Pursuant to the Post-IPO Share Option Scheme, the Board may, as its discretion, offer to grant an option to any director, employee, advisor, consultant, distributor, contractor, supplier, customer, agent, business partner, joint venture business partner, promoter, service provider of any member of the Group (the "Participants").

When the Post-IPO Share Option Scheme was adopted on 23 June 2010, the original scheme mandate limit in respect of which share options could be granted under the Post-IPO Share Option Scheme was 100,000,000 Shares and it was refreshed during the 2013 extraordinary general meeting of the Company.

Pursuant to the terms of the Post-IPO Share Option Scheme and in compliance with the provisions in Chapter 17 of the Listing Rules, the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Post-IPO Share Option Scheme and all other share option schemes of the Company shall not exceed 161,973,829 Shares, being 10% of the Shares in issue as at 17 February 2017, being the date of the 2017 extraordinary general meeting, when the scheme mandate limit was last refreshed.

In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

## 購股權計劃

本公司於二零一零年六月二十三日採納首次公開發售後購股權計劃（「首次公開發售後購股權計劃」）。首次公開發售後購股權計劃經本公司股東書面決議案批准以及經聯交所上市委員會批准，有效期為二零一零年六月二十三日起計十年。該購股權計劃是一項股份獎勵計劃，旨在肯定及認可合資格參與人士曾經或可能對本集團作出的貢獻。根據首次公開發售後購股權計劃，董事會可酌情向本集團任何成員公司的任何董事、僱員、顧問、專家顧問、批發商、承包商、供應商、客戶、代理、業務夥伴、合營企業合作夥伴、創辦人、服務供應商（「參與人士」）授出購股權。

首次公開發售後購股權計劃於二零一零年六月二十三日獲採納，原有的計劃授權限額（根據首次公開發售後購股權計劃授出的購股權所涉及者）為100,000,000股股份，並於二零一三年的本公司股東特別大會上更新。

根據首次公開發售後購股權計劃的條款及遵守上市規則第17章的條文，於行使首次公開發售後購股權計劃及本公司所有其他購股權計劃下授出的所有購股權時可予發行的最高股份數目不得超過161,973,829股股份，即於二零一七年二月十七日（即二零一七年股東特別大會日期，計劃授權限額獲更新之最後日期）已發行股份的10%。

此外，授予本公司主要股東或獨立非執行董事或彼等任何聯繫人之任何購股權超過本公司於任何12個月期間內之任何時候已發行股份0.1%或總面值（根據本公司股份於授出日期之價格）超過5百萬港元，須待股東於股東大會上事先批准後，方可作實。

## Directors' Report 董事會報告

### SHARE OPTION SCHEME (continued)

The offer of a grant of share options may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors of the Company, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of offer of the share options.

The subscription price at which a grantee may subscribe for shares on the exercise of an option under the Post-IPO Share Option Scheme shall be determined by the Board in its absolute discretion at the time of the grant of relevant option and in any case shall not be less than the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading dates immediately preceding the date of grant; or (iii) the nominal value of a Share.

There were no options outstanding as at 31 December 2020 and no share options were granted, exercised, cancelled or lapsed during the year.

The Post-IPO Share Option Scheme expired on 22 June 2020. The Board did not propose to adopt any new share option scheme up to the date of this Annual Report.

### 購股權計劃 (續)

授出購股權之要約可於要約日期起計28日內於承授人支付合共1港元之名義代價後接納。所授出之購股權行使期乃由本公司董事釐定，並於若干歸屬期後開始及不遲於購股權要約日期起計10年內之日期結束。

根據首次公開發售後購股權計劃行使購股權時承讓人可能據此認購股份的認購價，須經董事會於授出有關購股權時全權酌情釐定，惟無論如何不得少於下列三者之最高者：(i) 在授出日期股份於聯交所每日報價表所報收市價；(ii) 股份在緊接授出日期前五個交易日於聯交所每日報價表所報收市價的平均價；或(iii) 股份面值。

於截至二零二零年十二月三十一日止年度概無已授出或尚未行使之購股權。

首次公開發售後購股權計劃於二零二零年六月二十二日到期。董事會在本年報日期之前未提議採用任何新的購股權計劃。

## DISCLOSURE OF INTERESTS

### Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any specified undertaking of the Company and Its Associated Corporations

As at 31 December 2020, the interests or short positions of the directors and chief executives of the Company in the shares (the "Shares"), underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"), were as follows:

#### Long positions in Shares:

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Total number of Shares interested 持有權益的股份總數	Approximate percentage of shareholding in the Company (Note 1) 佔本公司股權 概約百分比 (附註1)
Mr. Tu Jianhua 涂建華先生	Interest in controlled corporations 於受控制法團之權益	1,008,885,181 (Note 2) (附註2)	62.85%
Dr. Loke Yu 陸海林博士	Beneficial owner 實益擁有人	730,000	0.05%

## 權益披露

董事及主要行政人員於本公司股份、相關股份及債券或本公司及其相聯法團的任何特定承擔中的權益及淡倉

於二零二零年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見《證券及期貨條例》（「證券及期貨條例」）第XV部）的股份（「股份」）、相關股份及債券中擁有本公司根據證券及期貨條例第352條須予存置的登記冊中所記錄或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益或淡倉如下：

#### 股份的好倉：

## DISCLOSURE OF INTERESTS (continued)

### Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any specified undertaking of the Company and Its Associated Corporations (continued)

Notes:

- (1) As at 31 December 2020, the total number of issued Shares of the Company was 1,605,152,291 Shares.
- (2) The 1,008,885,181 Shares were held by USUM Investment Group Hong Kong Limited ("USUMHK"), a company in which Mr. Tu Jianhua ("Mr. Tu") was indirectly interested. USUMHK is directly wholly owned by USUM Investment Group Limited ("USUM Group"), a limited liability company incorporated in the PRC. The single largest shareholder of USUM Group is Loncin Holdings Co., Ltd. ("Loncin Holdings"), with an equity interest in USUM Group of approximately 53.29%. The remaining equity interests in USUM Group are held by 13 individuals and 27 companies, all of whom are independent third parties of Loncin Holdings and Mr. Tu, and they each hold between 0.29% to 10% equity interests in USUM Group. The equity interests of Loncin Holdings is 98% owned by Loncin Group Co., Ltd. ("Loncin Group") and 2% owned by Mr. Tu. The equity interests of Loncin Group is 98% owned by Mr. Tu; 1% owned by Ms. Tu Jianmin and 1% owned by Ms. Tu Jianrong, both being sisters of Mr. Tu. USUMHK held 1,008,885,181 Shares as at 31 December 2020. Therefore, Mr. Tu was deemed to be interested in the Shares held by USUMHK pursuant to the SFO.

Save as disclosed above, as at 31 December 2020, none of the directors and chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## 權益披露 (續)

董事及主要行政人員於本公司股份、相關股份及債券或本公司及其相聯法團的任何特定承擔中的權益及淡倉 (續)

附註：

- (1) 於二零二零年十二月三十一日，本公司已發行股份總數為1,605,152,291股股份。
- (2) 1,008,885,181股股份乃由渝商投資集團(香港)有限公司(「渝商香港」)持有，渝商香港為一間由涂建華先生(「涂先生」)間接擁有權益的公司。渝商香港由渝商投資集團股份有限公司(「渝商集團」)直接全資擁有，渝商集團為一間於中國註冊成立之有限公司。渝商集團的最大單一股東為隆鑫控股有限公司(「隆鑫控股」)，其於渝商集團的股本權益為約53.29%。渝商集團的餘下股權由13名個人及27間公司(均為獨立於隆鑫控股及涂先生的第三方)持有。該等個人及公司分別持有渝商集團0.29%至10%之股權。隆鑫控股的股權分別由隆鑫集團有限公司(「隆鑫集團」)擁有98%及涂先生擁有2%。隆鑫集團的股權由涂先生擁有98%；由涂建敏女士及涂建容女士(均為涂先生的姊妹)分別擁有1%。於二零二零年十二月三十一日，渝商香港持有1,008,885,181股股份。因此，根據證券及期貨條例，涂先生被視為於渝商香港持有的股份中擁有權益。

除上文所披露外，於二零二零年十二月三十一日，本公司董事及主要行政人員概無於本公司或其任何相聯法團之股份、相關股份或債券中擁有須根據證券及期貨條例第XV部第7及8分部須予知會本公司及聯交所(包括根據證券及期貨條例有關條文規定，彼等被當作或視作擁有之權益或淡倉)；或本公司根據證券及期貨條例第352條須予存置之登記冊中所記錄；或根據標準守則須予知會本公司及聯交所之任何權益或淡倉。

## DISCLOSURE OF INTERESTS (continued)

### Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company

As at 31 December 2020, the interests and short positions of the persons, other than the directors and chief executives of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

#### Long positions in Shares:

Name of shareholder 股東名稱／姓名	Capacity/Nature of interest 身份／權益性質	Total number of Shares interested 持有權益的 股份總數	Approximate percentage of shareholding in the Company (Note 1) 佔本公司股權 概約百分比 (附註1)
USUM Investment Group Hong Kong Limited 渝商投資集團(香港)有限公司	Beneficial owner 實益擁有人	1,008,885,181 (Note 2) (附註2)	62.85%
USUM Investment Group Limited 渝商投資集團股份有限公司	Interest in controlled corporations 於受控制法團之權益	1,008,885,181 (Note 2) (附註2)	62.85%
Loncin Holdings Co., Ltd. 隆鑫控股有限公司	Interest in controlled corporations 於受控制法團之權益	1,008,885,181 (Note 2) (附註2)	62.85%
Loncin Group Co., Ltd. 隆鑫集團有限公司	Interest in controlled corporations 於受控制法團之權益	1,008,885,181 (Note 2) (附註2)	62.85%

## 權益披露(續)

主要股東於本公司股份及相關股份的權益及淡倉

於二零二零年十二月三十一日，除本公司董事及主要行政人員外，以下人士於本公司股份及相關股份中擁有須根據證券及期貨條例第336條須予存置之登記冊中所記錄的權益及淡倉：

股份的好倉：

## Directors' Report 董事會報告

### DISCLOSURE OF INTERESTS (continued) Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

### 權益披露 (續)

主要股東於本公司股份及相關股份的權益  
及淡倉 (續)

Name of shareholder 股東名稱／姓名	Capacity/Nature of interest 身份／權益性質	Total number of Shares interested 持有權益的 股份總數	Approximate percentage of shareholding in the Company (Note 1) 佔本公司股權 概約百分比 (附註1)
Mr. Tu Jianhua 涂建華先生	Interest in controlled corporations 於受控制法團之權益	1,008,885,181 (Note 2) (附註2)	62.85%
Tai Security Holding Limited Tai Security Holding Limited	Beneficial owner 實益擁有人	98,773,990 (Note 3) (附註3)	6.15%
Good Union Hong Kong Investment Limited 星滙香港投資有限公司	Beneficial owner 實益擁有人	44,700,000 (Note 4) (附註4)	2.79%
Mr. Zhang Mingjie 張明傑先生	Interest in controlled corporations 於受控制法團之權益	143,473,990 (Notes 3 & 4) (附註3 & 4)	8.94%

Notes:

- (1) As at 31 December 2020, the total number of issued Shares of the Company was 1,605,152,291 Shares.
- (2) The 1,008,885,181 Shares were held by USUMHK, a company in which Mr. Tu was indirectly interested in. USUMHK is directly wholly owned by USUM Group, a limited liability company incorporated in the PRC. The single largest shareholder of USUM Group is Loncin Holdings, with an equity interest in USUM Group of 53.29%. The remaining equity interests in USUM Group are held by 13 individuals and 27 companies, all of whom are independent third parties of Loncin Holdings and Mr. Tu, and they each hold between 0.29% to 10% equity interests in USUM Group. The equity interests of Loncin Holdings is 98% owned by Loncin Group and 2% owned by Mr. Tu. The equity interests of Loncin Group is 98% owned by Mr. Tu; 1% owned by Ms. Tu Jianmin and 1% owned by Ms. Tu Jianrong, both being sisters of Mr. Tu. USUMHK held 1,008,885,181 Shares as at 31 December 2020. Therefore, Mr. Tu was deemed to be interested in the Shares held by USUMHK pursuant to the SFO.

附註：

- (1) 於二零二零年十二月三十一日，本公司已發行股份總數為1,605,152,291股股份。
- (2) 1,008,885,181股股份乃由渝商香港持有，渝商香港為一間由涂先生間接擁有權益的公司。渝商香港由渝商集團直接全資擁有，渝商集團為一間於中國註冊成立之有限公司。渝商集團的最大單一股東為隆鑫控股，其於渝商集團的股本權益為53.29%。渝商集團的餘下股權由13名個人及27間公司（均為獨立於隆鑫控股及涂先生的第三方）持有。該等個人及公司分別持有渝商集團0.29%至10%之股權。隆鑫控股的股權分別由隆鑫集團擁有98%及涂先生擁有2%。隆鑫集團的股權由涂先生擁有98%；由涂建敏女士及涂建容女士（均為涂先生的姊妹）分別擁有1%。於二零二零年十二月三十一日，渝商香港持有1,008,885,181股股份。因此，根據證券及期貨條例，涂先生被視為於渝商香港持有的股份中擁有權益。

## DISCLOSURE OF INTERESTS (continued)

### Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares of the Company (continued)

Notes: (continued)

- (3) The 98,773,990 Shares were held by Tai Security Holding Limited ("Tai Security") as beneficial owner and Tai Security was wholly-owned by Mr. Zhang Mingjie ("Mr. Zhang") as at 31 December 2020. Therefore, Mr. Zhang was deemed to be interested in the same number of Shares as held by Tai Security pursuant to the SFO.
- (4) The 44,700,000 Shares were held by Good Union Hong Kong Investment Limited ("Good Union") as beneficial owner and Good Union was wholly-owned by Mr. Zhang as at 31 December 2020. Therefore, Mr. Zhang was deemed to be interested in the same number of Shares as held by Good Union pursuant to the SFO.

Save as disclosed above, as at 31 December 2020, the Company had not been notified by any persons (other than the directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## EMOLUMENT POLICY

The emolument policy of the employees of the Group is set by the senior management of the Group based on their performance, experience, and prevailing industry practices so as to retain competent employees.

The emolument of the Directors is decided by the remuneration committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company had adopted a share option scheme as an incentive to the Directors and eligible employees from 23 June 2010 to 22 June 2020, details of which are set out on page 59 to 60 of this Annual Report.

## 權益披露 (續)

主要股東於本公司股份及相關股份的權益及淡倉 (續)

附註：(續)

- (3) 98,773,990股股份由Tai Security Holding Limited (「Tai Security」) 作為實益擁有人持有，而於二零二零年十二月三十一日，Tai Security由張明傑先生 (「張先生」) 全資擁有。因此，根據證券及期貨條例，張先生被視為與Tai Security持有的相同數目股份中擁有權益。
- (4) 44,700,000股股份由星滙香港投資有限公司 (「星滙」) 作為實益擁有人持有，而於二零二零年十二月三十一日，星滙由張先生全資擁有。故此，根據證券及期貨條例，張先生被視為於星滙持有的相同數目之股份中擁有權益。

除上文所披露外，於二零二零年十二月三十一日，本公司並不知悉任何人士 (本公司董事及主要行政人員除外) 於本公司股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部條文規定予以披露或本公司根據證券及期貨條例第336條須予存置的登記冊所記錄的權益或淡倉。

## 薪酬政策

本集團的高級管理層根據本集團僱員的表現、經驗及現有行業慣例設立薪酬政策以挽留有能力僱員。

薪酬委員會經考慮本公司的經營業績、個人表現及比較市場數據釐定董事的薪酬。

本公司已於二零一零年六月二十三日至二零二零年六月二十二日採納購股權計劃以激勵董事及合資格僱員，計劃詳情載於本年報第59至60頁。

## Directors' Report 董事會報告

### SENIOR MANAGEMENT REMUNERATION BY BAND

The remuneration of the Company's senior management by band for the year ended 31 December 2020 are set out below:

Remuneration Band:	薪酬組別：	Number of individuals 人數
HK\$0 to HK\$1,000,000	0港元至1,000,000港元	9
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	–
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	2
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	–
More than HK\$3,500,001	3,500,001港元以上	4

### SIGNIFICANT LEGAL PROCEEDINGS

Except for the litigation mentioned in the "Management Discussion and Analysis" section, the Company was not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

### CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report contained in this Annual Report.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the issue of this annual report, the Company has maintained sufficient public float under the Listing Rules throughout the financial year ended 31 December 2020 and as at the date of this Annual Report.

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 286 of this Annual Report.

### 高級管理人員之薪酬組別

截至二零二零年十二月三十一日止年度本公司高級管理人員之薪酬組別載列如下：

Number of individuals 人數
9
–
2
–
4

### 重大法律訴訟

除「管理層討論及分析」一節所述的訴訟除外，本公司並未涉及任何重大訴訟或仲裁，且據董事所知，亦不存在針對本公司的任何未決或具有威脅的重大訴訟或索賠。

### 企業管治

本公司採用的主要企業管治常規載於本年報企業管治報告。

### 充足公眾持股量

根據本公司所擁有之公開可得資料並就董事於本年報刊發前的最後實際可行日期所知悉，截至二零二零年十二月三十一日止整個財政年度及於本報告日期，本公司已維持上市規則項下的足夠公眾持股量。

### 五年財務概要

本集團過往五個財政年度之業績及資產與負債概要載於年報第286頁。

## EVENTS AFTER REPORTING PERIOD

Following the change of directors on 5 March 2021, the Board only has two independent non-executive Directors, which therefore falls below the minimum requirements under Rule 3.10(1) of the Listing Rules. In addition, the Audit Committee members decreased from three to two, falling below the minimum number required under Rule 3.21 of the Listing Rules.

The Board is in the process of identifying a suitable candidate to fill the vacancies of the independent non-executive Director and of the member of the Audit Committee and will use its best endeavours to ensure that a suitable candidate is appointed as soon as practicable and, in any event, within three months pursuant to Rules 3.11 and 3.23 of the Listing Rules.

The Company will also arrange for the election of the new chairman of the Board and the chairman of each of the Executive Committee, the Nomination Committee, the Strategy and Investment Committee and the Pricing Committee as soon as practicable in order to fill up the vacancies caused by the resignation of chairman. The Company will make further announcement(s) as and when appropriate.

Save as disclosed above, Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2020 and up to the date of this Annual Report.

## AUDITORS

The consolidated financial statements for the year ended 31 December 2020 have been audited by PricewaterhouseCoopers, Certified Public Accountants, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

For and on behalf of the Board  
代表董事會

### Rafael Heinrich Suchan

*Chief Executive Officer and Executive Director*  
行政總裁兼執行董事

Hong Kong, 31 March 2021  
香港，二零二一年三月三十一日

## 報告期後事項

於二零二一年三月五日董事變動後，董事會僅有兩名獨立非執行董事，因此低於上市規則第3.10(1)條的最低要求。此外，審核委員會成員由三名減至兩名，低於上市規則第3.21條規定的最低人數。

董事會正在物色合適人選以填補獨立非執行董事及審核委員會成員的空缺，並將盡最大努力確保盡快及無論如何於上市規則第3.11及3.23條規定的三個月內委任合適人選。

本公司亦將安排在切實可行的情況下盡快選舉新的董事會主席以及執行委員會、提名委員會、戰略與投資委員會及定價委員會的主席，以填補主席辭職產生的空缺。本公司將適時發佈進一步公告。

除上文所披露者外，董事並不知悉有於二零二零年十二月三十一日後及直至本年報日期發生的任何重大事項須予披露。

## 核數師

截至二零二零年十二月三十一日止年度之綜合財務報表已由執業會計師羅兵咸永道會計師事務所審核，羅兵咸永道會計師事務所將於應屆股東週年大會上退任，惟符合資格及願意獲續聘。

# Corporate Governance Report

## 企業管治報告

### INTRODUCTION

The Company recognises the importance of maintaining a high standard of corporate governance. The Company believes that an effective corporate governance practice is fundamental to enhancing shareholder value and safeguarding the interests of Shareholders and other stakeholders. The Board sets appropriate policies and implements corporate government practices appropriate to the conduct and growth of the Group's business. The code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules (the "CG Code") have been adopted to shape the Company's corporate governance structure. This corporate governance report describes how the principles of the CG Code have been applied during the year ended 31 December 2020 under different aspects.

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company recognises the importance of corporate transparency and accountability and is committed to achieving a high standard of corporate governance. Throughout the year ended 31 December 2020, the Company has complied with all the applicable code provisions of the CG code and Corporate Governance Report, contained in Appendix 14 to the Listing Rules, save and except as explained below:

#### A.2.1

Pursuant to code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the period from 1 January 2020 to 29 February 2020, Mr. Qin Yongming ("Mr. Qin") held the offices of chairman of the Board ("Chairman") and chief executive officer of the Company ("CEO"). The Board believed that vesting the roles of both Chairman and CEO in the same person provided the Company with strong and consistent leadership and allowed for effective and efficient planning and implementation of business decisions and strategies. Accordingly, the Directors considered that the deviation from provision A.2.1 of the Code was appropriate in such circumstance.

### 緒言

本公司深諳維持高水平企業管治之重要性。本公司相信有效之企業管治常規乃提升股東價值與保障股東及其他利益相關者權益之基本要素。董事會制定適當政策及實施適合本集團業務開展及增長之企業管治常規。上市規則附錄十四所載企業管治守則（「企業管治守則」）之守則條文已獲採納作為本公司之企業管治架構。本企業管治報告闡述截至二零二零年十二月三十一日止年度該等企業管治守則之原則如何在各不同方面獲應用。

### 遵守企業管治守則

本公司深知企業透明度及問責制之重要性，並致力於實現高標準企業管治。截至二零二零年十二月三十一日止年度全年，本公司已遵守上市規則附錄十四所載《企業管治守則》及《企業管治報告》的所有適用的守則條文，惟以下所述例外情況除外：

#### A.2.1

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。於二零二零年一月一日至二零二零年二月二十九日期間，秦永明先生（「秦先生」）擔任本公司董事會主席（「主席」）及行政總裁（「行政總裁」）職務。董事會認為，由一人同時擔任主席及行政總裁，可為本公司提供強大而貫徹的領導，並有效及具效率地規劃及執行業務決定及策略。因此，董事認為在此情況下偏離守則第A.2.1條屬恰當。

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (continued)**

### **A.2.1 (continued)**

Mr. Qin tendered his resignation as the CEO on 1 March 2020 to focus on his other roles in the Group, but remained as the Chairman and an executive director of the Company. Mr. Rafael Heinrich Suchan (“Mr. Suchan”) was appointed as the CEO of the Company with effect from 1 March 2020. The change of the CEO allows the Company to better comply with the requirement under the code provision A.2.1 of the CG Code.

Mr. Qin resigned as the Chairman and Mr. Chen Chunguo was appointed as the Chairman with effect from 16 December 2020, while Mr. Suchan remains as the CEO.

## **DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors. All Directors have confirmed, following specific enquiries made by the Company of all such Directors, that they had complied with the required standard set out in the Model Code during the year ended 31 December 2020.

## **遵守企業管治守則 (續)**

### **A.2.1 (續)**

秦先生已提呈辭任本公司行政總裁，自二零二零年三月一日起生效，以專注於其於本集團的其他職務，惟將繼續擔任主席及本公司執行董事。Rafael Heinrich Suchan先生（「Suchan先生」）獲委任為本公司行政總裁，自二零二零年三月一日起生效。日後，行政總裁變更將令本公司可更佳遵守企業管治守則之守則條文第A.2.1條之規定。

秦先生辭任主席職務，陳春國先生獲委任為主席，自二零二零年十二月十六日起生效，Suchan先生繼續擔任行政總裁。

## **董事進行證券交易**

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」）作為其本身之董事進行證券交易之行為守則。經本公司向全體董事作出特定查詢後，該等全體董事已確認，於截至二零二零年十二月三十一日止年度內均一直遵守標準守則之規定標準。

## Corporate Governance Report 企業管治報告

### BOARD OF DIRECTORS

#### Composition of the Board

As at the latest practicable date prior to the issue of this Annual Report, the Board comprised four executive directors and two independent non-executive directors, whose biographical details are set out in the “Profile of Directors and Senior Management” section on page 34 to 47 of this Annual Report, namely:

### 董事會

#### 董事會的組成

於本年報刊發前的最後實際可行日期，董事會成員由四名執行董事及兩名獨立非執行董事組成。彼等之履歷詳情載於本年報第34至47頁「董事及高級管理人員履歷」一節內，董事會成員包括：

Name of Director 董事姓名		Date of first appointment to the Board 首次獲委任加入董事會之日期	Date of last re-election as Director 上一次獲重選為董事之日期
<b>Executive Director</b> Tu Jianhua	<b>執行董事</b> 涂建華	29 April 2015 二零一五年 四月二十九日	12 June 2018 二零一八年 六月十二日
Rafael Heinrich Suchan (Chief Executive Officer)	Rafael Heinrich Suchan (行政總裁)	1 March 2020 二零二零年 三月一日	19 June 2020 二零二零年 六月十九日
Martin Simon	Martin Simon	23 June 2020 二零二零年 六月二十三日	N/A 不適用
Miao Yu	苗雨	29 December 2020 二零二零年 十二月二十九日	N/A 不適用

## BOARD OF DIRECTORS (continued)

### Composition of the Board (continued)

## 董事會 (續)

### 董事會的組成 (續)

Name of Director 董事姓名		Date of first appointment to the Board 首次獲委任加入董事會之日期	Date of last re-election as Director 上一次獲重選為董事之日期
<b>Independent Non-Executive Director</b> 陸海林	<b>獨立非執行董事</b> 陸海林	23 June 2010 二零一零年 六月二十三日	31 May 2019 二零一九年 五月三十一日
Ko Frankie Andrew	高瑞強	5 March 2021 二零二一年 三月五日	N/A 不適用

None of the Directors has any personal relationship (including financial, business, family or other material or relevant relationship) with any other Director or chief executive.

概無董事與任何其他董事或行政總裁具有任何個人關係 (包括財務、業務、家庭或其他重大或相關關係)。

### Roles and responsibilities of the Board

The Board is collectively responsible for overseeing the management of the business and affairs of the Group. The Board meets regularly to discuss the overall strategies as well as operational and financial performances of the Group. Certain matters are reserved for decisions by the Board, including matters relating to: (i) the formulation of the Group's overall strategy and directions; (ii) any material conflict of interest of substantial Shareholders of the Company or Directors; (iii) approval of the Group's annual results, annual budgets, interim results and other significant operational and financial transactions; (iv) changes to the Company's capital structure; and (v) major appointments to the Board. The Board has delegated the day-to-day management, administration and operation of the Group and implementation and execution of policies and strategies decided by the Board to the executive Directors and management of the Company.

### 董事會之角色及職責

董事會共同負責監督本集團業務及事務之管理工作。董事會定期會面，討論本集團整體策略以及營運與財務表現。董事會決定的若干事項包括有關(i)制定本集團整體策略及方向；(ii)本公司主要股東或董事之任何重大利益衝突；(iii)批准本集團年度業績、年度預算、中期業績及其他重大營運與財務交易；(iv)更改本公司之股本結構；及(v)就董事會作出重大委任之事項。董事會已授權本公司執行董事及管理層負責管理本集團之日常管理、行政及營運，並實施及執行董事會決定之政策及策略。

## **BOARD OF DIRECTORS (continued)**

### **Roles and responsibilities of the Board (continued)**

The Board is also responsible for performing corporate governance duties including risk management, internal controls, those under D.3.1 of the Corporate Governance Code and relevant compliance issues relating to the business operation of the Group.

The Board reviews and monitors the training and continuous professional development of directors and senior managers; develops, reviews and monitors the code of conduct and compliance manual applicable to employees and Directors.

The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. The Directors collectively bring a variety of experience and expertise to the Company.

### **Board meetings and Board practices**

All Directors have been given sufficient time and support to understand the affairs of the Group and they have full and timely access to all relevant information regarding the Group's affairs and have unrestricted access to the advice and services of the company secretary of the Company ("the Company Secretary"). The Directors may seek independent professional advice at the Company's expenses in carrying out their duties and responsibilities.

During the year ended 31 December 2020, thirteen Board meetings, two general meetings of the Company were held. The meetings are structured to allow open discussion. At the Board meetings, the Directors participated in discussing the strategies, operational and financial performance, corporate governance policy and internal control of the Group.

## **董事會 (續)**

### **董事會之角色及職責 (續)**

董事會亦負責執行企業管治職責，包括企業管治守則第D.3.1條之風險管理、內部監控及關乎本集團業務營運的有關合規事宜。

董事會審閱及監督董事及高級經理的培訓情況及持續專業發展；制定、檢討及監察適用於僱員及董事的行為守則及合規手冊。

董事會的成員各有所長，而每名董事對於本集團所從事業務均具備充分行業知識、豐富的企業及策略規劃經驗及／或專門技術。董事整體為本公司帶來不同的經驗及專門技術。

### **董事會會議及董事會常規**

全體董事已付出足夠時間及支持，理解本集團事務，彼等擁有及時接觸有關本集團事務之所有相關資料之一切權力，能夠獲得公司秘書（「公司秘書」）之建議及服務而不受任何限制。董事在履行職責及職務時可尋求獨立專業意見，費用由本公司承擔。

於截至二零二零年十二月三十一日止年度曾分別舉行十三次董事會會議及兩次本公司股東大會。該等會議以坦誠討論形式進行。於董事會會議上，董事均會參與討論本集團之策略、營運及財務表現、企業管治政策以及內部控制。

## BOARD OF DIRECTORS (continued)

### Board meetings and Board practices

Set out below is the attendance of the Directors at the Board and general meetings held during the year:

## 董事會 (續)

### 董事會會議及董事會常規 (續)

董事出席於本年度舉行之董事會會議及股東大會的情況列載如下：

Name of Director 董事姓名		No. of meeting attend/ Eligible to attend 曾出席/合資格出席會議次數	
		Regular Board Meeting 定期董事會會議	General Meeting 股東大會
<b>Executive Director</b>			
<b>執行董事</b>			
Tu Jianhua	涂建華	12/13	1/1
Chen Chunguo	陳春國	3/3	0/0
(appointed on 16 December 2020 and resigned on 3 March 2021)	(於二零二零年十二月十六日獲委任及於二零二一年三月三日辭任)		
Qin Yongming	秦永明	8/10	1/2
(resigned on 16 December 2020)	(於二零二零年十二月十六日起辭任)		
Rafael Heinrich Suchan	Rafael Heinrich Suchan	11/11	1/2
(appointed on 1 March 2020)	(於二零二零年三月一日獲委任)		
Martin Simon	Martin Simon	8/8	0/1
(appointed on 23 June 2020)	(於二零二零年六月二十三日獲委任)		
Ding Zhiyi	丁志懿	0/0	0/0
(appointed on 29 December 2020 and resigned on 5 March 2021)	(於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)		
Miao Yu	苗雨	0/0	0/0
(appointed on 29 December 2020)	(於二零二零年十二月二十九日獲委任)		
<b>Independent Non-Executive Director</b>			
<b>獨立非執行董事</b>			
Loke Yu	陸海林	12/13	2/2
Yang Yali	楊雅麗	0/0	0/0
(appointed on 29 December 2020 and resigned on 5 March 2021)	(於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)		
Wang Qiwei	王奇偉	0/0	0/0
(appointed on 29 December 2020 and resigned on 5 March 2021)	(於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)		
Qian Liping	錢麗萍	12/13	2/2
(resigned on 29 December 2020)	(於二零二零年十二月二十九日獲委任)		
Ko Frankie Andrew	高瑞強	11/12	2/2
(appointed on 19 February 2020 and resigned on 29 December 2020; re-appointed on 5 March 2021)	(於二零二零年二月十九日獲委任及於二零二零年十二月二十九日辭任；於二零二一年三月五日獲重新委任)		
Zhu Hongchao	朱洪超	0/1	0/0
(resigned on 19 February 2020)	(於二零二零年二月十九日辭任)		

## **BOARD OF DIRECTORS (continued)**

### **Board meetings and Board practices (continued)**

The Company Secretary or the staff of the company secretarial department of the Company prepared and kept detailed minutes of each Board meeting and, within a reasonable time after each meeting, the draft minutes were circulated to all Directors for comment and the final and approved version of the minutes were sent to all Directors for their records. The same practices and procedures as used in the Board meetings had also been adopted and followed for the Board committees meetings. All the minutes of the meetings recorded sufficient details of the matters considered and decision reached are available for inspection by the Directors at any time.

Notices of Board meetings were given to the Directors at least 14 days prior to the date of the relevant meeting. Briefing papers were prepared for all substantive agenda items and were circulated to the Directors at least three days before each Board meeting. The Company Secretary or the staff of the company secretarial department of the Company is responsible for providing accurate, timely and clear information to the Directors prior to the Board meetings so as to ensure that the Directors are able to make informed decisions regarding the matters to be discussed in the meeting.

If any of the Directors has a potential conflict of interest in a matter being considered in the Board meeting, such Director(s) shall abstain from voting in relation to that particular matter. Independent non-executive Directors with no conflict of interest in such matters would be present at the Board meetings to deal with such conflict of interest issues.

### **Access to sufficient information of the Group**

The management is committed to providing the Board with appropriate and sufficient explanation and information of the Group's affairs through financial reports, business and operational reports and budget statements, in a timely manner, to enable them to make informed decisions.

The Directors are also provided with access to the Group's management and Company Secretary at all times to obtain relevant information for carrying out their duties as Directors of the Company.

## **董事會 (續)**

### **董事會會議及董事會常規 (續)**

本公司之公司秘書或公司秘書部員工負責編製及備存每次董事會會議之詳細會議記錄，並於每次會議後之合理時間內向全體董事傳閱會議記錄初稿，以供董事提供意見，而會議記錄最終獲批准之版本會發給全體董事作記錄。董事委員會會議亦已採用及沿用董事會會議採用之相同常規及程序。所有會議記錄載有所考慮事項及所達成決定的充分詳情，並可供董事於任何時間查閱。

於相關會議日期前最少十四天須向董事發出董事會會議的通知。並於每次董事會會議前至少三天向董事傳閱就所有主要議程項目編製之簡介文件。為確保董事能夠就會議上討論的事項作出知情決定，本公司之公司秘書或公司秘書部員工須於董事會會議前向董事提供準確、及時及清晰的資料。

倘任何董事與董事會會議上考慮之事項有潛在利益衝突，則該董事須就該特定事項放棄投票，由出席董事會會議而於該等事項並無利益衝突之獨立非執行董事，處理該等利益衝突事項。

### **取閱本集團之充分資料**

管理層透過財務報告、業務及營運報告以及預算報表，致力向董事會就本集團事務適時地提供恰當及充分的說明及資料，從而讓彼等作出知情決定。

董事亦可於任何時間向本集團管理層及公司秘書取閱相關資料，以履行其作為本公司董事的職責。

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

From 1 January 2020 to 29 February 2020, Mr. Qin Yongming (“Mr. Qin”) took up the roles of Chairman and CEO of the Company simultaneously. Mr. Qin had tendered his resignation as the CEO of the Company with effect from 1 March 2020 to focus on his other roles in the Group, but remained as the Chairman and an executive director of the Company. Mr. Rafael Heinrich Suchan (“Mr. Suchan”) was appointed as CEO of the Company with effect from 1 March 2020. Mr. Qin resigned as the Chairman and Mr. Chen Chunguo (“Mr. Chen”) was appointed as the Chairman with effect from 16 December 2020, while Mr. Suchan remains as the CEO of the Company.

During the Reporting Period, Mr. Qin or Mr. Chen were responsible for providing leadership of the Board and ensuring that all Directors are properly informed on issues to be discussed at Board meetings. In addition, they are responsible for ensuring that all Directors receive, in a timely manner, adequate, complete and reliable information in relation to the Group’s affairs. The Chairman also encouraged Directors to actively participate in and to make a full contribution to the Board so that the Board functions effectively and acts in the best interest of the Company.

From 1 March 2020 onwards, Mr. Suchan took up Mr. Qin’s responsibility for the strategic planning, administration and management of the business of the Group. He was also responsible for the formulation and successful implementation of Group policies and assuming full accountability to the Board for all operations of the Group. Mr. Suchan oversaw the Group’s compliance and internal control matters and maintains an ongoing dialogue with the Chairman and all Directors to keep them fully informed of all major business developments and issues. He had also been focusing on strategic planning and assessment of mergers and acquisitions opportunities for the Company.

## 主席及行政總裁

於二零二零年一月一日至二零二零年二月二十九日期間，秦永明先生（「秦先生」）同時擔任本公司主席及行政總裁職務。秦先生已提呈辭任本公司行政總裁，自二零二零年三月一日起生效，以專注於其於本集團的其他職務，惟將繼續擔任主席及本公司執行董事。Rafael Heinrich Suchan先生（「Suchan先生」）獲委任為本公司行政總裁，自二零二零年三月一日起生效。秦先生辭任主席職務，陳春國先生（「陳先生」）獲委任為主席，自二零二零年十二月十六日起生效，Suchan先生則繼續擔任行政總裁。

於報告期內，秦先生或陳先生負責領導董事會，並確保全體董事已適當知悉董事會會議上討論之事宜。此外，彼等負責確保全體董事及時收到有關本集團事宜之充分、完整及可靠資料。主席亦鼓勵董事積極參與董事會，為董事會全力作出貢獻，以使董事會有效運作，並能按本公司之最佳利益行事。

自二零二零年三月一日起，Suchan先生接任秦先生，負責本集團業務的策略規劃、行政及管理。彼亦負責制定及成功實施本集團的政策，並就本集團的所有營運向董事會承擔全部責任。Suchan先生監察本集團的合規及內部監控事宜，並與主席及所有董事保持溝通，讓彼等可全面知悉所有主要業務發展及事務。彼亦專責於策略性計劃以及評估本公司之合併及收購機會。

## INDEPENDENT NON-EXECUTIVE DIRECTORS

All independent non-executive directors were appointed for term of either one year or three years. None of them hold any other offices in the Company or any its subsidiaries or is interested in any Shares of the Company saved as disclosed under section headed “Disclosure of Interests” on pages 61 to 65 in this Annual Report. In the Board meetings and Board committee meetings held during the year, constructive views and comments are given by the independent non-executive directors, who have provided their independent judgement on the issues relating to the strategy, performance, conflict of interest and management process of the Group.

During the year ended 31 December 2020, there were three independent non-executive directors, representing at least one-third of the Board. Among the three independent non-executive directors, one of them has the appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received from each of its current independent non-executive directors a written confirmation of his/her independence and the Board considers all of them, namely Dr. Loke Yu and Mr. Ko Frankie Andrew to be independent pursuant to Rule 3.13 of the Listing Rules.

## COMPANY SECRETARY

Ms. Yiu Yi Ting (“Ms. Yiu”) was the Company Secretary until 24 July 2020. She has over 17 years of experience in corporate secretarial and corporate trust, covering listed companies, commercial bank and professional firms. She holds a Master’s degree in Corporate Governance from the Hong Kong Polytechnic University. She is an associate member of both The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Chartered Secretaries.

Ms. So Shuk Yi Betty (“Ms. So”), was the Company Secretary for the period of 24 July 2020 to 18 December 2020. She currently serves as a vice president of SWCS Corporate Services Group (Hong Kong) Limited, an external service provider. Ms. So obtained a Master’s degree in Chinese and Comparative Law from the City University of Hong Kong in 2004 and a Master’s degree in business administration from the University of Leicester (long distance learning course) in 1999. Ms. So was admitted as an associate of The Chartered Governance Institute in the United Kingdom in 1997 and an associate of The Hong Kong Institute of Chartered Secretaries in 1997. During the period, Mr. Rafael Heinrich Suchan, the CEO of the Company, was the primary contact person of Ms. So.

## 獨立非執行董事

全體獨立非執行董事獲委任年期為一年或三年。彼等概無於本公司或其任何子公司擔任任何其他職位，除本年報第61至65頁「權益披露」一節所披露者外，待等亦無於本公司股份中擁有權益。在本年度舉行的董事會會議以及董事委員會會議上，獨立非執行董事提供建設性意見及建議，並為有關本集團策略、業績、利益衝突及管理過程之事宜作出彼等的獨立判斷。

於截至二零二零年十二月三十一日止年度，共有三名獨立非執行董事，至少佔董事會成員人數的三分之一。三名獨立非執行董事當中，其中一名具備適當的會計專業資格，或相關的財務管理專長，符合上市規則第3.10(2)條之規定。

本公司已接獲各現任獨立非執行董事有關其獨立身份之書面確認，董事會認為，根據上市規則第3.13條，彼等全體（陸海林博士及高瑞強先生）均屬獨立人士。

## 公司秘書

姚懿庭女士（「姚女士」）於二零二零年七月二十四日前擔任公司秘書。彼於多家上市公司、商業銀行及專業公司之公司秘書領域及公司信託領域任職逾十七年。彼擁有香港理工大學企業管治碩士學位。彼為英國特許秘書及行政人員公會及香港特許秘書公會會員。

蘇淑儀女士（「蘇女士」）於二零二零年七月二十四日至二零二零年十二月十八日期間擔任公司秘書。彼現為方圓企業服務集團（香港）有限公司（一家外聘服務供應商）的副總裁。蘇女士於二零零四年獲得香港城市大學中國法與比較法碩士學位，並於一九九九年獲得萊斯特大學工商管理碩士學位（遠程學習課程）。蘇女士於一九九七年獲接納為英國特許管治公會會員，及於一九九七年獲接納為香港特許秘書公會會員。在此期間，本公司行政總裁Rafael Heinrich Suchan先生為蘇女士的主要聯絡人。

## COMPANY SECRETARY (continued)

Ms. Lam Pui Sea (“Ms. Lam”) was appointed as the Company Secretary on 18 December 2020. Ms. Lam is a fellow member of the Hong Kong Institute of Certified Public Accountants. She holds a Bachelor’s degree in Economics and Finance from the University of Hong Kong. She has worked in various listed companies on the Stock Exchange and an international accounting firm. Ms. Lam has extensive experience in accounting and internal control, corporate secretarial services and corporate administration.

Ms. Lam resigned as the Company Secretary and Ms. So was re-appointed as the Company Secretary with effect from 5 March 2021.

The Company Secretary plays an important role in supporting the Board by ensuring efficient and effective information flow within the Board and that the Board’s policy and procedures are followed.

The Company Secretary has day-to-day knowledge of the Company’s affairs. The Company Secretary reports to the Board through the Chairman and CEO. All Directors may have access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters and facilitates the induction and professional development of the Directors.

The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board with opinions on matters in relation to the compliance with the procedures of the Board meetings.

During the year ended 31 December 2020, Ms. Lam and Ms. So had received no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

The Board is fully involved in the selection and appointment of the Company Secretary.

## 公司秘書(續)

林霽詩女士(「林女士」)於二零二零年十二月十八日獲委任為公司秘書。林女士為香港會計師公會會員。彼持有香港大學經濟及金融學士學位，彼曾於若干於聯交所上市的公司及一所國際會計師行工作。林女士於會計、內部監控、公司秘書服務及公司管理方面擁有豐富經驗。

林女士已辭任公司秘書，蘇女士已獲重新委任為公司秘書，自二零二一年三月五日起生效。

公司秘書在支援董事會方面擔當重要角色，確保董事會成員之間資訊交流的效率及功效，以及遵循董事會政策及程序。

公司秘書須熟悉本公司的日常事務。公司秘書透過主席及行政總裁向董事會匯報。所有董事可獲得公司秘書的建議及服務，公司秘書會定期向董事會提供有關管治及監管事項的最新資料，亦會安排董事的入職培訓及專業發展。

公司秘書亦負責確保董事會會議依程序進行，並就有關遵守董事會會議程序的事項向董事會提供意見。

於截至二零二零年十二月三十一日止年度，林女士及蘇女士已遵照上市規則第3.29條接受不少於15小時相關專業培訓。

董事會全面參與公司秘書之挑選及委任程序。

# Corporate Governance Report

## 企業管治報告

### BOARD COMMITTEES

To assist the Board in the execution of its duties, the Board has delegated specific functions to six Board committees, namely the Executive Committee, the Audit Committee, the Nomination Committee, the Remuneration Committee, the Strategy and Investment Committee and the Pricing Committee, details of which are as follows:

### 董事委員會

董事會向六個董事委員會(執行委員會、審核委員會、提名委員會、薪酬委員會、戰略與投資委員會及定價委員會)委派指定職責，以協助董事會執行職務，詳情載列如下：

Name of Director		Executive Committee	Audit Committee	Nomination Committee	Remuneration Committee	Strategy and Investment Committee	Pricing Committee
董事姓名		執行委員會	審核委員會	提名委員會	薪酬委員會	戰略與投資委員會	定價委員會
<b>Executive Director</b>	<b>執行董事</b>						
Tu Jianhua	涂建華	M				M	
Chen Chunguo (appointed on 16 December 2020 and resigned on 3 March 2021)	陳春國 (於二零二零年十二月十六日獲委任及於二零二一年三月三日辭任)	C		C		C	C
Qin Yongming (resigned on 16 December 2020)	秦永明 (於二零二零年十二月十六日辭任)	C		C		C	C
Rafael Heinrich Suchan (appointed on 1 March 2020)	Rafael Heinrich Suchan (於二零二零年三月一日獲委任)	M				M	M
Martin Simon (appointed on 23 June 2020)	Martin Simon (於二零二零年六月二十三日獲委任)	M				M	M
Ding Zhiyi (appointed on 29 December 2020 and resigned on 5 March 2021)	丁志懿 (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)	M				M	M
Miao Yu (appointed on 29 December 2020)	苗雨 (於二零二零年十二月二十九日獲委任)	M				M	M
<b>Independent Non-Executive Director</b>	<b>獨立非執行董事</b>						
Loke Yu	陸海林		C	M	M		
Ko Frankie Andrew (appointed on 19 February 2020 and resigned on 29 December 2020; re-appointed on 5 March 2021)	高瑞強 (於二零二零年二月十九日獲委任及於二零二零年十二月二十九日辭任；於二零二一年三月五日獲重新委任)		M	M	C	M*	
Yang Yali (appointed on 29 December 2020 and resigned on 5 March 2021)	楊雅麗 (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)		M	M	C		
Wang Qiwei (appointed on 29 December 2020 and resigned on 5 March 2021)	王奇偉 (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)		M	M	M		
Qian Liping (resigned on 29 December 2020)	錢麗萍 (於二零二零年十二月二十九日辭任)		M	M	M		
Zhu Hongchao (resigned on 19 February 2020)	朱洪超 (於二零二零年二月十九日辭任)		M	M	C		

\* C – Chairman  
M – Member

# Other members of the Pricing Committee are certain senior management of the Company.

+ With effect from 5 March 2021

\* C – 主席  
M – 成員

# 定價委員會其他成員為本公司若干高級管理人員。

+ 自二零二一年三月五日起生效

## EXECUTIVE COMMITTEE

The Board established the Executive Committee in 2011 with written terms of reference, which is responsible for the management and administration of the business of the Company and any matters which are within the ordinary course of the Company's business under the control and supervision of the Board and in accordance with the provisions of the terms of reference of the Executive Committee for ensuring a high standard of corporate governance and compliance of the Company. The written terms of reference of the Executive Committee are available on the Stock Exchange's website and the Company's website.

The Board delegated certain corporate governance functions to the Executive Committee, which develops and reviews the Company's policies and practices on corporate governance and makes recommendations to the Board; reviews and monitors (i) the training and continuous professional development of Directors and senior management of the Company; (ii) compliance with legal and regulatory requirements; and (iii) the code of conduct and Model Code applicable to the Directors or employees.

### Directors' Training and Professional Development

Every newly appointed Director is provided with information and a comprehensive induction to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under the relevant statutes, laws, rules and regulations.

Development and training of Directors is an ongoing process to ensure that they can perform their duties appropriately. During the year ended 31 December 2020, all Directors were provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties. In addition, all Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills to ensure that they continue to make contribution to the Board in an informed and relevant manner. The Company updates Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

## 執行委員會

董事會已於二零一一年成立執行委員會，並訂明書面職權範圍。執行委員會負責本公司的管理及行政事務，以及本公司日常業務過程中的任何事宜，受董事會控制及監管，並按執行委員會職權範圍所規定行事，以確保本公司高水準的企業管治及合規。執行委員會的書面職權範圍於聯交所網站及本公司網站可供閱覽。

董事會已授權執行委員會若干企業管治職能，其制定及審閱本公司企業管治政策及常規，並向董事會作出意見，檢討及監察(i)本公司董事及高級管理人員的培訓及持續專業發展；(ii)遵守法律及監管規定；及(iii)適用於董事或僱員的行為守則及標準守則。

### 董事培訓及專業發展

每名新獲委任董事均獲提供全面之資料及就任須知，以確保彼適當了解本公司之營運及業務以及彼於相關法規、法律、規則及規定下之職責。

本公司持續提供董事發展及培訓，以確保彼等能夠適當履行職責。於截至二零二零年十二月三十一日止年度，本公司定期向全體董事提供有關本公司表現、狀況及前景之最新資料，以便全體董事會及每名董事履行其職責。此外，本公司鼓勵全體董事參與持續專業發展，以提升及更新彼等之知識及技能，從而確保彼等繼續對董事會作出知情及相關貢獻。本公司不時向董事提供有關上市規則及其他適用監管規定之最新發展，以確保彼等遵守有關法規及加深彼等對良好企業管治常規之認識。

## Corporate Governance Report 企業管治報告

### EXECUTIVE COMMITTEE (continued)

#### Directors' Training and Professional Development (continued)

The training received by the Directors during the year ended 31 December 2020 is summarised as follows:

### 執行委員會(續)

#### 董事培訓及專業發展(續)

董事於截至二零二零年十二月三十一日止年度所接受之培訓概要如下：

Directors 董事	Types of training 培訓類別
Tu Jianhua 涂建華	A, B
Chen Chunguo (appointed on 16 December 2020 and resigned on 3 March 2021) 陳春國 (於二零二零年十二月十六日 獲委任及於二零二一年三月三日辭任)	B
Qin Yongming (resigned on 16 December 2020) 秦永明 (於二零二零年十二月十六日辭任)	A, B
Rafael Heinrich Suchan (appointed on 1 March 2020) Rafael Heinrich Suchan (於二零二零年三月一日獲委任)	A, B
Martin Simon (appointed on 23 June 2020) Martin Simon (於二零二零年六月二十三日獲委任)	A, B
Mr. Ding Zhiyi (appointed on 29 December 2020 and resigned on 5 March 2021) 丁志懿 (於二零二零年十二月二十九日 獲委任及於二零二一年三月五日辭任)	B
Mr. Miao Yu (appointed on 29 December 2020) 苗雨 (於二零二零年十二月二十九日獲委任)	B
Loke Yu 陸海林	A, B
Ko Frankie Andrew (appointed on 19 February 2020 and resigned on 29 December 2020; re-appointed on 5 March 2021) 高瑞強 (於二零二零年二月十九日獲委任及於 二零二零年十二月二十九日辭任； 於二零二一年三月五日獲重新委任)	A, B
Yang Yali (appointed on 29 December 2020 and resigned on 5 March 2021) 楊雅麗 (於二零二零年十二月二十九日 獲委任及於二零二一年三月五日辭任)	B
Wang Qiwei (appointed on 29 December 2020 and resigned on 5 March 2021) 王奇偉 (於二零二零年十二月二十九日 獲委任及於二零二一年三月五日辭任)	B
Qian Liping (resigned on 29 December 2020) 錢麗萍 (於二零二零年十二月二十九日辭任)	A, B
Zhu Hongchao (resigned on 19 February 2020) 朱洪超 (於二零二零年二月十九日辭任)	B
A attending seminars/conferences/forums/briefings/workshops relevant to the business of the Group or Director's duties	A 出席與本集團業務或董事職責相關之研討會/座談會/論壇/簡介會/工作坊
B reading articles relevant to corporate governance, regulatory updates and Directors' duties and responsibilities	B 閱讀與企業管治、最新監管規定及董事職責及責任相關之刊物

## AUDIT COMMITTEE

The Audit Committee was established in 2010 with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The Company has adopted a set of the revised terms of reference of the Audit Committee in 2015, which has included changes in line with the amendments to the Main Board Listing Rules. The written terms of reference of the Audit Committee are available on the Stock Exchange's website and the Company's website. The Audit Committee has established a whistleblowing policy of the Company in 2012 and set out the procedures on reporting possible improprieties in financial reporting matters of the Company.

The principal duties of the Audit Committee include monitoring the integrity of the financial statements of the Company, reviewing the effectiveness of Company's internal control (including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programs and budget) and risk management systems as delegated by the Board, and making recommendations to the Board on the appointment and engagement of the external auditor for the audit and non-audit services. The Audit Committee is provided with sufficient resources enabling it to discharge its duties.

## 審核委員會

本公司已遵照上市規則附錄十四所載企業管治守則於二零一零年成立審核委員會，並訂明書面職權範圍。本公司已於二零一五年採納一套審核委員會經修訂的職權範圍，當中包括主板上市規則修訂一致之變動。審核委員會的書面職權範圍於聯交所網站及本公司網站可供閱覽。審核委員會已於二零一二年制定本公司的舉報政策，並列明舉報本公司的財務申報事宜中可能存在之不恰當行為的程序。

審核委員會之主要職務包括監督本公司財務報表是否完整全面、按董事會授權檢討本公司之內部監控(包括資源充足性、本公司會計及財務申報職能員工之資歷及經驗以及其培訓計劃及預算)及風險管理制度之成效，並就委聘外聘核數師進行審核及非審核服務向董事會作出推薦意見。審核委員會獲提供充足資源以履行其職責。

## Corporate Governance Report 企業管治報告

### AUDIT COMMITTEE (continued)

Members of the Audit Committee and the attendance of each member are as follows:

Name of Directors 董事姓名	Position 職位	Role in Audit Committee 在審核委員會之職能	Meetings attended/ Eligible to attend 已出席/ 合資格出席會議次數
Loke Yu 陸海林	Independent non-executive Director 獨立非執行董事	Chairman 主席	4/4
Ko Frankie Andrew (appointed on 19 February 2020 and resigned on 29 December 2020; re-appointed on 5 March 2021) 高瑞強 (於二零二零年二月十九日獲委任及於二零二零年十二月二十九日辭任；於二零二一年三月五日獲重新委任)	Independent non-executive Director 獨立非執行董事	Member 成員	4/4
Yang Yali (appointed on 29 December 2020 and resigned on 5 March 2021) 楊雅麗 (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	0/0
Wang Qiwei (appointed on 29 December 2020 and resigned on 5 March 2021) 王奇偉 (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	0/0
Qian Liping (resigned on from 29 December 2020) 錢麗萍 (於二零二零年十二月二十九日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	4/4
Zhu Hongchao (resigned on 19 February 2020) 朱洪超 (於二零二零年二月十九日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	0/0

During the year ended 31 December 2020, the Audit Committee reviewed, together with the management, the annual results, interim results and related announcements including the disclosures, financial reporting and the accounting policies adopted by the Group prior to the submission to the Board approval; discussed with management on significant judgements affecting Group's consolidated financial statements and approved the appointment of external auditor; reviewed and discussed the internal control report; reviewed and assessed the adequacy and effectiveness of the Company's internal control and risk management; and reviewed and monitored the external auditor's independence and objectivity and the effectiveness during the audit process.

### 審核委員會(續)

審核委員會成員及各成員之出席情況如下：

於截至二零二零年十二月三十一日止年度，審核委員會連同管理層已於提呈董事會批准前審閱全年業績、中期業績及其相關公告，包括本集團採納的披露、財務申報及會計政策；與管理層討論影響本集團綜合財務報表的重要判斷及批准委聘外聘核數師；審閱及討論內部監控報告；檢討及評估本公司內部監控及風險管理的充足性及有效性；以及檢討及監控外聘核數師的獨立性及核數程序的客觀性及有效性。

## AUDIT COMMITTEE (continued)

The Board is responsible for preparing the financial statements that give a true and fair view of the financial position of the Group on a going concern basis. The Audit Committee has reviewed the Company's annual results and consolidated financial statements for the year ended 31 December 2020. The Directors acknowledge their responsibilities for preparing a balanced, clear and comprehensive assessment in annual/interim reports, price-sensitive announcements and other financial disclosures. Save as disclosed in Note 2.1.1 to the consolidated financial statements, the Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

### Auditors' Remuneration

For the year ended 31 December 2020, the Group had engaged the Group's external auditor, PricewaterhouseCoopers ("PwC"), to provide the following services and their respective fees charged are set out as below:

Type of services	服務類別	2020 二零二零年 HK\$M 百萬港元
Audit services	審計服務	17.6
Non-audit services	非審計服務	4.4
Total	總計	22.0

For the year ended 31 December 2020, the Group had also engaged other auditors to provide audit services to certain subsidiaries of the Group and the aggregated fees charged were HK\$3.4 million.

## 審核委員會(續)

董事會有責任以持續經營之基準編製財務報表，對本集團財務狀況提出真確及公正的意見。審核委員會已審閱本公司截至二零二零年十二月三十一日止年度之全年業績及綜合財務報表。董事了解彼等之責任為對年報／中期報告、股價敏感資料公告及其他財務披露編製平衡、清晰及全面之評核。除綜合財務報表附註2.1.1所披露者外，董事並不知悉有關任何事項或情況之重大不明朗因素，而可能使本公司持續經營之能力受到重大質疑。

### 核數師薪酬

於截至二零二零年十二月三十一日止年度，本集團聘用羅兵咸永道會計師事務所（「羅兵咸永道」）為本集團外聘核數師，所提供服務及相關費用如下：

2020 二零二零年 HK\$M 百萬港元
17.6
4.4
22.0

截至二零二零年十二月三十一日止年度，本集團亦委聘其他核數師為本集團若干子公司提供審計服務，而彼等所收取的總費用為3.4百萬港元。

## **AUDIT COMMITTEE (continued)**

### **Board's Responsibilities for the Accounts**

The Board is responsible for the preparation of accounts for each financial period, which gives a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing these accounts for the year ended 31 December 2020, the Board has selected suitable accounting policies and applied them consistently, made judgements and estimates that are prudent and reasonable, and has prepared the accounts on a going concern basis.

## **ACCOUNTABILITY AND AUDIT**

The Directors acknowledge their responsibilities for preparing all information and representations contained in the consolidated financial statements of the Company for the year ended 31 December 2020 which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. The Directors consider that the financial statements have been prepared in conformity with all appropriate accounting standards and requirements and reflect amounts that are based on the best estimates and reasonable, informed and prudent judgement of the Board and the management. Saved as disclosed in Note 2.1.1 to the consolidated financial statements, the Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the consolidated financial statements of the Company on a going concern basis.

The statements of the auditor of the Group about its reporting responsibilities on the financial statements of the Group is set out in the section headed "Independent Auditor's Report" on page 113 of this Annual Report.

## **INTERNAL CONTROL**

The primary duties of the Audit Committee include reviewing and supervising the financial reporting process, risk management and internal control procedures of the Group and nominating and monitoring external auditors. In compliance with Rule 3.21 of the Listing Rules, the chairman of the Audit Committee possesses the appropriate professional and accounting qualifications.

## **審核委員會 (續)**

### **董事會編製賬目之職責**

董事會負責編製各財政期間之賬目，並對本集團該期間之事務狀況、業績及現金流量作出真實公平意見。在編製截至二零二零年十二月三十一日止年度之賬目時，董事會已挑選合適會計政策並貫徹應用、作出審慎及合理的判斷及估計，並按持續基準編製賬目。

## **問責及審核**

董事承認彼等有責任編製本公司截至二零二零年十二月三十一日止年度的綜合財務報表所載的一切資料及陳述，並真實公平地反映本集團的事務狀況以及期內的業績及現金流量。董事認為財務報表已遵照所有適用會計準則及規定編製，並反映根據董事會及管理層的最佳估計、合理知情及審慎的判斷所得的數額。除綜合財務報表附註2.1.1所披露者外，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公司持續經營的能力產生重大質疑。因此，董事已按照持續經營基準編製本公司的綜合財務報表。

本集團核數師就其對本集團財務報表的呈報責任作出的聲明載於本年報第113頁的「獨立核數師報告」一節。

## **內部監控**

審核委員會的主要職責包括檢討及監督本集團的財務報告程序、風險管理及內部監控程序，以及提名及監察外聘核數師。為符合上市規則第3.21條規定，審核委員會主席具備適當專業及會計資格。

## NOMINATION COMMITTEE

The Nomination Committee was established in 2010 with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The Company has adopted a set of the revised terms of reference of the Nomination Committee in 2013. The written terms of reference of the Nomination Committee are available on the Stock Exchange's website and the Company's website.

The primary duties of the Nomination Committee include:

1. formulating the nomination policy for consideration by the Board and implement the nomination policy laid down by the Board;
2. reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; and
3. identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships.

The Nomination Committee currently comprises Dr. Loke Yu and Mr. Ko Frankie Andrew, Independent Non-Executive Directors.

## 提名委員會

本公司已遵照上市規則附錄十四所載企業管治守則於二零一零年成立提名委員會，並訂明書面職權範圍。本公司已於二零一三年採納一套提名委員會之經修訂職權範圍。提名委員會的書面職權範圍於聯交所網站及本公司網站可供閱覽。

提名委員會的主要職責包括：

1. 制定提名政策供董事會考慮，實施董事會規定的提名政策；
2. 至少每年檢討董事會的架構、人數和組成（包括技能、知識和經驗方面），並就任何為配合本公司的企業策略而擬對董事會作出的變動提出建議；及
3. 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見。

提名委員會目前包括獨立非執行董事陸海林博士及高瑞強先生。

## Corporate Governance Report 企業管治報告

### NOMINATION COMMITTEE (continued)

The Nomination Committee convened six meetings during the year ended 31 December 2020 with the attendance of each member as follows:

Name of Directors 董事姓名	Position 職位	Role in Nomination Committee 在提名委員會之職能	Meetings attended/ Eligible to attend 已出席/ 合資格出席會議次數
Chen Chunguo (appointed on 16 December 2020 and resigned on 3 March 2021) 陳春国 (於二零二零年十二月十六日獲委任 及於二零二一年三月三日辭任)	Executive Director 執行董事	Chairman 主席	1/1
Qin Yongming (resigned on 16 December 2020) 秦永明 (於二零二零年十二月十六日辭任)	Executive Director 執行董事	Chairman 主席	4/5
Loke Yu 陸海林	Independent non-executive Director 獨立非執行董事	Member 成員	6/6
Ko Frankie Andrew (appointed on 19 February 2020 and resigned on 29 December 2020; re-appointed on 5 March 2021) 高瑞強 (於二零二零年二月十九日獲委任及 於二零二零年十二月二十九日辭任； 於二零二一年三月五日獲重新委任)	Independent non-executive Director 獨立非執行董事	Member 成員	5/5
Yang Yali (appointed on 29 December 2020 and resigned on 5 March 2021) 杨雅丽 (於二零二零年十二月二十九日獲委任 及於二零二一年三月五日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	0/0
Wang Qiwei (appointed on 29 December 2020 and resigned on 5 March 2021) 王奇伟 (於二零二零年十二月二十九日獲委任 及於二零二一年三月五日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	0/0
Qian Liping (resigned on 29 December 2020) 錢麗萍 (於二零二零年十二月二十九日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	6/6
Zhu Hongchao (resigned on 19 February 2020) 朱洪超 (於二零二零年二月十九日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	0/1

Throughout the year ended 31 December 2020, the Nomination Committee has reviewed and discussed the composition, size and structure of the Board, the independence of the independent non-executive Directors and re-election of Directors.

### 提名委員會 (續)

提名委員會於截至二零二零年十二月三十一日止年度共召開六次會議，各成員出席情況如下：

於截至二零二零年十二月三十一日止年度整段期間，提名委員會已檢討及討論董事會的組成、人數及架構、獨立非執行董事的獨立性及重選董事。

## **NOMINATION COMMITTEE (continued)**

In considering the nomination of new directors, the Company will propose the candidates to the Nomination Committee, which will review and make recommendation to the Board on the expertise, skills and experience of the candidates appropriate to the requirements of the business of the Company.

The composition of the Board has a significant element of diversity, in terms of skills, regional and industry experience, background and gender.

### **Board Diversity Policy**

The Company has established a board diversity policy (the “Board Diversity Policy”) in 2013 which sets out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service.

The Board sets measurable objectives to implement the Board Diversity Policy and reviews such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives. During the year ended 31 December 2020, the Nomination Committee considered the age, education background and working experience of the candidates when selecting the executive Directors.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

## **提名委員會 (續)**

於考慮提名新董事時，本公司會向提名委員會建議候選人，而委員會將檢討符合本公司業務要求的候選人的專業知識、技能及經驗並就此向董事會提供推薦意見。

董事會組成須在技能、地區及行業經驗、背景及性別方面有多元化重要元素。

### **董事會成員多元化政策**

本公司於二零一三年制定董事會成員多元化政策 (「董事會成員多元化政策」)，當中載列董事會為達致及維持成員多元化以提升董事會之有效性而採取之方針。

本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。

董事會制定可衡量目標，以實施董事會成員多元化政策及不時審閱該等目標，確保其適用性及確定為達成該等目標而作出之進展。於截至二零二零年十二月三十一日止年度，於挑選執行董事時，提名委員會考慮候選人的年齡、教育背景及工作經驗。

提名委員會將審閱董事會成員多元化政策 (如適合)，不時確保其繼續保持有效。

## REMUNERATION COMMITTEE

The Remuneration Committee was established in 2010 with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The written terms of reference of the Remuneration Committee are available on the Stock Exchange's website and the Company's website.

The Remuneration Committee is responsible for making recommendations to the Board on, among other things, the Company's policy and structure for the remuneration of all directors and senior management of the Company, and the remuneration packages for all executive Directors and senior management of the Company.

The remuneration for the executive Directors comprises basic salary, allowance and discretionary bonus.

Salary adjustments are made where the Remuneration Committee takes into account performance, contribution and responsibilities of the individual. Apart from basic salary, executive Directors and employees are eligible to receive a discretionary bonus taking into account factors such as market conditions as well as corporate and individual's performance during the year.

The following table illustrates the elements of remuneration of executive Directors and senior management.

Remuneration 薪金	Purpose 目的	Reward 報酬	Policy details 政策詳情
Basic salary 基本薪金	To reflect the market value of each individual 反映各個人之市場價值	Cash payment monthly 每月現金付款	Reviewed annually with market trend 每年按市場趨勢作出檢討
Allowance 津貼	To attract and retain employees 吸引及挽留僱員	Reimbursement 補償	Market conditions 市場情況
Discretionary performance bonus 酌情表現花紅	To motivate employees to deliver high levels of performance of the Company and individual performance goals 激勵僱員為本公司作出高水準的表現以及達成個人表現目標	Cash payment 現金付款	Individual performance and Company performance 個人表現及公司表現

## 薪酬委員會

本公司已遵照上市規則附錄十四所載企業管治守則於二零一零年成立薪酬委員會，並訂明書面職權範圍。薪酬委員會的書面職權範圍於聯交所網站及本公司網站可供閱覽。

薪酬委員會負責就(其中包括)本公司有關其所有董事及高級管理層薪酬政策及架構，以及本公司全體執行董事及高級管理層之薪酬福利向董事會提供推薦建議。

執行董事的薪酬包括基本薪金、津貼及酌情花紅。

薪酬委員會乃按個人表現、貢獻及職責而作出薪酬調整。經考慮於本年度之市況以及企業及個人表現，執行董事及僱員除基本薪金外符合資格收取酌情花紅。

下表闡釋執行董事及高級管理層的薪酬要素。

## REMUNERATION COMMITTEE (continued)

## 薪酬委員會(續)

The following table shows the breakdown of the Directors' remuneration for the year ended 31 December 2020:

下表列示董事截至二零二零年十二月三十一日止年度之薪酬之明細分析：

		Fees	Salaries and allowances	Performance bonus	Retirement benefit scheme contributions	Other benefits	Total
		袍金	薪金及津貼	表現花紅	退休福利計劃供款 (Note (a)) (附註(a))	其他福利	總計
<b>Year Ended 31 December 2020:</b>	<b>截至二零二零年十二月三十一日止年度：</b>						
<b>Executive Directors</b>	<b>執行董事</b>						
Tu Jianhua (appointed on 16 December 2020 and resigned on 3 March 2021)	涂建華 (於二零二零年十二月十六日獲委任及於二零二一年三月三日辭任)	-	4.0	2.8	-	-	6.8
Chen Chunguo (appointed on 16 December 2020 and resigned on 3 March 2021)	陳春國 (於二零二零年十二月十六日獲委任及於二零二一年三月三日辭任)	-	0.3	-	-	-	0.3
Qin Yongming (resigned on 16 December 2020)	秦永明 (於二零二零年十二月十六日辭任)	-	8.6	0.1	-	0.2	8.9
Rafael Heinrich Suchan (appointed on 1 March 2020)	Rafael Heinrich Suchan (於二零二零年三月一日獲委任)	-	5.8	3.0	-	-	8.8
Martin Simon (appointed on 23 June 2020)	Martin Simon (於二零二零年六月二十三日獲委任)	-	1.9	0.6	-	-	2.5
Ding Zhiyi (appointed on 29 December 2020 and resigned on 5 March 2021)	丁志懿 (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)	-	-	-	-	-	-
Miao Yu (appointed on 29 December 2020)	苗雨 (於二零二零年十二月二十九日獲委任)	-	-	-	-	-	-
<b>Independent Non-Executive Directors</b>	<b>獨立非執行董事</b>						
Loke Yu	陸海林	0.3	-	-	-	-	0.3
Qian Liping (resigned on 29 December 2020)	錢麗萍 (於二零二零年十二月二十九日辭任)	0.3	-	-	-	-	0.3
Ko Frankie Andrew (appointed on 19 February 2020 and resigned on 29 December 2020; re-appointed on 5 March 2021)	高瑞強 (於二零二零年二月十九日獲委任及於二零二零年十二月二十九日辭任；於二零二一年三月五日獲重新委任)	0.2	-	-	-	-	0.2
Zhu Hongchao (resigned with on 19 February 2020)	朱洪超 (於二零二零年二月十九日辭任)	0.1	-	-	-	-	0.1
Yang Yali (appointed on 29 December 2020 and resigned on 5 March 2021)	楊雅麗 (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)	-	-	-	-	-	-
Wang Qiwei (appointed on 29 December 2020 and resigned on 5 March 2021)	王奇偉 (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)	-	-	-	-	-	-

Note a: During the year ended 31 December 2020, the Company made contributions to the Hong Kong Mandatory Provident Fund Scheme for Mr. Tu Jianhua, Mr. Qin Yongming and Mr. Rafael Heinrich Suchan of HK\$18,000, HK\$18,000 and HK\$15,000, respectively.

附註a：於截至二零二零年十二月三十一日止年度，本公司分別為涂建華先生、秦永明先生及Rafael Heinrich Suchan先生向香港強制性公積金計劃作出供款18,000港元、18,000港元及15,000港元。

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### REMUNERATION COMMITTEE (continued)

During the year ended 31 December 2020, the Remuneration Committee held six meetings. The Remuneration Committee determined the policy for the remuneration of executive Directors, made recommendations to the Board on the remuneration of directors and assessed the performance of the executive Directors. Members of the Remuneration Committee and the attendance of each member are as follows:

Name of Director 董事姓名	Position 職位	Role in Remuneration Committee 在薪酬委員會之職能	Meetings attended/ Eligible to attend 已出席/ 合資格出席會議次數
Loke Yu 陸海林	Independent non-executive Director 獨立非執行董事	Member 成員	6/6
Ko Frankie Andrew (appointed on 19 February 2020 and resigned on 29 December 2020; re-appointed on 5 March 2021) 高瑞強 (於二零二零年二月十九日獲委任及 於二零二零年十二月二十九日辭任； 於二零二一年三月五日獲重新委任)	Independent non-executive Director 獨立非執行董事	Chairman 主席	5/5
Yang Yali (appointed on 29 December 2020 and resigned on 5 March 2021) 楊雅麗 (於二零二零年十二月二十九日獲委任 及於二零二一年三月五日辭任)	Independent non-executive Director 獨立非執行董事	Chairman 主席	0/0
Wang Qiwei (appointed on 29 December 2020 and resigned on 5 March 2021) 王奇偉 (於二零二零年十二月二十九日獲委任 及於二零二一年三月五日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	0/0
Qian Liping (resigned on 29 December 2020) 錢麗萍 (於二零二零年十二月二十九日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	6/6
Zhu Hongchao (resigned on 19 February 2020) 朱洪超 (於二零二零年二月十九日辭任)	Independent non-executive Director 獨立非執行董事	Member 成員	0/1

Throughout the year ended 31 December 2020, the Remuneration Committee has discussed and recommended to the Board for approval of the Directors' and senior managements' remuneration of the Group for the year of 2020, and the bonus payments to the Directors and senior management.

### 薪酬委員會(續)

於截至二零二零年十二月三十一日止年度內，薪酬委員會共召開六次會議。薪酬委員會釐定執行董事之薪酬政策，就董事薪酬事宜向董事會作出推薦意見及評核執行董事的表現。薪酬委員會之成員名單及各成員出席次數如下：

於截至二零二零年十二月三十一日止年度整段期間，薪酬委員會已討論及建議董事會批准於二零二零年本集團董事及高級管理人員的薪酬，以及向董事及高級管理人員支付的獎金。

## STRATEGY AND INVESTMENT COMMITTEE

In order to cope with the Group's development needs, enhance scientific planning and decision-making, promote the effectiveness of material investment decision-makings and improve the corporate governance structure of the Group, the Company established the Strategy and Investment Committee in 2015. The written terms of reference of the Strategy and Investment Committee have been subsequently adopted in 2016 and are available on the Company's website.

The principal functions and responsibilities of the Strategy and Investment Committee are to (i) study on the development strategies and planning; and (ii) advise on the decision-makings on material investments and capital operation of the Company.

The duties of the Strategy and Investment Committee include the following aspects:

- (i) to act as a delegate for the Board generally;
- (ii) to make decisions and pass resolutions, and to exercise all powers of the Board on all matters of the Company in relation to its daily operations and investment activities, including any non-connected transaction if the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules less than 5%; and
- (iii) to make recommendations to the Board concerning matters of corporate significance not otherwise dealt by any other committees of the Board, recommendations must be submitted to the Board for approval in respect of all transactions if the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules equal to or are more than 5%.

Notwithstanding that the Strategy and Investment Committee is entitled to exercise all powers of the Board on all matters of the Company in relation to its daily operations and investment activities, recommendations must be submitted to the Board for approval for all transactions with a percentage ratio equal to or higher than 5% according to the testing result of the Stock Exchange.

## 戰略與投資委員會

為適應本集團的發展需求、增強規劃及決策的科學性、促進重大投資決策的有效性及改善本集團的企業管治架構，本公司於二零一五年成立戰略與投資委員會。戰略與投資委員會的書面職權範圍其後於二零一六年採納，於本公司網站可供閱覽。

戰略與投資委員會的主要職能及職責為：(i) 研究發展策略及規劃；及(ii)就本公司的重大投資及資本運作的決策提供建議。

戰略與投資委員會的主要職責包括以下方面：

- (i) 主要作為董事會的代表行事；
- (ii) 作出決策及通過決議，以及就有關本公司日常營運及投資活動的所有事宜（包括根據上市規則第14.07條所計算的適用百分比率低於5%的任何非關連交易）行使一切董事會權力；及
- (iii) 就任何其他董事委員會未處理的重大企業事宜向董事會提供推薦建議，倘根據上市規則第14.07條所計算的適用百分比率相等於5%或以上之所有交易，必須提交建議予董事會審批。

儘管戰略與投資委員會有權就本公司的日常運作及投資活動的所有事宜行使一切董事會權力，但根據聯交所的測試結果，百分比率等於或高於5%的所有交易，則必須提交建議予董事會審批。

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### STRATEGY AND INVESTMENT COMMITTEE (continued)

Members of the strategy and Investment Committee are as follows:

### 戰略與投資委員會 (續)

戰略與投資委員會之成員名單如下：

Name of Committee members 委員會成員姓名	Position 職位	Role in Strategy and Investment Committee 在戰略與投資委員會之職能
Tu Jianhua 涂建華	Executive Director 執行董事	Member 成員
Rafael Heinrich Suchan (appointed on 1 March 2020) (於二零二零年三月一日獲委任)	Executive Director 執行董事	Member 成員
Qin Yongming 秦永明 (resigned on 16 December 2020) (於二零二零年十二月十六日辭任)	Executive Director 執行董事	Member 成員
Chen Chunguo 陳春國 (appointed on 16 December 2020 and resigned on 3 March 2021) (於二零二零年十二月十六日獲委任及於二零二一年三月三日辭任)	Executive Director 執行董事	Chairman 主席
Martin Simon (appointed on 23 June 2020) (於二零二零年六月二十三日獲委任)	Executive Director 執行董事	Chairman 主席
Di Zhiyi 丁志懿 (appointed on 29 December 2020 and resigned on 5 March 2021) (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)	Executive Director 執行董事	Member 成員
Miao Yu 苗雨 (appointed on 29 December 2020) (於二零二零年十二月二十九日獲委任)	Executive Director 執行董事	Member 成員
Ko Frankie Andrew 高瑞強 (appointed on 5 March 2021) (於二零二一年三月五日獲委任)	Independent non-Executive Director 獨立非執行董事	Member 成員
Goh Kian Guan 吳健源	Chief Investment Officer 首席投資官	Member 成員

### PRICING COMMITTEE

The Pricing Committee, which currently comprises, Mr. Rafael Heinrich Suchan, Mr. Martin Simon, Mr. Miao Yu, Mr. Marc Breidenbach, Dr. Haehne Gerd, Mr. Kian Guan Goh, Mr. Udo Langhans and Mr. Maier Tobias, has been established and delegated with the operations of the Group's policy regarding dealings in metal futures contracts (the "Policy"). It determines the range of metal futures contracts that the Group may enter into during the month. On regular basis, the Pricing Committee reviews the open positions of the Group and determines (i) the hedging requirements; (ii) the quantity and the price of the metal futures contracts that the Group is going to long and short; (iii) the risk management strategy and approach, making sure the Group has an effective risk monitoring system.

### 定價委員會

現時由Rafael Heinrich Suchan先生、Martin Simon先生、苗雨先生、Marc Breidenbach先生、Haehne Gerd博士、吳健源先生、Udo Langhans先生及Maier Tobias先生組成的定價委員會已經成立，並獲授權營運本集團有關買賣金屬期貨合約的政策（「該政策」）。其釐定本集團於該月可買賣的金屬期貨合約的範圍。定價委員會定期審閱本集團的未平倉交易並釐定：(i)對沖要求；(ii)本集團準備買入或賣出的金屬期貨合約的數量和價格；(iii)風險管理策略及方法，確保本集團擁有有效的風險監察系統。

## PRICING COMMITTEE (continued)

Following a review of the current business operations, internal controls, risk management and policies and practices regarding dealings in metal futures contracts of the Group, in 2018, the Board adopted a commodity price risk hedging policy which the Board believes is more suitable for the current operating conditions of the Group. The commodity price risk hedging policy was subsequently updated in 2020 and 2021, and is available on the Company's website.

Throughout the year ended 31 December 2020, the Pricing Committee has reviewed the Group's physical stock price and hedging transactions.

The Pricing Committee convened twelve meetings during the year ended 31 December 2020. Members of the Pricing Committee are as follows:

## 定價委員會 (續)

經審閱目前業務狀況、內部監控、風險管理及本集團有關買賣金屬期貨合約的政策及常規後，於二零一八年，董事會採納商品價格風險對沖政策，董事會認為其較適合本集團的現行營運狀況。商品價格風險對沖政策隨後於二零二零年及二零二一年更新，於本公司網站可供閱覽。

於截至二零二零年十二月三十一日止年度，定價委員會已審閱本集團現貨價格及對沖交易。

於截至二零二零年十二月三十一日止年度，定價委員會共召開十二次會議。定價委員會之成員名單如下：

Name of Committee members 委員會成員姓名	Position 職位	Role in Pricing Committee 在新酬委員會之職能
Chen Chunguo 陳春國 (appointed on 16 December 2020 and resigned on 3 March 2021) (於二零二零年十二月十六日獲委任及於二零二一年三月三日辭任)	Executive Director 執行董事	Chairman 主席
Qin Yongming 秦永明 (resigned on 16 December 2020) (於二零二零年十二月十六日辭任)	Executive Director 執行董事	Chairman 主席
Rafael Heinrich Suchan (appointed on 1 March 2020) (於二零二零年三月一日獲委任)	Executive Director 執行董事	Member 成員
Martin Simon (appointed on 23 June 2020) (於二零二零年六月二十三日獲委任)	Chief Financial Officer 首席財務官	Member 成員
Ding Zhiyi 丁志懿 (appointed on 29 December 2020 and resigned on 5 March 2021) (於二零二零年十二月二十九日獲委任及於二零二一年三月五日辭任)	Executive Director 執行董事	Member 成員
Miao Yu 苗雨 (appointed on 29 December 2020) (於二零二零年十二月二十九日獲委任)	Executive Director 執行董事	Member 成員
Marc Breidenbach (appointed on 23 June 2020) (於二零二零年六月二十三日獲委任)	Chief Operating Officer 首席營運官	Member 成員
Haehne Gerd (appointed on 3 March 2020) (於二零二零年三月三日獲委任)	Chief Executive Office of Germany and Poland region 德國及波蘭地區行政總裁	Member 成員
Kian Guan Goh 吳健源 (appointed on 1 July 2020) (於二零二零年七月一日獲委任)	Chief Investment Officer 首席投資官	Member 成員
Udo Langhans	Head of Commodity Risk Management 商品風險管理主管	Member 成員
Maier Tobias (appointed on 1 January 2021) (於二零二一年一月一日獲委任)	Chief Operating Officer of Germany region 德國地區首席營運官	Member 成員
Zhao Wei 趙巍 (resigned on 18 December 2020) (於二零二零年十二月十八日辭任)	Senior Operations Director of Greater China region 大中華區高級營運總監	Member 成員

## **RISK MANAGEMENT AND INTERNAL CONTROL**

### **Responsibility of the Board and management**

The Board is responsible for overseeing and ensuring the Group has established and maintained an appropriate and effective risk management and internal control systems, including reviewing their effectiveness where as management is responsible for the design and implementation of the risk management and internal control systems.

The Company leverages on the expertise offered by internal and external professionals to develop its internal control system, which includes a well-established corporate structure and an organisation with clearly defined lines of responsibility and authority.

The Group's risk management and internal control systems are designed to assist the Group in meeting its strategic objectives. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

### **Risk Management Framework**

The Group has established an Enterprise Risk Management ("ERM") framework to assist the Group in managing its risks. The Group's ERM framework includes the following key elements:

- (1) Risk Identification – A Risk Universe fits for the Group's business model has been established. Relevant risks faced by the Group have been identified and the risks are classified into four types, namely, strategic, operational, financial reporting and compliance risk;
- (2) Risk Assessment – A Risk Workshop amongst key management members was conducted to assess and priorities the risks of the Group. The risks are assessed in terms of the likelihood of their occurrence and the significance of their impact by the key management of the Group;
- (3) Risk Mitigation – A Risk Owner is assigned to each key risk identified. Each Risk Owner is responsible for the risk assigned. Risk mitigation actions are tailored and established to address the risks; and

## **風險管理及內部監控**

### **董事會及管理層的責任**

董事會負責監督並確保本集團已建立及維持適當有效的風險管理及內部監控系統(包括檢討其成效),而管理層則負責設計並執行風險管理及內部監控系統。

本公司憑藉公司內外的專業人員的專業知識發展其內部監控系統,包括良好的公司架構及職責與權力的明確分立組織。

本集團的風險管理及內部監控系統旨在協助本集團實現其策略目標。這些系統旨在管理而非消除未能實現業務目標的風險,並且只能對重大錯報或損失提供合理而非絕對的保證。

### **風險管理框架**

本集團建立了企業風險管理(「企業風險管理」)架構來協助本集團管理風險。本集團企業風險管理框架包括以下幾個重要方面:

- (1) 風險辨別—確定了適合本集團商業模式的風險圈。本集團辨別面臨的相關風險並將風險歸為四大類,即戰略風險、營運風險、財務報告風險及合規風險;
- (2) 風險評估—本集團採用了風險工作坊,主要管理成員通過該工作坊評估本集團面臨的風險並將其進行重要性排序。本集團主要管理層在評估風險時根據其發生的可能性及可能產生影響的重要性來評估;
- (3) 減輕風險—每個辨別出的主要風險都有一個風險負責人。各風險負責人對其被指定的風險負責。我們針對不同風險個別制定減輕措施以處理該風險;及

## RISK MANAGEMENT AND INTERNAL CONTROL (continued)

### Risk Management Framework (continued)

- (4) Risk Monitoring and Reporting – Risk Owner is responsible for ensuring the risk mitigation plan is executed and implemented properly by appropriate parties (e.g. with appropriate measures/adequate policies and procedures in place). Internal Audit has a role to evaluate and assess if the risk mitigation plans are designed and operated effectively by management. The development and the status of the ERM program is reported to the Audit Committee on a regularly basis.

The implementation of the Group's ERM framework was assisted by management, the Group's Pricing Committee, Strategy and Investment Committee and Internal Audit Department. These framework and setup enables the Group to ensure any new and emerging risk relevant to the Group's operation is promptly identified and managed.

### Internal Audit

The Group's Internal Audit Department is to provide independent assurance to the Board and executive management on the adequacy and effectiveness of risk management and internal controls for the Group. The Group's Internal Audit Department adopts a risk-and-control based audit approach. The annual work plan of the Group's Internal Audit Department covers major activities and processes of the Group's business units whilst audit plan is reviewed and agreed by the Audit Committee. In addition to the agreed schedule of work, the Group's Internal Audit Department conducts other review and investigative work as may be required. All audit reports are communicated to the Audit Committee and key members of executive and senior management. Audit issues are tracked and followed up for proper implementation, with progress reported to the Audit Committee, executive and senior management periodically. The risk management and internal control system of the Group is reviewed and assessed on an on-going basis by the Executive Directors, and will be further reviewed and assessed at least once each year by the Audit Committee and the Board.

## 風險管理及內部監控 (續)

### 風險管理框架 (續)

- (4) 風險監察和報告–風險負責人有責任確保風險緩解計劃由適當的各方正確執行和實施(例如,採取適當的措施/適當的政策和程序)。內部審核可以評估和評核風險緩解計劃是否由管理層有效設計和營運。企業風險管理計劃的發展和狀況定期向審核委員會報告。

本集團的企業風險管理框架的實施得到了管理層、本集團定價委員會、戰略與投資委員會和內部審核部門的協助。這些框架和設置使本集團能夠確保及時識別和管理與本集團營運相關的任何新的和新出現的風險。

### 內部審核

本集團內部審核部門就本集團風險管理及內部監控的充足性及有效性向董事會及執行管理層提供獨立保證。本集團內部審核部門採納以風險及控制為本的審核方式。本集團內部審核部門的年度工作計劃涵蓋本集團業務單位的主要活動及程序,而審核計劃則由審核委員會檢討及批准。除經同意的工作安排外,本集團的內部審核部門會按要求從事其他審閱及調查工作。所有審核報告均交予審核委員會及行政及高級管理層的主要成員。為求妥善實行審核事項,有關進展會定期匯報予審核委員會、行政及高級管理層,予以追查及跟進。本集團的風險管理及內部監控系統由執行董事持續檢討及評估,並由審核委員會及董事會至少每年一次進一步檢討與評估。

## **RISK MANAGEMENT AND INTERNAL CONTROL** **(continued)**

### **Review of Risk Management and Internal Control Effectiveness**

Through the Audit Committee, the Board has conducted an annual review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2020, covering the material financial, operational and compliance controls, and considered the Group's risk management and internal control systems effective and adequate.

The Audit Committee has also conducted an annual review of the adequacy of resources, qualifications, experience and training programs of the Group's internal audit staff and accounting and financial reporting staff and considered that the staffing is adequate and the staffs are competent to carry out their roles and responsibilities.

- (a) The Board shall be ultimately responsible for ensuring that adequate and effective systems are present to maintain compliance with the continuous disclosure obligations of the Company.
- (b) The Board shall delegate the routine oversight of the Company's disclosure obligations to the Disclosure Team, which is responsible for:
  - (i) ensuring proper systems and controls are in place to collect, review and verify potential inside information;
  - (ii) reviewing potential inside information and deciding which information must be disclosed;
  - (iii) deciding whether the Company may delay publication of inside information;
  - (iv) vetting and clearing announcements or other public disclosures (such as presentation materials for analysts' meetings);
  - (v) deciding whether other action, such as the seeking of suspension of trading pending clarification of uncertainties, as may be necessary;

## **風險管理及內部監控 (續)**

### **審閱風險管理及內部監控的有效性**

董事會已透過審核委員會就本集團截至二零二零年十二月三十一日止年度的風險管理及內部監控系統的有效性進行年度審閱，該審閱涵蓋重大財務、經營及合規監控，並認為本集團的風險管理及內部監控系統有效且充足。

審核委員會亦已對本集團內部審核員工及會計及財務申報員工之資源、資歷、經驗及培訓計劃是否充足進行年度審閱，並認為人手充足，且員工均能勝任彼等角色及職責。

- a) 董事會應負最終責任以確保有充足及有效的系統以維持履行本公司的持續披露責任。
- (b) 董事會應委派披露組為本公司之披露責任進行常規監管，負責：
  - (i) 確保設有適當的系統及監控以收集、審閱及核證可能構成的內幕消息；
  - (ii) 審閱可能構成的內幕消息及決定必須披露的消息或資料；
  - (iii) 決定本公司可否延遲發佈內幕消息；
  - (iv) 審查及結算公告或其他公開披露（如分析師會議的匯報資料）；
  - (v) 決定是否需要採取其他行動，如因有待澄清的不明確因素而尋求暫停股份買賣（如有需要）；

**RISK MANAGEMENT AND INTERNAL CONTROL**  
**(continued)**

**Review of Risk Management and Internal Control**  
**Effectiveness (continued)**

- (b) (continued)
- (vi) keeping proper records of all the information received and decisions made;
  - (vii) where necessary, engaging financial, legal or other advisers to assist the Disclosure Team to carry out its duties;
  - (viii) ensuring that employees are educated on the policy and internal reporting process;
  - (ix) supervising the Company's compliance with continuous disclosure obligations; and
  - (x) establishing periodic financial reporting procedures so that key financial and operating data is identified and escalated in a structured and timely manner.
- (c) The Disclosure Team comprises the following members or their delegates:
- (i) Executive Directors;
  - (ii) Chief Financial Officer; and
  - (iii) Other members as the Board may designate from time to time.

**風險管理及內部監控 (續)**

**審閱風險管理及內部監控的有效性 (續)**

- (b) (續)
- (vi) 保存所有已接收及作出決定的消息或資料的完整記錄；
  - (vii) 於需要時，聘用財務、法律或其他顧問以協助披露組履行其職責；
  - (viii) 確保僱員知悉政策及內部匯報流程；
  - (ix) 監督本公司遵守持續披露責任；及
  - (x) 設立定期財務匯報程序，以便能有系統及適時地識別及上報關鍵的財務及營運數據。
- (c) 披露組由以下成員或彼等的代表組成：
- (i) 執行董事；
  - (ii) 財務財務官；及
  - (iii) 董事會可能不時委派之其他成員。

## **RISK MANAGEMENT AND INTERNAL CONTROL (continued)**

### **Review of Risk Management and Internal Control Effectiveness (continued)**

As soon as the staff become aware of the potential inside information, they must immediately report to the compliance department who will then report to the Responsible Director of the Disclosure Team in writing. The report (the "Report") must be sent to the Responsible Director by hand or email and marked "Private and Confidential" on the cover. The Report should set out details of the inside information including:

- (a) a general description of the matter;
- (b) the name(s) of the party(ies) involved;
- (c) the relevant date(s) of the event(s) or transaction(s);
- (d) the status of the matter (e.g. negotiations still in progress/ preliminary negotiations/final stage)
- (e) the amount and other major term(s) involved; and
- (f) if applicable, the Report should also attach the draft agreement to be entered into by any member of the Group as well as any other document which may be of relevance.

Upon receipt of the Report, the Responsible Director shall, forward the Report with relevant materials to the Disclosure Team. The Disclosure Team shall then conduct preliminary assessment of the information received, and after consultation with the relevant professional advisers of the Company and then report to the Board of Directors.

## **風險管理及內部監控 (續)**

### **審閱風險管理及內部監控的有效性 (續)**

一旦員工知悉可能構成的內幕消息，彼等須立即向合規部門報告，合規部門其後須以書面形式向披露組的責任董事報告。該報告（「該報告」）必須親手或以電郵形式交給責任董事並在封面上註明「機密文件」。該報告應載列內幕消息的詳情，包括：

- (a) 該事項的一般描述；
- (b) 涉事方名稱；
- (c) 該事件或交易的有關日期；
- (d) 該事項的狀況（例如：仍在商議／初步商議／最後階段）；
- (e) 涉及金額及其他主要條款；及
- (f) 該報告亦應同時附上本集團任何成員公司將訂立之協議草稿以及任何可能相關的其他文件（如適用）。

一旦收到報告，責任董事應提供該報告連同有關資料予披露組。披露組應對收到的消息或資料進行初步評估，於諮詢本公司相關專業顧問後向董事會報告。

## COMMUNICATION WITH SHAREHOLDERS

### Dividend Policy

The Company may declare and pay dividends to the shareholders of the Company (the "Shareholders") by way of cash or by other means that the Board considers appropriate. It is the policy of the Board, in recommending dividends, to allow the Shareholders to participate in the Company's profits, and at the same time, to ensure the Company to retain adequate reserves for future growth. The Company's decision to declare or to pay any dividends in the future, and the amount of such dividends will depend upon, among other things, the current and future operations, financial condition, liquidity position and capital requirements of the Group, as well as dividends received from the Company's subsidiaries and associates, which in turn will depend on the ability of those subsidiaries and associates to pay a dividend. In addition, any final dividends for a financial year will be subject to the approval of the Shareholders. The declaration and payment of dividends by the Company is also subject to any restrictions under the laws of Bermuda, the laws of Hong Kong, the Company's articles of association, bye-laws and any applicable laws, rules and regulations.

Whilst this Dividend Policy reflects the Board's current views on the financial and cash-flow position of the Group, the Board will continue to review this Dividend Policy from time to time and the Board may exercise its sole and absolute discretion to update, amend and/or modify this Dividend Policy at any time as it deems fit and necessary. There is no assurance that dividends will be declared or paid in any particular amount for any given period. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that any dividend will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

## SHAREHOLDERS' RIGHTS

### Shareholders general enquiries

Shareholders should direct their questions about their shareholdings to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited.

Shareholders and the investment community may at any time make a request for the Company's information to the extent such information is publicly available.

## 與股東的溝通

### 股息政策

本公司可以現金方式或董事會認為適當的其他方式向本公司股東（「股東」）宣派及派付股息。董事會於推薦派付股息方面的政策乃為允許股東分享本公司溢利，並同時確保本公司留存充足儲備作未來發展。本公司宣派或派付任何未來股息的決定及有關股息的數額將取決於（其中包括）本集團的現時及未來營運業務、財務狀況、流動資金狀況及資本需求，以及收取自本公司子公司及聯營公司的股息（這進而將取決於該等子公司及聯營公司派付股息的能力）。此外，任何財政年度的任何末期股息將須遵守股東批准規定。本公司的股息宣派及派付亦須受百慕達法例、香港法例、本公司的組織章程細則、公司細則及任何適用法律、規則及法規項下的任何限制規限。

儘管該股息政策反映董事會現時有關本集團財務及現金流量狀況的觀點，惟董事會將繼續不時檢討該股息政策，且董事會可能行使其全權絕對酌情權於其認為適當且必要的任何時間更新、修訂及／或修改該股息政策。概不保證股息將於任何特定期間以任何特定數額予以宣派或派付。股息政策不得以任何方式構成本公司之一項具法律約束力的承諾使本公司將以任何特定數額派付任何股息及／或不得以任何方式使本公司有義務於任何時間或不時宣派股息。

## 股東權利

### 股東一般查詢

股東如對名下股權有任何問題，應向本公司的香港股份登記及過戶分處香港中央證券登記有限公司提出。

股東及投資人士可隨時要求索取本公司可供公開查閱的資料。

## SHAREHOLDERS' RIGHTS (continued)

### Procedures for putting forward enquiries to the Board

Shareholders may at any time forward enquires to the Board in writing through the Company Secretary who will direct the enquiries to the Board for handling. The contact details of the Company Secretary are as follows:

The Company Secretary  
48 Wang Lok Street  
Yuen Long Industrial Estate  
Hong Kong

Fax: (852) 2587 7799

Email Address: ComSec@chihogroup.com

### Procedures for Shareholders to Convene General Meetings

Subject to the provisions of the articles of association of the Company ("Articles of Association"), the Listing Rules and the applicable laws and regulations, Shareholders may convene general meetings of the Company in accordance with the following procedures:

1. One or more Shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company (the Requisitionist(s)) may require the Board to convene an extraordinary general meeting of the Company (an "EGM") by depositing a written requisition (the "Requisition") at the registered office of the Company at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and a copy thereof at the principal place of business of the Company in Hong Kong at 48 Wang Lok Street, Yuen Long Industrial Estate, Hong Kong, for the attention of the Board or the Company Secretary.
2. The Requisition must clearly state the name(s) and shareholding in the Company of the Requisitionist(s), specify the purposes of the EGM and the details of the business proposed to be transacted in the EGM and be signed by the Requisitionist(s) and may consist of several documents in like form, each signed by one or more of the Requisitionists.

## 股東權利 (續)

### 向董事會提出查詢之程序

股東可隨時透過公司秘書向董事會提出書面查詢，而公司秘書會轉交有關查詢予董事會處理。公司秘書之聯絡詳情如下：

公司秘書  
香港  
元朗工業邨  
宏樂街48號

傳真：(852) 2587 7799

電子郵件地址：ComSec@chihogroup.com

### 股東召開股東大會之程序

根據本公司組織章程細則（「組織章程細則」）條文、上市規則及適用法律和法規，股東可根據以下程序召開本公司股東大會：

1. 一名或多名於提出該請求日期持有不少於獲賦予權利於本公司股東大會上投票之本公司繳足股本十分之一的股東（「請求人」）可請求董事會召開本公司股東特別大會（「股東特別大會」），該請求須以書面請求形式（「請求書」）送至本公司註冊辦事處（地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands）及其副本須送至本公司香港主要營業地點（地址為香港元朗工業邨宏樂街48號），收件人為董事會或公司秘書。
2. 請求書須清楚寫明請求人之姓名及於本公司之股權，列明股東特別大會之目的及擬於股東特別大會上處理之事項的詳情，並由請求人簽署；該請求書可包括多份相同形式之文件，每份由一位或多位請求人簽署。

## SHAREHOLDERS' RIGHTS (continued)

### Procedures for Shareholders to Convene General Meetings (continued)

3. Upon receipt of the Requisition, the Directors shall verify the Requisition with the Company's branch share registrar and upon this confirmation that the Requisition is proper and in order, shall forthwith proceed duly to convene the EGM, and such EGM shall be held within two (2) months after the deposit of the Requisition.
4. If the Directors do not within twenty-one (21) days from the date of the deposit of the Requisition proceed duly to convene the EGM, the Requisitionist(s), may himself or themselves convene the EGM 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.
5. Under the Articles of Association and pursuant to the requirements of the Listing Rules, a notice specifying the time and place and the general nature of the proposed business to be transacted at the EGM shall be given to all Shareholders entitled to attend the EGM for consideration in the following manner:
  - (i) notice of not less than 21 clear days or 10 clear business days, whichever is the longer, if a special resolution is to be passed at the EGM; and
  - (ii) notice of not less than 14 clear days or 10 clear business days, whichever is the longer, in all other cases, provided that a EGM may be called by a shorter notice if it is so agreed by a majority in number of the Shareholders having the right to attend and vote at the EGM, being a majority together holding not less than 95% in nominal value of the issued shares of the Company giving such right.

The notice period is exclusive of (i) the day on which the notice is served or deemed to be served; and (ii) the day on which the EGM is to be held.

## 股東權利 (續)

### 股東召開股東大會之程序 (續)

3. 收到請求書後，董事須與本公司之股份登記分處核實該請求書，並於確認該請求書為妥善及適當時，應立即正式召開股東特別大會，該股東特別大會須於請求書送交後兩(2)個月內舉行。
4. 倘送交請求書後二十一(21)日內，董事未正式召開股東特別大會，則請求人可自發以同樣方式召開股東特別大會，而請求人因董事會未有召開股東特別大會而合理產生之所有開支須由本公司向請求人作出償付。
5. 根據組織章程細則及上市規則之規定，一份指明時間、地點及擬於股東特別大會上處理之事項之一般性質之通告應按照以下方式向所有有權出席股東特別大會之股東發出，以供彼等考慮：
  - (i) 倘將於股東特別大會上通過特別決議案，則須發出不少於21整日或10個完整營業日的通告(以較長者為準)；及
  - (ii) 於所有其他情況下，須發出不少於14整日或10個完整營業日的通告(以較長者為準)，惟倘獲大多數有權出席股東特別大會並於會上有投票權之股東(該大多數股東合共持有不少於賦予該權利之本公司已發行股份之面值95%)同意，則可以較短期的通告召開股東特別大會。

通告期不包括(i)通告送達或被視為送達當日；及(ii)舉行股東特別大會當日。

## SHAREHOLDERS' RIGHTS (continued)

### Procedures for Shareholders to Make Proposals at General Meetings

Subject to the provisions of the Articles of Association, the Listing Rules and the applicable laws and regulations, Shareholders may propose a resolution at general meetings of the Company by following the "Procedures for Shareholders to Convene General Meetings" to convene an extraordinary general meeting and propose a resolution to be resolved at that extraordinary general meeting. Please refer to the document titled "Procedures for Shareholders to Convene General Meetings" on the Company's website.

### Procedures for Shareholders to Propose a Person for Election as a Director

Subject to the provisions of the Articles of Association, the Listing Rules and the applicable laws and regulations, the Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an additional Director.

1. Shareholder(s) may propose a person (the "Candidate") for election as a Director at general meeting in accordance with the following procedures:
  - (a) a Shareholder or a group of Shareholders holding not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company may requisition an extraordinary general meeting to propose the Candidate to be elected as a Director in the manner provided in "Procedures for Shareholders to Convene General Meetings"; or
  - (b) Election of directors whether by rotation or otherwise in the place of those retiring would be considered ordinary business at an annual general meeting of the Company (the "AGM") and if the notice of an AGM includes the election of Directors, any Shareholder may propose the election of any person as a Director at the AGM;

## 股東權利 (續)

### 股東於股東大會上提呈建議之程序

根據組織章程細則的條文、上市規則及適用法例及法規，股東可遵照「股東召開股東大會之程序」於本公司股東大會上提呈決議案，以召開股東特別大會及提呈將於股東特別大會上決議的決議案。請參考本公司網站「股東召開股東大會之程序」的文件。

### 股東建議推選一名人士為董事之程序

根據組織章程細則條文、上市規則及適用法律和法規，本公司可不時於股東大會通過普通決議案選出任何人士成為董事，以填補臨時空缺或作為新增董事。

1. 股東可根據以下程序於股東大會上建議推選一名人士（「候選人」）為董事：
  - (a) 持有不少於獲賦予權利於本公司股東大會上投票之本公司繳足股本十分之一的一名或多名股東可按「股東召開股東大會之程序」所規定之方式要求召開股東特別大會，以建議推選候選人為董事；或
  - (b) 於本公司股東週年大會（「股東週年大會」）上選舉董事，不論通過輪席或以其他方式取代退任之董事，將被視為一般事務及倘股東週年大會通告包括選舉董事，任何股東可於股東週年大會上建議推選任何人士為董事；

## SHAREHOLDERS' RIGHTS (continued)

### Procedures for Shareholders to Propose a Person for Election as a Director (continued)

1. (continued)

Provided that, in each case, no Candidate other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless:

- (i) a notice signed by a Shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such Candidate for election; and
- (ii) a notice signed by the Candidate of his willingness to be elected,

shall have been lodged to the Company at its principal place of business in Hong Kong at 48 Wang Lok Street, Yuen Long Industrial Estate, Hong Kong within the period of at least seven (7) days commencing on the day after the despatch of the notice of the general meeting and ending no later than seven (7) days prior to the date appointed for such general meeting.

2. In addition, the notice must contain the information as specified in Rule 13.51(2) of the Listing Rules about the Candidate, including but not limited to the following:

- (i) full name;
- (ii) age;
- (iii) business and residence addresses;
- (iv) principal occupation or employment;
- (v) experience including (a) other directorships held in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, and (b) the major appointments and professional qualifications; and
- (vi) interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 576 of the Laws of Hong Kong).

## 股東權利 (續)

### 股東建議推選一名人士為董事之程序 (續)

1. (續)

於各情況下，除非獲董事推薦參選，否則除於股東大會上退任之董事外，概無候選人合資格於任何股東大會上參選，除非：

- (i) 由正式合資格出席大會並於會上表決之股東 (除擬參選人士外) 簽署通告，其表明建議提名該候選人參選之意向；及
- (ii) 由候選人簽署表示願意參選之通告，

於寄發股東大會通告後當日開始最少須為七(7)天至不遲於該股東大會指定舉行日期前七(7)天結束之期間內，送至本公司香港主要營業地點 (地址為香港元朗工業邨宏樂街48號)。

2. 此外，該通告須包含上市規則第13.51(2)條所指定有關候選人之資料，包括但不限於以下內容：

- (i) 全名；
- (ii) 年齡；
- (iii) 業務及居住地址；
- (iv) 主要職業或受僱工作；
- (v) 經驗，包括(a)過往三年於其證券在香港或海外任何證券市場上市之公眾公司擔任之其他董事職務，及(b)主要的任命及專業資格；及
- (vi) 於本公司之股份權益 (定義見證券及期貨條例 (香港法例第576章) 第XV部)。

## Corporate Governance Report 企業管治報告

### CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2020, there was no change in the Company's constitutional documents.

### CONVENING OF GENERAL MEETINGS

The Board strives to maintain an on-going dialogue with the Shareholders of the Company. Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. The process of the Company's general meetings are monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that Shareholders' needs are best served. The Company uses the annual general meeting as one of the principal channels for communicating with the Shareholders. The Company ensures that Shareholders' views are communicated to the Board.

At the annual general meeting, each substantially separate issue has been considered by a separate resolution, including the election of individual Directors. The Chairman of the Board, chairmen of the respective Board committees and the external auditor usually attend annual general meetings to communicate with and answer questions from the Shareholders.

The last annual general meeting of the Company was the 2019 annual general meeting (the "2019 AGM") which was held at 23/F, Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong on Friday, 19 June 2020 at 11:00 a.m.

### 章程文件

於截至二零二零年十二月三十一日止年度，本公司章程文件並無變動。

### 召開股東大會

董事會致力與本公司股東保持溝通，並鼓勵股東參與股東大會，即使其無法出席大會，亦鼓勵彼等委任代表代其出席大會及於會上表決。本公司會監察並定期檢討股東大會程序，並於需要時作出改動，以確保其切合股東需要。本公司以股東週年大會作為與股東溝通的其中一項主要渠道。本公司確保股東的意見能向董事會反映。

於股東週年大會上，每項大致上屬獨立的事宜會以一項獨立的決議案考慮，當中包括個別董事的選任。董事會主席、董事會轄下各委員會之主席及外聘核數師，一般皆會出席股東週年大會，以便與股東溝通並回答其提問。

本公司上屆股東週年大會為二零一九年股東週年大會（「二零一九年股東週年大會」），有關大會已於二零二零年六月十九日（星期五）上午十一時正假座香港德輔道中199號無限極廣場23樓舉行。

## CONVENING OF GENERAL MEETINGS (continued)

All resolutions put to Shareholders at the 2019 AGM were passed. The Company's Hong Kong branch share registrar was appointed as scrutineers to monitor and count the poll votes cast at that meeting. The results of the voting by poll were published on the websites of the Company and the Stock Exchange.

## 召開股東大會 (續)

所有於二零一九年股東週年大會上向股東提呈的決議案已獲得通過。本公司的股份過戶登記處香港分處獲委任為該大會的監票人，以監察投票表決過程及點算票數。以投票方式表決的結果已於本公司及聯交所網站刊登。

Resolutions proposed at the 2019 AGM 於二零一九年股東週年大會提呈的決議案	Percentage of votes in favor 投贊成票的百分比
1. To review and approve the audited consolidated financial statements, the report of the Directors and the report of the independent auditor of the Company for the year ended 31 December 2019. 省覽及批准本公司截至二零一九年十二月三十一日止年度的經審核綜合財務報表、本公司董事會報告及獨立核數師報告。	100%
2. To re-elect Mr. Rafael Heinrich Suchan as an executive Director of the Company. 重選Rafael Heinrich Suchan先生為本公司執行董事。	100%
3. To re-elect Ms. Qian Liping as an independent non-executive Director of the Company. 重選錢麗萍女士為本公司獨立非執行董事。	100%
4. To re-elect Mr. Ko Frankie Andrew as an independent non-executive Director of the Company. 重選高瑞強先生為本公司獨立非執行董事。	100%
5. To authorise the Board to fix the Directors' remuneration. 授權董事會釐定董事薪酬。	100%
6. To re-appoint PricewaterhouseCoopers as auditor of the Company and to authorise the Board to fix its remuneration. 續聘羅兵咸永道會計師事務所為本公司核數師，並授權董事會釐定其薪酬。	100%
7. To grant a general mandate to the Directors to allot, issue and deal with any additional shares in the Company which shall not in aggregate exceed 20% of the total number of shares of the Company in issue as at the date of passing this resolution.** 授予董事配發、發行及處理本公司任何額外股份的一般授權，惟股份數目合共不得超過本決議案通過當日本公司已發行股份總數之20%。**	99.997%
8. To grant a general mandate to the Directors to exercise all the powers of the Company to repurchase its own shares not exceeding 10% of the total number of shares of the Company in issue as at the date of passing this resolution. 授予董事行使本公司所有權力，購回本公司股份的一般授權，惟股份數目不得超過本決議案通過當日本公司已發行股份總數之10%。	100%
9. To approve the extension of the general mandate granted to the Directors to allot new shares by adding to it the number of shares repurchased, if any, pursuant to the share repurchase mandate.** 批准擴大授予董事根據購回股份授權增加購回股份數目(如有)而配發新股份的一般授權。**	99.997%

\*\* All percentages rounded to 3 decimal places.

\*\* 所有百分比均四捨五入至小數點後三位。

## INVESTOR RELATIONS

The management of the Company maintains its conviction that investor and shareholder transparency is a key component of good governance and instrumental to creating shareholder value and reaffirming collective understating of the Company's business, market activities and growth opportunities. In line with this imperative, and its resolute practice of delivering timely, true, accurate, comprehensive and equally disclosed information, the Company will further leverage its stringent internal control system that has already ensured requirements imposed by applicable laws and regulations. At the same time, management has taken the initiative to increase its engagement with investors, shareholders and related stakeholders through various online and offline channels and through a variety of communications formats, including speeches, presentations and direct interviews.

During the year ended 31 December 2020, the Company held several presentations for fund managers and equity market analysts that, as a result, enabled existing and potential shareholders to establish a better understanding of the Group's operations and growth prospects.

Going forward, the Company will strengthen its efforts to keep investors and shareholders apprised of its corporate developments and strategies through more frequent communications that enhances their understanding and confidence.

## WHISTLEBLOWING POLICY

To deter wrongdoing and to promote standards of good corporate practices, the Company adopted a whistleblowing policy in December 2012. This policy aims at encouraging and enabling employees of the Group at all levels and others to report violations or suspected violations and to raise serious concerns about possible improprieties in matters of financial reporting or other matters of the Group.

## INFORMATION DISCLOSURE

The Company discloses information in compliance with the securities regulations of the Stock Exchange and the Securities and Futures Commission, and publishes periodic reports and announcements to the public in accordance with relevant laws and regulations. Our primary focus is to ensure information disclosure is timely, fair, accurate, truthful and complete, thereby enabling Shareholders, investors as well as the public, to make rational and informed decisions.

## 投資者關係

本公司管理層堅信，對投資者和股東保持高度透明度為良好管治的重要組成部分，有助於創造股東價值並加強對本公司業務、市場活動及增長機會的共同了解。為達到此重要目標以及對提供及時、真實、準確、全面和均等披露信息的堅定實踐，本公司將進一步利用其嚴格內部控制系統以確保遵守適用法律和法規要求。同時，管理層已採取措施，通過各種線上和線下渠道並通過各種交流形式（包括演講、介紹及直接面談），增加了與投資者、股東及相關利益相關者的互動。

於截至二零二零年十二月三十一日止年度，本公司為基金經理及股票市場分析師舉行多次介紹會，從而使現有及潛在股東能夠更好地了解本集團的營運和增長前景。

展望未來，本公司將通過更加頻密的溝通來增加投資者對本公司的理解和信心，從而努力使投資者和股東了解我們的公司發展和戰略。

## 舉報政策

為遏止不恰當行為及提升良好企業常規水平，本公司於二零一二年十二月採納舉報政策。該政策旨在鼓勵及促使本集團各級僱員及其他人士舉報違規行為或涉嫌違規行為，及對本集團之財務報告事宜或其他事項中可能存在之不恰當行為提出高度關注。

## 資料披露

本公司根據聯交所及證券及期貨事務監察委員會之證券規例披露資料，並根據有關法律法規向公眾人士刊發定期報告及公告。本集團致力確保及時披露資料，而有關資料為公正、準確、真實及完整，務求使股東、投資者及公眾人士能作出合理及知情的決定。

## Major Events of CEG In 2020 齊合環保二零二零年大事記

JULY 七月

### Commencement of operation of joint venture with Hidaka Yookoo Enterprises Co. Limited and Suzuki Shokai Co. Limited in Thailand

On 13 July 2020, Hidaka-Chiho Metal Recycling (Thailand) Co., Ltd (“HCMR”), the joint venture the Group established with Hidaka Yookoo Enterprises Co. Limited (“HDK”) and Suzuki Shokai Co. Limited (“SZK”) began production operations in Thailand. HDK is a leading ferrous scrap metal recycler in Thailand; SZK is a leading resources recycling company in Japan and a long term business partner of CEG.



HCMR is engaged in the dismantling of motor scrap to recover the recyclable metals. It operates in a Free Trade Zone, which helps to improve inbound and outbound logistics flow. Beginning of production was delayed due to the lockdown and travel restrictions because of the pandemic. Production begun after much preparation and precautionary measures.

It is designed to process 60,000 tonnes per annum of motor scrap. Over the course of next two years, the operational team will work to ramp up production. Currently, the ferrous scrap is sold domestically in Thailand, while the non-ferrous metals scrap are exported to China, where prices are highest.



於泰國與Hidaka Yookoo Enterprises Co. Limited及Suzuki Shokai Co. Limited合作成立的合營企業投入營運

於二零二零年七月十三日，本集團與Hidaka Yookoo Enterprises Co. Limited (「HDK」) 及Suzuki Shokai Co. Limited (「SZK」) 合作成立的Hidaka-Chiho Metal Recycling (Thailand) Co., Ltd (「HCMR」) 在泰國開始生產營運。HDK為一家泰國領先的黑色廢舊金屬回收商；SZK則為一家日本領先的資源回收公司，亦為齊合環保的長期業務夥伴。

HCMR從事廢舊電機的拆解，以回收可再利用的金屬。該公司在在一處自由貿易區營運，這有助於改善進出境物流程序。由於疫情導致封城和旅行限制，初次生產被推遲。經過充分準備和預防措施後，生產終於開始。

此工場每年可處理60,000噸廢舊電機。於未來兩年，營運團隊將努力提高產量。目前，再生黑色金屬在泰國國內銷售，而再生有色金屬則出口至價格最高的中國。

## Major Events of CEG In 2020 齊合環保二零二零年大事記

### SEPTEMBER 九月

#### Establishment of joint venture with Hongqiao Group (Stock Code: 1378)

On 1 September 2020, the updated ELV Administrative Policy 《報廢機動車回收管理辦法》 came into force. The Group sees it as an opportunity at the right time to enter the ELV market in China. The Group will leverage its close cooperation with one of the largest aluminium producers in the world to enter the Chinese metal recycling market and especially the ELV recycling market.

On 26 September 2020, the Group, signed a Cooperation Agreement with Hongqiao Investment (Hong Kong) Limited, a wholly owned subsidiary of China Hongqiao Group Limited (“Hongqiao”) to form a joint venture company to jointly develop a recycling industrial park project in Binzhou City, Shandong Province, China.

Pursuant to the terms of the Cooperation Agreement, the Group owns 25% of the joint venture with an initial contribution of RMB25.0 million. This may further extend up to 49% upon achievement of certain mutually agreed targets.

#### 與宏橋集團(股份代號：1378)成立合營企業

於二零二零年九月一日，更新的《報廢機動車回收管理辦法》生效。本集團認為這是適時進入中國報廢汽車市場的機會。本集團將利用與全球其中一間最大鋁生產商的緊密合作，進入中國的金屬回收市場，尤其是報廢汽車回收市場。

於二零二零年九月二十六日，本集團與中國宏橋集團有限公司（「宏橋」）的全資子公司宏橋投資（香港）有限公司簽署合作協議，以組建一家合營企業，共同開發位於中國山東省濱州市的一個循環產業園項目。

根據合作協議的條款，本集團擁有合營企業的25%股份，初始出資額為人民幣25.0百萬元。於達成若干共同議定的目標後，持股比例可進一步擴大至49%。



SEPTEMBER 九月

Phase I of the project is to design, build and operate a new recycling industrial park in Binzhou City, to recycle more than 200,000 tonnes of aluminium and 50,000 ELV per annum. The Group, through our operation teams in Europe and China, will provide the advance technical, operational, and commercial know-how to develop and operate the project.

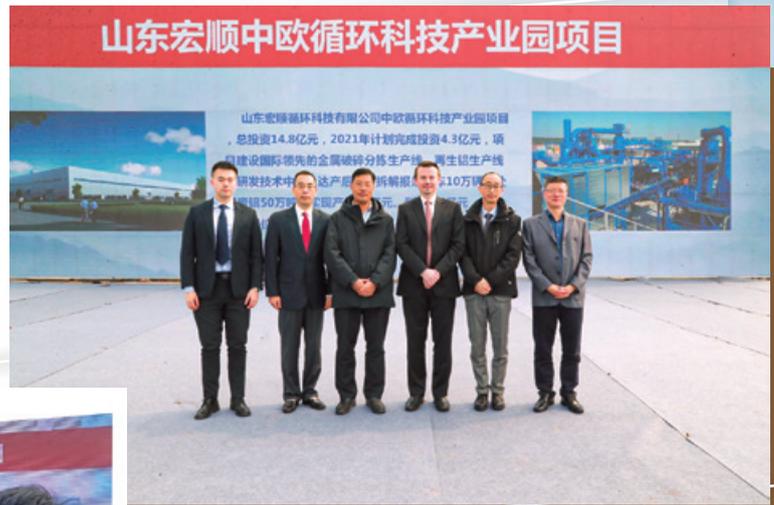
As design, development and construction are underway, first pour of aluminium liquid is expected by end of 2021, and ELV processing line goes live by mid-2022.

Already, there have been in discussions with the local government to expand into Phase II. Combined, Phase I and II envisage to process up to 100,000 ELVs and 500,000 tonnes of aluminium per annum. As part of Phase II, the Group will also prepare a feasibility study for recycling of 50,000 electric vehicle lithium batteries in Binzhou.

該項目的第一階段為在濱州市設計、建造及營運一個新的循環產業園，每年回收超過200,000噸鋁及50,000輛報廢汽車。本集團將通過我們的歐洲及中國營運團隊為開發和營運該項目提供先進技術及營運和商業訣竅。

隨著設計、開發及施工的進行，預計到二零二一年底將出產第一罐鋁液，而報廢汽車加工線將於二零二二年中期投入生產。

我們已開始與當地政府進行協商，以推進項目進入第二階段。項目第一階段和第二階段完成後，預計將每年處理多達100,000輛報廢汽車和500,000噸鋁。於項目進入第二階段時，本集團亦將研究在濱州回收50,000顆電動汽車鋰電池的可行性。



## Major Events of CEG In 2020 齊合環保二零二零年大事記

### OCTOBER 十月

#### CEG was awarded the “ESG Prize”

On 29 October 2020, the Group was awarded the InnoESG Prize 2020 for its excellent performance in supporting a sustainable future through Environmental, Social and Governance (“ESG”) initiatives. The prize sponsored by the SocietyNext Foundation rewards innovators and visionaries whose achievements have furthered the global proliferation of innovative, impactful, human-centred, and inspirational environmentally sustainable solutions. The award is also sponsored by the UNESCO Hong Kong Association Global Peace Centre, the Lions Club HKIFC and Rotary Action Group for Peace.

The award is a recognition of the Group’s efforts and contributions towards reducing the impact on the environment and reliance on primary resources due to human activities, and in promoting and developing recycling and environmental protection globally.

#### 齊合環保獲授「ESG獎」

於二零二零年十月二十九日，本集團因其在通過環境、社會及管治（「ESG」）舉措支持可持續未來方面的出色表現而榮獲二零二零年InnoESG獎。該獎項由SocietyNext基金會贊助，旨在獎勵那些憑藉自身成就為全球帶來創新、有影響力、以人為本及鼓舞人心的環境可持續解決方案的創新者及遠見者。該獎項亦由聯合國教科文組織香港協會和平中心、香港國金獅子會及「扶輪•和平動起來」贊助。

該獎項為是本集團在減少人類活動對環境的影響及對主要資源的依賴，以及在全球範圍內促進和發展回收與環境保護方面付出的努力和做出的貢獻的認可。



NOVEMBER 十一月

**Implementation of China's new import standards for recycled copper, recycled brass and recycled aluminium and reclassification as recycled raw material instead of solid waste**

2020 is an important year for the Group. Since mid-2017 when the Chinese government announced the plan to totally ban the import of waste into China by end of 2020, the recycling business in China has gone through dramatic changes. The Group has since been preparing to shift its processing capacity out of China. Over the last 3 years, the Group has identified and formed partnerships in various countries to set up processing plants. The ferrous products are sold mostly locally to support local industries, and the copper and non-ferrous products are finding itself into the international markets, to whoever pays the best price. Most of copper products from these new plants are sold in India or export back to China, with the latter been the largest consumer of copper.

On 1 November 2020, after 3 years of wait, the Chinese government new policy for import or recycled copper, recycled brass, and recycled aluminium enter into force. Recycled brass, copper and aluminium fulfilling the published standards will no longer be considered as solid waste and can be imported freely. The new regulations removed the uncertainty that has affected the Group for the last 3 years. Prior to the new regulations, the Group continues to import copper scrap on the previous quota system, which had been drastically reduced.

針對再生銅、再生黃銅及再生鋁的中國新進口標準實施，並將此類金屬歸類為再生原料而非固體廢物

二零二零年對本集團而言是頗為重要的一年。二零一七年年中，中國政府宣佈於二零二零年底前全面禁止進口廢物的計劃，中國的回收業務發生了翻天覆地的變化。此後，本集團一直在準備將其加工設施轉移至中國境外。於過去三年中，本集團已在多個國家尋獲合作夥伴，以建立加工廠。黑色金屬產品大部分在當地銷售，以支持當地產業，而銅和有色金屬產品則於國際市場以最優價格出售。該等新工廠生產的銅產品大多數會被銷售至印度或出口回中國，後者為最大的銅消耗國。

經過三年的等待，於二零二零年十一月一日，針對進口或再生銅、再生黃銅和再生鋁的中國政府新政策開始生效。符合已發佈標準的再生黃銅、銅和鋁將不再被視為固體廢物，可以自由進口。新規定消除了於過去三年一直影響本集團的不確定因素。於新法規出臺之前，本集團仍依照先前的配額制進口再生銅，儘管配額已大大縮減。



## Major Events of CEG In 2020 齊合環保二零二零年大事記

### NOVEMBER 十一月

Since 1 November 2020, the Group had imported several batches of recycled copper from its new plants in Asia and our European business units. The Group is optimistic with the renewed business model will continue to grow with the now clear and open regulations.

On 14 December 2020, the Chinese State Administration for Market Regulation also issued the national standard for "Recycled Steel and Iron Raw Materials". Material meeting the standard will be considered as raw material instead of solid waste and can then be freely imported, effective



from 1 January 2021. This also opens an avenue to export high quality ferrous scrap to the massive Chinese market.

自二零二零年十一月一日以來，本集團已從其設於亞洲的新工廠及歐洲業務單位進口數批再生銅。本集團對更新的業務模式將隨著現在明確開放的法規而繼續增長持樂觀態度。

於二零二零年十二月十四日，中國國家市場監督管理總局亦發佈有關《再生鋼鐵原料》的國家標準。符合標準的材料將被視為原材料，而非固體廢物，且可自由進口，該標準自二零二一年一月一日起生效。這亦為將高質量再生黑色金屬出口至龐大的中國市場開闢了道路。

### DECEMBER 十二月

#### Disposals of assets in east coast to refocus on southwest operations in the US

On 25 December 2020, the Group, through its indirectly wholly owned subsidiary, Liberty Iron & Metal, Inc. ("LIM"), sold certain assets in the Northeast US operations, for a consideration of US\$13.2 million (equivalent to approximately HK\$103.0 million) to a third party. After the sale, the Group can focus its energy and resources on better performing assets.

The Group operates several yards in the US, including three shredder facilities (two in the Northeast and one in Southwest). After a strategic review, to enhance the performance and geographical footprint of our US business, the Group decided to strategically refocus on its Southwest operations and divest the operations in the Northeast.

#### 美國分部出售東岸資產以重新專注於美國西南地區業務

於二零二零年十二月二十五日，本集團通過其間接擁有的全資子公司Liberty Iron & Metal ("LIM") 出售其美國東北地區業務的若干資產予獨立第三方，代價為13.2百萬美元（相等於約103.0百萬港元）。於出售後，本集團可將其精力和資源集中於表現最佳的資產上。

本集團於美國營運多間工場，包括三個破碎工場（兩個位於東北部，一個位於西南部）。經策略性審視後，為提高美國業務的業績及地理覆蓋範圍，本集團決定從戰略上重新專注於西南地區業務，並出售東北地區業務。

# Independent Auditor's Report 獨立核數師報告

To the Shareholders of Chiho Environmental Group Limited  
(incorporated in the Cayman Islands with limited liability)

## OPINION

### What we have audited

The consolidated financial statements of Chiho Environmental Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 121 to 285, which comprise:

- the consolidated balance sheet as at 31 December 2020;
- the consolidated statement of profit or loss for the year then ended;
- 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 a summary of significant accounting policies.

## 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 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致齊合環保集團有限公司股東  
(於開曼群島註冊成立的有限公司)

## 意見

### 我們已審計的內容

齊合環保集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第121至285頁的綜合財務報表,包括:

- 於二零二零年十二月三十一日的綜合資產負債表、
- 截至該日止年度的綜合損益表、
- 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,包括主要會計政策概要。

## 我們的意見

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零二零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。

## **Independent Auditor's Report** **獨立核數師報告**

### **BASIS FOR OPINION**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We 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 HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

### **MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw your attention to Note 2.1.1 to the consolidated financial statements, which states that, the Group reported a net loss of HK\$864.2 million for the year ended 31 December 2020. As at the same date, the Group's total borrowings amounted to HK\$2,298.4 million, of which HK\$2,120.1 million were current borrowings due within twelve months from 31 December 2020, while its cash and cash equivalents amounted to HK\$913.8 million only. Included in current borrowings as at 31 December 2020 was a secured syndicated term loan with an outstanding principal amount of HK\$1,511.8 million scheduled to be fully repayable on 31 March 2021. In addition, bank loans of HK\$150.8 million have been classified as current liabilities as at 31 December 2020 as they may be immediately payable due to non-compliance of certain restrictive financial undertaking. These events or conditions, along with other matters as set forth in Note 2.1.1 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **意見的基礎**

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### **獨立性**

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

### **與持續經營有關的重大不確定性**

我們籲請關注綜合財務報表附註2.1.1，貴集團在截至二零二零年十二月三十一日止年度內錄得虧損淨額864.2百萬港元。而於該日貴集團的總借款為2,298.4百萬港元，其中2,120.1百萬港元為自二零二零年十二月三十一日起計十二個月內到期之流動借款，而其現金及現金等值項目僅為913.8百萬港元。於二零二零年十二月三十一日之流動借款包括尚未償還之本金額為1,511.8百萬港元之銀團定期貸款，原預定於二零二一年三月三十一日悉數償還。此外，由於未能遵守若干限制性財務承擔，150.8百萬港元的銀行貸款亦於二零二零年十二月三十一日被分類為流動負債，因為該款項可能立即應予償還。該等事件或情況連同其他事項(如綜合財務報表附註2.1.1所載)，表明存在重大不確定性，其可能會對貴集團持續經營的能力構成重大疑慮。我們的意見未有就此事項作出修訂。

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current 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. In addition to the matters described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter identified in our audit is related to impairment assessment of goodwill and intangible assets with indefinite useful lives.

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。除了「與持續經營有關的重大不確定性」部分所述事項外，我們確定以下事項為需要在報告中溝通的關鍵審計事項。

我們在審計中識別的關鍵審計事項是關於商譽及具無限可使用年期之無形資產之減值評估。

### Key Audit Matters

#### 關鍵審計事項

### How our audit addressed the Key Audit Matter

#### 我們的審計如何處理關鍵審計事項

#### Impairment assessment of goodwill and intangible assets with indefinite useful lives

##### 商譽及具無限可使用年期之無形資產之減值評估

Refer to notes 2.10 and 17 to the consolidated financial statements.

請參閱財務報表附註2.10及17

Majority of goodwill and intangible assets with indefinite useful lives arose from the acquisition of Scholz Group in December 2016. The gross amount of goodwill and intangible assets with indefinite useful lives of the Group as at 31 December 2020 was HK\$795.4 million and HK\$199.5 million, respectively, net of impairment of HK\$198.5 million and HK\$6.6 million, respectively.

大部分的商譽及具無限可使用年期之無形資產結餘源自於二零一六年十二月收購順爾茨集團之交易。貴集團於二零二零年十二月三十一日之商譽及具無限可使用年期之無形資產扣除減值撥備前的賬面值分別為7億9,540萬港元及1億9,950萬港元，而其減值撥備分別為1億9,850萬港元及660萬港元。

In assessing the appropriateness of the goodwill and intangible assets with indefinite useful lives impairment assessment performed by management, the following audit procedures have been performed by us:

為評估管理層之商譽及具無限可使用年期之無形資產減值評估之合適性，我們已進行以下審核程序：

Comparing the current year actual cash flows with the prior year cash flow forecast to assess the reliability of management's forecast;

將本年度實際現金流量與上年度現金流量預測進行比較，以評估管理層預測的可靠性；

Evaluating management's financial budget and discounted cash flow forecast by understanding the process by which they were drawn up, and testing mathematical accuracy of the underlying calculations; 評核管理層之財務預算及貼現現金流量預測，了解箇中規劃程序，測試相關計算之算術準確性；

## Independent Auditor's Report 獨立核數師報告

### Key Audit Matters 關鍵審計事項

Management performed an assessment on impairment of goodwill and intangible assets with indefinite useful lives as at 31 December 2020 to determine the recoverable amount using value-in-use calculations and as a result an impairment loss of HK\$205.1 million has been recognised in the consolidated statement of profit or loss for the year ended 31 December 2020. These calculations used pre-tax cash flow forecast based on the financial budget covering a five-year period. Cash flows beyond the five-year period were extrapolated using an estimated long term growth rate.

管理層採用使用價值計算就二零二零年十二月三十一日之商譽及具無限可使用年期之無形資產進行減值評估，以釐定可收回金額。根據減值評估結果，已確認在截至二零二零年十二月三十一日止年度的綜合損益表上的減值撥備為2億510萬港元。該計算使用以涵蓋五年期之財務預算為基礎之稅前現金流預測。五年期後之現金流採用估計長期增長率推算。

The assessment required the use of significant management's judgements and estimates about future business performance including revenue growth (sales volume and metal commodity price forecast), gross profit margin and discount rate and accordingly, this was an area of our audit focus.

該評估需要管理層就未來業務表現作出重大判斷及估計，包括收益增長（銷量及金屬商品價格預測）、毛利率及貼現率，因此這為我們審核重心範疇之一。

### How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項

Assessing the appropriateness of key assumptions used in the discounted cash flow forecast for the projected 5 years by comparing (i) projected sales volume to available production capacity and historical sales volume, (ii) metal commodity price forecast to market research and analyst reports, and (iii) projected gross profit margin to historical profit margin. We also checked these key assumptions against actual results in the period subsequent to the year end;

透過比較(i)預測銷量與可動用產能和以往銷量；(ii)金屬商品價格預測與市場研究及分析師報告；及(iii)預測毛利率與歷史毛利率，評估未來五年貼現現金流量預測中所用之主要假設之合適性。我們亦對照年度結算後期間之實際業績，檢查該等主要假設；

Evaluating the discount rate by assessing the cost of capital of the Group and referencing the cost of capital of other comparable companies in the industry;

透過評估 貴集團之資本成本，及參考行內其他可供比較公司的資本成本，評核貼現率；

Testing the mathematical accuracy of allocation of the impairment losses identified among goodwill and other assets of the relevant cash generating units; and

測試已確認的減值撥備在商譽及相關現金產生單位的其他資產之間的分配的計算準確性；及

Evaluating the sensitivity of the Group's discounted cash flow forecast by considering downside scenarios against reasonable possible changes to the key assumptions.

考慮主要假設之合理可能變動之下行情況，評核 貴集團貼現現金流量預測之敏感度。

Based on the procedures performed, we found that the judgements and estimates made by management in respect of the goodwill and intangible assets with indefinite useful lives impairment assessment were supportable by available evidence.

根據上述已進程序，我們認為管理層在商譽及具無限可使用年期之無形資產減值評估中所作之判斷及估計有可查閱之憑證支持。

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

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

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

## RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors 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.

## 其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使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。

## **Independent Auditor's Report** **獨立核數師報告**

Those charged with governance are 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 HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

治理層須負責監督 貴集團的財務報告過程。

### **核數師就審計綜合財務報表承擔的 責任**

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向 閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

## Independent Auditor's Report 獨立核數師報告

- 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.
- 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.
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

## **Independent Auditor's Report** **獨立核數師報告**

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Kam Chiu, Raymond.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 31 March 2021

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是陳錦釗。

**羅兵咸永道會計師事務所**  
*執業會計師*

香港，二零二一年三月三十一日

## Consolidated Statement of Profit or Loss 綜合損益表

For the Year Ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Revenue	收益	5	<b>13,368.1</b>	15,363.4
Cost of sales	銷售成本	8	<b>(12,421.6)</b>	(14,485.5)
Gross profit	毛利		<b>946.5</b>	877.9
Other income	其他收入	6	<b>139.7</b>	127.0
Other (losses)/gains, net	其他(虧損)/收益淨額	7	<b>(79.7)</b>	44.0
Impairments on non-financial assets	非金融資產減值	7	<b>(519.2)</b>	(0.9)
Net reversal of impairment on financial assets	金融資產減值 撥回淨額		<b>7.4</b>	39.4
Distribution and selling expenses	分銷及銷售開支	8	<b>(54.0)</b>	(51.5)
Administrative expenses	行政開支	8	<b>(1,084.8)</b>	(970.1)
			<b>(644.1)</b>	65.8
Finance income	財務收入	10	<b>11.0</b>	23.6
Finance costs	財務成本	10	<b>(243.5)</b>	(236.2)
Finance costs, net	財務成本淨額		<b>(232.5)</b>	(212.6)
Share of post-tax loss of an associate	應佔聯營公司除稅後虧損	18	<b>(0.1)</b>	(0.3)
Share of post-tax profit of joint ventures	應佔合營企業除稅後溢利	18	<b>66.9</b>	47.6
Loss before income tax	除所得稅前虧損		<b>(809.8)</b>	(99.5)
Income tax expense	所得稅開支	11	<b>(54.4)</b>	(34.3)
Loss for the year	年內虧損		<b>(864.2)</b>	(133.8)
Loss attributable to:	以下各方應佔虧損:			
Shareholders of the Company	本公司股東		<b>(848.1)</b>	(128.7)
Non-controlling interests	非控股權益		<b>(16.1)</b>	(5.1)
			<b>(864.2)</b>	(133.8)
Loss per share attributable to shareholders of the Company for the year (expressed in HK\$ per share)	本公司股東應佔年內 每股虧損 (以每股港元列示)			
Basic loss per share	每股基本虧損	13	<b>(0.53)</b>	(0.08)
Diluted loss per share	每股攤薄虧損	13	<b>(0.53)</b>	(0.08)

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes. 上述綜合損益表應與隨附的附註一併閱讀。

## Consolidated Statement of Comprehensive Income 綜合全面收益表

For the Year Ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Loss for the year</b>	<b>年內虧損</b>	<b>(864.2)</b>	(133.8)
<b>Other comprehensive income/(loss)</b>	<b>其他全面收益／(虧損)</b>		
<i>Item that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益之項目：</i>		
Currency translation differences on foreign operations	海外業務之匯兌差額	<b>389.5</b>	(92.4)
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益之項目：</i>		
Change in fair value of equity investments at fair value through other comprehensive income	按公平值計入其他全面收益之股權投資之公平值變動	<b>(1.1)</b>	(7.5)
Remeasurements of post-employment benefit obligations	重新計量僱員結束服務後之福利責任	<b>(1.2)</b>	(4.6)
Share of other comprehensive loss of joint ventures	應佔合營企業之其他全面虧損	<b>(1.3)</b>	(4.4)
Income tax relating to these items	與該等項目有關的所得稅	<b>0.6</b>	1.9
Other comprehensive income/(loss) for the year, net of tax	年內其他全面收益／(虧損)，扣除稅項	<b>386.5</b>	(107.0)
<b>Total comprehensive loss for the year</b>	<b>年內全面虧損總額</b>	<b>(477.7)</b>	(240.8)
<b>Total comprehensive loss for the year attributable to:</b>	<b>以下各方應佔年內全面虧損總額：</b>		
Shareholders of the Company	本公司股東	<b>(463.7)</b>	(234.0)
Non-controlling interests	非控股權益	<b>(14.0)</b>	(6.8)
		<b>(477.7)</b>	(240.8)

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的附註一併閱讀。

## Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2020 於二零二零年十二月三十一日

			2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
	Notes 附註			
<b>ASSETS</b>				
<b>Non-current assets</b>		<b>資產</b>		
		<b>非流動資產</b>		
Property, plant and equipment	14	物業、廠房及設備	2,623.9	2,982.9
Right-of-use assets	15	使用權資產	844.5	1,185.8
Investment properties	16	投資物業	20.7	9.1
Intangible assets	17	無形資產	957.2	1,115.0
Investments accounted for using the equity method	18	使用權益法入賬之投資	696.4	630.9
Financial assets at fair value through profit or loss	19	按公平值計入損益之金融資產	0.9	1.9
Financial assets at fair value through other comprehensive income	20	按公平值計入其他全面收益之金融資產	104.6	98.7
Other non-current assets	23	其他非流動資產	4.2	17.0
Deferred income tax assets	21	遞延所得稅資產	110.4	109.3
			<b>5,362.8</b>	6,150.6
<b>Current assets</b>		<b>流動資產</b>		
Inventories	22	存貨	1,169.3	1,495.9
Trade, bills and other receivables	23	貿易、票據及其他應收款項	1,709.0	1,375.8
Fixed return investment	24	固定回報投資	-	88.4
Amounts due from related parties	38	應收關聯方款項	129.3	47.9
Derivative financial instruments	25	衍生金融工具	14.3	25.0
Tax recoverable		可退回稅項	23.0	29.9
Pledged bank deposits	26	已抵押銀行存款	122.7	191.7
Cash and cash equivalents	26	現金及現金等值項目	913.8	784.8
			<b>4,081.4</b>	4,039.4
Assets held for sale	27	持作出售資產	428.7	-
			<b>4,510.1</b>	4,039.4
<b>Total assets</b>		<b>資產總值</b>	<b>9,872.9</b>	10,190.0
<b>EQUITY AND LIABILITIES</b>		<b>權益及負債</b>		
<b>Equity attributable to shareholders of the Company</b>		<b>本公司股東應佔權益</b>		
Share capital	28	股本	16.1	16.1
Other reserves	29	其他儲備	7,009.8	6,614.9
Accumulated losses		累計虧損	(2,548.3)	(1,689.7)
			<b>4,477.6</b>	4,941.3
Non-controlling interests	30	非控股權益	(13.4)	(10.3)
<b>Total equity</b>		<b>總權益</b>	<b>4,464.2</b>	4,931.0

## Consolidated Balance Sheet 綜合資產負債表

As at 31 December 2020 於二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Borrowings	借款	31	178.3	226.4
Lease liabilities	租賃負債	32	342.3	569.4
Retirement benefit obligations	退休福利責任	33	29.7	27.3
Other payables	其他應付款項	34	102.6	96.6
Deferred income tax liabilities	遞延所得稅負債	21	363.8	342.8
			<b>1,016.7</b>	1,262.5
<b>Current liabilities</b>	<b>流動負債</b>			
Trade, bills and other payables	貿易、票據及其他應付款項	34	1,689.5	1,066.9
Current income tax liabilities	即期所得稅負債		93.7	101.2
Borrowings	借款	31	2,120.1	2,569.0
Lease liabilities	租賃負債	32	202.2	191.7
Amounts due to related parties	應付關聯方款項	38	63.4	37.5
Derivative financial instruments	衍生金融工具	25	59.7	30.2
			<b>4,228.6</b>	3,996.5
Liabilities directly associated with assets held for sale	與持作出售資產直接相關的 負債	27	163.4	–
			<b>4,392.0</b>	3,996.5
<b>Total liabilities</b>	<b>負債總值</b>		<b>5,408.7</b>	5,259.0
<b>Total equity and liabilities</b>	<b>權益及負債總額</b>		<b>9,872.9</b>	10,190.0

The consolidated financial statements on pages 121 to 285 were approved and authorised for issue by the Board of Directors on 31 March 2021 and are signed on its behalf by:

**Mr. Tu Jianhua**  
涂建華先生  
Director  
董事

載於第121至285頁的綜合財務報表於二零二一年三月三十一日獲董事會批准及授權發佈，並由下列董事代表簽署：

**Mr. Rafael Heinrich Suchan**  
Rafael Heinrich Suchan先生  
Director  
董事

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

上述綜合資產負債表應與隨附的附註一併閱讀。

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

For the Year Ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to shareholders of the Company 本公司股東應佔						
		Share capital	Other reserves (Note 29) 其他儲備 (附註29)	Accumulated losses	Total	Non- controlling interests	Total equity	
		股本 HK\$M 百萬港元	HK\$M 百萬港元	累計虧損 HK\$M 百萬港元	總計 HK\$M 百萬港元	非控股權益 HK\$M 百萬港元	總權益 HK\$M 百萬港元	
At 1 January 2019	於二零一九年一月一日	16.1	6,720.2	(1,561.0)	5,175.3	(29.4)	5,145.9	
Comprehensive loss Loss for the year	全面虧損 年內虧損	-	-	(128.7)	(128.7)	(5.1)	(133.8)	
Other comprehensive loss Currency translation differences on foreign operations	其他全面虧損 海外業務所產生之 匯兌差額	-	(90.7)	-	(90.7)	(1.7)	(92.4)	
Change in the fair value of financial assets at fair value through other comprehensive income, net of tax	按公平值計入其他全面 收益之金融資產之 公平值變動，扣除稅項	-	(6.1)	-	(6.1)	-	(6.1)	
Remeasurement of post- employment benefit obligations, net of tax	重新計量僱員結束 服務後之福利責任， 扣除稅項	-	(4.1)	-	(4.1)	-	(4.1)	
Share of other comprehensive loss of joint ventures	應佔合營企業其他 全面虧損	-	(4.4)	-	(4.4)	-	(4.4)	
Total other comprehensive loss for the year, net of tax	年內其他全面虧損總額， 扣除稅項	-	(105.3)	-	(105.3)	(1.7)	(107.0)	
Total comprehensive loss for the year, net of tax	年內全面虧損總額， 扣除稅項	-	(105.3)	(128.7)	(234.0)	(6.8)	(240.8)	
Transactions with shareholders in their capacity as shareholders	與股東(以股東身份) 進行之交易	-	-	-	-	21.7	21.7	
Contributions from non- controlling interests	非控股權益注資	-	-	-	-	21.7	21.7	
Deregistration of a subsidiary with non-controlling interests	註銷擁有非控股權益 之子公司	-	-	-	-	4.2	4.2	
Total transactions with shareholders in their capacity as shareholders	與股東(以股東身份) 進行之交易總額	-	-	-	-	25.9	25.9	
At 31 December 2019	於二零一九年 十二月三十一日	16.1	6,614.9	(1,689.7)	4,941.3	(10.3)	4,931.0	

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

For the Year Ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to shareholders of the Company 本公司股東應佔					
		Share capital	Other reserves (Note 29)	Accumulated losses	Total	Non-controlling interests	Total equity
		股本 HK\$M 百萬港元	其他儲備 (附註29) HK\$M 百萬港元	累計虧損 HK\$M 百萬港元	總計 HK\$M 百萬港元	非控股權益 HK\$M 百萬港元	總權益 HK\$M 百萬港元
At 1 January 2020	於二零二零年一月一日	16.1	6,614.9	(1,689.7)	4,941.3	(10.3)	4,931.0
Comprehensive loss Loss for the year	全面虧損 年內虧損	-	-	(848.1)	(848.1)	(16.1)	(864.2)
Other comprehensive income/(loss)	其他全面收益/(虧損)						
Currency translation differences on foreign operations	海外業務所產生之匯兌差額	-	387.4	-	387.4	2.1	389.5
Change in the fair value of financial assets at fair value through other comprehensive income, net of tax	按公平值計入其他全面收益之金融資產之公平值變動，扣除稅項	-	(0.9)	-	(0.9)	-	(0.9)
Remeasurement of post-employment benefit obligations, net of tax	重新計量僱員結束服務後之福利責任，扣除稅項	-	(0.8)	-	(0.8)	-	(0.8)
Share of other comprehensive loss of joint ventures	應佔合營企業其他全面虧損	-	(1.3)	-	(1.3)	-	(1.3)
Total other comprehensive income for the year, net of tax	年內其他全面收益總額，扣除稅項	-	384.4	-	384.4	2.1	386.5
Total comprehensive income/(loss) for the year, net of tax	年內全面收益/(虧損)總額，扣除稅項	-	384.4	(848.1)	(463.7)	(14.0)	(477.7)
Transactions with shareholders in their capacity as shareholders	與股東(以股東身份)進行之交易						
Contributions from non-controlling interests	非控股權益注資	-	-	-	-	10.9	10.9
Deregistration of a subsidiary	註銷子公司	-	10.5	(10.5)	-	-	-
Total transactions with shareholders in their capacity as shareholders	與股東(以股東身份)進行之交易總額	-	10.5	(10.5)	-	10.9	10.9
At 31 December 2020	於二零二零年十二月三十一日	16.1	7,009.8	(2,548.3)	4,477.6	(13.4)	4,464.2

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的附註一併閱讀。

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

For the Year Ended 31 December 2020 截至二零二零年十二月三十一日止年度

			2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
	Notes 附註			
<b>Cash flows from operating activities 經營活動所得現金流</b>				
Cash generated from operations 經營所得現金	40		953.7	803.6
Interest paid 已付利息			(227.8)	(214.8)
Tax paid, net 已付稅項淨額			(59.8)	(60.0)
<b>Net cash generated from operating activities 經營活動所得現金淨額</b>			<b>666.1</b>	528.8
<b>Cash flows from investing activities 投資活動所得現金流</b>				
Purchases of property, plant and equipment 購置物業、廠房及設備			(228.5)	(336.5)
Purchases of intangible assets 購買無形資產			(3.4)	(5.6)
Proceeds from disposals of property, plant and equipment and right-of-use assets 出售物業、廠房及設備以及使用權資產之所得款項	40		177.9	267.9
Placement of pledged bank deposits 存入已抵押銀行存款			(111.1)	(180.1)
Withdrawal of pledged bank deposits 提取已抵押銀行存款			186.8	300.5
Decrease in fixed return investment 固定回報投資贖回			90.6	135.5
Proceeds from disposals of financial assets through profit or loss and financial assets through other comprehensive income 出售計入損益之金融資產及計入其他全收益之資產所得款項			1.3	-
Investments in joint ventures 投資合營企業			(7.9)	(4.1)
Proceeds from disposal of joint ventures 出售合營企業的所得款項			8.0	-
Dividends received from joint ventures 收取合營企業股息			27.6	37.4
Other dividends received 已收其他股息			2.5	4.8
Acquisition of business in prior year, net of cash acquired 過往年度收購業務，扣除已收購現金			(3.1)	(4.7)
Disposal of subsidiaries, net of cash disposed of 出售子公司，扣除已出售現金			-	25.5
Proceeds from disposal of assets held for sale 出售持作出售資產的所得款項			21.6	-
Interest received 已收利息			5.4	6.8
<b>Net cash generated from investing activities 投資活動所得現金淨額</b>			<b>167.7</b>	247.4

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

For the Year Ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Notes 附註	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Cash flows from financing activities</b> 融資活動所得現金流			
Proceeds from bank borrowings 銀行借款之所得款項		537.6	731.3
Repayments of bank borrowings 償還銀行借款		(552.9)	(1,287.0)
Proceeds from other borrowings 其他借款之所得款項		–	53.1
Repayments of other borrowings 償還其他借款		(488.1)	–
Repayment of lease liabilities 償還租賃負債		(242.3)	(198.7)
Contributions from non-controlling interests 非控股權益注資		10.9	21.7
<b>Net cash used in financing activities</b> 融資活動所用現金淨額		<b>(734.8)</b>	(679.6)
Cash and cash equivalents at beginning of the year 年初之現金及現金等值項目		784.8	697.1
Net increase in cash and cash equivalents 現金及現金等值項目增加淨額		99.0	96.6
Reclassification to assets held for sale 重新分類至持作出售資產	27	(1.7)	–
Exchange differences on cash and cash equivalents 現金及現金等值項目之匯兌差額		31.7	(8.9)
<b>Cash and cash equivalents at end of the year</b> 年末之現金及現金等值項目	26	<b>913.8</b>	784.8

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的附註一併閱讀。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 1 GENERAL INFORMATION

Chiho Environmental Group Limited (“the Company”) is an investment holding company. The Company and its subsidiaries (together “the Group”) are mainly engaged in the principal business of resources recycling, involving recycling of mixed metal, end-of-life vehicle (“ELV”), waste electrical and electronic equipment (“WEEE”), wasted oil and production of aluminium ingots from zorba in Asia, Europe and North America. The principal activities of its subsidiaries are set out in Note 42.

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

The Company’s ultimate holding company is Loncin Group Co., Ltd. (“Loncin Group”), a limited liability company incorporated in the People’s Republic of China (the “PRC”), and the Company’s immediate holding company is USUM Investment Group Hong Kong Limited (“USUMHK”), a company incorporated in Hong Kong with limited liability. Loncin Group is 98% owned by Mr. Tu Jianhua (“Mr. Tu”), an executive director of the Company.

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

These financial statements are presented in Hong Kong Dollar (“HK\$”), unless otherwise stated.

### 1 一般資料

齊合環保集團有限公司(「本公司」)為投資控股公司。本公司及其子公司(統稱「本集團」)主要於亞洲、歐洲及北美洲從事資源再生業務，涉及回收混合金屬、報廢汽車、廢棄電力及電子設備、廢油及利用破碎鋁料生產鋁錠。其子公司的主要業務載於附註42。

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

本公司之最終控股公司為隆鑫集團有限公司(「隆鑫集團」)，一間於中華人民共和國(「中國」)註冊成立之有限責任公司。本公司的直接控股公司為渝商投資集團(香港)有限公司(「渝商香港」)，一間於香港註冊成立之有限公司。隆鑫集團之98%的股份由本公司執行董事涂建華先生(「涂先生」)擁有。

本公司以香港聯合交易所有限公司為第一上市地。

除另有所指外，該等財務報表以港元(「港元」)呈列。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange and the applicable disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

##### 2.1.1 Going concern basis

The Group reported a net loss of HK\$864.2 million. As at 31 December 2020, the Group had net current assets of HK\$118.1 million. As at the same date, it had borrowings of HK\$2,298.4 million, of which HK\$2,120.1 million are current borrowings due within twelve months from 31 December 2020, while its cash and cash equivalents amounted to HK\$913.8 million only.

### 2 重大會計政策概要

編製該等綜合財務報表時應用的主要會計政策載於下文。除非另有說明，該等政策已於所有呈列年度貫徹應用。

#### 2.1 編製基準

本公司的綜合財務報表根據所有適用的香港財務報告準則（「香港財務報告準則」）及聯交所證券上市規則及香港公司條例第622章之適用披露規定編製。綜合財務報表乃採用歷史成本法編製，並對按公平值列賬的按公平值計入其他全面收益之金融資產及按公平值計入損益之金融資產及金融負債（包括衍生工具）進行重新估值以作出修訂。

編製符合香港財務報告準則的財務報表須採用若干重大會計估計，亦需要管理層於應用本集團的會計政策過程中作出判斷。

##### 2.1.1 持續經營基準

本集團錄得虧損淨額864.2百萬港元。於二零二零年十二月三十一日，本集團擁有流動資產淨值118.1百萬港元。於同日，其借款為2,298.4百萬港元，其中2,120.1百萬港元為自二零二零年十二月三十一日起計十二個月內到期之流動借款，而其現金及現金等值項目僅為913.8百萬港元。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Going concern basis (continued)

Included in current borrowings as at 31 December 2020 was a syndicated term loan (the “Syndicated Term Loan”) with an outstanding principal amount of HK\$1,511.8 million, originally scheduled to be fully repayable on 31 March 2021.

In addition, bank loans of HK\$150.8 million (“Bank Loans”) have also been classified as current liabilities as at 31 December 2020 as they may be immediately payable due to non-compliance of certain restrictive financial undertaking, of which a forbearance agreement has been entered with the relevant bank subsequent to 31 December 2020 (see note (ii) below).

The above conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern.

## 2 重大會計政策概要 (續)

### 2.1 編製基準 (續)

#### 2.1.1 持續經營基準 (續)

於二零二零年十二月三十一日之流動借款包括尚未償還之本金額為1,511.8百萬港元之銀團定期貸款(「銀團定期貸款」)，原預定於二零二一年三月三十一日悉數償還。

此外，由於未能遵守若干限制性財務承擔，150.8百萬港元的銀行貸款(「銀行貸款」)亦於二零二零年十二月三十一日被分類為流動負債，因為該款項可能立即應予償還，本公司已於二零二零年十二月三十一日之後與有關銀行訂立債務延期協議(見下文附註(ii))。

上述條件表明存在重大不確定性，可能使本集團持續營運的能力產生重大疑問。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### 2.1.1 Going concern basis (continued)

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group, taking into account the potential impact arising from the COVID-19 pandemic if any, and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and measures have been taken to mitigate the liquidity pressure and to improve its financial position which include, but not limited to, the following:

- (i) The Group repaid an amount of HK\$116.3 million of the Syndicated Term Loan subsequent to 31 December 2020, resulting in a remaining outstanding loan principal of HK\$1,395.5 million as of the date of approval of these consolidated financial statements. In March 2021, the Group has successfully agreed with the lenders of the Syndicated Term Loan to extend the maturity date of the Syndicated Term Loan to January 2022 with two partial repayment instalments of HK\$155.1 million each on or before end of June and September 2021, respectively, and that certain undertakings of the Group are revised. The Group will continue to monitor its compliance with the restrictive financial and non-financial undertaking requirements and the Directors expect the Group would be in compliance throughout the remaining term of the Syndicated Term Loan.

### 2 重大會計政策概要 (續)

#### 2.1 編製基準 (續)

##### 2.1.1 持續經營基準 (續)

鑒於此類種情況，在評估本集團是否將有足夠的財務資源進行持續經營時，董事已仔細考慮本集團的未來流動資金和業績，並計及COVID-19疫情(如有)所產生的潛在影響及其可用的資金來源。現已採取若干計劃和措施以減輕流動性壓力並改善其財務狀況，包括但不限於以下各項：

- (i) 本集團於二零二零年十二月三十一日後已償還銀團定期貸款116.3百萬港元，導致截至綜合財務報表批准日期剩餘未償還貸款本金1,395.5百萬港元。於二零二一年三月，本集團已與銀團定期貸款的貸方成功達成協議，以將銀團定期貸款的到期日延遲至二零二二年一月，其中須於二零二一年六月底及九月底或之前分別償還155.1百萬港元的部分分期付款，並修訂了本集團的若干承擔。本集團將繼續監察其對限制性財務和非財務承擔的遵守情況，董事預計，本集團將在銀團定期貸款的剩餘期限內保持遵守狀態。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.1 Basis of preparation (continued)**

**2.1.1 Going concern basis (continued)**

- (ii) The Group repaid an amount of HK\$107.9 million of the Bank Loans subsequent to 31 December 2020. In March 2021, the Group has entered into an agreement with the relevant bank for forbearance from exercising their rights to demand immediate repayment of the remaining balance until the earlier of full repayment or August 2021.
- (iii) The Group is in advance negotiations with various financial institutions in Europe and Asia for a new secured long-term borrowing with a principal amount of no less than HK\$1,200.0 million (approximately Euro 130.0 million). The Group received proposed term sheets but has not entered into any binding agreement with the financial institutions to date. Management is confident that the new long-term borrowing will be obtained in due course.
- (iv) The Group is pursuing the disposals of certain idle and non-performing land and buildings in specific regions to raise additional cash to finance the repayment of borrowings.

**2 重大會計政策概要 (續)**

**2.1 編製基準 (續)**

**2.1.1 持續經營基準 (續)**

- (ii) 本集團於二零二零年十二月三十一日後已償還銀行貸款中的107.9百萬港元。於二零二一年三月，本集團已與相關銀行訂立協議，以暫緩行使其要求立即償還剩餘餘額的權利，直至提早或於二零二一年八月完全償還。
- (iii) 本集團正與歐洲及亞洲多家金融機構就本金不少於1,200.0百萬港元(約130.0百萬歐元)的新增抵押長期借款進行磋商。本集團已收到擬議的條款清單，但迄今為止尚未與金融機構訂立任何有約束力的協議。管理層有信心將會適時獲得新增長期借款。
- (iv) 本集團正在尋求出售特定地區的若干閒置和不良土地及樓宇，以籌集更多現金用於償還借款。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### 2.1.1 Going concern basis (continued)

- (v) The Group maintains continuous communication with other banks of the Group and believes that the existing other banking facilities available to the Group will be successfully renewed when their current terms expire given the long standing relationship the Group has with the relevant banks and the fact that majority of these facilities are secured by the Group's properties and other assets.
- (vi) The Group continues its efforts to ramp up the production capability of the new recycling facilities in Asia by deploying sufficient additional working capital, implement measures in Europe and North America to generate cash flow from operations, and further control capital and operating expenditures to strength its working capital and mitigate the potential negative impact of COVID-19 pandemic.
- (vii) The Group is actively looking for other sources of financing including other debt or equity financing to enhance the capital structure and reduce the overall financing expenses.

The Directors have assessed the Group's cash flow projection covering a period of not less than twelve months from 31 December 2020. They are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of the consolidated balance sheet. Accordingly, the Directors are satisfied that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

### 2 重大會計政策概要 (續)

#### 2.1 編製基準 (續)

##### 2.1.1 持續經營基準 (續)

- (v) 本集團與本集團的其他銀行持續保持溝通，並認為鑒於本集團與相關銀行的長期關係以及事實上該等融資中大多數乃由本集團的物業及其他資產用作抵押，本集團相信現有其他銀行融資將在其現有限期到期時予以成功續期。
- (vi) 本集團繼續通過部署足夠的營運資金、在歐洲和北美洲實施措施以從營運中產生現金流來提高亞洲新回收設施的生產能力，以及進一步控制資本和營運開支以加強其營運資金並減輕COVID-19疫情的潛在負面影響。
- (vii) 本集團正在積極尋求其他融資來源，包括其他債務或股權融資，以改善資本結構並減少整體融資費用。

董事已評估本集團自二零二零年十二月三十一日起不少於十二個月期間之現金流量預測。彼等認為，自綜合資產負債表日起未來十二個月內，本集團將有足夠的營運資金來為其營運提供資金及履行其財務責任。因此，董事信納按持續經營基準編製本集團之綜合財務報表乃屬適當。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.1 Basis of preparation (continued)

#### 2.1.1 Going concern basis (continued)

Notwithstanding the above, material uncertainty exists as to whether the Group can achieve the plans and measures described in (iii) to (vii) above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to successfully secure a new long-term borrowing in Europe or Asia, dispose of certain idle and non-performing land and buildings in specific regions, renew the existing other banking facilities when their current terms expire, successfully ramp up the production capability of the new recycling facilities in Asia and to generate cash inflow from the Group's operations, and secure various sources of financing as and when required.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

## 2 重大會計政策概要 (續)

### 2.1 編製基準 (續)

#### 2.1.1 持續經營基準 (續)

儘管如此，本集團能否實現上述(iii)至(vii)中所述的計劃及措施仍存在重大不確定性。本集團能否持續經營將取決於本集團能否成功在歐洲或亞洲獲得新的長期借款、出售特定地區的若干閒置和不良土地及樓宇、於當前期限到期後續新現有其他銀行融資、成功提升本集團亞洲新再生設施的生產能力並從本集團的營運中產生現金流入以及在需要時獲得各種融資來源的能力。

倘若本集團無法持續經營，則須進行調整以將本集團資產的賬面值撇減至其可收回金額，以計提可能出現的任何其他負債，並分別重新分類非流動資產及非流動負債為流動資產及流動負債。該等調整的影響尚未反映在綜合財務報表中。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### 2.1.2 Changes in accounting policy and disclosures

- (a) *Amended standards and conceptual framework adopted by the Group*

The following amended standards and conceptual framework have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2020:

Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting
二零一八年財務報告的概念框架	經修訂財務報告的概念框架
HKAS 1 and HKAS 8 (Amendments)	Definition of Material
香港會計準則第1號及香港會計準則第8號 (修訂本)	重大性的定義
HKAS 39, HKFRS 7 and HKFRS 9 (Amendments)	Hedge Accounting
香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號 (修訂本)	對沖會計
HKFRS 3 (Amendments)	Definition of a Business
香港財務報告準則第3號 (修訂本)	業務的定義

The amended standards and conceptual framework listed above did not have any significant impact on the amounts recognised in prior years and are not expected to significantly affect the current or future years.

### 2 重大會計政策概要 (續)

#### 2.1 編製基準 (續)

##### 2.1.2 會計政策變動及披露

- (a) *本集團採納的經修訂準則及概念框架*

本集團已於二零二零年一月一日或之後開始的財政年度首次採納下列經修訂準則及概念框架：

上文所列之經修訂準則及概念框架並無對過往年度所確認之金額造成任何重大影響，且預期不會對當前或未來年度造成重大影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### 2.1.2 Changes in accounting policy and disclosures (continued)

- (b) *The following new and amended standards and annual improvements have been issued but are not effective for the financial year beginning on 1 January 2020 and have not been early adopted by the Group*

The following new and amended standards and annual improvements are not effective for financial year beginning on 1 January 2020, and have not been applied in preparing these consolidated financial statements:

### 2 重大會計政策概要 (續)

#### 2.1 編製基準 (續)

##### 2.1.2 會計政策變動及披露 (續)

- (b) *以下新訂及經修訂準則以及年度改進已予頒佈但於自二零二零年一月一日開始的財政年度尚未生效，且本集團尚未提早採納*

以下新訂及經修訂準則以及年度改進於二零二零年一月一日開始的財政年度未生效，且未應用於編製該等綜合財務報表：

**Effective for accounting periods beginning on or after**  
於以下日期或之後開始的會計期間生效

HKFRS 16 (Amendments) 香港財務報告準則第16號修訂本	Leases 租賃	1 June 2020 二零二零年六月一日
HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 (Amendments) 香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號 (修訂本)	Interest Rate Benchmark Reform – Phase 2 利率基準改革 – 第二階段	1 January 2021 二零二一年一月一日
Accounting Guideline 5 (Revised) 會計指引第5號 (經修訂)	Merger Accounting for Common Control Combinations 共同控制合併的合併會計法	1 January 2022 二零二二年一月一日
Annual Improvements to HKFRSs 2018-2020 Cycle 香港財務報告準則二零一八年至二零二零年週期的年度改進	Annual Improvements to HKFRSs 2018-2020 Cycle 香港財務報告準則二零一八年至二零二零年週期的年度改進	1 January 2022 二零二二年一月一日
HKAS 16 (Amendments) 香港會計準則第16號 (修訂本)	Property, Plant and Equipment 物業、廠房及設備	1 January 2022 二零二二年一月一日

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.1 Basis of preparation (continued)

##### 2.1.2 Changes in accounting policy and disclosures (continued)

(b) *The following new and amended standards and annual improvements have been issued but are not effective for the financial year beginning on 1 January 2020 and have not been early adopted by the Group (continued)*

		Effective for accounting periods beginning on or after 於以下日期或之後開始的會計期間生效
HKAS 37 (Amendments) 香港會計準則第37號 (修訂本)	Provisions, Contingent Liabilities and Contingent Assets 撥備、或然負債及或然資產	1 January 2022 二零二二年一月一日
HKFRS 3 (Amendments) 香港財務報告準則第3號 (修訂本)	Business Combinations 業務合併	1 January 2022 二零二二年一月一日
HKAS 1 (Amendments) 香港會計準則第1號 (修訂本)	Presentation of Financial Statements 財務報表的呈列	1 January 2023 二零二三年一月一日
HK Interpretation 5 (2020) 香港詮釋第5號 (二零二零年)	Presentation of Financial Statements – Classification by the Borrowers if a Term Loan that contains a Repayment on Demand Clause 財務報表的呈列—借款人對包含按要求償還條款的定期貸款的分類	1 January 2023 二零二三年一月一日
HKFRS 17 香港財務報告準則第17號	Insurance Contracts 保險合約	1 January 2023 二零二三年一月一日
HKFRS 10 and HKAS 28 (Amendments) 香港財務報告準則第10號及 香港會計準則第28號 (修訂本)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營企業之間的 資產出售或注資	A date to be determined by the IASB 國際會計準則委員會將予釐定之日期

The above new and amended standards and annual improvements are not expected to have a material impact on the consolidated financial statements of the Group.

### 2 重大會計政策概要 (續)

#### 2.1 編製基準 (續)

##### 2.1.2 會計政策變動及披露 (續)

(b) 以下新訂及經修訂準則以及年度改進已予頒佈但於自二零二零年一月一日開始的財政年度尚未生效，且本集團尚未提早採納 (續)

Effective for accounting periods beginning on or after 於以下日期或之後開始的會計期間生效

預期上述新訂及經修訂準則以及年度改進不會對本集團的綜合財務報表產生重大影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting

##### 2.2.1 Subsidiaries

Subsidiaries are 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 consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (Note 2.3).

Inter-company 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 have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated balance sheet respectively.

### 2 重大會計政策概要 (續)

#### 2.2 綜合原則及權益會計法

##### 2.2.1 子公司

子公司指本集團對其具有控制權之實體(包括結構性實體)。當本集團因參與實體而承擔可變回報之風險或享有可變回報之權益，並有能力透過其對該實體之權力影響此等回報時，本集團即控制該實體。子公司乃於控制權轉移至本集團當日起綜合入賬，並於控制權終止當日起不再綜合入賬。

本集團使用收購會計法為業務合併入賬(附註2.3)。

集團內公司間的交易、結餘及未變現交易收益均予以抵銷。未變現虧損亦會抵銷，除非交易有證據顯示已轉讓資產出現減值。子公司之會計政策已作出必要更改，以確保與本集團採納之政策一致。

子公司業績及股本中之非控股權益分別於綜合損益表、綜合全面收益表、綜合權益變動表及綜合資產負債表內單獨呈列。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.2 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.

##### 2.2.3 Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (Note 2.2.5), after initially being recognised at cost.

##### 2.2.4 Joint arrangements

The Group's joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method. Interests in joint ventures are accounted for using the equity method (Note 2.2.5), after initially being recognised at cost in the consolidated balance sheet.

### 2 重大會計政策概要 (續)

#### 2.2 綜合原則及權益會計法 (續)

##### 2.2.2 單獨財務報表

子公司之投資乃以成本扣除減值列賬。成本包括投資之直接應佔成本。子公司業績乃由本公司按已收及應收股息入賬。

當收到投資子公司的股息時，而股息超過子公司在股息宣派期間的全面收益總額，或在單獨財務報表的投資賬面值超過在綜合財務報表內被投資方淨資產（包括商譽）的賬面值，則必須對有關投資進行減值測試。

##### 2.2.3 聯營公司

聯營公司指本集團對其有重大影響力而無控制權或共同控制權之所有實體。一般情況下，本集團持有20%至50%投票權。於聯營公司之投資於初步按成本確認後，使用權益會計法列賬（附註2.2.5）。

##### 2.2.4 合營安排

本集團的合營安排分類為合營業務或合營企業。分類乃視乎各投資方之合約權利及責任，而非合營安排之法律架構。

本集團已評估其合營安排之性質，並釐定該等合營安排為合營企業。合營企業使用權益法入賬。於合營企業之權益於初步按成本在綜合資產負債表內確認後，使用權益法入賬（附註2.2.5）。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.5 Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.11.

### 2 重大會計政策概要 (續)

#### 2.2 綜合原則及權益會計法 (續)

##### 2.2.5 權益法

根據權益會計法，投資初步按成本確認，隨後作出調整以在損益中確認本集團應佔被投資方之收購後溢利或虧損以及在其他全面收益中確認本集團應佔被投資方之其他全面收益變動。已收或應收聯營公司及合營企業之股息確認為投資賬面值扣減。

倘本集團應佔以股權入賬之投資之虧損等於或超過其於該實體之權益(包括任何其他無抵押長期應收款項)，本集團不會確認額外虧損，除非本集團產生負債或代表其他實體付款，則作別論。

本集團與其聯營公司及合營企業交易之未變現收益會對銷，以本集團於該等實體之權益為限。除非有證據顯示交易中所轉讓資產出現減值，否則未變現虧損亦會對銷。以股權入賬之被投資方會計政策已作出必要更改，確保與本集團所採納之政策一致。

以股權入賬之投資之賬面值乃根據附註2.11所述之政策進行減值測試。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.2 Principles of consolidation and equity accounting (continued)

##### 2.2.6 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to shareholders of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes 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. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

### 2 重大會計政策概要 (續)

#### 2.2 綜合原則及權益會計法 (續)

##### 2.2.6 所有權權益變動

本集團將與非控股權益之交易(其不會導致喪失控制權)視為與本集團權益擁有人之交易。所有權權益變動導致控股權益與非控股權益賬面值之間作出調整,以反映彼等於子公司之相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司股東應佔權益中的獨立儲備內確認。

倘本集團因喪失控制權、共同控制權或重大影響力而不再將一項投資綜合入賬或以股權入賬,則於該實體之任何保留權益重新計量為其公平值,而賬面值變動於損益內確認。就隨後入賬列作聯營公司、合營企業或金融資產之保留權益而言,該公平值為初步賬面值。此外,先前於其他全面收益內確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。其可能代表先前於其他全面收益內確認之金額重新分類為溢利或虧損。

倘於合營企業或聯營公司之所有權權益減少,惟保留共同控制權或重大影響力,則先前於其他全面收益內確認之金額僅有一定比例份額重新分類為溢利或虧損(如適用)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

### 2 重大會計政策概要 (續)

#### 2.3 業務合併

本集團採用收購法將業務合併入賬。收購一間子公司的轉讓代價為所轉讓資產、對被收購方前擁有人所產生之負債及本集團所發行之股權之公平值。所轉讓代價包括或然代價安排產生之任何資產或負債之公平值。於業務合併中所收購之可識別資產及所承擔之負債及或然負債，初始按其於收購日期之公平值計量。

本集團按個別收購基準確認於被收購方之任何非控股權益。屬現時所有權權益且於清盤時賦予其持有人按比例分佔實體資產淨值之被收購方非控股權益，按公平值或現時所有權權益應佔被收購方可識別資產淨值之已確認金額比例而計量。除非香港財務報告準則要求以其他基準計量，否則非控股權益之所有其他組成部分均按其於收購日期之公平值計量。

與收購相關之成本於產生時支銷。

本集團將予轉讓之任何或然代價於收購日期按公平值確認。或然代價分類為股權或金融負債。分類為金融負債之金額隨後重新計量為公平值，而賬面值變動於損益內確認。分類為股權之或然代價並無重新計量，而其後結算於權益中入賬。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.3 Business combinations (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of profit or loss.

Where businesses are acquired and fair values of the net assets of the acquired business are finalised within 12 months of the acquisition date, all fair value adjustments are recorded with effect from the date of acquisition and consequently may result in the restatement of previously reported financial results.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

#### 2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

### 2 重大會計政策概要 (續)

#### 2.3 業務合併 (續)

所轉讓代價、於被收購方之任何非控股權益金額及被收購方之任何先前股權於收購日期之公平值超逾所收購可識別資產淨值公平值之差額確認為商譽。倘轉讓之代價總額、所確認之非控股權益及先前持有之權益計量為低於在議價購買中所收購子公司資產淨值之公平值，則該差額直接於綜合損益表內確認。

倘收購業務，而所收購業務資產淨值之公平值於收購日期12個月內落實，則自收購日期起將所有公平值調整入賬，或會因此導致重列過往匯報之財務業績。

倘業務合併分階段進行，則收購方先前於被收購方持有之股權於收購日期之賬面值於收購日期重新計量為公平值。該重新計量產生之任何收益或虧損於損益內確認。

#### 2.4 分部呈報

經營分部報告之方式與提供予主要經營決策者（「主要經營決策者」）之內部報告貫徹一致。已確定作出策略決定之執行委員會為主要經營決策者，負責對經營分部進行資源分配和業績評估。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.5 Foreign currency translation

##### (a) 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 HK\$, which is the Company's functional and the Group's presentation currency.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing 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 exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses are presented in the consolidated statement of profit or loss within 'other (losses)/gains, net'.

### 2 重大會計政策概要 (續)

#### 2.5 外幣換算

##### (a) 功能和呈報貨幣

本集團旗下每個實體之財務報表均以該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表乃以港元呈列，而港元為本公司之功能貨幣及本集團之呈報貨幣。

##### (b) 交易及結餘

倘項目進行重新計量時，外幣交易按交易或估值當日之匯率換算為功能貨幣。該等交易結算的匯兌損益，以及外幣資產和負債按年結日匯率換算產生的匯兌損益，均於綜合損益表內確認，惟於其他全面收益作為合資格現金流對沖及合資格淨投資對沖遞延者除外。

匯兌收益及虧損於綜合損益表內「其他（虧損）／收益淨額」下呈列。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.5 Foreign currency translation (continued)

##### (c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

### 2 重大會計政策概要 (續)

#### 2.5 外幣換算 (續)

##### (c) 集團公司

本集團旗下所有實體如持有與呈報貨幣不一致的功能貨幣(其中並無任何公司持有通脹嚴重的經濟體系的貨幣)，其業績和財務狀況均按以下方法兌換為呈報貨幣：

- (i) 每項資產負債表的資產及負債均按照該資產負債表結算日的收市匯率折算為呈報貨幣；
- (ii) 各項損益表的收入和支出均按照平均匯率折算為呈報貨幣(但若此平均匯率未能合理地反映各交易日之匯率所帶來的累計影響，則按照交易日之匯率折算此等收入和支出)；及
- (iii) 所有由此產生的匯兌差異均於其他全面收益確認。

於綜合賬目時，換算境外實體任何投資淨額以及指定為該等投資之對沖項目之借貸及其他金融工具產生之匯兌差額於其他全面收益內確認。於出售境外業務或償還組成投資淨額一部分之任何借貸時，相關匯兌差額重新分類至損益，作為出售損益之一部分。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.5 Foreign currency translation (continued)

##### (c) Group companies (continued)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

#### 2.6 Property, plant and equipment

Land and buildings comprise mainly factories and offices. Property, plant and equipment is stated at historical cost less depreciation. 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 the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost over their estimated useful lives as follows:

Land and Buildings
土地及樓宇
Plant and machinery
廠房及機器
Office furniture and equipment
辦公室傢俱及設備

12 – 50 years
12至50年
5 – 20 years
5至20年
3 – 13 years
3至13年

### 2 重大會計政策概要 (續)

#### 2.5 外幣換算 (續)

##### (c) 集團公司 (續)

收購海外實體產生的商譽及公平值調整被視為該海外實體的資產及負債，並按收市匯率換算。所產生的匯兌差額會在其他全面收入中確認。

#### 2.6 物業、廠房及設備

土地及樓宇主要包括廠房及辦公室。物業、廠房及設備按歷史成本減折舊列賬。歷史成本包括收購項目直接應佔的開支。

後續成本僅會在與項目有關之未來經濟利益很可能會流向本集團，而本集團又能可靠地計量該項目成本之情況下，方會適當地計入資產賬面值或確認為一項獨立資產。已重置部分之賬面值則終止確認。所有其他維修保養費用在產生之財務期間內於綜合損益表中支銷。

折舊乃採用直線法計算，以在其估計可使用年期內分配成本。具體如下：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.6 Property, plant and equipment (continued)

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 2.11).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other (losses)/gains, net' in the consolidated statement of profit or loss.

#### 2.7 Construction in progress

Construction in progress represents buildings, plant and machinery under construction and pending installation and is stated at cost. Cost includes the costs of construction of buildings and the costs of plant and machinery. No provision for depreciation is made on construction-in-progress until such time as the relevant assets are completed and ready for intended use. When the assets concerned are brought into use, the costs are transferred to other property, plant and equipment and depreciated in accordance with the policy as stated in Note 2.6.

#### 2.8 Investment properties

Investment properties, principally comprising land and buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

### 2 重大會計政策概要 (續)

#### 2.6 物業、廠房及設備 (續)

資產餘值及可使用年期於各報告期末檢討，並在適當情況下作出調整。

倘一項資產之賬面值高於其估計可收回金額，則該項資產之賬面值會即時調減至其可收回金額(附註2.11)。

出售之損益乃透過比較所得款項與賬面值而釐定，並於綜合損益表內「其他(虧損)/收益淨額」中確認。

#### 2.7 在建工程

在建工程指在建及有待進行安裝的樓宇、廠房及機器，按成本列賬。成本包括樓宇建築成本及廠房和機器的成本。在建工程在相關資產完工及準備就緒可供作擬定用途之時方才提計折舊撥備。倘有關資產投入使用时，成本會轉至其他物業、廠房及設備，並根據附註2.6所述的政策折舊。

#### 2.8 投資物業

投資物業(主要包括土地和樓宇)乃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列賬，包括相關的交易成本及(如適用)借款成本。在初始確認後，投資物業按成本減其後累計折舊及任何累計減值虧損列賬。折舊予以確認，以於估計可使用年期使用直線法撇銷投資物業的成本，當中會計及其估計剩餘價值。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.8 Investment properties (continued)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

#### 2.9 Assets held for sale

Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current non-financial assets classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment, intangible assets and right-of-use assets classified as held for sale are not depreciated or amortised.

### 2 重大會計政策概要 (續)

#### 2.8 投資物業 (續)

投資物業於出售或投資物業永久退出使用及預計其出售將不會產生未來經濟利益時取消確認。取消確認物業產生之任何收益或虧損(計算作出售所得款項淨額與資產賬面值之間的差額)於取消確認物業期間計入損益。

#### 2.9 持作出售資產

倘非流動資產的賬面值將主要通過出售交易而非通過持續使用來收回，則分類為持作出售資產。於此種情況下，資產須能夠在現況下可供立即出售(僅須遵守出售此類資產或出售組別的通常和習慣條款)且其出售的可能性極大。分類為出售組別的子公司的所有資產及負債均重新分類為持作出售，無論本集團是否於出售後保留其前子公司的非控制性權益。

分類為持作出售的非流動非金融資產，按其賬面值與公平值減去出售成本中的較低者計量。分類為持作出售的物業、廠房及設備、無形資產及使用權資產無需進行折舊或攤銷。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.10 Intangible assets

##### (a) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

##### (b) Computer software

Computer software acquired is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 years.

### 2 重大會計政策概要 (續)

#### 2.10 無形資產

##### (a) 商譽

收購子公司所產生的商譽指所轉讓的代價、被收購方任何非控制性權益金額及被收購方任何之前權益於收購日期的公平值，超過所收購可識別淨資產公平值的數額。

為進行減值測試，於業務合併時收購之商譽分配至預期自合併協同效益受惠之各項或各組現金產生單位（「現金產生單位」）。各項或各組獲分配商譽之單位指就內部管理而言實體內監察商譽之最低層面。商譽於營運分部層面監察。

商譽每年檢討減值，或倘出現任何事宜或事態變動，顯示可能出現減值，則更頻密檢討減值。含有商譽的現金產生單位的賬面值會與可收回金額作比較，以可收回金額的使用價值與公平值減出售成本之較高者為準。任何減值即時確認為開支，且其後不會撥回。

##### (b) 電腦軟件

購入電腦軟件按獲得及使用有關軟件所產生之成本為基準予以資本化。該等成本乃按估計可使用年期為5年攤銷。

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **2.10 Intangible assets**

#### **(c) Brand names, patents and licenses**

Separately acquired brand names, patents and licences are shown at historical cost. Brand names, patents and licences acquired in a business combination are recognised at fair value at the acquisition date. Certain brand names, patents and licences which have a finite useful life are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of certain brand names, patents and licenses over their estimated useful lives of 8 to 20 years. Certain brand names have indefinite useful life and carried at cost less accumulated impairment losses. Impairment assessment is undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

#### **(d) Customers' relationship and suppliers' relationship**

Customers' relationship and suppliers' relationship acquired in a business combination are recognised at fair value at the acquisition date. The customers' relationship and suppliers' relationship which have a finite useful life are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method over the expected life of the customers' relationship and suppliers' relationship of 5 to 20 years.

#### **(e) Non-competition agreement**

Non-competition agreement is recognised at fair value at the agreement date. Non-competition agreement has a finite useful life and are carried at cost less accumulated amortisation and impairment loss. Amortisation is calculated using the straight-line method over the agreement term of 2 years.

## **2 重大會計政策概要 (續)**

### **2.10 無形資產 (續)**

#### **(c) 品牌名稱、專利及牌照**

獨立收購的品牌名稱、專利及牌照按歷史成本列示。於業務合併中收購的品牌名稱、專利及牌照按收購日期的公平值確認。擁有有限可使用年期的若干品牌名稱、專利及牌照按成本減累計攤銷及減值虧損列賬。攤銷採用直線法計算，以於8至20年的估計可使用年期內分配若干品牌名稱、專利及牌照的成本。若干品牌名稱具無限可使用年期，且按成本減累計減值虧損列賬。減值評估須每年進行，倘有事件或改變顯示可能發生減值時，則會更頻密地進行減值評估。

#### **(d) 客戶關係及供應商關係**

於業務合併中收購的客戶關係及供應商關係按收購日期的公平值確認。擁有有限可使用年期的客戶關係及供應商關係按成本減累計攤銷及減值虧損列賬。攤銷採用直線法於客戶關係及供應商關係的預期年期5至20年計算。

#### **(e) 競業限制合同**

競業限制合同按協議合同日期的公平值確認。擁有有限可使用年期的競業限制合同按成本減累計攤銷及減值虧損列賬。攤銷採用直線法於協議合同的年期2年計算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.11 Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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 flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

#### 2.12 Investments and other financial assets

##### 2.12.1 Classification

The Group classifies its financial assets in the following measurement 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.

### 2 重大會計政策概要 (續)

#### 2.11 非金融資產減值

無明確可使用年期之無形資產或未達致可使用狀態之無形資產毋須攤銷，但須每年進行減值測試，或倘有事件或事態變化表明其可能出現減值，則更頻繁地進行減值測試。每當有事件或事態變化顯示不可收回賬面金額時，則對其他資產進行減值測試。減值虧損按資產賬面金額超出其可收回金額之金額確認。可收回金額為資產之公平值減出售成本與使用價值之較高者。於評估減值時，資產按可單獨識別之現金流量之最低水平（現金產生單位）歸類。出現減值之非金融資產（商譽除外）於各報告日期就減值是否有機會撥回進行檢討。

#### 2.12 投資及其他金融資產

##### 2.12.1 分類

本集團將其金融資產分類為下列計量類別：

- 其後將按公平值（或透過其他全面收益或透過損益）計量的金融資產；及
- 將按攤銷成本計量的金融資產。

分類視乎本集團用以管理金融資產的業務模式及現金流量的合約條款而定。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.12 Investments and other financial assets (continued)

##### 2.12.1 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.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

##### 2.12.2 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.

##### 2.12.3 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, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss ("FVPL") are expensed in profit or loss.

### 2 重大會計政策概要 (續)

#### 2.12 投資及其他金融資產 (續)

##### 2.12.1 分類 (續)

對於按公平值計量的資產，收益或虧損將記入損益或其他全面收益。至於非持作買賣的股權工具的投資，將視乎本集團是否已於初步確認時作出不可撤回的選擇，按公平值計入其他全面收益將股本投資入賬。

本集團僅會在改變其用以管理該等資產的業務模式時才會將債務投資重新分類。

##### 2.12.2 確認及解除確認

常規買賣金融資產於交易日(即本集團承諾買賣該資產之日期)獲確認。金融資產於自金融資產收取現金流量之權利屆滿或已獲轉移且本集團已轉移擁有權之大部分風險與回報時終止確認。

##### 2.12.3 計量

於初步確認時，本集團按其公平值(倘金融資產並非按公平值計入損益，則另加收購金融資產直接應佔的交易成本)計量金融資產。以按公平值計入損益(「按公平值計入損益」)列賬的金融資產的交易成本於損益內支銷。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.12 Investments and other financial assets (continued)

##### 2.12.3 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.

###### *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 (losses)/gains, net' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.

###### *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in 'other (losses)/gains, net' in the consolidated statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income ("FVOCI") are not reported separately from other changes in fair value.

### 2 重大會計政策概要 (續)

#### 2.12 投資及其他金融資產 (續)

##### 2.12.3 計量 (續)

###### *債務工具*

債務工具的后續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。

###### *攤銷成本*

倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。該等金融資產的利息收入採用實際利率法計入財務收入。終止確認產生的任何收益或虧損直接於損益內確認，並連同匯兌收益及虧損於「其他(虧損)/收益淨額」呈列。減值虧損於綜合損益表內作為單獨項目呈列。

###### *權益工具*

本集團其後按公平值計量所有股本投資。倘本集團管理層已選擇於其他全面收益呈列股本投資的公平值收益及虧損，則於終止確認有關投資後，公平值收益及虧損其後不再重新分類至損益。當本集團收取付款的權利確立時，有關投資的股息繼續於損益內確認為其他收入。

按公平值計入損益的金融資產之公平值變動於綜合損益表確認為「其他(虧損)/收益淨額」(如適用)。按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量之權益投資的減值虧損(及減值虧損回撥)不會與公平值的其他變動分開呈列。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.12 Investments and other financial assets (continued)

##### 2.12.4 Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and bills receivables, the Group applies the simplified approach in accordance with HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables (Note 23(b)).

#### 2.13 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is 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 company or the counterparty.

#### 2.14 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair values. Changes in the fair value of these derivative instruments are recognised immediately in the consolidated statement of profit or loss within 'other (losses)/gains, net'. The Group does not have any derivative that is designated as a hedging instrument.

### 2 重大會計政策概要 (續)

#### 2.12 投資及其他金融資產 (續)

##### 2.12.4 減值

本集團按前瞻性基準評估與其按攤銷成本列賬的債務工具相關的預期信貸虧損。所應用的減值方法取決於信貸風險是否顯著增加。

就貿易及票據應收款項而言，本集團依據香港財務報告準則第9號採用簡化方法，該方法規定預期使用年期虧損將自初步確認應收款項起確認（附註23(b)）。

#### 2.13 抵銷金融工具

金融資產及負債會作抵銷，而於有法律上可強制執行權利抵銷已確認金額及有意以淨額基準清償或同時變現資產及清償負債時，在資產負債表列報淨額。法律上可強制執行權利不得為或然日後事件及必須為正常業務中及於公司或對手方拖欠款項、無力償債時或破產時方可強制執行。

#### 2.14 衍生金融工具

衍生工具於衍生工具合約訂立當日按公平值初始確認，其後按公平值重新計量。此等衍生金融工具之公平值如有變動，將即時於綜合損益表內「其他（虧損）／收益淨額」確認。本集團並無任何指定為對沖工具之衍生工具。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.15 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods comprises, raw materials, direct labour, other direct costs and related production overheads. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### 2.16 Trade, bills and other receivables

Trade and bills receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade, bills and other receivables 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.

The Group holds trade, bills and other receivables with the objective to collect the contractual cash flows. Accordingly, trade, bills and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance (Note 2.12.3).

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

Impairment losses on trade, bills and other receivables are presented as net impairment losses in the consolidated statement of profit or loss. Subsequent recoveries of amounts previously written off are credited against the same line item.

### 2 重大會計政策概要 (續)

#### 2.15 存貨

存貨按成本與可變現淨值兩者中之較低者列賬。成本值以加權平均法計算。成品之成本包括原材料、直接勞工及其他直接成本及相關生產日常開支，不包括借貸成本。可變現淨值是以日常業務之估計售價減去適用之變動銷售開支後所得之數額。

#### 2.16 貿易、票據及其他應收款項

貿易及票據應收款項為在日常業務過程中就商品銷售或提供服務而應收客戶的款項。倘貿易、票據及其他應收款項的收回預期在一年或以內（或倘較長，則為業務正常經營週期內），其被分類為流動資產，否則分類為非流動資產。

本集團持有貿易、票據及其他應收款項，旨在收取合約現金流量。因此，貿易、票據及其他應收款項以公平值初始確認，其後利用實際利率法按攤銷成本扣除虧損撥備計量（附註2.12.3）。

當不存在可收回的合理預期時，貿易、票據及其他應收款項會予以撇銷。

貿易、票據及其他應收款項的減值虧損於綜合損益表呈列為減值虧損淨額。其後收回先前已撇銷的款項則計入同一項目。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.17 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts.

#### 2.18 Share capital

Ordinary shares are classified as equity.

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.

#### 2.19 Trade and bills payables

Trade and bills payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade and bills payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### 2.20 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

### 2 重大會計政策概要 (續)

#### 2.17 現金及現金等值項目

於綜合現金流量表內，現金及現金等值項目包括手頭現金、銀行活期存款及銀行透支。

#### 2.18 股本

普通股分類為權益。

直接歸屬於發行新股或購股權的新增成本在權益中列為所得款項的減少(扣除稅項)。

#### 2.19 貿易及票據應付款項

貿易及票據應付款項為在日常業務過程中購買商品或服務而應支付供應商的責任。

貿易及票據應付款項以公平值為初始確認，其後利用實際利率法按攤銷成本計量。

#### 2.20 借款

借款按公平值並扣除產生的交易費用為初始確認。借款其後按攤銷成本列賬，所得款項(扣除交易成本)與贖回價值的任何差額利用實際利率法於借款期間內在綜合損益表確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.20 Borrowings (continued)

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 pre-payment for liquidity services and amortised over the period of the facility to which it relates.

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 end of the reporting period.

#### 2.21 Borrowing costs

Borrowing costs include interest expense, finance charges in respect of borrowings and lease liabilities, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The exchange gains and losses that are an adjustment to interest costs include the interest rate differential between borrowing costs that would be incurred if the entity had borrowed funds in its functional currency, and the borrowing costs actually incurred on foreign currency borrowings. Such amounts are estimated based on interest rates on similar borrowings in the entity's functional currency.

#### 2.22 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of 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.

### 2 重大會計政策概要 (續)

#### 2.20 借款 (續)

倘部分或全部融資將會很有可能提取，則設立貸款融資時支付的費用確認為交易成本。在此情況下，該費用將遞延直至提取為止。倘無證據證明部分或全部融資將會很有可能被提取，則該項費用資本化作為流動資金服務的預付款，並按有關融資期間攤銷。

除非本集團有無條件權利於報告期末後將負債的結算遞延最少12個月，否則借貸分類為流動負債。

#### 2.21 借款成本

借款成本包括利息開支、借款及租賃負債之財務成本及外幣借款產生之匯兌差異，以其被視為利息成本之調整為限。屬於利息成本之調整之匯兌收益及虧損包括在實體以其功能貨幣借入資金的情況下產生的借款成本與外幣借款實際產生的借款成本之間的利率差異。有關金額根據以實體功能貨幣作出的類似借款的利率估計。

#### 2.22 即期及遞延所得稅

本期間稅項開支包括即期和遞延稅項。稅項在綜合損益表中確認，但與其他全面收益中或直接在權益中確認的項目有關者則除外。在該情況下，稅項亦分別在其他全面收益或直接在權益中確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.22 Current and deferred income tax (continued)

##### (a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries, associates and joint ventures 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.

##### (b) 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.

### 2 重大會計政策概要 (續)

#### 2.22 即期及遞延所得稅 (續)

##### (a) 即期所得稅

即期所得稅支出根據本公司的子公司、聯營公司及合營企業經營及產生應課稅收入的國家於資產負債表日期已頒佈或實質上已頒佈的稅務法例計算。管理層就適用稅務法例解釋所規限的情況定期評估報稅表的狀況，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。

##### (b) 遞延所得稅

遞延所得稅利用負債法，根據資產和負債的稅基與資產和負債在綜合財務報表的賬面值差額而產生的暫時差額足額撥備。然而，若遞延稅項負債產生自初步確認商譽，則不會確認遞延稅項負債。若遞延所得稅來自在交易（不包括業務合併）中對資產或負債的初始確認，而在交易時不影響會計損益或應課稅損益，亦不作記賬。遞延所得稅採用在報告期末前已頒佈或實質上已頒佈，並在有關的遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用的稅率（及法例）而釐定。

遞延稅項資產僅在未來應課稅金額將可用於動用該等暫時差額及虧損時予以確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.22 Current and deferred income tax (continued)

##### (b) Deferred income tax (continued)

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.

##### *Investment allowances and similar tax incentives*

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

### 2 重大會計政策概要 (續)

#### 2.22 即期及遞延所得稅 (續)

##### (b) 遞延所得稅 (續)

倘本公司能控制撥回暫時差額的時間及該等差額可能不會於可見將來撥備，則不會就海外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。

當有可依法強制執行的權利將即期稅項資產與負債抵銷，而遞延稅項結餘與同一稅務機構相關時，則可將遞延稅項資產與負債抵銷。當實體有可依法強制執行抵銷權利且有意按淨額基準結算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。

*投資補貼及類似稅收優惠*  
本集團內公司或有權要求就合資格資產投資或合資格支出獲得特殊稅收減免。本集團將該等補貼作為稅收抵免入賬，意味著該津貼可削減應付所得稅及即期稅項支出。遞延稅項資產就未認領並結轉為遞延稅項資產的稅項抵免進行確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.23 Employee benefits

#### 2.23.1 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 consolidated balance sheet.

#### 2.23.2 Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

## 2 重大會計政策概要 (續)

### 2.23 僱員福利

#### 2.23.1 短期責任

僱員直至報告期末之服務獲確認工資及薪金負債(包括預期在僱員提供相關服務期間結束後12個月內悉數結算的非貨幣福利及累計病假)並按結算有關負債之預期金額計量。負債於綜合資產負債表內呈列為即期僱員福利責任。

#### 2.23.2 其他長期僱員福利責任

預期將不會於僱員提供相關服務的期末後12個月內結清的長期服務假期及年假的負債，乃按預期將就直至報告期間結算日僱員所提供服務支付的未來款項現值使用預計單位貸計法計量。當中考慮預期未來工資和薪金水平、員工離職記錄和服務期間。預期未來付款將於報告期間結算日採用到期日及流通率盡可能與估計日後現金流出一致的優質公司債券收益率貼現。因經驗調整及精算假設變動導致的重新計量於損益確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.23 Employee benefits (continued)

##### 2.23.3 Post-employment obligations

The Group operates various post-employment schemes, including defined benefit plans and defined contribution pension plans.

(a) *Pension obligations*

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

### 2 重大會計政策概要 (續)

#### 2.23 僱員福利 (續)

##### 2.23.3 僱員結束服務後之責任

本集團營運多項僱員結束服務後之計劃，包括界定福利計劃及界定供款退休金計劃。

(a) *退休金責任*

界定供款計劃乃本集團向一家獨立實體支付固定界定退休金供款的退休金計劃。若該基金並無持有足夠資產向所有員工就其在當期及以往期間的服務支付福利，本集團無法定亦無推定責任支付進一步供款。界定福利計劃乃一項並非界定供款計劃的退休金計劃。

界定福利計劃一般會釐定僱員在退休時可收取的退休福利金額，通常視乎年齡、服務年資和薪酬補償等一個或多個因素而定。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.23 Employee benefits (continued)

##### 2.23.3 Post-employment obligations (continued)

(a) *Pension obligations (continued)*

The liability recognised in the consolidated balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The current service cost of the defined benefit plan, recognised in the consolidated statement of profit or loss in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation results from employee service in the current year, benefit changes, curtailments and settlements.

### 2 重大會計政策概要 (續)

#### 2.23 僱員福利 (續)

##### 2.23.3 僱員結束服務後之責任 (續)

(a) *退休金責任 (續)*

於綜合資產負債表內就界定受益退休計劃確認的負債為界定受益退休責任於報告期末的現值(扣除計劃資產的公平值)。界定福利責任每年均由獨立精算師以預測單位信貸法計算。界定福利責任的現值乃以使用支付福利的貨幣計值，且到期條款與相關退休責任的條款相約的高質企業債券的利率貼現預計未來現金流出額釐訂。倘於欠缺該等企業債券深廣市場的國家，則採用政府債券的市場率。

界定福利計劃的當期服務成本於綜合損益表確認為僱員福利開支(已包括在資產成本內除外)，反映在現年度因為僱員服務而產生的界定福利債務增加、利益變動、縮減及結算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.23 Employee benefits (continued)

##### 2.23.3 Post-employment obligations (continued)

(a) *Pension obligations (continued)*

Past-service costs are recognised immediately in consolidated statement of profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit or loss.

Remeasurement arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 2 重大會計政策概要 (續)

#### 2.23 僱員福利 (續)

##### 2.23.3 僱員結束服務後之責任 (續)

(a) *退休金責任 (續)*

過往服務成本即時於綜合損益表確認。因修訂或減省計劃而產生的界定福利責任的現值變動即時於損益確認為過往服務成本。

淨利息成本採用界定福利責任的淨結餘之貼現率及計劃資產的公平值計算。此項成本列入綜合損益表的僱員福利開支內。

因按經驗作出調整及精算假設改變而產生的重新計量於產生期間扣除自或計入其他全面收益。

對於界定供款計劃，本集團以強制性、合同性或自願性方式向公開或私人管理的退休保險計劃供款。本集團作出供款後，即無進一步付款義務。供款到期時，則會確認為僱員福利開支。預付供款按照現金退款或可減少未來付款而確認為資產。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.23 Employee benefits (continued)

#### 2.23.3 Post-employment obligations (continued)

(b) *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

### 2.24 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

## 2 重大會計政策概要 (續)

### 2.23 僱員福利 (續)

#### 2.23.3 僱員結束服務後之責任 (續)

(b) *終止福利*

終止福利在本集團於正常退休日期前終止僱用職工，或當職工接受自願遣散以換取此等福利時支付。本集團在以下較早日期發生時確認終止福利：(a)當本集團不再能夠撤回該等福利要約時；及(b)當主體確認的重組成本屬於香港會計準則第37號的範圍並涉及支付終止福利時。在鼓勵職工自動遣散的要約情況下，終止福利按預期接受要約的職工數目計算。在報告期末後超過12個月支付的福利應貼現為現值。

### 2.24 撥備

當本集團因已發生的事件而產生現有的法律或推定義務；很可能需要資源的流出以結算義務；及金額已被可靠估計，則確認撥備。但不會就未來經營虧損確認撥備。

撥備採用稅前利率按照預期需結算有關義務的支出現值計量，該利率反映當時市場對金錢時間值和有關義務固有風險的評估。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.25 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns (if any) and after eliminating sales within the Group.

##### (a) Sales of goods

Revenue is recognised when or as the control of the goods is transferred to the customers in accordance with relevant shipping terms, the customers have full discretion over the goods and there is no unfulfilled obligation that could affect the customers' acceptance of the goods. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to customers, and either customers have accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract. Accumulated experience is used to estimate and provide for the returns, if any, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in trade and other payables) is recognised for expected returns in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with credit terms that are consistent with market practice.

### 2 重大會計政策概要 (續)

#### 2.25 收益確認

收益包括於本集團日常業務過程中就銷售商品和服務已收或應收代價的公平值。收益於扣除增值稅、退貨(如有)及抵銷集團內部銷售後呈列。

##### (a) 銷售貨品

收益於貨品的控制權根據相關貨運條款轉移至客戶，客戶對貨品擁有完全酌情權且並無任何未履行義務會影響客戶接受貨品時予以確認。當產品被運送至特定位置，過時和損失的風險轉移至客戶，且客戶按照銷售合約已接受產品及驗收條文已失效或本集團有客觀證據顯示已滿足所有接受標準時，即發生交貨。

來自該等銷售的收益根據合約中指定的價格確認。本集團利用累積的經驗使用預期價值法估計及對退貨(如有)作出撥備，並僅在極有可能不會發生重大逆轉的情況下確認收益。退款負債(計入貿易及其他應付款項)就與報告期末前作出的銷售有關的預期退貨予以確認。由於銷售所用的信貸條款與市場慣例一致，因此認為並無任何融資因素。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.25 Revenue recognition (continued)**

**(a) Sales of goods (continued)**

A receivable is recognised when control of the goods is transferred to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

If the services rendered or products delivered by the Group exceed the payments made by the counter parties, a contract asset is recognised. If the payments exceed the services rendered or products delivered, a contract liability is recognised.

**(b) Rental income**

Rental income from investment property is recognised in the consolidated statement of profit or loss on a straight-line basis over the term of the lease.

**(c) Service income**

Service income is recognised in the consolidated statement of profit or loss when a service is transferred to the customer and the customer obtains control of that service.

**2 重大會計政策概要 (續)**

**2.25 收益確認 (續)**

**(a) 銷售貨品 (續)**

應收款項於貨品的控制權轉移至客戶時確認，原因為此時乃代價成為無條件的時間點，於付款到期前僅須隨時間推移即可收取付款。

倘本集團提供的服務或交付的產品超過對手方的付款，則確認合約資產。倘付款超過所提供的服務或交付的產品，則確認合約負債。

**(b) 租金收入**

投資物業租金收入於租期內按直線基準在綜合損益表內確認。

**(c) 服務收入**

服務收入於服務轉移至客戶及客戶取得該服務之控制權時於綜合損益表內確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.26 Interest income

Interest income from financial assets at FVPL is included in the net fair value gains/(losses) on these assets.

Interest income on financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in the consolidated statement of profit or loss as part of other income.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

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).

#### 2.27 Dividend income

Dividends are received from financial assets measured at FVPL and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in other comprehensive income if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

### 2 重大會計政策概要 (續)

#### 2.26 利息收入

按公平值計入損益之金融資產的利息收入計入該等資產的公平值收益／(虧損)淨值。

有效利息法計算的以攤銷成本入賬之金融資產之利息收入及按公平值計入其他全面收益之金融資產在綜合損益表中確認為部分其他收入。

利息收入呈列為持作現金管理用途的金融資產所賺取的融資收入。任何其他利息收入計入上文其他收入。

利息收入是用實際利率乘以金融資產賬面總額計算得出，惟後續已發生信用減值的金融資產除外。就信用減值的金融資產而言，實際利率適用於金融資產的賬面淨值(經扣除虧損撥備)。

#### 2.27 股息收入

股息自按公平值計入損益及按公平值計入其他全面收益之金融資產收取。當收款權利獲確立時股息確認為其他收益。即使其乃使用收購前溢利支付，本條仍然適用，除非股息明確表示為收回部分投資成本。在此情況下，倘股息與按公平值計入其他全面收益計量的投資有關，則股息於其他全面收益確認。然而，投資可能需相應進行減值測試。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.28 Leases

##### 2.28.1 As the lessor

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment, or series of payments, the right to use an asset for an agreed period of time.

When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset.

Lease income on operating leases is recognised over the term of the lease on a straight-line basis.

##### 2.28.2 As the lessee

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.

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 payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

### 2 重大會計政策概要 (續)

#### 2.28 租賃

##### 2.28.1 作為出租人

租賃為一份協議，據此出租人向承租人轉讓於協定期間內使用資產的權利，以換取一筆款項或一系列款項。

當資產根據經營租賃租出，該項資產按資產性質計入資產負債表。

根據經營租賃產生之租金收入以直線法於租賃期內確認。

##### 2.28.2 作為承租人

租賃確認為使用權資產，並在租賃資產可供本集團使用之日確認相應負債。

租賃產生的資產及負債初步以現值進行計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款 (包括實質固定付款) 減任何應收租賃優惠；
- 基於指數或利率的可變租賃付款；
- 剩餘價值擔保下的承租人預期應付款項；
- 採購權的行使價格 (倘承租人合理地確定行使該項選擇權)；及
- 支付終止租賃的罰款 (倘租賃條款反映承租人行使該項選擇權終止租賃)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.28 Leases (continued)

##### 2.28.2 As the lessee (continued)

Lease payment 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 determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group entity, which does not have recent third party financing; and
- makes adjustments specific to the lease, eg term, country, currency and security.

Lease payments are allocated between principal 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.

### 2 重大會計政策概要 (續)

#### 2.28 租賃 (續)

##### 2.28.2 作為承租人 (續)

根據合理確定延長選擇權將予作出之租賃付款亦包含在負債之計量內。

租賃付款採用租賃所隱含的利率予以貼現。倘無法釐定該利率，則使用承租人的增量借款利率，即承租人在類似條款及條件的類似經濟環境中借入獲得類似價值資產所需資金所必須支付的利率。

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動；
- 使用累加法，首先就本集團實體所持有租賃的信貸風險（最近並無第三方融資）調整無風險利率；及
- 進行特定於租賃的調整，例如期限、國家、貨幣及抵押。

租賃付款於本金及財務成本之間作出分配。財務成本在租賃期間於損益扣除，藉以令各期間的負債餘額的期間利率一致。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.28 Leases (continued)

##### 2.28.2 As the lessee (continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. (Notes 2.6 and 2.10)

Payments associated with short-term leases of equipment, vehicles, offices, warehouse and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

### 2 重大會計政策概要 (續)

#### 2.28 租賃 (續)

##### 2.28.2 作為承租人 (續)

使用權資產按成本計量，包括以下各項：

- 租賃負債的初步計量金額；
- 於開始日期或之前所作的任何租賃付款，減去已收的任何租賃優惠；
- 任何初始直接成本；及
- 修復成本。

使用權資產一般於資產的可使用年期及租賃期(以較短者為準)內按直線法予以折舊。倘本集團合理確定行使購買選擇權，則使用權資產於相關資產的可使用年期內予以折舊。(附註2.6及2.10)

與設備、車輛、辦公室、倉庫的相關短期租賃及所有低價值資產的租賃相關的付款以直線法於損益中確認為開支。短期租賃指租賃期為12個月或少於12個月的租賃。低價值資產包括資訊科技設備及小型辦公傢俱。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 2.29 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

#### 2.30 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 consolidated statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

The Group's major financial instruments include trade and other receivables, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, derivative financial assets, pledged bank deposits, cash and cash equivalents, trade and other payables, derivative financial liabilities and borrowings, etc. Details of the financial instruments by category are disclosed in Note 35.

The risks associated with these financial instruments include market risk (foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 2 重大會計政策概要 (續)

#### 2.29 股息分派

向本公司股東分派股息乃於股息經本公司股東或董事(如適用)批准期間在本集團綜合財務報表內確認為一項負債。

#### 2.30 政府補助金

倘能合理確定將收取的補助及本集團將遵守所有附帶的條件，則按公平值確認政府補助金。

有關成本之政府補助均會於對應擬彌償成本所需之期間遞延並在綜合損益表確認入賬。

### 3 金融風險管理

#### 3.1 金融風險因素

本集團的主要金融工具包括貿易及其他應收款項、按公平值計入損益之金融資產、按公平值計入其他全面收益之金融資產、衍生金融資產、已抵押銀行存款、現金及現金等值項目、貿易應付款項及其他應付款項、衍生金融負債及借款等。該等金融工具按類別劃分之詳情於附註35披露。

有關該等金融工具的風險包括市場風險(外匯風險、利率風險及價格風險)、信貸風險及流動資金風險。為減輕該等風險而制訂的政策載於下文。管理層管理及監控該等風險以確保及時有效地採取適當措施。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (a) Market risk

###### (i) Foreign exchange risk

The Group has foreign currency sales, purchases, trade, bills and other receivables, pledged bank deposits, cash and cash equivalents, trade, bills and other payables, derivative financial instruments, borrowings and amounts due from/(to) related parties which expose the Group to market risk arising from changes in foreign exchange rates. The Group currently does not have a specific foreign currency hedging policy. However, the management closely monitors its foreign currency risk exposure and considers any foreign currency forward contracts should the need arise.

In addition, the Group had entered into several foreign currency forward contracts with banks to reduce its exposure to currency fluctuation risk. The derivatives were not accounted for under hedge accounting. The Group was required to estimate the fair value of the foreign currency forward contracts at the end of the reporting period, which therefore also exposed the Group to foreign exchange risk.

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (a) 市場風險

###### (i) 外匯風險

本集團因有外幣買賣、貿易、票據及其他應收款項、已抵押銀行存款、現金及現金等值項目、貿易、票據及其他應付款項、衍生金融工具、借款及應收／(應付)關聯方款項而面對外匯匯率變動帶來的市場風險。本集團現時並無特定的外幣對沖政策。然而，管理層仍密切監控外幣風險，並會於需要時考慮任何外幣遠期合約。

此外，本集團與銀行訂立多項遠期外匯合約，以降低貨幣波動風險。衍生工具未按對沖會計法列賬。本集團須於報告期末估計遠期外匯合約之公平值，由此導致本集團面臨其外匯風險。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (a) Market risk (continued)

###### (i) Foreign exchange risk (continued)

At 31 December 2020, if Renminbi (“RMB”) had strengthened/weakened by 5% (2019: 5%) against the HK\$ with all other variables held constant, pre-tax loss for the year would have been HK\$15.6 million higher/lower (2019: HK\$14.1 million lower/higher), mainly as a result of foreign exchange losses/gains (2019: gains/losses) on translation of RMB denominated trade, bills and other payables/receivables and cash and bank deposits.

At 31 December 2020, if EUR had strengthened/weakened by 6% (2019: 7%) against the HK\$ with all other variables held constant, pre-tax loss for the year would have been HK\$14.0 million lower/higher (2019: HK\$14.9 million lower/higher), mainly as a result of foreign exchange gains/losses on translation of EUR denominated trade, bills and other receivables/payables and cash and bank deposits.

### 3 金融風險管理(續)

#### 3.1 金融風險因素(續)

##### (a) 市場風險(續)

###### (i) 外匯風險(續)

於二零二零年十二月三十一日，倘人民幣(「人民幣»)兌港元升值/貶值5%(二零一九年:5%)，而所有其他參數保持不變，則年內除稅前虧損將增加/減少15.6百萬港元(二零一九年:減少/增加14.1百萬港元)，主要由於換算以人民幣計值之貿易、票據及其他應付款項/應收款項及現金及銀行存款之匯兌虧損/收益(二零一九年:收益/虧損)。

於二零二零年十二月三十一日，倘歐元(「歐元»)兌港元升值/貶值6%(二零一九年:7%)，而所有其他參數保持不變，則年內除稅前虧損將減少/增加14.0百萬港元(二零一九年:減少/增加14.9百萬港元)，主要由於換算以歐元計值之貿易、票據及其他應收款項/應付款項以及現金及銀行存款之匯兌收益/虧損。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**3 FINANCIAL RISK MANAGEMENT (continued)**

**3.1 Financial risk factors (continued)**

**(a) Market risk (continued)**

*(i) Foreign exchange risk (continued)*

At 31 December 2020, if EUR had strengthened/weakened by 6% (2019: 7%) against the US\$ with all other variables held constant, pre-tax loss for the year would have been HK\$39.0 million lower/higher (2019: HK\$9.6 million higher/lower), mainly as a result of foreign exchange gains/losses (2019: losses/gains) on translation of US\$ denominated trade, bills and other receivables/payables, borrowings, derivative financial instruments, amounts due from/to related parties and cash and bank deposits.

The Directors considered the foreign exchange risk between HK\$ and US\$ is minimal as HK\$ has been linked to US\$.

*(ii) Interest rate risk*

The Group's interest rate risk mainly arises from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk.

**3 金融風險管理 (續)**

**3.1 金融風險因素 (續)**

**(a) 市場風險 (續)**

*(i) 外匯風險 (續)*

於二零二零年十二月三十一日，倘歐元（「歐元」）兌美元升值／貶值6%（二零一九年：7%），而所有其他參數保持不變，則年內除稅前虧損將減少／增加39.0百萬港元（二零一九年：增加／減少9.6百萬港元），主要由於換算以美元計值之貿易、票據及其他應收款項／應付款項、借款、衍生金融工具、應收／付關聯方款項以及現金及銀行存款之匯兌收益／虧損（二零一九年：虧損／收益）。

因港元與美元掛鈎，董事認為港元與美元之間的外匯風險極微。

*(ii) 利率風險*

本集團的利率風險主要來自借款。按浮動利率取得的借款讓本集團承受現金流利率風險。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**3 FINANCIAL RISK MANAGEMENT (continued)**

**3.1 Financial risk factors (continued)**

(a) Market risk (continued)

(ii) Interest rate risk (continued)

Based on the simulations performed, with a 100 basis points shift in interest rate, the pre-tax loss would have a maximum increase by the following magnitude:

	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Impact on loss before income tax	3.1	3.2

(iii) Price risk

Commodity price risks

At 31 December 2020, the Group was exposed to commodity price risks through its metal commodities future contracts.

Sensitivity analysis

The sensitivity analysis below is determined based on the exposure to commodity price risk of metal commodities future contracts at 31 December 2020. If the commodity price of metal commodities future contracts had been 19% (2019: 19%) higher/lower, the Group's pre-tax loss for the year would decrease/increase by the following magnitude:

	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Impact on loss before income tax	35.8	3.1

**3 金融風險管理 (續)**

**3.1 金融風險因素 (續)**

(a) 市場風險 (續)

(ii) 利率風險 (續)

根據所進行的模擬，若利率變動100個基點，除稅前虧損的最大增加幅度如下：

	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Impact on loss before income tax	3.1	3.2

(iii) 價格風險

商品價格風險

於二零二零年十二月三十一日，本集團因金屬商品期貨合約而面對商品價格風險。

敏感度分析

下列敏感度分析乃基於二零二零年十二月三十一日金屬商品期貨合約面對的商品價格風險而定。倘金屬商品期貨合約的商品價格上升/下降19% (二零一九年：19%)，則本集團年內除稅前虧損將減少/增加的幅度如下：

	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Impact on loss before income tax	35.8	3.1

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk

###### (i) Risk management

The credit risk of the Group mainly arises from cash and cash equivalents, derivative financial instruments, amounts due from related parties, trade, bills and other receivables and deposits with banks and financial institutions. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

Credit risk is managed on a group basis. Management has policies in place to monitor the exposures to these credit risks on trade, bills and other receivables on an on-going basis.

To manage credit risk arising from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, the Group only transacts with reputable and creditworthy commercial financial institutions and investment counterparties. Management does not expect any losses from non-performance by these financial institutions, therefore, the expected credit loss for such financial assets is minimal. The Group has no policy to limit the amount of credit exposure to any financial institutions.

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (b) 信貸風險

###### (i) 風險管理

本集團的信貸風險主要來自現金及現金等值項目、衍生金融工具、應收關聯方款項、貿易、票據及其他應收款項及銀行及金融機構存款。該等結餘的賬面值為本集團就金融資產承擔的最大信貸風險。

信貸風險按組合基準管理。管理層已制訂政策持續監控有關貿易、票據及其他應收款項的該等信貸風險敞口。

為管理現金及現金等值項目、衍生金融工具及銀行及金融機構存款的信貸風險，本集團僅會與信譽良好的商業金融機構及投資對手方進行交易。管理層預計該等金融機構違約將不會造成任何損失，因此，有關金融資產的預期信貸虧損極小。本集團並無政策限制對任何金融機構的信貸敞口金額。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

###### (i) Risk management (continued)

The Group generally grants credit terms ranging from 30 to 90 days to customers upon the approval of management according to the credit quality of individual customers. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history. The Group also has policies on granting different settlement methods to different customers to monitor the credit exposure. The Group measures expected credit losses and applies lifetime expected loss allowances for all trade and bills receivables. At 31 December 2020, the Group held trade and bills receivables amounted to approximately HK\$1,352.0 (2019: HK\$997.2 million) and loss allowances of HK\$50.0 (2019: HK\$39.9 million) has been provided for such trade and bills receivables.

Amounts due from related parties and other receivables are considered to have low credit risk. These balances are continuously monitored by assessing the credit quality of the counterparties, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The compliance with credit limit by customers and counter-parties is regularly monitored by management.

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (b) 信貸風險 (續)

###### (i) 風險管理 (續)

在獲得管理層批准後，本集團一般根據個別客戶的信貸質素，向客戶授出介乎30至90天的信貸期。本集團已制定政策以確保向具有適當信貸記錄的客戶進行產品銷售。本集團亦有政策授予不同客戶不同的結算方式以監察信貸風險。本集團就全部貿易及票據應收款項計量預期信貸虧損及應用使用年期預期虧損撥備。於二零二零年十二月三十一日，本集團持有的貿易及票據應收款項為約1,352.0百萬港元（二零一九年：997.2百萬港元），並已為該等貿易及票據應收款項計提減值撥備50.0百萬港元（二零一九年：39.9百萬港元）。

應收關聯方款項及其他應收款項均被視為具低信貸風險。該等結餘透過評估對手方的信貸質素（計及其財務狀況、過往經驗及其他因素）受到持續監控。根據董事會設定的限制，單個風險限制根據內部或外部評級來設置。管理層定期監控客戶和對手方對信用額度的遵守情況。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

###### (i) Risk management (continued)

At 31 December 2020, the Group had concentration of credit risk as 6% and 23% (2019: 9% and 23%) of its total trade receivables was due from its largest trade debtors and the five largest trade debtors, respectively. The five largest trade debtors have good repayment history and credit quality with reference to the track records of these customers under internal assessment by the Group.

###### (ii) Impairment of financial assets

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

- Trade and bills receivables
- Other financial assets at amortised costs

While cash and cash equivalents and deposits with banks are also subject to the impairment requirements of HKFRS 9, as all banks are rated with a high credit rating, the identified impairment loss is immaterial.

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (b) 信貸風險 (續)

###### (i) 風險管理 (續)

於二零二零年十二月三十一日，本集團承受信貸集中風險，因為其貿易應收款項總額中有6%及23%（二零一九年：9%及23%）分別來自其最大債務人及五大債務人。根據本集團的內部評估，參考該等客戶的往績記錄，五大債務人的償款記錄及信貸質素良好。

###### (ii) 金融資產減值

本集團持有兩類需遵循預期信貸虧損模型的金融資產：

- 貿易及票據應收款項
- 按攤銷成本計量的其他金融資產

儘管現金及現金等值項目及銀行存款亦需遵守香港財務報告準則第9號的減值規定，因為所有銀行均被評為高信用等級，故已界定的減值虧損並不重大。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

###### (ii) Impairment of financial assets (continued)

###### Trade and bills receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and bills receivables. Details of the quantification in respect of the Group's exposure to credit risk on trade and bills receivables are set out in Note 23(b).

To measure the ECL, trade and bills receivables have been grouped based on the settlement profiles of customers, shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31 December 2020 or 1 January 2020, respectively, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factor affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product ("GDP") and unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates on expected changes in these factors.

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (b) 信貸風險 (續)

###### (ii) 金融資產減值 (續)

###### 貿易及票據應收款項

本集團採用香港財務報告準則第9號的簡化方法計量預期信貸虧損，該方法就所有貿易及票據應收款項使用年期預期虧損撥備。有關本集團面臨的貿易及票據應收款項信貸風險的量化詳情載於附註23(b)。

為計量預期信貸虧損，貿易及票據應收款項已根據客戶的結算狀況、共同信貸風險特徵及逾期天數分組。預期虧損率分別基於二零二零年十二月三十一日或二零二零年一月一日之前24個月的銷售支付概況以及此期間相應的歷史信貸虧損。歷史虧損率會進行調整，以反映影響客戶結算應收款項能力的宏觀經濟因素的當前及前瞻性資料。本集團已識別其經營所在國家的國內生產總值（「國內生產總值」）及失業率為最相關因素，並因應該等因素的預期變動調整歷史虧損率。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

###### (ii) Impairment of financial assets (continued) Other financial assets at amortised cost

Other financial assets at amortised cost include amounts due from related parties and other receivables (except for prepayments). Management assesses the credit quality of the counterparties, taking into account the historical risk of default and capacity to meet its contractual cash flow obligations in the near term.

The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (b) 信貸風險 (續)

###### (ii) 金融資產減值 (續) 按攤銷成本計量的 其他金融資產 按攤銷成本計量的 其他金融資產包括 應收關聯方款項及 其他應收款項 (預付 款項除外)。管理層 曾經考慮歷史違約 風險及在短期內履 行合約現金流義務 的能力評估對手方 的信貸質量。

本集團會考慮在初始確認資產時出現違約的可能性以及在各報告期內持續存在的信貸風險是否顯著增加。為評估信貸風險是否顯著增加，本集團將資產在報告日期發生違約的風險與初始確認日期的違約風險進行比較。本集團考慮可用的合理和支持性前瞻性資料。尤其是納入以下指標：

- 內部信用評級
- 外部信用評級 (盡可能)
- 預計將導致借款人履行義務的能力發生重大變化的商業、財務或經濟狀況的實際或預期重大不利變動

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

- (ii) *Impairment of financial assets (continued)*  
Other financial assets at amortised cost (continued)
- actual or expected significant changes in the operating results of the borrower
  - significant increases in credit risk on other financial instruments of the same borrower
  - significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
  - significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making a contractual payment.

A default on a financial asset is when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (b) 信貸風險 (續)

- (ii) *金融資產減值 (續)*  
按攤銷成本計量的其他金融資產 (續)
- 借款人經營業績的實際或預期重大變化
  - 同一借款人的其他金融工具的信貸風險顯著增加
  - 支持義務的抵押品的價值或第三方擔保或信用增強的質量發生重大變化
  - 借款人的預期表現及行為發生重大變化，包括本集團借款人的付款狀況發生變化以及借款人的經營業績發生變化。

宏觀經濟信息 (如市場利率或增長率) 被納入內部評級模型的一部分。

無論上文分析如何，若債務人作出合約付款逾期90天以上，則認為信貸風險顯著增加。

金融資產的違約指內部產生或從外部來源獲得的信息表明債務人不大可能向其債權人 (包括本集團) 全額償還欠款 (不考慮本集團持有的任何抵押品)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

- (ii) *Impairment of financial assets (continued)*  
Other financial assets at amortised cost  
(continued)

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in consolidated statement of profit or loss.

As at 31 December 2020, provision for impairment on other receivables, excluding prepayment, amounted approximately to HK\$9.9 million (2019: HK\$8.7 million). Other financial assets at amortised cost are considered to be of low credit risk primarily because historically they had no history of default and the debtors had a strong capacity to meet its contractual cash flow obligations in the near term (2019: same).

##### (c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements – for example, currency restrictions.

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (b) 信貸風險 (續)

- (ii) *金融資產減值 (續)*  
按攤銷成本計量的  
其他金融資產 (續)

當無合理的回收預期時 (如債務人未與本集團簽訂還款計劃)，則撇銷金融資產。撇銷貸款或應收款項後，本集團會繼續從事收款活動，以試圖收回應收款項。收回的款項將在綜合損益表中確認。

於二零二零年十二月三十一日，其他應收款項 (不包括預付款項) 的減值撥備為約9.9百萬港元 (二零一九年：8.7百萬港元)。以攤銷成本計量的其他金融資產被認為具有較低的信貸風險，主要是因為彼等一直以來並無違約歷史且債務人具有強大能力可在短期內履行其合約現金流義務 (二零一九年：相同)。

##### (c) 流動資金風險

現金流預測乃於本集團經營實體進行並由本集團財務部合併計算。本集團財務部監控本集團流動資金需求的滾動預測，確保其擁有充足現金以滿足經營需要。該等預測乃經考慮本集團的債務融資計劃及須遵守的契據，並符合內部資產負債表比率的目標及 (如適用) 外部監管或法律規定，例如貨幣限制。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (c) Liquidity risk (continued)

The table below analyses the Group's and the Company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

		On demand or less than 1 month 按要求或 少於一個月 HK\$M 百萬港元	Between 1 and 3 months 一至三個月 HK\$M 百萬港元	Between 3 months and 1 year 三個月至一年 HK\$M 百萬港元	Between 1 and 5 years 一至五年 HK\$M 百萬港元	Over 5 years 五年以上 HK\$M 百萬港元
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>					
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>					
Borrowings	借款	281.5	1,687.8	188.4	177.6	2.5
Lease liabilities	租賃負債	18.5	37.0	166.4	322.9	59.5
Trade, bills and other payables	貿易、票據及其他應付款項	1,367.9	77.4	47.0	14.5	-
Amounts due to related parties	應付關聯方款項	40.2	0.4	11.5	11.3	-
		<b>1,708.1</b>	<b>1,802.6</b>	<b>413.3</b>	<b>526.3</b>	<b>62.0</b>
<b>At 31 December 2019</b>	<b>於二零一九年 十二月三十一日</b>					
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>					
Borrowings	借款	410.6	113.2	2,120.6	222.2	5.1
Lease liabilities	租賃負債	18.0	36.0	162.2	537.6	117.6
Trade, bills and other payables	貿易、票據及其他應付款項	641.5	88.5	63.2	35.4	-
Amounts due to related parties	應付關聯方款項	19.7	-	7.6	10.2	-
		<b>1,089.8</b>	<b>237.7</b>	<b>2,353.6</b>	<b>805.4</b>	<b>122.7</b>

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (c) 流動資金風險 (續)

下表分析本集團及本公司的非衍生金融負債及淨額結算的衍生金融負債，此乃按照相關的到期組別，根據由資產負債表日至合約到期日的剩餘期間進行分析。倘衍生金融負債的合約到期情況對瞭解現金流時機至關重要，則會計入分析中。在下表內披露的金額為合約未貼現的現金流量。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 Financial risk factors (continued)

##### (c) Liquidity risk (continued)

Bank borrowings with a repayment on demand clause are included in the “on demand or less than 1 month” time band in the above maturity analysis. As at 31 December 2020, the aggregate carrying amounts of these bank borrowings amounted to HK\$246.9 million (2019: HK\$77.6 million). Taking into account the Group’s financial position, the Directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The Directors believe that such bank borrowings will be repaid within one year after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows of HK\$249.6 million (2019: HK\$77.9 million) will be repaid within one year.

The amounts included above for the variable interest rate instruments are subject to change if changes in actual interest rates differ to those estimated at the end of the reporting period.

#### 3.2 Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group’s overall strategy remained unchanged from prior years.

The capital structure of the Group consists of debt, which includes bank and other borrowings and lease liabilities as disclosed in Notes 31 and 32 and, net of cash and cash equivalents and equity attributable to shareholders of the Company, comprising capital, various reserves and accumulated losses.

### 3 金融風險管理 (續)

#### 3.1 金融風險因素 (續)

##### (c) 流動資金風險 (續)

須按要求償還之銀行借款計入上述到期日分析之「按要求或少於一個月」時間範圍內。於二零二零年十二月三十一日，該等銀行借款之賬面值總額達246.9百萬港元（二零一九年：77.6百萬港元）。經計及本集團之財務狀況後，董事相信銀行不可能將行使其酌情權以要求即時還款。董事相信，該等銀行借款將於報告日期後一年內根據貸款協議所載預定還款日期償還。屆時，本金總額及利息現金流出249.6百萬港元（二零一九年：77.9百萬港元）將於一年內償還。

倘實際利率之變動有別於報告期末釐定之估計利率變動，上述浮息工具之金額或會出現變動。

#### 3.2 資本管理

本集團之資本管理旨在確保本集團內所有個體均可持續經營，同時透過優化債務及股本結構為利益相關者爭取最大回報。本集團的整體策略與往年相比保持不變。

本集團資本結構包括債務（包括披露於附註31及32）的銀行及其他借款以及租賃負債，扣除現金及現金等值項目）及本公司股東應佔權益（包括資本、各種儲備及累計虧損）。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.2 Capital management (continued)

During the year ended 31 December 2020, the Group monitor capital on basis of gearing ratio, which is calculated based on total borrowings divided by our total assets.

As at 31 December 2020, the gearing ratio of the Group decreased from 27.4% (2019) to 23.3% as a result of repayment of borrowings during the year.

The directors of the Company review the capital structure periodically. The directors of the Company also balance the overall capital structure through the payment of dividends, new share issues and share repurchases as well as the issue of new debt or the redemption of existing debt. No changes were made in the objectives, policies or processes during the year ended 31 December 2020.

#### 3.3 Fair value estimation

##### Fair value measurements and valuation process

The directors of the Company determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 and 2 inputs are not available, the Group engages third party qualified valuers to perform the valuation for financial instruments that are measured at fair value on a recurring basis. The Directors and the senior management team work closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

### 3 金融風險管理 (續)

#### 3.2 資本管理 (續)

於截至二零二零年十二月三十一日止年度，本集團根據資產負債比率監控資本，資產負債比率根據借款總額除以我們的資產總值計算。

於二零二零年十二月三十一日，由於於年內償還借款，本集團的資產負債比率由27.4% (二零一九年) 降至23.3%。

本公司董事定期審閱資本架構。本公司董事亦透過支付股息、發行新股及股份購回以及發行新債務或贖回現有債務平衡整體資本架構。於截至二零二零年十二月三十一日止年度，有關目標、政策或程序並無變動。

#### 3.3 公平值估計

##### 公平值計量及估值程序

本公司董事就公平值計量釐定合適的估值方法及輸入數據。

於估計資產或負債的公平值時，本集團運用其獲得的市場觀察數據。倘第一及第二級輸入數據不可用，本集團委聘第三方合資格估值師對按經常性基準以公平值計量之金融工具進行估值。董事及高級管理層團隊與外聘合資格估值師密切合作以制定合適的估值技術及輸入數據模式。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### Fair value measurements and valuation process (continued)

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed below.

The following table analyses the Group's financial instruments carried at fair value as at 31 December 2020 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

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

### 3 金融風險管理 (續)

#### 3.3 公平值估計 (續)

##### 公平值計量及估值程序 (續)

有關釐定不同資產及負債公平值所使用的估值方法及輸入數據詳情載於下文。

下表分析本集團於二零二零年十二月三十一日按公平值列賬之金融工具，透過計量公平值所用之估計方法之輸入數據層級劃分。有關輸入數據在公平值層級內分為以下三個級別：

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

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### Fair value measurements and valuation process (continued)

##### Financial assets/(Financial liabilities) 金融資產/(金融負債)

	Fair value as at 於以下日期的公平值		Fair value hierarchy 公平值層級
	31 December 2020 二零二零年 十二月三十一日 HK\$M 百萬港元	31 December 2019 二零一九年 十二月三十一日 HK\$M 百萬港元	
1) Publicly traded metal commodities future contracts classified as derivative financial instruments in the consolidated balance sheet 於綜合資產負債表中分類為衍生金融工具之公開交易金屬商品期貨合約	(6.3)	(12.9)	Level 1 第一級
2) Metal commodities future contracts classified as derivative financial instruments in the consolidated balance sheet 於綜合資產負債表中分類為衍生金融工具之金屬商品期貨合約	9.9 (53.1)	24.3 (17.2)	Level 2 第二級
3) Foreign currency forward contracts classified as derivative financial instruments in the consolidated balance sheet 於綜合資產負債表中分類為衍生金融工具之外幣遠期合約	4.4 (0.3)	0.7 (0.1)	Level 2 第二級
4) Financial assets at fair value through profit or loss 按公平值計入損益之金融資產	0.9	1.9	Level 3 第三級
5) Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益之金融資產	104.6	98.7	Level 3 第三級

##### Financial instruments in level 1

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

### 3 金融風險管理 (續)

#### 3.3 公平值估計 (續)

##### 公平值計量及估值程序 (續)

##### 第一級金融工具

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

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### Fair value measurements and valuation process (continued)

##### *Financial instruments in level 2*

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

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

##### *Financial instruments in level 3*

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

### 3 金融風險管理 (續)

#### 3.3 公平值估計 (續)

##### 公平值計量及估值程序 (續)

##### *第二級金融工具*

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

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

##### *第三級金融工具*

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

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (continued)

#### 3.3 Fair value estimation (continued)

##### Fair value measurements and valuation process (continued)

Fair value measurements recognised in the consolidated balance sheet:

		Level 1 第一級 HK\$M 百萬港元	Level 2 第二級 HK\$M 百萬港元	Level 3 第三級 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
As at 31 December 2020	於二零二零年十二月三十一日				
<b>Assets</b>	<b>資產</b>				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	-	0.9	0.9
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	-	-	104.6	104.6
Derivative financial instruments	衍生金融工具	-	14.3	-	14.3
<b>Liabilities</b>	<b>負債</b>				
Derivative financial instruments	衍生金融工具	(6.3)	(53.4)	-	(59.7)
As at 31 December 2019	於二零一九年十二月三十一日				
<b>Assets</b>	<b>資產</b>				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	-	1.9	1.9
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	-	-	98.7	98.7
Derivative financial instruments	衍生金融工具	-	25.0	-	25.0
<b>Liabilities</b>	<b>負債</b>				
Derivative financial instruments	衍生金融工具	(12.9)	(17.3)	-	(30.2)

### 3 金融風險管理 (續)

#### 3.3 公平值估計 (續)

##### 公平值計量及估值程序 (續)

於綜合資產負債表確認的公平值計量：

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**3 FINANCIAL RISK MANAGEMENT (continued)**

**3.3 Fair value estimation (continued)**

**Fair value measurements and valuation process (continued)**

The following table presents the changes in level 3 instruments for the years ended 31 December 2020 and 2019:

		Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total 2020	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total 2019
		按公平值計入損益之金融資產	按公平值計入其他全面收益之金融資產	二零二零年合計	按公平值計入損益之金融資產	按公平值計入其他全面收益之金融資產	二零一九年合計
		HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
At 1 January	於一月一日	1.9	98.7	100.6	0.8	111.0	111.8
Additions	添置	-	-	-	1.1	-	1.1
Disposal	出售	(1.0)	(0.3)	(1.3)	-	(2.9)	(2.9)
Fair value loss	公平值虧損	(0.2)	(1.1)	(1.3)	-	(7.5)	(7.5)
Currency translation differences	匯兌差額	0.2	7.3	7.5	-	(1.9)	(1.9)
At 31 December	於十二月三十一日	0.9	104.6	105.5	1.9	98.7	100.6

There were no transfers among the three levels during either of the years ended 31 December 2020 or 2019.

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

**3 金融風險管理 (續)**

**3.3 公平值估計 (續)**

**公平值計量及估值程序 (續)**

下表載列截至二零二零年及二零一九年十二月三十一日止年度第三級工具的變動：

於截至二零二零年或二零一九年十二月三十一日止年度，三個層級之間並無轉移。

管理層認為，於綜合財務報表內按攤銷成本計量的金融資產及金融負債的賬面值與其公平值相若。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**3 FINANCIAL RISK MANAGEMENT (continued)**

**3.4 Offsetting financial assets and financial liabilities**

(a) Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements and similar agreements:

As at 31 December 2020	Gross amounts of recognised financial assets	Gross amount of recognised financial liabilities net off in the consolidated balance sheet	Net amounts of financial assets presented in the consolidated balance sheet	Related amounts not net off in the consolidated balance sheet		
				Financial instruments	Cash collateral received	Net amount
於二零二零年十二月三十一日	已確認金融資產總額 HK\$M 百萬港元	已確認金融負債總額 HK\$M 百萬港元	於綜合資產負債表呈列的 金融資產淨額 HK\$M 百萬港元	金融工具 HK\$M 百萬港元	已收取現金抵押品 HK\$M 百萬港元	淨額 HK\$M 百萬港元
Pledged bank deposits	122.7	-	122.7	(12.3)	(108.8)	1.6
Cash and cash equivalents	913.8	-	913.8	-	(8.3)	905.5
Derivative financial instruments						
- Foreign currency forward contracts	4.4	-	4.4	-	-	4.4
- Metal commodities future contracts	9.9	-	9.9	-	-	9.9

**3 金融風險管理 (續)**

**3.4 抵銷金融資產及金融負債**

(a) 金融資產

以下金融資產受抵銷、可強制執行統一淨額結算安排及類似協議規限：

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**3 FINANCIAL RISK MANAGEMENT (continued)**

**3 金融風險管理 (續)**

**3.4 Offsetting financial assets and financial liabilities (continued)**

**3.4 抵銷金融資產及金融負債 (續)**

**(a) Financial assets (continued)**

**(a) 金融資產 (續)**

As at 31 December 2019	Gross amounts of recognised financial assets	Gross amount of recognised financial liabilities net off in the consolidated balance sheet	Net amounts of financial assets presented in the consolidated balance sheet	Related amounts not net off in the consolidated balance sheet		Net amount
於二零一九年十二月三十一日	已確認金融資產總額	已確認金融負債總額	金融資產淨額	金融工具	Cash collateral received	淨額
	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Pledged bank deposits	191.7	-	191.7	(96.1)	(83.0)	12.6
Cash and cash equivalents	784.8	-	784.8	-	(11.7)	773.1
Derivative financial instruments						
Foreign currency forward contracts	1.7	(1.0)	0.7	-	-	0.7
Metal commodities future contracts	24.3	-	24.3	-	-	24.3

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**3 FINANCIAL RISK MANAGEMENT (continued)**

**3.4 Offsetting financial assets and financial liabilities (continued)**

**(b) Financial liabilities**

The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements:

		Gross amount of recognised financial assets net off in the consolidated balance sheet 於綜合資產負債表扣除的 已確認金融負債總額 HK\$M 百萬港元	Gross amount of recognised financial liabilities in the consolidated balance sheet 於綜合資產負債表呈列的 金融負債淨額 HK\$M 百萬港元	Net amounts of financial liabilities in the consolidated balance sheet 於綜合資產負債表呈列的 金融負債淨額 HK\$M 百萬港元	Related amounts not net off in the consolidated balance sheet 未於綜合資產負債表扣除的 相關金額		
					Financial instruments 金融工具 HK\$M 百萬港元	Cash collateral received 已收取現金抵押品 HK\$M 百萬港元	Net amount 淨額 HK\$M 百萬港元
As at 31 December 2020 於二零二零年十二月三十一日							
Borrowings	借款	2,298.4	-	2,298.4	(12.3)	(108.8)	2,177.3
Derivative financial instruments	衍生金融工具						
- Foreign currency forward contracts	- 外幣遠期合約	0.3	-	0.3	-	-	0.3
- Metal commodities future contracts	- 金屬商品遠期合約	59.4	-	59.4	-	(8.3)	51.1

**3 金融風險管理 (續)**

**3.4 抵銷金融資產及金融負債 (續)**

**(b) 金融負債**

以下金融負債受抵銷、可強制執行統一淨額結算安排及類似協議規限：

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**3 FINANCIAL RISK MANAGEMENT (continued)**

**3.4 Offsetting financial assets and financial liabilities (continued)**

**(b) Financial liabilities**

As at 31 December 2019	Gross amounts of recognised financial liabilities	Gross amount of recognised financial assets net off in the consolidated balance sheet	Net amounts of financial liabilities presented in the consolidated balance sheet	Financial instruments	Cash collateral received	Net amount
於二零一九年十二月三十一日	已確認金融負債總額 HK\$M 百萬港元	於綜合資產負債表扣除的已確認金融資產總額 HK\$M 百萬港元	於綜合資產負債表呈列的金融負債淨額 HK\$M 百萬港元	金融工具 HK\$M 百萬港元	已收取現金抵押品 HK\$M 百萬港元	淨額 HK\$M 百萬港元
Borrowings	借款	2,795.4	-	2,795.4	(96.1)	2,616.3
Derivative financial instruments	衍生金融工具					
- Foreign currency forward contracts	—外幣遠期合約	0.1	-	0.1	-	0.1
- Metal commodities future contracts	—金屬商品遠期合約	31.1	(1.0)	30.1	(11.7)	18.4

The gross amounts of the recognised financial assets and financial liabilities as presented in the Group's consolidated balance sheet, both of which have been disclosed in the above tables, are measured as fair value.

The disclosures set out in the tables above include commodities futures contracts traded through brokers, and foreign currency forward/swap contracts contracted with banks. If a default event (included but not limited to default payment, liquidation, bankruptcy or insolvency) occurs, the brokers and the banks are able to exercise the right to offset against any favourable contracts and/or the collaterals placed.

**3 金融風險管理 (續)**

**3.4 抵銷金融資產及金融負債 (續)**

**(b) 金融負債 (續)**

Related amounts not net off in the consolidated balance sheet  
未於綜合資產負債表扣除的相關金額

Cash collateral received

Financial instruments

Net amount

本集團綜合資產負債表內呈列的已確認金融資產及金融負債的總額(均已披露於上表)按公平值計量。

上表所述披露包括透過經紀人交易的商品期貨合約及與銀行訂約的外幣遠期/掉期合約。倘出現違約事件(包括但不限於拖欠付款、清盤、破產或無力償債),經紀人及銀行可行使權利抵銷任何有利合約及/或抵押品。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. 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) Impairment of non-financial assets

The Group tests at least annually whether goodwill and other assets that have indefinite useful lives have suffered any impairment in accordance with the accounting policy stated in Notes 2.10 and 2.11. Other assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amounts of an asset or a cash-generating unit have been determined based on value-in-use calculations or its fair value less costs of disposal, whichever is higher. These calculations require the use of estimates. The value-in-use calculations primarily use cash flow projections. Judgement is required to determine key assumptions adopted in the cash flow projections and changes to key assumptions can significantly affect these cash flow projections and therefore the results of the impairment reviews.

#### (b) Asset retirement obligations

Various pieces of land was leased by the Group for operating scrap yards and preparation of the land might be needed to make it appropriate for operation as scrap yards.

It was the Group's contractual obligation to bring the land to its original condition as the Group is not the owner of the land. The Group estimates the expected costs necessary to dismantle the scrap yards by assessing the discount rate as well as expected increment in future cost which might lead to changes in the provisions recognised.

### 4 重要會計估計及判斷

估計及判斷經持續評估，並以過往經驗及其他因素為基礎，包括在現實情況下相信對未來事件的合理預期。

本集團會就未來作出估計及假設。由此產生之會計估計顯然很少與相關實際結果相符。具有重大風險於下一財政年度引致資產及負債賬面值之重大調整的估計及假設於下文載述。

#### (a) 非金融資產減值

本集團根據附註2.10及2.11所列的會計政策至少每年就商譽及其他沒有確定使用年期的資產進行測試，以確定是否出現減值。其他需折舊及攤銷的資產則在當有事件出現或情況改變顯示賬面值超出其可收回金額時就減值進行檢討。資產或現金產生單位的可收回金額按照使用價值或其公平值減出售成本（以較高者為準）計算方法予以釐定。該等計算方法需要利用估算。使用價值計算方法主要使用現金流量預測。於現金流量預測中所採用的主要假設須作出判斷才能確定，主要假設的變化可能對此等現金流量預測產生重大影響，並最終影響減值檢討的結果。

#### (b) 資產報廢責任

本集團租用多幅土地營運廢料工場，因此需要將土地打造成適合營運廢料工場。

由於本集團並非土地的業主，因此本集團有合約責任須將土地恢復原貌。本集團透過評估貼現率及預測可能導致已確認撥備改變的未來成本增幅，估算清拆廢料工場所必需的估計成本。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (c) Estimation of provision for impairment of receivables

The loss allowances for receivables 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 allowances calculation, based on the Group's historical credit loss experience, existing market conditions as well as forward looking estimates at the end of each reporting period. Where the expectations are different from the original estimates, such differences will impact the carrying values of receivables and the impairment loss on receivable is recognised in the years in which such estimates have changed.

#### (d) Current and deferred income tax

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain, such as deductibility of compensation payments to customers. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences would impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimates, such difference will impact the recognition of deferred tax assets and income tax in the period in which such estimates are changed.

### 4 重要會計估計及判斷 (續)

#### (c) 應收款項減值撥備之估計

應收款項虧損撥備乃按照有關違約風險及預期虧損率的假設計提。本集團在作出該等假設及篩選減值計算輸入數據時，根據本集團於各報告期末的歷史信貸虧損經驗、現有市況以及前瞻性估計作出判斷。當預期有別於原始估計時，該等差額將影響應收款項的賬面值，而應收款項減值虧損於有關估計已改變的年度內確認。

#### (d) 即期及遞延所得稅

本集團須繳付多個司法權區的所得稅。釐定世界各地的所得稅撥備時需要作出重大判斷。有諸多難以確定最終稅項的交易及計算方法，例如支付予客戶的補償的可扣稅程度。本集團根據估計會否有額外稅款到期而確認預測稅項審核事宜的負債。倘該等事宜的最終稅務結果與最初記賬的金額不同，有關差額將會影響作出有關決定期間的即期及遞延所得稅資產及負債。

倘管理層認為日後可能有應課稅溢利用作抵銷暫時差額及稅項虧損，則會確認有關若干暫時差額或稅項虧損的遞延稅項資產。倘預期與最初估計不同，則有關差額會影響估計更改期間的遞延稅項資產及所得稅確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

#### (e) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated cost to completion and selling expenses. Management of the Group reviews the inventories listing on a category-by-category basis at the end of the reporting period, and assesses whether the cost of the finished products will exceed their net realisable value. Management estimates the net realisable value for such inventories based primarily on the latest resale value and quoted prices on applicable commodity exchanges. If the market price of inventories is to decline, additional write down may be required. Management reassesses the estimation at the end of each reporting period.

#### (f) Fair value of derivatives and other financial assets

The fair value of financial instruments and other financial assets (including embedded derivative components of convertible bonds and options over shares in joint ventures to joint venture partners, if any) that are not traded in an active market is determined by using appropriate valuation techniques and making assumptions that are based on market conditions existing at each reporting date.

The fair value of options over shares of non-listed entities are determined using discounted cash-flow method, which requires the determination of an appropriate discount rate as well as assumptions regarding the cash-flow projections.

### 4 重要會計估計及判斷 (續)

#### (e) 存貨之可變現淨值

存貨之可變現淨值為日常業務過程中的估計售價減估計完成成本及銷售開支。本集團管理層於報告期末按類別檢討存貨，並估計製成品的成本會否超逾可變現淨值。管理層主要按最新轉售價值及相關商品交易所報價估計有關存貨的可變現淨值。倘存貨市價下跌，則或須作出額外撇減。管理人員於各報告期末重新評估有關估計。

#### (f) 衍生工具及其他金融資產之公平值

並非於活躍市場買賣的金融工具及其他金融資產（包括可換股債券之嵌入式衍生部分及向合營企業合夥人發出之合營企業股份購股權（如有））之公平值乃透過採用適合估值方法及根據各報告日期存在的市況作出的假設釐定。

就非上市實體股份之購股權之公平值乃採用貼現現金流量法釐定，當中需要就現金流量預測釐定適當的貼現率以及假設。

#### **4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)**

##### **(g) Useful lives of property, plant and equipment and intangible assets**

The Group's management determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and intangible assets by reference to the estimated periods that the Group intends to derive future economic benefits from the use of these assets. These estimates are based on the historical experience of the actual useful lives of property, plant and equipment and intangible assets of similar nature and functions. Management will adjust useful lives as appropriate. Periodic review could result in a change in useful lives and therefore depreciation and amortisation expense in the future periods.

The Group has periodically reassessed useful lives of its property, plant and equipment, taking into consideration past usage and performance, prior repair and maintenance efforts, current physical and operating conditions of these assets, industry practices as well as future usage plans.

##### **(h) Determination of the lease term**

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or not periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed when a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

#### **4 重要會計估計及判斷 (續)**

##### **(g) 物業、廠房及設備以及無形資產的可使用年期**

本集團管理層參考本集團擬自利用該等資產產生未來經濟利益的估計期間來釐定其物業、廠房及設備以及無形資產的估計可使用年期及有關折舊及攤銷費用。此等估計以相似性質及功能的物業、廠房及設備以及無形資產過往的實際可使用年期為基準。管理層將適時調整可使用年期。定期檢討可能導致可使用年期出現變動，因而產生未來期間的折舊及攤銷開支。

經考慮物業、廠房及設備的過往用途及表現、過往維修及保養投入、現時實質及營運狀況、行業慣例以及未來使用計劃，本集團已定期重新評估其該等資產的可使用年期。

##### **(h) 釐定租賃期限**

於釐定租賃期限時，管理層考慮導致行使延期選擇權或不行使終止選擇權經濟動機的所有事實及情況。延期選擇權（或非終止選擇權後期間）僅於可合理肯定有關租賃將予延長（或非終止）的情況下納入租賃期限。倘發生重大事件或情況出現重大變動而影響有關評估，且於承租人的控制範圍內，則須檢討該評估。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 5 SEGMENT INFORMATION

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

The Group's CODM, which has been identified as the Executive Committee that makes strategic decisions, assesses the Group's performance from geographic perspective and has identified three reportable segments of its business which are Asia, Europe and North America respectively. The operating segments are assessed based on the measure of segment profit. This measurement basis excludes the effects of non-operating gains/losses, such as impairments on non-financial assets, gain/loss on fair value change of financial assets at fair value through profit or loss. The measure also excludes centralised costs such as the Group's key managements' remunerations and other central administrative expenses. Finance income, finance costs, income tax expenses and those unallocated income and expenses are not included in the result for each operating segment that is reviewed by the Group's CODM. Inter-segment sales are charged at prevailing market price.

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

### 5 分部資料

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

本集團的主要營運決策者（其已識別為作出戰略性決定之執行委員會）根據地理角度評估本集團的表現，並已確定三個可呈報分部業務，分別為亞洲、歐洲及北美洲。經營分部根據分部溢利的計量方法作評估。此計量基礎不包括非經營收益／虧損的影響，例如非金融資產減值、按公平值計入損益之金融資產的公平值變動收益／虧損。計量亦不包括中央成本，例如本集團主要管理層的薪酬及其他中央行政開支。財務收入、財務成本、所得稅開支及該等未分配收入及開支並不包括在本集團的主要營運決策者所審閱的各個經營分部的業績中。分部間銷售按當前市價收費。

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

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 5 SEGMENT INFORMATION (continued)

The following table presents revenue and segment profit information regarding the Group's reportable segments for the years ended 31 December 2020 and 2019, respectively:

### 5 分部資料 (續)

下表分別載列有關本集團截至二零二零年及二零一九年十二月三十一日止年度可呈報分部的收益及分部溢利的資料：

		31 December 2020 二零二零年十二月三十一日					31 December 2019 二零一九年十二月三十一日				
		Asia 亞洲	Europe 歐洲	North 北美洲	Unallocated 未分配	Total 總計	Asia 亞洲	Europe 歐洲	North 北美洲	Unallocated 未分配	Total 總計
		HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元 (Restated) (重列)	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元 (Restated) (重列)
Revenue	收益										
Total segment revenue	分部收益總額	1,710.5	10,708.9	1,086.1	-	13,505.5	2,015.4	12,166.8	1,410.9	-	15,593.1
Inter-segment sales	分部間銷售	-	(129.0)	(8.4)	-	(137.4)	-	(194.8)	(34.9)	-	(229.7)
External sales	外部銷售	1,710.5	10,579.9	1,077.7	-	13,368.1	2,015.4	11,972.0	1,376.0	-	15,363.4
Segment (loss)/profit (Note)	分部 (虧損) / 溢利 (附註)	49.6	218.5	(62.7)	(683.5)	(577.3)	(126.9)	379.7	(48.4)	(91.3)	113.1
Finance income	財務收入					11.0					23.6
Finance costs	財務成本					(243.5)					(236.2)
Loss before income tax	除所得稅前虧損					(809.8)					(99.5)
Income tax expense	所得稅開支					(54.4)					(34.3)
Loss for the year	年內虧損					(864.2)					(133.8)
Depreciation and amortisation expenses	折舊及攤銷開支	(81.2)	(307.3)	(42.8)	(19.5)	(450.8)	(65.8)	(291.1)	(44.3)	(21.3)	(422.5)
Fair value loss on derivative financial instruments	衍生金融工具之公平值虧損	-	-	-	(68.1)	(68.1)	-	-	-	(2.1)	(2.1)
Fair value (loss)/gain on financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值 (虧損) / 收益	(2.3)	(0.2)	-	-	(2.5)	1.7	-	-	-	1.7
Gain on disposal of property, plant and equipment and right-of-use assets	出售物業、廠房及設備以及使用權資產之收益	-	-	-	23.4	23.4	-	-	-	33.3	33.3
Loss on disposals and deregistration of subsidiaries or joint ventures	出售及註銷子公司或合營企業之虧損	-	-	-	(4.5)	(4.5)	-	-	-	(13.7)	(13.7)
Provision for impairment on property, plant and equipment and right-of-use assets	物業、廠房及設備及使用權資產之減值撥備	-	-	-	(222.8)	(222.8)	-	-	-	(0.9)	(0.9)
Impairment on intangible assets	無形資產之減值	-	-	-	(205.1)	(205.1)	-	-	-	-	-
Impairment on assets held for sale	持作出售資產減值	-	-	-	(91.3)	(91.3)	-	-	-	-	-

**Note:**

During the current year, the Group's CODM has changed their perspective on the unallocated segment and certain administrative expenses were reclassified from the Asia segment to the unallocated segment for the year ended 31 December 2020. Therefore, the segment loss for the Asia segment and unallocated segment for the year ended 31 December 2019 were restated from HK\$172.3 million and HK\$45.9 million to HK\$126.9 million and HK\$91.3 million, respectively, to conform to current year's presentation.

**附註：**

於本年度，本集團的主要營運決策者改變其對未分配分部的看法，並將截至二零二零年十二月三十一日止年度的若干行政開支從亞洲分部重新分類至未分配分部。因此，截至二零一九年十二月三十一日止年度的亞洲分部及未分配分部的分部虧損分別由172.3百萬港元及45.9百萬港元重新調整至126.9百萬港元及91.3百萬港元，以符合本年度的呈列方式。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 5 SEGMENT INFORMATION (continued)

#### Segment assets

Reconciliation of segment assets to total assets as at 31 December 2020 and 31 December 2019 are provided as follows:

		31 December 2020 二零二零年十二月三十一日				31 December 2019 二零一九年十二月三十一日			
		Asia 亞洲	Europe 歐洲	North America 北美洲	Total 總計	Asia 亞洲	Europe 歐洲	North America 北美洲	Total 總計
		HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元
Segment assets	分部資產	1,541.4	6,772.4	497.6	8,811.4	2,037.9	6,206.0	908.7	9,152.6
Deferred income tax assets	遞延所得稅資產				110.4				109.3
Fixed return investment	固定回報投資				-				88.4
Tax recoverable	可退回稅項				23.0				29.9
Derivative financial instruments	衍生金融工具				14.3				25.0
Cash and cash equivalents	現金及現金等值項目				913.8				784.8
Total assets	資產總值				9,872.9				10,190.0

#### Geographical information

Non-current assets, other than financial instruments and deferred income tax assets, and analysed by geographic regions as follows:

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$M 百萬港元
Asia	亞洲	661.8	1,033.7
Europe	歐洲	4,209.8	4,178.5
North America	北美洲	271.9	723.1
Total	總計	5,143.5	5,935.3

### 5 分部資料 (續)

#### 分部資產

於二零二零年十二月三十一日及二零一九年十二月三十一日分部資產與資產總值的對賬如下：

		As at 於 31 December 2020 二零二零年十二月三十一日				As at 於 31 December 2019 二零一九年十二月三十一日			
		Asia 亞洲	Europe 歐洲	North America 北美洲	Total 總計	Asia 亞洲	Europe 歐洲	North America 北美洲	Total 總計
		HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元
Segment assets	分部資產	1,541.4	6,772.4	497.6	8,811.4	2,037.9	6,206.0	908.7	9,152.6
Deferred income tax assets	遞延所得稅資產				110.4				109.3
Fixed return investment	固定回報投資				-				88.4
Tax recoverable	可退回稅項				23.0				29.9
Derivative financial instruments	衍生金融工具				14.3				25.0
Cash and cash equivalents	現金及現金等值項目				913.8				784.8
Total assets	資產總值				9,872.9				10,190.0

#### 地區資料

非流動資產不包括金融工具及遞延所得稅資產，按地區分析如下：

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$M 百萬港元
Asia	亞洲	661.8	1,033.7
Europe	歐洲	4,209.8	4,178.5
North America	北美洲	271.9	723.1
Total	總計	5,143.5	5,935.3

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**5 SEGMENT INFORMATION (continued)**

**Analysis of revenue by category**

**5 分部資料 (續)**

按業務類別分類之收益分析

		For the year ended 截至以下日期止年度	
		31 December 2020 二零二零年 十二月三十一日 HK\$M 百萬港元	31 December 2019 二零一九年 十二月三十一日 HK\$M 百萬港元
Metal recycling	金屬回收		
– Ferrous metal	– 黑色金屬	<b>8,397.9</b>	10,063.9
– Non-ferrous metal	– 有色金屬	<b>4,362.6</b>	4,279.3
Forging and foundry	鍛造及鑄造	<b>99.0</b>	342.4
Others	其他	<b>508.6</b>	677.8
<b>Total</b>	<b>總計</b>	<b>13,368.1</b>	15,363.4

**Information about major customers**

No single customer contributed 10% or more to the Group's revenue during the years ended 31 December 2020 and 2019.

**主要客戶的資料**

於截至二零二零年及二零一九年十二月三十一日止年度，並無單一客戶貢獻本集團收益10%或以上。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**6 OTHER INCOME**

**6 其他收入**

		<b>2020</b> 二零二零年 <b>HK\$M</b> 百萬港元	2019 二零一九年 HK\$M 百萬港元
Rental income for short-term operating leases	短期經營租賃租金收入	<b>21.8</b>	23.7
Rental income from investment properties (Note 16)	投資物業租金收入 (附註16)	<b>9.5</b>	3.7
Government grants/subsidies	政府補助／補貼	<b>33.2</b>	6.5
Dividend income	股息收入	<b>2.5</b>	4.8
Other income from related parties (Note 38(a))	來自關聯方的其他收入 (附註38(a))	<b>8.5</b>	7.8
Compensation from insurance coverage	保險補償	<b>40.9</b>	49.0
Tax subsidies received	已收稅收補貼	<b>10.9</b>	15.2
Service income	服務收入	<b>5.2</b>	2.9
Income from disposals of spare parts	出售備件之所得收入	<b>0.4</b>	1.1
Compensation from claims	索償補償	–	7.6
Other subsidies received	其他已收補貼	–	0.9
Others	其他	<b>6.8</b>	3.8
		<b>139.7</b>	127.0

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**7 OTHER (LOSSES)/GAINS, NET**

**7 其他(虧損)/收益淨額**

		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$M</b>	HK\$M
		<b>百萬港元</b>	百萬港元
(Loss)/Gain on fair value change of:	公平值變動(虧損)/收益：		
– derivative financial instruments	– 衍生金融工具	<b>(68.1)</b>	(2.1)
– financial assets at fair value through profit or loss	– 按公平值計入損益之金融資產	<b>(2.5)</b>	1.7
Foreign exchange (losses)/gains, net	匯兌(虧損)/收益淨額	<b>(28.3)</b>	13.9
Gain on disposal of property, plant and equipment and right-of-use assets	出售物業、廠房及設備以及使用權資產之收益	<b>23.4</b>	33.3
Loss on disposal and deregistration of subsidiaries or joint ventures	出售及註銷子公司或合營企業之虧損	<b>(4.5)</b>	(13.7)
Impairments on non-financial assets:	非金融資產減值：		
– provision for impairment on property, plant and equipment (Note 14)	– 物業、廠房及設備之減值撥備(附註14)	<b>(150.0)</b>	(0.9)
– provision for impairment on right-of-use assets (Note 15)	– 使用權資產減值撥備(附註15)	<b>(72.8)</b>	–
– impairment on intangible assets (Note 17)	– 無形資產之減值(附註17)	<b>(205.1)</b>	–
– impairment on assets held for sale (Note 27)	– 持作出售資產減值(附註27)	<b>(91.3)</b>	–
Reversal of provision for onerous contracts	虧損合約撥備撥回	–	5.3
Reversal of provision for asset retirement obligations	資產報廢責任撥備撥回	–	0.9
Others	其他	<b>0.3</b>	4.7
		<b>(598.9)</b>	43.1

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**8 EXPENSES BY NATURE**

**8 按性質劃分之開支**

		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$M</b>	HK\$M
		百萬港元	百萬港元
Changes in inventories of work-in-progress and finished goods	在製品及製成品存貨之變動	<b>(471.1)</b>	(141.9)
Raw materials and consumables used	所用原料及消耗品	<b>10,627.3</b>	12,266.9
Provision/(Reversal of provision) for impairment on inventories, net (Note 22)	存貨減值撥備／(撥備撥回)淨額(附註22)	<b>18.5</b>	(1.9)
Freight cost	運費	<b>807.7</b>	877.1
Utilities and waste disposal cost	水電費及廢物處理成本	<b>388.5</b>	363.5
Employee benefit expenses (Note 9)	僱員福利開支(附註9)	<b>1,065.6</b>	1,155.1
Depreciation and amortisation expenses of property, plant and equipment, intangible assets, right-of-use assets and investment properties	物業、廠房及設備、無形資產、使用權資產及投資物業之折舊及攤銷開支	<b>450.8</b>	422.5
Legal and professional expenses	法律及專業開支	<b>66.5</b>	43.8
Auditors' remuneration	核數師薪酬		
– Audit services	– 核數服務	<b>21.0</b>	27.5
– Non-audit services	– 非核數服務	<b>4.4</b>	7.3
Repair and maintenance expenses	維修及維護費用	<b>181.3</b>	210.4
Lease expenses	租賃開支		
– short-term leases	– 短期租賃	<b>10.7</b>	20.1
– low-value leases	– 低價值租賃	<b>4.8</b>	13.4
Administrative services provided by related parties (Note 38(a))	關聯方提供的行政服務(附註38(a))	<b>2.8</b>	1.7
Other expenses	其他開支	<b>381.6</b>	241.6
<b>Total cost of sales, distribution and selling expenses and administrative expenses</b>	<b>銷售成本、分銷及銷售開支以及行政開支總額</b>	<b>13,560.4</b>	15,507.1

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 9 EMPLOYEE BENEFIT EXPENSE

Employee benefit expenses during the year are as follows:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Wages and salaries	工資及薪金	877.9	961.3
Other termination benefits	其他離職福利	3.6	5.4
Social security costs	社保成本	60.8	63.3
Pension costs – defined contribution plans (Note (a))	退休金成本—界定供款計劃 (附註(a))	65.7	75.6
Pension costs – defined benefit plans	退休金成本—界定福利計劃	0.5	0.5
Other employee benefits	其他僱員福利	57.1	49.0
<b>Total employee benefit expense</b>	<b>僱員福利開支總額</b>	<b>1,065.6</b>	<b>1,155.1</b>

Notes:

**(a) Pensions – defined contribution plans**

Contributions totalling HK\$0.2 million (2019: HK\$0.2 million) were payable to the fund as at 31 December 2020.

**(b) Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year include four (2019: two) directors whose emoluments are reflected in the analysis shown in Note 39. The emoluments payable to the remaining one (2019: three) individuals during the year are as follows:

### 9 僱員福利開支

年內的僱員福利開支如下：

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Wages and salaries	工資及薪金	877.9	961.3
Other termination benefits	其他離職福利	3.6	5.4
Social security costs	社保成本	60.8	63.3
Pension costs – defined contribution plans (Note (a))	退休金成本—界定供款計劃 (附註(a))	65.7	75.6
Pension costs – defined benefit plans	退休金成本—界定福利計劃	0.5	0.5
Other employee benefits	其他僱員福利	57.1	49.0
<b>Total employee benefit expense</b>	<b>僱員福利開支總額</b>	<b>1,065.6</b>	<b>1,155.1</b>

附註：

**(a) 退休金—界定供款計劃**

供款合共0.2百萬港元(二零一九年：0.2百萬港元)須於二零二零年十二月三十一日劃撥至公積金。

**(b) 五位最高薪酬人士**

年內本集團之五位最高薪酬人士包括酬金已載列於附註39所述分析之四位董事(二零一九年：兩位)。年內應付予餘下一位(二零一九年：三位)人士之酬金如下：

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Salaries, bonus and other allowances	薪金、花紅及其他津貼	4.3	10.9
Pension costs-defined contribution plans	退休金成本—界定供款計劃	-	-
		<b>4.3</b>	<b>10.9</b>

The emoluments fell within the following bands:

酬金介乎以下範圍：

		Number of individual 人數	Number of individual 人數
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	-	1
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至4,500,000港元	1	-
HK\$4,500,001 to HK\$5,000,000	4,500,001港元至5,000,000港元	-	1

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**10 FINANCE COSTS, NET**

**10 財務成本淨額**

		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$M</b>	HK\$M
		百萬港元	百萬港元
Interest income from bank deposits	銀行存款之利息收入	7.0	9.5
Interest income from fixed return investment	固定回報投資之利息收入	2.2	12.6
Interest income from related parties (Note 38(a))	來自關聯方之利息收入 (附註38(a))	1.8	1.5
<b>Finance income</b>	<b>財務收入</b>	<b>11.0</b>	23.6
Interest expense on bank loans, overdrafts, bills payable and note payable	銀行貸款、透支、應付票據及 票據應付款項之利息開支	<b>(57.5)</b>	(79.4)
Interest expense on other borrowings	其他借款之利息開支	<b>(155.6)</b>	(137.7)
Interest expense on lease liabilities (Note 32)	租賃負債之利息開支 (附註32)	<b>(29.7)</b>	(18.5)
Interest expense on loans from related parties (Note 38(a))	來自關聯方的貸款之 利息開支 (附註38(a))	<b>(0.7)</b>	(0.6)
<b>Finance costs</b>	<b>財務成本</b>	<b>(243.5)</b>	(236.2)
<b>Finance costs, net</b>	<b>財務成本淨額</b>	<b>(232.5)</b>	(212.6)

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

## 11 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profit for the year.

Under the law of the PRC on Enterprise Income Tax (the "EIT") and the relevant EIT Implementation Regulations, the tax rate of PRC EIT has been provided at the rate of 25% (2019: 25%) on the estimated assessable profit for the year.

Germany and USA income taxes have been provided at the rate of approximately 30% (2019: 30%) and 26% (2019: 26%) respectively, on the estimated assessable profit for the year.

Taxation on profits from other jurisdictions has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

## 11 所得稅開支

香港利得稅乃根據年內估計應課稅溢利按稅率16.5% (二零一九年：16.5%) 計提撥備。

根據中國企業所得稅(「企業所得稅」)法及相關企業所得稅實施條例，中國企業所得稅乃根據年內估計應課稅溢利按稅率25% (二零一九年：25%) 計提撥備。

德國及美國所得稅乃分別按年內估計應課稅溢利按稅率約30% (二零一九年：30%) 及26% (二零一九年：26%) 計提撥備。

來自其他司法權區溢利之稅項乃按本集團經營所在國家之現行稅率計算年內估計應課稅溢利。

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Current income tax expense:	即期所得稅項開支：		
Germany	德國	(35.5)	(23.8)
PRC EIT	中國企業所得稅	(1.4)	(0.3)
Hong Kong profits tax	香港利得稅	(1.5)	(1.3)
Other jurisdictions	其他司法權區	(1.6)	(5.0)
		<b>(40.0)</b>	(30.4)
(Under)/Over provision in prior years:	過往年度 (撥備不足) / 超額撥備：		
Germany	德國	(4.9)	(1.1)
Hong Kong profits tax	香港利得稅	-	0.2
USA	美國	3.2	2.1
Other jurisdictions	其他司法權區	(9.2)	0.5
		<b>(10.9)</b>	1.7
Deferred income tax expense (Note 21)	遞延所得稅開支(附註21)	<b>(3.5)</b>	(5.6)
Income tax expense	所得稅開支	<b>(54.4)</b>	(34.3)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 11 INCOME TAX EXPENSE (continued)

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profit of the consolidated entities as follows:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Loss before income tax	除所得稅前虧損	<b>(809.8)</b>	(99.5)
Tax calculated at domestic tax rates applicable to profits in the respective countries	按適用於相關國家溢利的本地稅率計算的稅項	<b>(173.1)</b>	(15.4)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	<b>164.7</b>	49.8
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	<b>(26.5)</b>	(60.9)
Tax effect of temporary differences not recognised	未確認的暫時差額的稅務影響	<b>77.4</b>	17.7
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	<b>40.0</b>	64.6
Tax effect of utilisation of tax losses previously not recognised	使用之前未確認稅項虧損的稅務影響	<b>(24.7)</b>	(2.8)
Tax impact on share of results from an associate and joint ventures	對應佔聯營公司及合營企業業績之稅務影響	<b>(14.3)</b>	(17.0)
Under/(Over) provision in respect of prior years	過往年度撥備不足／(超額撥備)	<b>10.9</b>	(1.7)
Income tax expense for the year	年內所得稅開支	<b>54.4</b>	34.3

The weighted average applicable tax rate was 21.4% (2019: 15.5%). The increase is caused by changes in the profitability of certain subsidiaries.

### 11 所得稅開支(續)

本集團除所得稅前虧損的稅項與使用適用於綜合實體溢利的加權平均稅率而產生的理論金額之差別如下：

加權平均適用稅率為21.4% (二零一九年：15.5%)。增加乃由於若干子公司之盈利能力有變。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 12 DIVIDENDS

No dividend was paid or proposed during 2020 and 2019, nor has any dividend been proposed by the Company since the end of the reporting period in respect of the years ended 31 December 2020 and 2019.

### 13 LOSS PER SHARE

#### (a) Basic

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

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Loss</b>	<b>虧損</b>		
Loss for the year attributable to shareholders of the Company	本公司股東應佔本年度虧損	<b>(848.1)</b>	(128.7)
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數目(千股)	<b>1,605,153</b>	1,605,153
Basic loss per share (expressed in HK\$)	每股基本虧損(以港元列報)	<b>(0.53)</b>	(0.08)

#### (b) Diluted

The Group has no potentially dilutive shares outstanding during the years ended 31 December 2020 and 2019.

### 12 股息

本公司於二零二零年及二零一九年均無派付或建議派付任何股息，自截至二零二零年及二零一九年十二月三十一日止年度的報告期末亦無建議派付任何股息。

### 13 每股虧損

#### (a) 基本

每股基本虧損乃按本公司股東應佔本年度虧損除以本年度已發行普通股加權平均數目計算得出。

#### (b) 攤薄

於截至二零二零年及二零一九年十二月三十一日止年度本集團並無已發行潛在攤薄股份。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**14 PROPERTY, PLANT AND EQUIPMENT**

**14 物業、廠房及設備**

		Land and buildings	Plant and machinery	Office furniture and equipment 辦公傢俱 及設備	Construction in progress	Total
		土地及樓宇 HK\$M 百萬港元	廠房及機器 HK\$M 百萬港元	及設備 HK\$M 百萬港元	在建工程 HK\$M 百萬港元	總計 HK\$M 百萬港元
At 1 January 2019	於二零一九年一月一日					
Cost	成本	2,629.9	1,047.3	88.5	103.6	3,869.3
Accumulated depreciation and impairment loss	累計折舊及減值虧損	(231.8)	(448.8)	(41.4)	–	(722.0)
Net book amount	賬面淨值	2,398.1	598.5	47.1	103.6	3,147.3
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度					
Opening net book amount	年初之賬面淨值	2,398.1	598.5	47.1	103.6	3,147.3
Additions	添置	79.2	63.2	79.3	115.8	337.5
Transfer upon completion	於完成後轉讓	11.8	71.9	24.2	(107.9)	–
Transfer to investment properties (Note 16)	轉至投資物業 (附註16)	(6.6)	–	–	–	(6.6)
Disposal of subsidiaries	出售子公司	(4.8)	(8.7)	(1.7)	(1.0)	(16.2)
Impairment loss (Note 7)	減值虧損 (附註7)	(0.9)	–	–	–	(0.9)
Disposals	出售	(137.8)	(54.7)	(22.8)	(4.8)	(220.1)
Depreciation charge	折舊開支	(106.6)	(83.1)	(31.0)	–	(220.7)
Currency translation differences	匯兌差額	(32.3)	(4.9)	0.2	(0.4)	(37.4)
Closing net book amount	年末之賬面淨值	2,200.1	582.2	95.3	105.3	2,982.9
At 31 December 2019	於二零一九年十二月三十一日					
Cost	成本	2,531.8	1,070.5	160.4	105.3	3,868.0
Accumulated depreciation and impairment loss	累計折舊及減值虧損	(331.7)	(488.3)	(65.1)	–	(885.1)
Net book amount	賬面淨值	2,200.1	582.2	95.3	105.3	2,982.9

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**14 PROPERTY, PLANT AND EQUIPMENT**  
**(continued)**

**14 物業、廠房及設備 (續)**

		Land and buildings	Plant and machinery	Office furniture and equipment	Construction in progress	Total
		土地及樓宇 HK\$M 百萬港元	廠房及機器 HK\$M 百萬港元	辦公傢俱 及設備 HK\$M 百萬港元	在建工程 HK\$M 百萬港元	總計 HK\$M 百萬港元
Year ended 31 December 2020	截至二零二零年 十二月三十一日止年度					
Opening net book amount	年初賬面淨值	2,200.1	582.2	95.3	105.3	2,982.9
Additions	添置	27.7	47.5	35.9	117.5	228.6
Transfer upon completion	於完成後轉讓	27.4	63.2	3.0	(93.6)	-
Transfer to investment properties (Note 16)	轉至投資物業 (附註16)	(30.9)	-	-	-	(30.9)
Transfer to assets held for sale (Notes 27 & (iii))	轉至持作出售資產 (附註27及(iii))	(206.9)	(49.9)	(2.2)	-	(259.0)
Impairment loss (Notes 7 & (iv))	減值虧損 (附註7及(iv))	(51.3)	(63.3)	(2.5)	(32.9)	(150.0)
Disposals	出售	(56.5)	(33.3)	(5.6)	(2.2)	(97.6)
Depreciation charge	折舊開支	(97.7)	(94.2)	(33.3)	-	(225.2)
Currency translation differences	匯兌差額	132.8	32.2	4.7	5.4	175.1
Closing net book amount	年末之賬面淨值	1,944.7	484.4	95.3	99.5	2,623.9
At 31 December 2020	於二零二零年十二月三十一日					
Cost	成本	2,396.3	1,090.5	192.7	99.5	3,779.0
Accumulated depreciation and impairment loss	累計折舊及減值虧損	(451.6)	(606.1)	(97.4)	-	(1,155.1)
Net book amount	賬面淨值	1,944.7	484.4	95.3	99.5	2,623.9

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 14 PROPERTY, PLANT AND EQUIPMENT (continued)

Notes:

- (i) Construction in progress as at 31 December 2020 mainly comprises new metal scrap processing machinery and equipment being constructed in Europe.
- (ii) As at 31 December 2020, property, plants and equipment with a net book value of HK\$1,888.2 million (2019: HK\$1,905.0 million) were pledged to secure certain borrowings and general banking facilities granted to the Group (Note 36).
- (iii) During the year ended 31 December 2020, property, plant and equipment with net book values of HK\$259.0 million were transferred to assets held for sale. Upon the transfer, such property, plant and equipment have been measured at the lower of their net book value and fair value less cost to sell based on the expected sales price and an impairment loss of HK\$51.1 million has been recognised in "impairments on non-financial assets" in the Group's consolidated statement of profit or loss. As a result, assets held for sale recognised for these property, plant and equipment amounted to HK\$207.9 million (Note 27).
- (iv) During the year ended 31 December 2020, the Group recognised a provision for impairment on property, plant and equipment of HK\$150.0 million (2019: HK\$0.9 million) of which (a) HK\$115.1 million related to idle assets in Asia and Europe; and (b) HK\$34.9 million were related to certain property, plant and equipment in North America, which their recoverable amount is below their carrying value based on management's assessment.

The recoverable amounts of performing property, plant and equipment is determined through value-in-use (Note 17). Recoverable amounts for non-performing property, plant and equipment is determined based on fair value less cost of disposal. The Group has engaged valuers to obtain the quoted prices of assets of similar nature to determine the fair value less cost of disposal. Such fair value is classified as within Level 2 of the fair value hierarchy and the key assumption to which the recoverable amount is most sensitive to would be the quoted price. If the quoted price decreases by 100 basis points, the provision for impairment will increase by HK\$0.3 million.

### 14 物業、廠房及設備(續)

附註：

- (i) 於二零二零年十二月三十一日的在建工程主要包括在歐洲建設中的新再生金屬加工機器及設備。
- (ii) 於二零二零年十二月三十一日，賬面淨值為1,888.2百萬港元(二零一九年：1,905.0百萬港元)的物業、廠房及設備已抵押，作為本集團獲授若干借款及一般銀行融資的抵押(附註36)。
- (iii) 於截至二零二零年十二月三十一日止年度內，賬面淨值為259.0百萬港元的物業、廠房及設備轉為持作出售資產。於轉移時，該等物業、廠房及設備乃基於預期售價按其賬面淨值及公平值減出售成本兩者中的較低者計量，而減值虧損51.1百萬港元已於本集團的綜合損益表「非金融資產減值」中確認。因此，已就該等物業、廠房及設備確認的持作出售資產為207.9百萬港元(附註27)。
- (iv) 於截至二零二零年十二月三十一日止年度，本集團就物業、廠房及設備確認減值撥備150.0百萬港元(二零一九年：0.9百萬港元)，其中(a) 115.1百萬港元與亞洲及歐洲的閑置資產有關；及(b) 34.9百萬港元與北美洲的若干物業、廠房及設備有關，根據管理層的評估，其可收回金額低於其賬面價值。

正常物業、廠房及設備的可收回金額根據使用價值釐定(附註17)。不良物業、廠房及設備的可收回金額根據公平值減出售成本釐定。本集團已委聘估值師以獲取類似性質資產的報價，以釐定公平值減出售成本。該公平值被歸類為公平值層級的第二級，而對於可收回金額最敏感的關鍵假設為報價。若報價下跌100個基點，則減值撥備將增加0.3百萬港元。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**15 RIGHT-OF-USE ASSETS**

**15 使用權資產**

		Land and buildings	Plant and machinery	Office furniture and equipment	Intangible assets	Total
		土地及樓宇 HK\$M 百萬港元	廠房及機器 HK\$M 百萬港元	辦公傢俱 及設備 HK\$M 百萬港元	無形資產 HK\$M 百萬港元	總計 HK\$M 百萬港元
At 1 January 2019 (upon adoption of HKFRS 16)	於二零一九年一月一日 (於採納香港財務報告 準則第16號後)					
Cost	成本	607.6	497.3	182.4	0.4	1,287.7
Accumulated depreciation, amortisation and impairment loss	累計折舊、攤銷及減值虧損	(96.1)	(181.6)	(32.1)	-	(309.8)
Net book amount	賬面淨值	511.5	315.7	150.3	0.4	977.9
Year ended 31 December 2019	截至二零一九年 十二月三十一日止年度					
Opening net book amount (upon adoption of HKFRS 16)	年初賬面淨值(於採納香港 財務報告準則第16號後)	511.5	315.7	150.3	0.4	977.9
Additions	添置	134.9	170.0	90.8	-	395.7
Disposals	出售	(8.1)	(2.5)	(3.9)	-	(14.5)
Depreciation and amortisation charge	折舊及攤銷開支	(31.9)	(88.2)	(38.9)	(0.3)	(159.3)
Currency translation differences	匯兌差額	(7.2)	(4.6)	(2.2)	-	(14.0)
Closing net book amount	年末之賬面淨值	599.2	390.4	196.1	0.1	1,185.8
At 31 December 2019	於二零一九年十二月三十一日					
Cost	成本	725.9	640.9	258.0	0.4	1,625.2
Accumulated depreciation, amortisation and impairment loss	累計折舊、攤銷及減值虧損	(126.7)	(250.5)	(61.9)	(0.3)	(439.4)
Net book amount	賬面淨值	599.2	390.4	196.1	0.1	1,185.8
Year ended 31 December 2020	截至二零二零年 十二月三十一日止年度					
Opening net book amount	年初賬面淨值	599.2	390.4	196.1	0.1	1,185.8
Additions	添置	40.7	22.0	38.5	-	101.2
Disposals	出售	(6.0)	(75.2)	-	-	(81.2)
Depreciation and amortisation charge	折舊及攤銷開支	(56.5)	(75.2)	(59.8)	(0.1)	(191.6)
Impairment loss (Notes 7 & (iii))	減值虧損(附註7&(iii))	(63.9)	(8.9)	-	-	(72.8)
Transfer to assets held for sale (Note 27 & (iv))	轉至持作出售資產(附註27&(iv))	(114.4)	(48.2)	(4.3)	-	(166.9)
Currency translation differences	匯兌差額	26.1	11.4	32.5	-	70.0
Closing net book amount	年末之賬面淨值	425.2	216.3	203.0	-	844.5
At 31 December 2020	於二零二零年十二月三十一日					
Cost	成本	658.0	501.4	317.4	-	1,476.8
Accumulated depreciation, amortisation and impairment loss	累計折舊、攤銷及減值虧損	(232.8)	(285.1)	(114.4)	-	(632.3)
Net book amount	賬面淨值	425.2	216.3	203.0	-	844.5

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 15 RIGHT-OF-USE ASSETS (continued)

Notes:

- (i) As at 31 December 2020, certain leasehold land and land use rights with a net book value of HK\$187.1 million (2019: HK\$288.2 million) were pledged to secure certain borrowings and general banking facilities granted to the Group (Note 36).
- (ii) Expenses relating to short-term leases of HK\$10.7 million (2019: HK\$20.1 million) and expenses relating to leases of low-value assets that are not classified as short-term leases of HK\$4.8 million (2019: HK\$13.4 million) were charged to the consolidated statement of profit and loss for the year ended 31 December 2020.
- (iii) During the year ended 31 December 2020, the Group recognised a provision for impairment on certain leased land and building of HK\$63.9 million in Asia, which their recoverable amount is below their carrying value based on management's assessment. The remaining provision for impairment on right-of-use assets of HK\$8.9 million was related to certain leased equipment and machineries in North America.
- (iv) During the year ended 31 December 2020, right-of-use assets with a net book value of HK\$166.9 million (2019: Nil) were transferred to assets held for sale. Upon the transfer, such right-of-use assets have been measured at the lower of their net book value and fair value less cost to sell based on the expected sales price and an impairment loss of HK\$40.2 million has been recognised in "impairments on non-financial assets" in the Group's consolidated statement of profit or loss. As a result, assets held for sale recognised for these right-of-use assets amounted to HK\$126.7 million (Note 27).

### 15 使用權資產 (續)

附註：

- (i) 於二零二零年十二月三十一日，賬面淨值為187.1百萬港元（二零一九年：288.2百萬港元）之若干租賃土地及土地使用權已抵押，作為本集團獲授予若干借款及一般銀行融資的抵押（附註36）。
- (ii) 有關短期租賃之開支10.7百萬港元（二零一九年：20.1百萬港元）及有關並無分類為短期租賃之低價值資產租賃之開支4.8百萬港元（二零一九年：13.4百萬港元）已自截至二零二零年十二月三十一日止年度之綜合損益表扣除。
- (iii) 於截至二零二零年十二月三十一日止年度，本集團就亞洲的若干租賃土地及樓宇確認減值撥備63.9百萬港元，根據管理層的評估，其可收回金額低於其賬面值。使用權資產的其餘減值撥備8.9百萬港元與北美洲的若干租賃設備及機器有關。
- (iv) 於截至二零二零年十二月三十一日止年度，賬面淨值為166.9百萬港元（2019年：無）的使用權資產轉為持作出售資產。於轉移時，該等使用權資產乃基於預期售價按其賬面淨值及公平值減出售成本兩者中的較低者計量，而減值虧損40.2百萬港元已於本集團的綜合損益表「非金融資產減值」中確認。因此，已就該等使用權資產確認的持作出售資產為126.7百萬港元（附註27）。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**16 INVESTMENT PROPERTIES**

**16 投資物業**

		<b>2020</b> <b>二零二零年</b> <b>HK\$M</b> <b>百萬港元</b>	2019 二零一九年 HK\$M 百萬港元
At 1 January	於一月一日	<b>9.1</b>	3.2
Depreciation charge	折舊開支	<b>(2.3)</b>	(0.4)
Transfer from property, plant and equipment (Note 14)	轉自物業、廠房及設備 (附註14)	<b>30.9</b>	6.6
Transfer to assets held for sale (Note 27)	轉至持作出售資產 (附註27)	<b>(19.0)</b>	-
Currency translation differences	匯兌差額	<b>2.0</b>	(0.3)
At 31 December	於十二月三十一日	<b>20.7</b>	9.1

Notes:

- (i) The above investment properties, which are situated in the PRC (2019: the PRC), are depreciated on a straight-line basis over the remaining useful lives.
- (ii) The fair value of the Group's investment properties at 31 December 2020 was HK\$82.4 million (2019: HK\$16.6 million).
- (iii) Rental income from these investment properties recognised in the consolidated statement of profit or loss for the year ended 31 December 2020 amounted to HK\$9.5 million (2019: HK\$3.7 million) (Note 6).
- (iv) As at 31 December 2020, investment properties with a net book value of HK\$20.7 million (2019: HK\$9.1 million) were pledged to secure certain borrowings and general banking facilities granted to the Group (Note 36).

附註：

- (i) 上述於中國(二零一九年：中國)的投資物業按餘下使用年期以直線基準折舊。
- (ii) 本集團投資物業於二零二零年十二月三十一日的公平值為82.4百萬港元(二零一九年：16.6百萬港元)。
- (iii) 於截至二零二零年十二月三十一日止年度在綜合損益表內確認的來自該等投資物業的租金收入為9.5百萬港元(二零一九年：3.7百萬港元)(附註6)。
- (iv) 於二零二零年十二月三十一日，賬面淨值為20.7百萬港元(二零一九年：9.1百萬港元)之投資物業已抵押，以作為本集團獲授予若干借款及一般銀行融資的抵押(附註36)。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**17 INTANGIBLE ASSETS**

**17 無形資產**

		Goodwill	Computer software	Brand names, patents and licenses	Customers' relationship and suppliers' relationship	Non-competition agreement	Total
		商譽	電腦軟件	品牌名稱、專利及牌照	客戶關係及供應商關係	競業限制合同	總計
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	756.9	4.5	287.0	101.7	33.8	1,183.9
Additions	添置	-	5.6	-	-	-	5.6
Disposals of subsidiaries	出售子公司	-	-	-	(14.2)	-	(14.2)
Amortisation charges	攤銷開支	-	(2.3)	(9.7)	(8.1)	(22.0)	(42.1)
Currency translation differences	匯兌差額	(11.6)	-	(4.4)	(1.5)	(0.7)	(18.2)
Closing net book amount	年末賬面淨值	745.3	7.8	272.9	77.9	11.1	1,115.0
At 31 December 2019	於二零一九年十二月三十一日						
Cost	成本	745.3	16.2	298.3	96.9	44.3	1,201.0
Accumulated amortisation	累計攤銷	-	(8.4)	(25.4)	(19.0)	(33.2)	(86.0)
Net book amount	賬面淨值	745.3	7.8	272.9	77.9	11.1	1,115.0

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**17 INTANGIBLE ASSETS (continued)**

**17 無形資產 (續)**

		Goodwill	Computer software	Brand names, patents and licenses	Customers' relationship and suppliers' relationship	Non-competition agreement	Total
		商譽	電腦軟件	品牌名稱、專利及牌照	客戶關係及供應商關係	競業限制合同	總計
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度						
Opening net book amount	年初賬面淨值	745.3	7.8	272.9	77.9	11.1	1,115.0
Additions	添置	-	3.4	-	-	-	3.4
Impairment loss (Note 7)	減值虧損(附註7)	(198.5)	-	(6.6)	-	-	(205.1)
Amortisation charges	攤銷開支	-	(3.7)	(9.8)	(7.5)	(10.7)	(31.7)
Currency translation differences	匯兌差額	50.1	0.3	20.1	5.5	(0.4)	75.6
Closing net book amount	年末賬面淨值	596.9	7.8	276.6	75.9	-	957.2
At 31 December 2020	於二零二零年十二月三十一日						
Cost	成本	596.9	20.3	314.6	104.3	47.7	1,083.8
Accumulated amortisation	累計攤銷	-	(12.5)	(38.0)	(28.4)	(47.7)	(126.6)
Net book amount	賬面淨值	596.9	7.8	276.6	75.9	-	957.2

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 17 INTANGIBLE ASSETS (continued)

#### Impairment tests for goodwill and intangible assets with indefinite useful lives

Goodwill is recognised through the acquisition of Yantai Liheng Environmental Protection Technology Co., Ltd\* (煙台立衡環保科技有限公司) (“Yantai Liheng”) and Scholz Holding GmbH (“Scholz Holding”) in 2016. Intangible assets with indefinite useful lives represented brand names.

Management reviews the business performance based on geographic regions. It has identified Asia, Europe and North America as the main regions. Goodwill arising from the acquisition of Yantai Liheng is allocated to its own CGU in Asia region and that arising from the acquisition of Scholz Holding is allocated to metal recycling CGU in Asia, Europe and North America regions. Brand names have been allocated to CGUs in Europe and North America regions, respectively.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the recycling businesses in which the CGU operates.

\* For identification only

### 17 無形資產 (續)

#### 商譽及具無限可使用年期之無形資產之減值測試

商譽乃透過於二零一六年收購煙台立衡環保科技有限公司 (「煙台立衡」) 及 Scholz Holding GmbH 順爾茨控股有限公司\* (「順爾茨控股」) 而確認。具無限可使用年期之無形資產指品牌名稱。

管理層根據地理位置審閱業務表現。其已識別亞洲、歐洲及北美洲作為主要地區。來自收購煙台立衡的商譽被分配至其於亞洲地區的自有現金產生單位及來自收購順爾茨控股的商譽被分配至亞洲、歐洲及北美洲地區的金屬回收現金產生單位。品牌名稱已被分別分配至歐洲及北美洲地區的現金產生單位。

現金產生單位可收回金額根據使用價值計算法釐定，而有關計算乃使用基於管理層批准的五年期財政預算的除稅前現金流預測。超出五年期的現金流則使用下文所述的估計增長率推算。增長率不會超過再生業務 (現金產生單位經營所在的業務) 的長期平均增長率。

\* 僅供識別

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 17 INTANGIBLE ASSETS (continued)

#### Impairment tests for goodwill and intangible assets with indefinite useful lives (continued)

For the impairment test for goodwill and intangible assets with indefinite useful lives, the key assumptions, long term growth rate and discount rate used in the value-in-use calculations are disclosed below:

		Metal recycling 金屬回收			Oil recycling 廢油回收
		Asia 亞洲	Europe 歐洲	North America 北美洲	Asia 亞洲
<b>2020</b>	<b>二零二零年</b>				
Long term growth rate	長期增長率	2.0%	2.0%	2.0%	2.0%
Pre-tax discount rate (Note (i))	除稅前折現率 (附註(i))	19.3%	13.7%	13.0%	19.3%
Gross profit margin	毛利率	5.3%-9.8%	8.2%-9.5%	17.9%	5.6%-6.3%
Revenue growth rate	收益增長率	5.0%-30.1%	5.0%-14.2%	-34.8%-4.0%	3.7%-50.9%

		Metal recycling 金屬回收			Oil recycling 廢油回收
		Asia 亞洲	Europe 歐洲	North America 北美洲	Asia 亞洲
<b>2019</b>	<b>二零一九年</b>				
Long term growth rate	長期增長率	2.0%	2.0%	2.0%	2.0%
Pre-tax discount rate (Note (i))	除稅前折現率 (附註(i))	17.7%	14.2%	13.9%	19.1%
Gross profit margin	毛利率	5.2%-7.9%	7.7%-9.0%	8.0%-9.6%	3.2%-3.7%
Revenue growth rate	收益增長率	-18.8%-84.1%	2.3%-9.1%	3.3%-11.0%	2.0%-80.0%

Note:

(i) Pre-tax discount rate applied to the pre-tax cash flow forecast.

The North America region is undergoing business transformation to strategically focus on the Southwest US operations, and has divested or in the process of divesting the operations in the Northeastern US. As a result of management's cash flow forecast of the remaining businesses in the North America region, the recoverable amount of the North America CGU was HK\$202.0 million as at 31 December 2020, which resulted in an impairment on goodwill, intangible assets with indefinite useful lives, property, plant and equipment and right-of-use assets of HK\$183.9 million, HK\$6.6 million, HK\$23.4 million and HK\$8.9 million, respectively, for the year ended 31 December 2020.

### 17 無形資產 (續)

商譽及具無限可使用年期之無形資產之減值測試 (續)

就商譽及具無限可使用年期之無形資產之減值測試，使用價值計算中使用的主要假設、長期增長率及折現率披露於下文：

附註：

(i) 應用於除稅前現金流預測的除稅前折現率。

北美地區正進行業務轉型，以戰略性地專注於美國西南部業務，並已出售或正在出售美國東北部的業務。管理層經評估北美地區餘下業務的現金流預測後，於二零二零年十二月三十一日，北美現金產生單位的可收回金額為202.0百萬港元，導致截至二零二零年十二月三十一日止年度商譽、具無限可使用年期的無形資產、物業、廠房及設備以及使用權資產分別減值183.9百萬港元、6.6百萬港元、23.4百萬港元及8.9百萬港元。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 17 INTANGIBLE ASSETS (continued)

#### Impairment tests for goodwill and intangible assets with indefinite useful lives (continued)

An impairment loss of HK\$14.6 million was also recognised on Yantai Liheng's goodwill during the year, as the CGU's recoverable amount was only HK\$90.4 million based on management's assessment on the prospect of Yantai Liheng, taking into account the fluctuations in the waste oil prices and the competitive business environment. No other class of assets other than goodwill was impaired.

The recoverable amounts for Asia, Europe and North America CGUs would still exceed their remaining carrying amounts if the assumptions were changed as follows:

- lowering long term growth rate by 1 percentage point;
- raising pre-tax discount rate by 1 percentage point; or
- lowering revenue growth rate by 20% of the expected growth rate.

### 17 無形資產 (續)

#### 商譽及具無限可使用年期之無形資產之減值測試 (續)

於年內，煙台立衡的商譽中亦確認減值虧損14.6百萬港元，因為根據管理層對煙台立衡前景的評估（經考慮廢油價格的波動及競爭激烈的商業環境），該現金產生單位的可收回金額僅為90.4百萬港元。除商譽外，並無其他類別資產發生減值。

倘假設變動如下，亞洲、歐洲及北美洲現金產生單位的可收回金額仍將超過彼等的賬面值：

- 將長期增長率降低1個百分點；
- 將除稅前折現率提升1個百分點；或
- 將收益增長率降低預期增長率的20%。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

**18 使用權益法列賬的投資**

**(a) Interest in an associate**

**(a) 於聯營公司之權益**

		<b>2020</b> 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Cost of unlisted investment in an associate (Note)	於聯營公司之非上市投資成本 (附註)	<b>2.3</b>	2.3
Share of post-acquisition accumulated losses	應佔收購後累計虧損	<b>(0.7)</b>	(0.6)
		<b>1.6</b>	1.7

Notes:

附註：

Details of the Group's associate at the end of the reporting period are as follows:

本集團於報告期末的聯營公司詳情如下：

Name of entity 實體名稱	Place of principal business 主要營業地點	Proportion of ownership interest held by the Group 本集團所持擁有權益比例	Principal activity 主要業務
Poly Metals Company Limited ("Poly Metals") 寶勵金屬有限公司 (「寶勵」)	Hong Kong 香港	20%	Trading of metal scrap 再生金屬交易

Poly Metals is a private company and there is no quoted market price available for its shares.

寶勵為私人公司及其股份並無可得的市場報價。

There are no contingent liabilities relating to the Group's interest in an associate.

並無有關本集團於聯營公司之權益之或然負債。

**Summarised financial information for an associate**

一間聯營公司之財務資料概要

Set out below is the summarised financial information for Poly Metals which is accounted for using the equity method.

下文列載寶勵之財務資料概要，其使用權益法列賬。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)**

**(a) Interest in an associate (continued)**

Summarised balance sheet

		<b>2020</b> 二零二零年 <b>HK\$M</b> 百萬港元	2019 二零一九年 HK\$M 百萬港元
Total current assets	流動資產總值	<b>34.0</b>	40.5
Total non-current assets	非流動資產總值	<b>0.9</b>	0.9
Total current liabilities	流動負債總額	<b>(34.5)</b>	(40.7)
Total non-current liabilities	非流動負債總額	-	-

Summarised statement of comprehensive income

		<b>2020</b> 二零二零年 <b>HK\$M</b> 百萬港元	2019 二零一九年 HK\$M 百萬港元
Revenue	收益	<b>62.5</b>	233.4
Loss and total comprehensive loss	虧損及全面虧損總額	<b>(0.4)</b>	(1.6)

**18 使用權益法列賬的投資 (續)**

**(a) 於聯營公司之權益 (續)**

資產負債表概要

全面收益表概要

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)**

**(a) Interest in an associate (continued)**

**Summarised statement of comprehensive income (continued)**

Reconciliation of the above summarised financial information to the carrying amount of the interest in Poly Metals recognised in the consolidated financial statements:

		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$M</b>	HK\$M
		<b>百萬港元</b>	百萬港元
Net assets of Poly Metals as at 31 December	寶勵於十二月三十一日的資產淨值	<b>0.4</b>	0.7
Proportion of the Group's ownership interest in Poly Metals	本集團於寶勵之擁有權益比例	<b>20%</b>	20%
Share of net assets of Poly Metals	應佔寶勵資產淨值	<b>0.1</b>	0.2
Goodwill	商譽	<b>1.5</b>	1.5
Closing carrying value	年末賬面值	<b>1.6</b>	1.7

The information above reflects the amounts presented in the financial statements of the associate adjusted for differences in accounting policies between the Group and the associate.

**18 使用權益法列賬的投資 (續)**

**(a) 於聯營公司之權益 (續)**

**全面收益表概要 (續)**

上述財務資料概要與於寶勵權益之賬面值 (於綜合財務報表內確認) 之對賬如下：

上述資料反映就本集團與該聯營公司之會計政策差異作調整後於該聯營公司之財務報表呈列之金額。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

#### (b) Interests in joint ventures

Particulars of the significant joint ventures are set out below:

Name of entity 實體名稱	Place of establishment/ principal place of business 成立地點/ 主要營業地點	% of ownership interest 擁有權益百分比		Principal activities 主要業務	Measurement method 計量方法	Carrying amount 賬面值	
		2020 二零二零年	2019 二零一九年			2020 二零二零年	2019 二零一九年
		HK\$M 百萬港元	HK\$M 百萬港元			HK\$M 百萬港元	HK\$M 百萬港元
Schrott und Metallhandel M. Kaatsch GmbH	Germany 德國	75%	75%	Note (i) 附註(i)	Equity 權益	133.4	119.7
Scholz Austria GmbH	Austria 奧地利	63.35%	63.35%	Note (ii) 附註(ii)	Equity 權益	255.4	214.6
Kalischatarra, S.de R.L. de C.V.	Mexico 墨西哥	50%	50%	Note (iii) 附註(iii)	Equity 權益	133.4	129.5
Rematholding Co. s.r.l	Romania 羅馬尼亞	50%	50%	Note (iv) 附註(iv)	Equity 權益	76.6	70.9
Individually immaterial joint ventures 個別非重大合營企業				Note (v) 附註(v)	Equity 權益	96.0	94.5
						<b>694.8</b>	<b>629.2</b>

Notes:

- (i) Schrott und Metallhandel M. Kaatsch GmbH is a private company and there is no quoted market price for its shares. It is engaged in collection, processing and trading of scrap metal in Germany.
- (ii) Scholz Austria GmbH is a private company and there is no quoted market price for its shares. It is engaged in metal recycling business in Austria.
- (iii) Kalischatarra, S.de R.L. de C.V. is a private company and there is no quoted market price for its shares. It is engaged in collection, processing and trading of scrap metal in Mexico.
- (iv) Rematholding Co. s.r.l is a private company and there is no quoted market price for its shares. It is engaged in collection, processing and trading of scrap metal in Romania.

### 18 使用權益法列賬的投資 (續)

#### (b) 於合營企業之權益

主要合營企業之詳情載列如下：

附註：

- (i) Schrott und Metallhandel M. Kaatsch GmbH為一間私人公司及其股份並無市場報價。該公司於德國從事收集、加工及買賣再生金屬。
- (ii) Scholz Austria GmbH為一間私人公司及其股份並無市場報價。該公司於奧地利從事再生金屬業務。
- (iii) Kalischatarra, S.de R.L. de C.V.為一間私人公司及其股份並無市場報價。該公司於墨西哥從事收集、加工及買賣再生金屬。
- (iv) Rematholding Co. s.r.l為一間私人公司及其股份並無市場報價。該公司於羅馬尼亞從事收集、加工及買賣再生金屬。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)**

**(b) Interests in joint ventures (continued)**

Notes: (continued)

- (v) In addition to the interests in joint ventures as disclosed above, the Group also has interests in a number of individually immaterial joint ventures that are accounted for using the equity method:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Aggregate carrying amount of individually immaterial joint ventures	於個別非重大合營企業之賬面值總額	96.0	94.5
Aggregate amount of the Group's share of:			
Profit for the year	本集團應佔之總額： 年內溢利	18.3	16.6
Other comprehensive loss	其他全面虧損	-	(0.2)
Total comprehensive income	全面收益總額	18.3	16.4

**Commitments and contingent liabilities in respect of joint ventures**

The Group provided guarantees of approximately HK\$38.0 million (2019: HK\$35.3 million) for borrowings to certain joint ventures as at 31 December 2020 (Note 43 (c)).

There are no contingent liabilities relating to the Group's interests in the joint ventures.

**18 使用權益法列賬的投資 (續)**

**(b) 於合營企業之權益 (續)**

附註：(續)

- (v) 除上文披露之於合營企業之權益外，本集團亦於數間個別非重大合營企業擁有權益，並使用權益法入賬：

**有關合營企業之承擔及或然負債**

本集團於二零二零年十二月三十一日向若干合營企業就借款提供約38.0百萬港元(二零一九年：35.3百萬港元)之擔保(附註43(c))。

並無有關本集團於合營企業之權益之或然負債。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)**

**(b) Interests in joint ventures (continued)**

**Summarised financial information for joint ventures**

Set out below is the summarised financial information for Schrott und Metallhandel M. Kaatsch GmbH, Scholz Austria GmbH, Kalischatarra S.de R.L. de C.V. and Rematholding Co. s.r.l which are accounted for using the equity method. In the opinion of the Directors, these joint ventures are material to the Group.

**Summarised statement of comprehensive income**

		Schrott und Metallhandel M. Kaatsch GmbH		Scholz Austria GmbH		Kalischatarra, S.de R.L. de C.V.		Rematholding Co. s.r.l	
		2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Revenue	收益	853.9	954.2	2,209.5	2,380.6	618.6	708.4	634.0	652.9
Depreciation and amortisation	折舊及攤銷	(28.7)	(27.5)	(64.7)	(59.6)	(18.0)	(18.6)	(17.6)	(13.1)
Interest income	利息收入	0.3	0.3	0.2	0.5	-	-	-	-
Interest expense	利息開支	(4.9)	(4.9)	(9.1)	(12.0)	(8.7)	(12.6)	(1.4)	(1.2)
Income tax	所得稅(開支)/								
(expense)/credit	抵免	(3.0)	(3.8)	(13.6)	(3.4)	3.0	(3.2)	3.0	(0.3)
Profit/(Loss) for the year	年內溢利/(虧損)	10.0	18.5	48.0	28.5	19.1	(2.9)	2.2	(0.7)
Other comprehensive loss	其他全面虧損	-	-	(1.3)	(6.6)	(1.1)	-	-	-
Dividends received from joint ventures	已收合營企業股息	3.4	8.3	5.8	8.3	-	-	-	3.9

**18 使用權益法列賬的投資 (續)**

**(b) 於合營企業之權益 (續)**

**合營企業之財務資料概要**

下文列載 Schrott und Metallhandel M. Kaatsch GmbH, Scholz Austria GmbH、Kalischatarra S.de R.L. de C.V.及 Rematholding Co. s.r.l的財務資料概要，其按權益法列賬。董事認為，該等合營企業對本集團而言屬重大。

**全面收益表概要**

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)**      **18 使用權益法列賬的投資 (續)**

**(b) Interests in joint ventures (continued)**

Summarised balance sheet

**(b) 於合營企業之權益 (續)**

資產負債表概要

		Schrott und Metallhandel M. Kaatsch GmbH		Scholz Austria GmbH		Kalischatarra, S.de R.L. de C.V.		Rematholding Co. s.r.l	
		2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
<b>Current</b>	<b>流動</b>								
Cash and cash equivalents	現金及現金等值項目	20.5	20.9	191.6	133.4	25.4	10.3	16.1	17.6
Other current assets	其他流動資產	153.0	117.0	313.6	259.9	255.5	227.4	213.7	165.8
<b>Total current assets</b>	<b>流動資產總值</b>	<b>173.5</b>	<b>137.9</b>	<b>505.2</b>	<b>393.3</b>	<b>280.9</b>	<b>237.7</b>	<b>229.8</b>	<b>183.4</b>
Current financial liabilities (excluding trade payables)	流動金融負債 (不包括貿易應付款項)	(11.1)	(15.5)	(255.1)	(203.6)	(106.5)	(88.4)	(57.6)	(47.8)
Other current liabilities	其他流動負債	(91.1)	(61.2)	(176.0)	(139.7)	(85.9)	(84.0)	(65.5)	(41.8)
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>(102.2)</b>	<b>(76.7)</b>	<b>(431.1)</b>	<b>(343.3)</b>	<b>(192.4)</b>	<b>(172.4)</b>	<b>(123.1)</b>	<b>(89.6)</b>
<b>Total net current assets</b>	<b>流動資產淨值總額</b>	<b>71.3</b>	<b>61.2</b>	<b>74.1</b>	<b>50.0</b>	<b>88.5</b>	<b>65.3</b>	<b>106.7</b>	<b>93.8</b>
<b>Non-current</b>	<b>非流動</b>								
Total non-current assets	非流動資產總值	229.0	212.7	456.8	411.8	188.3	196.6	53.3	58.8
Non-current financial liabilities (excluding trade payables)	非流動金融負債 (不包括貿易應付款項)	(135.4)	(126.2)	(142.0)	(117.5)	(33.0)	(21.8)	(0.5)	(1.6)
Other non-current liabilities	其他非流動負債	(0.6)	(0.7)	(628)	(77.1)	(11.7)	(13.3)	(18.7)	(20.6)
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>(136.0)</b>	<b>(126.9)</b>	<b>(204.8)</b>	<b>(194.6)</b>	<b>(44.7)</b>	<b>(35.1)</b>	<b>(19.2)</b>	<b>(22.2)</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>164.3</b>	<b>147.0</b>	<b>326.1</b>	<b>267.2</b>	<b>232.1</b>	<b>226.8</b>	<b>140.8</b>	<b>130.4</b>

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)**

**(b) Interests in joint ventures (continued)**

Summarised balance sheet

		Schrott und Metallhandel M. Kaatsch GmbH		Scholz Austria GmbH		Kalischatarra, S.de R.L. de C.V.		Rematholding Co. s.r.l	
		2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
<b>Reconciliation to carrying amounts:</b> 賬面值對賬：									
Operating net assets at 1 January	一月一日的營運資產淨值	147.0	141.5	267.2	261.8	226.8	219.7	130.4	143.9
Profit/(Loss) for the year	年內溢利/(虧損)	10.0	18.5	48.0	28.5	19.1	(2.9)	2.2	(0.7)
Other comprehensive loss	其他綜合虧損	-	-	(1.3)	(6.6)	(1.1)	-	-	-
Dividend paid	已付股息	(4.5)	(11.1)	(9.1)	(13.1)	-	-	-	(7.8)
Currency translation differences	匯兌差額	11.8	(1.9)	21.3	(3.4)	(12.7)	10.0	8.2	(5.0)
Closing net assets	期末資產淨值	164.3	147.0	326.1	267.2	232.1	226.8	140.8	130.4
Group's share in %	本集團應佔百分比	75%	75%	63.35%	63.35%	50%	50%	50%	50%
Group's share in HK\$M	本集團應佔百萬港元	123.2	110.3	206.6	169.3	116.1	113.4	70.4	65.2
Goodwill	商譽	10.2	9.4	48.8	45.3	17.3	16.1	6.2	5.7
Closing carrying value	年末賬面值	133.4	119.7	255.4	214.6	133.4	129.5	76.6	70.9

The information above reflects the amounts presented in the consolidated financial statements of the joint ventures adjusted for differences in accounting policies between the Group and the joint ventures.

**18 使用權益法列賬的投資 (續)**

**(b) 於合營企業之權益 (續)**

資產負債表概要

上述資料反映就本集團與該等合營企業之會計政策差異作調整後於該等合營企業之綜合財務報表呈列之金額。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**19 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Financial assets at fair value through profit or loss are all held for trading and include the following:

**19 按公平值計入損益之金融資產**

按公平值計入損益之金融資產均持作買賣，包括以下：

		<b>2020</b> <b>二零二零年</b> <b>HK\$M</b> <b>百萬港元</b>	2019 二零一九年 HK\$M 百萬港元
<b>Unlisted equity securities</b>	<b>非上市股本證券</b>		
At 1 January	於一月一日	<b>1.9</b>	0.8
Additions	添置	–	1.1
Disposals	出售	<b>(1.0)</b>	–
Fair value change	公平值變動	<b>(0.2)</b>	–
Currency translation differences	貨幣換算差額	<b>0.2</b>	–
At 31 December	於十二月三十一日	<b>0.9</b>	1.9

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 20 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at fair value through other comprehensive income comprise equity securities of unlisted entities located in Czech Republic, Poland and Germany. They are all held as long-term strategic investments that are not expected to be sold in the short to medium term and include the following:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Unlisted equity securities</b>	<b>非上市股本證券</b>		
At 1 January	於一月一日	98.7	111.0
Disposals	出售	(0.3)	(2.9)
Fair value change	公平值變動	(1.1)	(7.5)
Currency exchange differences	匯兌差額	7.3	(1.9)
At 31 December	於十二月三十一日	<b>104.6</b>	98.7

On disposal of these unlisted equity securities, any related balance with the financial assets at fair value through other comprehensive income is reclassified to retained earnings.

Dividend income of HK\$2.5 million (2019: HK\$4.8 million) from these unlisted equity securities are recognised in "other income" in the consolidated statement of profit or loss for the year ended 31 December 2020 (Note 6).

### 20 按公平值計入其他全面收益之金融資產

按公平值計入其他全面收益之金融資產包括位於捷克共和國、波蘭及德國的非上市實體的股本證券。該等金融資產均持作預計短期至中期內不會出售之長期策略性投資，包括以下各項：

出售該等非上市股本證券時，按公平值計入其他綜合收益的金融資產的任何相關結餘均重新分類至保留盈利。

截至二零二零年十二月三十一日止年度，該等非上市股本證券所得股息收入2.5百萬港元（二零一九年：4.8百萬港元）於綜合損益表「其他收入」中確認（附註6）。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**21 DEFERRED TAXATION**

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

**21 遞延稅項**

遞延所得稅資產及遞延所得稅負債之分析如下：

		<b>2020</b> 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Deferred income tax assets:	遞延所得稅資產：		
Deferred tax assets to be recovered after 12 months	將於12個月後收回的遞延稅項資產	<b>57.1</b>	81.0
Deferred tax assets to be recovered within 12 months	將於12個月內收回的遞延稅項資產	<b>53.3</b>	28.3
		<b>110.4</b>	109.3
Deferred income tax liabilities:	遞延所得稅負債：		
Deferred tax liabilities to be settled after 12 months	將於12個月後結算的遞延稅項負債	<b>(304.2)</b>	(318.2)
Deferred tax liabilities to be settled within 12 months	將於12個月內結算的遞延稅項負債	<b>(59.6)</b>	(24.6)
		<b>(363.8)</b>	(342.8)
<b>Deferred income tax liabilities, net</b>	<b>遞延所得稅負債淨額</b>	<b>(253.4)</b>	(233.5)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 21 DEFERRED TAXATION (continued)

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax liabilities		Accelerated tax depreciation	Others	Total
遞延所得稅負債		加速稅項折舊	其他	總計
		HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元
At 1 January 2019	於二零一九年一月一日	349.0	31.4	380.4
Credited to the consolidated statement of profit or loss	於綜合損益表計入	(21.6)	(10.1)	(31.7)
Credited to the consolidated statement of other comprehensive income	於綜合其他全面收益表計入	-	(1.4)	(1.4)
Currency translation differences	匯兌差額	(5.6)	1.1	(4.5)
At 31 December 2019	於二零一九年十二月三十一日	321.8	21.0	342.8
(Credited)/Charged to the consolidated statement of profit or loss	於綜合損益表(計入)/扣除	(36.3)	33.6	(2.7)
Credited to the consolidated statement of other comprehensive income	於綜合其他全面收益表計入	-	(0.2)	(0.2)
Currency translation differences	匯兌差額	20.8	3.1	23.9
At 31 December 2020	於二零二零年十二月三十一日	306.3	57.5	363.8

### 21 遞延稅項(續)

年內遞延所得稅資產及負債之變動(未計及同一稅務司法權區內的結餘抵銷)如下:

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**21 DEFERRED TAXATION (continued)**

**21 遞延稅項 (續)**

Deferred income tax assets		Tax losses	Decelerate tax depreciation	Provisions	Unrealised profit on inventories	Others	Total
遞延所得稅資產		稅項虧損 HK\$M 百萬港元	減速 稅項折舊 HK\$M 百萬港元	撥備 HK\$M 百萬港元	未變現 存貨溢利 HK\$M 百萬港元	其他 HK\$M 百萬港元	總計 HK\$M 百萬港元
At 1 January 2019	於二零一九年一月一日	(65.2)	(10.6)	(22.6)	(3.3)	(47.0)	(148.7)
Charged/(Credited) to the consolidated statement of profit or loss	於綜合損益表扣除/(計入)						
		14.0	(3.8)	10.8	(0.2)	16.5	37.3
Credited to the consolidated statement of other comprehensive income	於綜合其他全面收益表計入	-	-	-	-	(0.5)	(0.5)
Currency translation differences	匯兌差額	1.2	(0.3)	0.7	-	1.0	2.6
At 31 December 2019	於二零一九年十二月三十一日	(50.0)	(14.7)	(11.1)	(3.5)	(30.0)	(109.3)
Charged/(Credited) to the consolidated statement of profit or loss	於綜合損益表扣除/(計入)						
		36.0	5.8	(9.0)	0.4	(27.0)	6.2
Credited to the consolidated statement of other comprehensive income	於綜合其他全面收益表計入	-	-	-	-	(0.4)	(0.4)
Currency translation differences	匯兌差額	(2.2)	(0.2)	(1.2)	-	(3.3)	(6.9)
At 31 December 2020	於二零二零年十二月三十一日	(16.2)	(9.1)	(21.3)	(3.1)	(60.7)	(110.4)

The Company controls the dividend policy of its subsidiaries and the Directors do not have an intention to distribute the retained earnings of certain subsidiaries such that deferred income tax liabilities of HK\$126.9 million (2019: HK\$139.9 million) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of these subsidiaries. Unremitted earnings totalled HK\$634.4 million (2019: HK\$630.2 million) as at 31 December 2020.

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets of HK\$510.8 million (2019: HK\$475.3 million) in respect of tax losses amounting to HK\$2,298.3 million (2019: HK\$2,098.7 million). Unrecognised tax losses of HK\$1,913.5 million (2019: HK\$1,482.6 million) have no expiry date and the remaining tax losses will expire at various dates up to and including 2025 (2019: 2038).

本公司可控制子公司的派息政策及董事無意分派若干子公司之保留盈利，故尚未就該等子公司的未匯出盈利應繳納的預扣稅及其他稅項確認遞延所得稅負債126.9百萬港元(二零一九年：139.9百萬港元)。於二零二零年十二月三十一日，未匯出盈利合共為634.4百萬港元(二零一九年：630.2百萬港元)。

本公司已就結轉之稅項虧損確認遞延所得稅資產，惟僅以有關稅項福利可能透過日後之應課稅溢利變現者為限。本集團並無就稅項虧損2,298.3百萬港元(二零一九年：2,098.7百萬港元)確認遞延所得稅資產510.8百萬港元(二零一九年：475.3百萬港元)。未確認稅項虧損1,913.5百萬港元(二零一九年：1,482.6百萬港元)並無屆滿日期，而餘下稅項虧損將於二零二五年(二零一九年：二零三八年)(包括該年)或之前之不同日期屆滿。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**22 INVENTORIES**

**22 存貨**

		<b>2020</b> 二零二零年 <b>HK\$M</b> 百萬港元	2019 二零一九年 HK\$M 百萬港元
Raw materials	原材料	<b>339.3</b>	338.0
Work-in-progress	在製品	–	33.8
Finished goods	製成品	<b>830.0</b>	1,124.1
		<b>1,169.3</b>	1,495.9

The cost of inventories recognised as expense and included in cost of sales amounted to HK\$10,174.7 million (2019: HK\$12,123.1 million), which included net provision for impairment on inventory of HK\$18.5 million (2019: reversal of provision for inventory of HK\$1.9 million) (Note 8).

As at 31 December 2020, the Group has pledged inventories with a net book value of HK\$837.4 million (2019: HK\$711.7 million) to secure certain borrowings and general facilities to the Group (Note 36).

During the year ended 31 December 2020, inventories with a net book value of HK\$31.3 million (2019: Nil) were transferred to assets held for sale (Note 27).

確認為開支並計入銷售成本的存貨成本價值10,174.7百萬港元(二零一九年: 12,123.1百萬港元), 包括存貨減值撥備淨額18.5百萬港元(二零一九年: 存貨撥備撥回1.9百萬港元)(附註8)。

於二零二零年十二月三十一日, 本集團有賬面淨值為837.4百萬港元(二零一九年: 711.7百萬港元)之已抵押存貨, 以擔保本集團獲授的若干借款及一般融資(附註36)。

於截至二零二零年十二月三十一日止年度, 賬面淨值為31.3百萬港元(二零一九年: 無)的存貨轉為持作出售資產(附註27)。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**23 TRADE, BILLS AND OTHER RECEIVABLES**

**23 貿易、票據及其他應收款項**

		<b>2020</b> 二零二零年 <b>HK\$M</b> 百萬港元	2019 二零一九年 HK\$M 百萬港元
Trade receivables	貿易應收款項	<b>1,336.6</b>	983.1
Less: loss allowance	減：虧損撥備	<b>(50.0)</b>	(39.9)
Trade receivables, net	貿易應收款項淨額	<b>1,286.6</b>	943.2
Bills receivables	應收票據	<b>15.4</b>	14.1
Deposits and prepayments	按金及預付款項	<b>165.8</b>	139.1
Deposits paid for purchase of raw materials	購買原材料之已付按金	<b>40.6</b>	39.3
VAT recoverable	可退回增值稅	<b>99.4</b>	116.4
Other receivables (Note)	其他應收款項 (附註)	<b>105.4</b>	140.7
		<b>1,713.2</b>	1,392.8
Less: non-current portion	減：非流動部分		
Other deposits and receivables	其他按金及應收款項	<b>(4.2)</b>	(17.0)
		<b>1,709.0</b>	1,375.8

Note: As at 31 December 2020, the balance includes a receivable of HK\$45.2 million (2019: HK\$64.0 million) from the Taizhou Bay Committee, a government authority in the PRC.

附註：於二零二零年十二月三十一日，結餘包括來自中國政府當局台州灣管委會應收款項 45.2 百萬港元 (二零一九年：64.0 百萬港元)。

As at 31 December 2020, the Group has pledged trade receivables with a net book value of HK\$1,277.9 million (2019: HK\$701.7 million) to secure certain borrowings and general banking facilities to the Group (Note 36).

於二零二零年十二月三十一日，本集團有賬面淨值為 1,277.9 百萬港元 (二零一九年：701.7 百萬港元) 之已抵押貿易應收款項，以擔保本集團獲授的若干借款及一般銀行融資 (附註 36)。

During the year ended 31 December 2020, trade and other receivable with a net book value of HK\$28.7 million (2019: Nil) were transferred to assets held for sale (Note 27).

於截至二零二零年十二月三十一日止年度，賬面淨值為 28.7 百萬港元 (二零一九年：無) 的貿易及其他應收款項轉為持作出售資產 (附註 27)。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**23 TRADE, BILLS AND OTHER RECEIVABLES**  
**(continued)**

At 31 December 2020 and 2019, the aging analysis of the gross trade receivables based on invoice date was as follows:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
0 – 90 days	0至90日	1,230.7	885.8
91 – 180 days	91至180日	41.7	48.1
Over 180 days	超過180日	64.2	49.2
		<b>1,336.6</b>	983.1

**(a) Fair values of trade receivables**

Due to the short-term nature of the current receivables, their carrying amount is considered to approximate their fair values.

**23 貿易、票據及其他應收款項**  
**(續)**

於二零二零年及二零一九年十二月三十一日，貿易應收款項總額按發票日期的賬齡分析如下：

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
0 – 90 days	0至90日	1,230.7	885.8
91 – 180 days	91至180日	41.7	48.1
Over 180 days	超過180日	64.2	49.2
		<b>1,336.6</b>	983.1

**(a) 貿易應收款項公平值**

由於流動應收款項的短期性質，其賬面值被視為與其公平值相若。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**23 TRADE, BILLS AND OTHER RECEIVABLES**  
**(continued)**

**(b) Impairment and risk exposure**

The Group measures the expected credit losses on the trade and bills receivables by grouping them based on shared credit risk characteristics and the days past due. The Group has divided the trade and bills receivables into three groups shared with similar credit risk characteristics based on geographical locations which are Asia, Europe and North America. The expected loss rates are estimated based on the historical credit losses experienced, adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of forward looking economic conditions. On that basis, the loss allowances as at 31 December 2020 and 2019 were determined as follows:

**23 貿易、票據及其他應收款項**  
**(續)**

**(b) 減值及風險承擔**

本集團根據共同信貸風險特徵及逾期天數就貿易及票據應收款項的預期信貸虧損進行分組計量。本集團已根據亞洲、歐洲及北美洲的地理位置將貿易及票據應收款項分為具有相似信貸風險特徵的三類。預期虧損率按過往信貸虧損經驗估計，並經調整以反映收集歷史資料期間之經濟狀況、現時狀況及本集團前瞻性經濟狀況意見之差異。根據此基準，於二零二零年及二零一九年十二月三十一日的虧損撥備釐定如下：

	<b>Expected credit loss rate</b>	<b>Gross carrying amount – trade and bills receivables</b>	<b>Loss allowances</b>
	預期信貸虧損率	總賬面值 — 貿易及票據 應收款項 HK\$M 百萬港元	虧損撥備 HK\$M 百萬港元
As at 31 December 2020 於二零二零年十二月三十一日			
Active accounts 活躍賬戶			
Current 即期	0.4%	918.9	3.2
Past due 1 – 30 days 逾期1至30天	3.4%	240.0	8.2
Past due 31 – 90 days 逾期31至90天	3.2%	70.2	2.2
Past due over 90 days 逾期超過90天	17.3%	104.6	18.1
Terminated accounts 終止賬戶	100%	18.3	18.3
Total 總計		1,352.0	50.0

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**23 TRADE, BILLS AND OTHER RECEIVABLES**  
**(continued)**

**(b) Impairment and risk exposure (continued)**

	Expected credit loss rate	Gross carrying amount – trade and bills receivables 總賬面值 – 貿易及票據 應收款項 HK\$M 百萬港元	Loss allowances 虧損撥備 HK\$M 百萬港元
	預期信貸虧損率		
As at 31 December 2019 於二零一九年十二月三十一日			
Active accounts 活躍賬戶			
Current 即期	0.8%	723.8	6.1
Past due 1 – 30 days 逾期1至30天	5.4%	182.6	9.8
Past due 31 – 90 days 逾期31至90天	8.0%	51.0	4.1
Past due over 90 days 逾期超過90天	19.9%	24.8	4.9
Terminated accounts 終止賬戶	100%	15.0	15.0
Total 總計		997.2	39.9

Loss allowances on terminated accounts are mostly from the Asia region and majority of the loss allowances on active accounts are from the Europe and North America regions.

**23 貿易、票據及其他應收款項**  
**(續)**

**(b) 減值及風險承擔 (續)**

	Gross carrying amount – trade and bills receivables 總賬面值 – 貿易及票據 應收款項 HK\$M 百萬港元	Loss allowances 虧損撥備 HK\$M 百萬港元
As at 31 December 2019 於二零一九年十二月三十一日		
Active accounts 活躍賬戶		
Current 即期	723.8	6.1
Past due 1 – 30 days 逾期1至30天	182.6	9.8
Past due 31 – 90 days 逾期31至90天	51.0	4.1
Past due over 90 days 逾期超過90天	24.8	4.9
Terminated accounts 終止賬戶	15.0	15.0
Total 總計	997.2	39.9

終止賬戶的虧損撥備大部分來自亞洲地區，及活躍賬戶的虧損撥備大部分來自歐洲和北美洲地區。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**23 TRADE, BILLS AND OTHER RECEIVABLES  
(continued)**

**(b) Impairment and risk exposure (continued)**

Movements on the Group's loss allowance of trade receivables are as follows:

		<b>2020</b> <b>二零二零年</b> <b>HK\$M</b> <b>百萬港元</b>	2019 二零一九年 HK\$M 百萬港元
At 1 January	於一月一日	<b>39.9</b>	62.8
Increase/(Decrease) in loss allowance recognised	已確認的虧損撥備增加／(減少)	<b>10.0</b>	(21.0)
Receivables written off during the year as uncollectable	年內撇銷作不可收回之應收款項	<b>(2.8)</b>	(1.3)
Currency translation differences	匯兌差額	<b>2.9</b>	(0.6)
At 31 December	於十二月三十一日	<b>50.0</b>	39.9

**23 貿易、票據及其他應收款項  
(續)**

**(b) 減值及風險承擔 (續)**

本集團貿易應收款項之虧損撥備之變動情況如下：

		<b>2020</b> <b>二零二零年</b> <b>HK\$M</b> <b>百萬港元</b>	2019 二零一九年 HK\$M 百萬港元
At 1 January	於一月一日	<b>39.9</b>	62.8
Increase/(Decrease) in loss allowance recognised	已確認的虧損撥備增加／(減少)	<b>10.0</b>	(21.0)
Receivables written off during the year as uncollectable	年內撇銷作不可收回之應收款項	<b>(2.8)</b>	(1.3)
Currency translation differences	匯兌差額	<b>2.9</b>	(0.6)
At 31 December	於十二月三十一日	<b>50.0</b>	39.9

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

#### (b) Impairment and risk exposure (continued)

As at 31 December 2020, provision for impairment on other receivables amounted to approximately HK\$9.9 million (2019: HK\$8.7 million).

The other classes within trade, bills and other receivables do not contain impaired assets. The Group does not hold any collateral as security.

The carrying amounts of the Group's trade receivables, net of provision, are denominated in the following currencies:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
RMB	人民幣	95.6	94.9
EUR	歐元	869.6	540.9
US\$	美元	225.4	208.7
Other currencies	其他貨幣	96.0	98.7
		<b>1,286.6</b>	943.2

The carrying amounts of the Group's other receivables are mainly denominated in RMB, EUR and US\$ (2019: RMB, EUR and US\$) as at 31 December 2020.

### 24 FIXED RETURN INVESTMENT

As at 31 December 2019, the fixed return investment of HK\$88.4 million represented investment with fixed interest at 7% per annum and was fully repaid in May 2020.

### 23 貿易、票據及其他應收款項 (續)

#### (b) 減值及風險承擔 (續)

於二零二零年十二月三十一日，其他應收款項減值撥備為約9.9百萬港元（二零一九年：8.7百萬港元）。

貿易、票據及其他應收款項內其他類別並不包含已減值資產。本集團並無持有任何抵押品作擔保。

本集團之貿易應收款項（扣除撥備）之賬面值乃以下列貨幣計值：

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
RMB	人民幣	95.6	94.9
EUR	歐元	869.6	540.9
US\$	美元	225.4	208.7
Other currencies	其他貨幣	96.0	98.7
		<b>1,286.6</b>	943.2

於二零二零年十二月三十一日，本集團其他應收款項之賬面值主要以人民幣、歐元及美元（二零一九年：人民幣、歐元及美元）計值。

### 24 固定回報投資

於二零一九年十二月三十一日，固定回報投資88.4百萬港元指固定年利率為7%的投資，已於二零二零年五月全部償還。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**25 DERIVATIVE FINANCIAL INSTRUMENTS**

**25 衍生金融工具**

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Derivative financial assets</b>	<b>衍生金融資產</b>		
Metal commodities future contracts (Note (i))	金屬商品期貨合約 (附註(i))	9.9	24.3
Foreign currency forward contracts (Note (ii))	外幣遠期合約 (附註(ii))	4.4	0.7
		<b>14.3</b>	<b>25.0</b>
<b>Derivative financial liabilities</b>	<b>衍生金融負債</b>		
Metal commodities future contracts (Note (i))	金屬商品期貨合約 (附註(i))	<b>(59.4)</b>	(30.1)
Foreign currency forward contracts (Note (ii))	外幣遠期合約 (附註(ii))	<b>(0.3)</b>	(0.1)
		<b>(59.7)</b>	<b>(30.2)</b>

Notes:

(i) Metal commodities future contracts

The Group enters into copper and other metal future contracts and options in order to manage its exposure to the price risk of inventories. These contracts are actively traded in an active market and are measured at fair values based on quoted price as at reporting date, with gain or loss recognised directly in consolidated statement of profit or loss.

The notional principle amount of the outstanding metal commodities future contracts was approximately HK\$888.3 million (2019: HK\$1,057.2 million).

(ii) Foreign currency forward contracts

The Group entered into foreign currency forward contracts in order to mitigate its exposure to the foreign currency risk. These contracts were measured at fair value using quoted forward exchange rates at the end of the reporting period, with gain or loss recognised directly in consolidated statement of profit or loss.

The notional principle amount of the outstanding foreign currency forward contracts were approximately HK\$621.7 million (2019: HK\$106.2 million).

附註：

(i) 金屬商品期貨合約

本集團訂立銅及其他金屬期貨合約及期權，以管理其存貨的價格風險。該等合約於活躍市場交投活躍並根據於報告日期之報價按公平值計量，相關損益直接於綜合損益表確認。

未結算金屬商品期貨合約的名義本金額為約888.3百萬港元(二零一九年：1,057.2百萬港元)。

(ii) 外幣遠期合約

本集團訂立外幣遠期合約以減低外匯風險。該等合約於報告期末使用遠期報價匯率按公平值計量，相關損益直接於綜合損益表確認。

未結算外幣遠期合約的名義本金額約為621.7百萬港元(二零一九年：106.2百萬港元)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 26 PLEDGED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

Pledged bank deposits represent deposits pledged to banks to secure general banking facilities granted to the Group. Deposits amounting to HK\$122.7 million (2019: HK\$191.7 million) have been pledged to secure bank borrowings, and are therefore classified as current assets (Note 36).

During the year ended 31 December 2020, cash and cash equivalents of HK\$1.7 million (2019: Nil) were transferred to assets held for sales (Note 27).

Cash and cash equivalents represent cash and short-term bank deposits with an original maturity of three months or less.

### 26 已抵押銀行存款及現金及現金等值項目

已抵押銀行存款指向銀行抵押以為本集團獲授的一般銀行信貸作擔保的存款122.7百萬港元(二零一九年:191.7百萬港元)的存款已抵押作銀行借款的擔保,因此被分類為流動資產(附註36)。

於截至二零二零年十二月三十一日止年度,1.7百萬港元(二零一九年:無)的現金及現金等值項目轉為持作出售資產(附註27)。

現金及現金等值項目指原到期日為三個月或以下的現金及短期銀行存款。

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Cash at bank and on hands	銀行及手頭現金	905.5	773.1
Security deposit (Note)	保證金(附註)	8.3	11.7
Total cash and cash equivalents as per consolidated statement of cash flows	綜合現金流量表之現金及現金等值項目總額	<b>913.8</b>	784.8

Note: The balance represents a deposit placed with a financial institution as security for open metal commodity future contracts. The security deposit is non-interest bearing.

附註: 結餘指存入金融機構作為未結算金屬商品期貨合約擔保的按金。保證金為不計息。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**27 ASSETS HELD FOR SALE**

**27 持作出售資產**

		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$M</b>	HK\$M
		<b>百萬港元</b>	百萬港元
Property, plant and equipment (Note (i))	物業、廠房及設備 (附註(i))	<b>168.2</b>	-
Right-of-use assets (Note (ii))	使用權資產 (附註(ii))	<b>62.0</b>	-
Investment properties (Note (ii))	投資物業 (附註(ii))	<b>19.8</b>	-
Disposal yards in US (Note (iii))	出售美國工場 (附註(iii))	<b>1.0</b>	-
Disposal yards in Europe (Note (iv))	出售歐洲工場 (附註(iv))	<b>14.3</b>	-
		<b>265.3</b>	-
Representing transfers from:	指轉自：		
Property, plant and equipment, net of impairment (Note 14)	物業、廠房及設備，扣除減值 (附註14)	<b>207.9</b>	-
Right-of-use assets, net of impairment (Note 15)	使用權資產，扣除減值 (附註15)	<b>126.7</b>	-
Investment properties (Note 16)	投資物業 (附註16)	<b>19.0</b>	-
Inventories (Note 22)	存貨 (附註22)	<b>31.3</b>	-
Trade and other receivables (Note 23)	貿易及其他應收款項 (附註23)	<b>28.7</b>	-
Cash and cash equivalents (Note 26)	現金及現金等值項目 (附註26)	<b>1.7</b>	-
Borrowings (Note 31)	借款 (附註31)	<b>(8.5)</b>	-
Lease liabilities (Note 32)	租賃負債 (附註32)	<b>(97.7)</b>	-
Trade and other payables (Note 34)	貿易及其他應付款項 (附註34)	<b>(51.0)</b>	-
Currency translation differences	匯兌差額	<b>7.2</b>	-
		<b>265.3</b>	-

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 27 ASSETS HELD FOR SALE (continued)

Notes:

A thorough review has been conducted on the Group's business portfolio and resulted in various optimisation initiatives, including restructuring loss-making operations and disposal of certain non-performing assets. Therefore, the following assets had been classified as assets held for sale during the year ended 31 December 2020:

- (i) Certain land, building, plant and equipment located in Asia and Europe with a net book value of HK\$70.9 million and HK\$97.3 million, respectively. The Group is actively looking for potential buyers in the market.
- (ii) Certain leased lands and investment properties with a net book value of HK\$62.0 million and HK\$19.8 million, respectively, located in Asia. The Group is actively looking for potential buyers in the market.
- (iii) Assets and liabilities related to certain yards located in the Northeastern US:

### 27 持作出售資產 (續)

附註：

董事會已對本集團的業務組合進行徹底檢討並得出多種優化舉措，包括重組虧損業務和出售若干不良資產。因此，於截至二零二零年十二月三十一日止年度，以下資產及業務已分類為持作出售資產：

- (i) 賬面淨值分別為70.9百萬港元及97.3百萬港元的位於亞洲及歐洲的若干土地、樓宇、廠房及設備。本集團正在積極尋找市場上的潛在買家。
- (ii) 賬面淨值分別為62.0百萬港元及19.8百萬港元的位於亞洲的若干租賃土地及投資物業。本集團正在積極尋找市場上的潛在買家。
- (iii) 與位於美國東北部的若干工場有關的資產及負債：

		2020 二零二零年 HK\$M 百萬港元
Assets classified as held for sale	分類為持作出售的資產	
Property, plant and equipment	物業、廠房及設備	17.4
Right-of-use assets	使用權資產	21.4
<b>Total assets of disposal yards held for sale</b>	<b>出售持作出售工場的總資產</b>	<b>38.8</b>
Liabilities directly associated with assets held for sale	與持作出售資產直接相關的負債	
Lease liabilities	租賃負債	(37.8)
<b>Total liabilities of disposal yards held for sale</b>	<b>出售持作出售工場的總負債</b>	<b>(37.8)</b>

The sale is expected to be completed before June 2021.

出售預計將於二零二一年六月前完成。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 27 ASSETS HELD FOR SALE (continued)

Notes: (continued)

- (iv) Assets and liabilities related to certain yards located in Europe:

### 27 持作出售資產 (續)

附註：(續)

- (iv) 與若干歐洲工場有關的資產及負債：

		2020 二零二零年 HK\$M 百萬港元
Assets classified as held for sale	分類為持作出售的資產	
Property, plant and equipment	物業、廠房及設備	27.7
Right-of-use assets	使用權資產	48.3
Inventories	存貨	32.5
Trade and other receivables	貿易及其他應收款項	29.7
Cash and cash equivalents	現金及現金等值項目	1.7
<b>Total assets of disposal yards held for sale</b>	<b>持作出售工場的總資產</b>	<b>139.9</b>
Liabilities directly associated with assets held for sale	與持作出售資產直接相關的負債	
Lease liabilities	租賃負債	(63.7)
Trade and other payables	貿易及其他應付款項	(53.1)
Borrowings	借款	(8.8)
<b>Total liabilities of disposal yards held for sale</b>	<b>持作出售工場的總負債</b>	<b>(125.6)</b>

The sale is expected to be completed before June 2021.

出售預計將於二零二一年六月前完成。

- (v) For the year ended 31 December 2020, the Group recognised impairments on assets held for sale of HK\$91.3 million in "impairments on non-financial assets" in the consolidated statement of profit or loss (Note 7).
- (vi) As at 31 December 2020, an investment property which was classified as assets held for sale with a net book value of HK\$3.0 million was pledged to secure certain borrowings and general banking facilities to the Group (Note 36).

- (v) 截至二零二零年十二月三十一日止年度，本集團於綜合損益表「非金融資產減值」中確認持作出售資產減值91.3百萬港元（附註7）。
- (vi) 於二零二零年十二月三十一日，賬面淨值為3.0百萬港元分類為持作出售資產的投資物業已作抵押，以為本集團獲取若干借貸及一般銀行融資（附註36）。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**28 SHARE CAPITAL**

**Authorised share capital**

**28 股本**

**法定股本**

		<b>Numbers of shares 股份數目 (Thousands) (千股)</b>	Share capital 股本 HK\$M 百萬港元
Ordinary shares of HK\$0.01 each at 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月 三十一日、二零二零年 一月一日及二零二零年 十二月三十一日之 每股面值0.01港元之普通股	<b>5,000,000</b>	50
<b>Issued and fully paid</b> At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	<b>已發行及繳足</b> 於二零一九年一月一日、 二零一九年十二月 三十一日、二零二零年 一月一日及二零二零年 十二月三十一日	<b>1,605,153</b>	16.1

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 29 OTHER RESERVES

### 29 其他儲備

		Share premium	Capital redemption reserve	Capital reserve	Statutory general reserve	Enterprise expansion fund	Remeasurement on financial assets	Remeasurement of pension plans	Foreign currency translation reserve	Total
		股份溢價 HK\$M 百萬港元	資本贖回儲備 HK\$M 百萬港元	資本儲備 HK\$M 百萬港元 (Note (i)) (附註(i))	法定一般儲備 HK\$M 百萬港元 (Note (ii)) (附註(ii))	企業擴充基金 HK\$M 百萬港元 (Note (ii)) (附註(ii))	重新計量 金融資產 HK\$M 百萬港元	重新計量 退休金計劃 HK\$M 百萬港元	外幣匯兌儲備 HK\$M 百萬港元	總計 HK\$M 百萬港元
At 1 January 2019	於二零一九年一月一日	5,911.9	0.3	210.9	107.1	107.1	-	2.4	380.5	6,720.2
Currency translation differences on foreign operations	海外業務之匯兌差額	-	-	-	-	-	-	-	(90.7)	(90.7)
Change in the fair value of financial assets at fair value through other comprehensive income, net of tax	按公平值計入其他全面收益之金融資產之公平值變動，扣除稅項	-	-	-	-	-	(6.1)	-	-	(6.1)
Remeasurement of post-employment benefit obligations, net of tax	重新計量僱員結束服務後之福利責任，扣除稅項	-	-	-	-	-	-	(4.1)	-	(4.1)
Share of other comprehensive loss of joint ventures	應佔合營企業之其他全面虧損	-	-	-	-	-	-	(4.4)	-	(4.4)
At 31 December 2019	於二零一九年十二月三十一日	5,911.9	0.3	210.9	107.1	107.1	(6.1)	(6.1)	289.8	6,614.9
At 1 January 2020	於二零二零年一月一日	<b>5,911.9</b>	<b>0.3</b>	<b>210.9</b>	<b>107.1</b>	<b>107.1</b>	<b>(6.1)</b>	<b>(6.1)</b>	<b>289.8</b>	<b>6,614.9</b>
Currency translation differences on foreign operations	海外業務之匯兌差額	-	-	-	-	-	-	-	<b>387.4</b>	<b>387.4</b>
Change in the fair value of financial assets at fair value through other comprehensive income, net of tax	按公平值計入其他全面收益之金融資產之公平值變動，扣除稅項	-	-	-	-	-	<b>(0.9)</b>	-	-	<b>(0.9)</b>
Remeasurement of post-employment benefit obligations, net of tax	重新計量僱員結束服務後之福利責任，扣除稅項	-	-	-	-	-	-	<b>(0.8)</b>	-	<b>(0.8)</b>
Share of other comprehensive loss of joint ventures	應佔合營企業之其他全面虧損	-	-	-	-	-	-	<b>(1.3)</b>	-	<b>(1.3)</b>
Deregistration of a subsidiary	註銷子公司	-	-	<b>10.5</b>	-	-	-	-	-	<b>10.5</b>
At 31 December 2020	於二零二零年十二月三十一日	<b>5,911.9</b>	<b>0.3</b>	<b>221.4</b>	<b>107.1</b>	<b>107.1</b>	<b>(7.0)</b>	<b>(8.2)</b>	<b>677.2</b>	<b>7,009.8</b>

#### Notes:

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

#### 附註：

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

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**30 NON-CONTROLLING INTERESTS**

**30 非控股權益**

		Share of net liabilities of subsidiaries 所佔子公司負債淨額	
		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
At 1 January	於一月一日	(10.3)	(29.4)
Transactions with non-controlling interests	與非控股權益進行交易	10.9	25.9
Share of loss for the year, net	年內所佔虧損淨額	(16.1)	(5.1)
Share of other comprehensive income/(loss), net	應佔其他全面收益／(虧損)淨額	2.1	(1.7)
At 31 December	於十二月三十一日	(13.4)	(10.3)

**31 BORROWINGS**

**31 借款**

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Non-current</b>	<b>非流動</b>		
Bank borrowings	銀行借款	178.3	226.4
		178.3	226.4
<b>Current</b>	<b>流動</b>		
Bank borrowings	銀行借款	604.8	547.3
Other borrowings	其他借款	1,515.3	2,021.7
		2,120.1	2,569.0
<b>Total borrowings</b>	<b>借款總額</b>	<b>2,298.4</b>	<b>2,795.4</b>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 31 BORROWINGS (continued)

Bank borrowings mature at various dates up to 2029 (2019: 2029) and bear average coupons ranging from 1.0% to 7.5% per annum (2019: 1.1% to 8.5% per annum).

As at 31 December 2020 and 2019, the Group's bank and other borrowings were repayable as follows:

		Bank borrowings 銀行借款		Other borrowings 其他借款		Total 總計	
		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Within 1 year	一年內	604.8	547.3	1,515.3	2,021.7	2,120.1	2,569.0
Between 1 and 2 years	一至兩年	147.4	180.1	-	-	147.4	180.1
Between 2 and 5 years	兩至五年	28.4	41.2	-	-	28.4	41.2
Over 5 years	五年以上	2.5	5.1	-	-	2.5	5.1
		178.3	226.4	-	-	178.3	226.4
		783.1	773.7	1,515.3	2,021.7	2,298.4	2,795.4

The carrying amounts of the bank and other borrowings are denominated in the following currencies:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
EUR	歐元	253.9	541.1
US\$	美元	1,746.9	1,854.1
RMB	人民幣	164.6	273.1
Czech Koruna ("CZK")	捷克克朗 (「捷克克朗」)	122.3	82.5
Danish Krone ("DKK")	丹麥克朗 (「丹麥克朗」)	-	9.9
Polish Zloty ("PLN")	波蘭茲羅提 (「茲羅提」)	10.7	34.7
		2,298.4	2,795.4

### 31 借款 (續)

銀行借款於不同日期到期，直至二零二九年為止 (二零一九年：二零二九年)，平均票面年利率介乎1.0%至7.5% (二零一九年：年利率1.1%至8.5%)。

於二零二零年及二零一九年十二月三十一日，本集團銀行及其他借款之到期還款情況如下：

銀行及其他借款之賬面值乃以下列貨幣計值：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 31 BORROWINGS (continued)

As at 31 December 2020, the Group had aggregate facilities of approximately HK\$5,182.4 million (2019: HK\$5,969.2 million) for loans, factoring and guarantees. Unused facilities as at the same date amounted to approximately HK\$1,604.1 million (2019: HK\$2,393.2 million) which were uncommitted facilities. These facilities are secured/guaranteed by certain properties, plant and equipment, right-of-use assets, investment properties, inventories, trade receivables, assets held for sale and bank deposits with an aggregate amount of HK\$4,337.0 million (2019: HK\$3,807.4 million) (Note 36).

Included in other borrowing, there was a 2-year syndicated term loan drawn down in 2018 with a balance of US\$195.0 million as at 31 December 2020. The loan matures on 31 March 2021 and its maturity date has been further extended to January 2022 subsequent to the year-end, with some terms, amongst which financial undertakings, were revised (Note 2.1.1).

During the year ended 31 December 2020, borrowings of HK\$8.5 million (2019: Nil) were transferred to liabilities directly associated with assets held for sale (Note 27).

The carrying amounts of the borrowings approximate their fair values.

### 31 借款(續)

於二零二零年十二月三十一日，本集團就貸款、保理及擔保之信貸總額約為5,182.4百萬港元(二零一九年：5,969.2百萬港元)。同日未動用信貸約為1,604.1百萬港元(二零一九年：2,393.2百萬港元)，其為未承諾信貸。該等信貸乃由若干物業、廠房及設備、使用權資產、投資物業、存貨、貿易應收款項、持作出售資產及銀行存款總額4,337.0百萬港元(二零一九年：3,807.4百萬港元)作抵押／擔保(附註36)。

於二零二零年十二月三十一日之其他借款包括於二零一八年提取的2年期銀團定期貸款，其餘額為195.0百萬美元。該筆貸款於二零二一年三月三十一日到期，其到期日已進一步延長至年末之後的二零二二年一月，其中若干條款(包括財務承擔)已獲修訂(附註2.1.1)。

於截至二零二零年十二月三十一日止年度，8.5百萬港元(二零一九年：無)的借貸轉為與持作出售資產直接相關的負債(附註27)。

借款的賬面值與其公平值相若。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

## 32 LEASE LIABILITIES

The Group leases various land and land use rights, property, plant, equipment and intangible assets (Note 15). Rental contracts are typically made for fixed periods of 1 to 62 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

The following table shows the remaining contractual maturities of the Group's lease liabilities as at 31 December 2020 and 2019:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Gross lease liabilities</b>	<b>租賃負債總額</b>		
<b>- minimum lease payments</b>	<b>- 最低租賃付款</b>		
No later than 1 year	不遲於一年	221.9	216.2
Later than 1 year and no later than 5 years	遲於一年但不遲於五年	322.9	537.6
Later than 5 years	遲於五年	59.5	117.6
		<b>604.3</b>	871.4
Future finance charges on leases	租賃的未來融資支出	<b>(59.8)</b>	(110.3)
<b>Present value of lease liabilities</b>	<b>租賃負債的現值</b>	<b>544.5</b>	761.1
<b>The present value of lease liabilities is as follows:</b>	<b>租賃負債的現值如下：</b>		
No later than 1 year	不遲於一年	202.2	191.7
Later than 1 year	遲於一年	342.3	569.4
		<b>544.5</b>	761.1

Interest expenses on lease liabilities of HK\$29.7 million (2019: HK\$18.5 million) was charged to finance cost for the year ended 31 December 2020 (Note 10).

The total cash outflow for leases was HK\$257.8 million (2019: HK\$232.2 million) for the year ended 31 December 2020.

## 32 租賃負債

本集團租賃各類土地及土地使用權、物業、廠房、設備及無形資產(附註15)。租賃合約通常訂有一至六十二年的固定期限，惟可擁有延期選擇權。租賃條款按個別基準進行磋商，包含多種不同的條款及條件。租賃協議不構成任何契諾。

下表顯示本集團租賃負債於二零二零年及二零一九年十二月三十一日之餘下合約到期情況：

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Gross lease liabilities</b>	<b>租賃負債總額</b>		
<b>- minimum lease payments</b>	<b>- 最低租賃付款</b>		
No later than 1 year	不遲於一年	221.9	216.2
Later than 1 year and no later than 5 years	遲於一年但不遲於五年	322.9	537.6
Later than 5 years	遲於五年	59.5	117.6
		<b>604.3</b>	871.4
Future finance charges on leases	租賃的未來融資支出	<b>(59.8)</b>	(110.3)
<b>Present value of lease liabilities</b>	<b>租賃負債的現值</b>	<b>544.5</b>	761.1
<b>The present value of lease liabilities is as follows:</b>	<b>租賃負債的現值如下：</b>		
No later than 1 year	不遲於一年	202.2	191.7
Later than 1 year	遲於一年	342.3	569.4
		<b>544.5</b>	761.1

租賃負債之利息開支29.7百萬港元(二零一九年：18.5百萬港元)已計入截至二零二零年十二月三十一日止年度之財務成本(附註10)。

截至二零二零年十二月三十一日止年度之租賃現金流出總額為257.8百萬港元(二零一九年：232.2百萬港元)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 32 LEASE LIABILITIES (continued)

During the year ended 31 December 2020, lease liabilities of HK\$97.7 million (2019: Nil) were transferred to liabilities directly associated with assets held for sale (Note 27).

### 33 RETIREMENT BENEFIT PLANS

The table below outlines where the Group's post-employment amounts and activity are included in the consolidated financial statements.

### 32 租賃負債(續)

於截至二零二零年十二月三十一日止年度，97.7百萬港元(二零一九年：無)的租賃負債轉為與持作出售資產直接相關的負債(附註27)。

### 33 退休福利計劃

下表概述本集團計入綜合財務報表之僱員結束服務後之金額及活動。

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Consolidated balance sheet obligations for: 綜合資產負債表就以下各項之責任：			
Defined benefit plans (Note (b))	界定福利計劃(附註(b))	29.7	27.3
Consolidated statement of profit or loss charges included in operating profit for: 綜合損益表就以下各項計入經營溢利之支出：			
Defined contribution plans (Note (a))	界定供款計劃(附註(a))	65.7	75.6
Defined benefit plans (Note (b))	界定福利計劃(附註(b))	0.5	0.5
		<b>66.2</b>	76.1
Remeasurements for: 就以下各項之重新計量：			
Defined benefit plans (Note (b))	界定福利計劃(附註(b))	1.2	4.6

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 33 RETIREMENT BENEFIT PLANS (continued)

#### (a) Defined contribution plans

The Group operates a couple of defined contribution plans which receive fixed contributions from group companies. The Group's legal or constructive obligation for these plans is limited to the contributions. The expense recognised in the current year in relation to these contributions was HK\$65.7 million (2019: HK\$75.6 million).

#### (b) Defined benefit plans

The Group operates several defined benefit pension plans for selected former and active employees of the Group's certain subsidiaries in Germany. The plans provide benefits in the form of a guaranteed level of pension payable for life. The plans are mostly financed by the Group's internal resources. A part of the plans is covered by plans assets in the form of reinsurance policies.

The Group's major plans are valued by qualified actuaries annually using the projected unit credit method. The amounts recognised in the consolidated balance sheet are determined as follows:

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Present value of funded obligations	有補助責任的現值	16.6	14.3
Present value of unfunded obligations	無補助責任的現值	20.3	19.2
Fair value of plan assets	計劃資產的公平值	(7.2)	(6.2)
Liabilities in the consolidated balance sheet	綜合資產負債表的負債	29.7	27.3

### 33 退休福利計劃 (續)

#### (a) 界定供款計劃

本集團設有多個界定供款計劃，其自集團公司收取定額供款。本集團就該等計劃之法定或推定責任以供款為限。本年度就該等供款確認之開支為65.7百萬港元（二零一九年：75.6百萬港元）。

#### (b) 界定福利計劃

本集團就本集團於德國的若干子公司的經選定前任及在任僱員運作若干界定福利退休計劃。該等計劃按保證水平提供足夠應付生活所需的退休金福利。該等計劃大部分由本集團內部資源撥資。而該等計劃部分由以再保險保單形式的計劃資產保障。

本集團之主要計劃每年由合資格精算師使用預期單位記賬法估值。於綜合資產負債表內確認之金額乃按以下方式釐定：

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**33 RETIREMENT BENEFIT PLANS (continued)**

**(b) Defined benefit plans (continued)**

The movement in the present values of defined benefit obligations and fair value of plan assets over the year is as follows:

		2020 二零二零年		
		Present value of defined benefit obligations 界定福利責任的現值 HK\$M 百萬港元	Fair value of plan assets 計劃資產的公平值 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
At 1 January	於一月一日	33.5	(6.2)	27.3
Current service cost	當期服務成本	0.5	-	0.5
Interest expense	利息開支	0.2	-	0.2
Interest income	利息收入	-	(0.1)	(0.1)
		34.2	(6.3)	27.9
<b>Remeasurements:</b>	<b>重新計量：</b>			
Effects from change in financial assumptions	財務假設變動的影響	1.2	-	1.2
Effect from change in demographic assumptions	人口假設變動的影響	0.1	-	0.1
Return on plan assets, excluding amounts included in interest income	計劃資產的回報，不包括計入利息收入的金額	-	(0.1)	(0.1)
		1.3	(0.1)	1.2
<b>Currency translation differences</b>	<b>匯兌差額</b>	2.6	(0.5)	2.1
<b>Contributions</b>	<b>供款</b>			
- Employers	- 僱主	(0.3)	-	(0.3)
<b>Payments from plans:</b>	<b>計劃付款：</b>			
- Benefit payments	- 福利付款	(0.9)	(0.3)	(1.2)
<b>As at 31 December</b>	<b>於十二月三十一日</b>	<b>36.9</b>	<b>(7.2)</b>	<b>29.7</b>

**33 退休福利計劃 (續)**

**(b) 界定福利計劃 (續)**

年內界定福利責任的現值與計劃資產的公平值變動如下：

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**33 RETIREMENT BENEFIT PLANS (continued)**

**(b) Defined benefit plans (continued)**

**33 退休福利計劃 (續)**

**(b) 界定福利計劃 (續)**

		2019 二零一九年		
		Present value of defined benefit obligations 界定福利 責任的現值 HK\$M 百萬港元	Fair value of plan assets 計劃資產 的公平值 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
At 1 January	於一月一日	29.1	(5.7)	23.4
Current service cost	當期服務成本	0.5	–	0.5
Interest expense	利息開支	0.5	–	0.5
Interest income	利息收入	–	(0.2)	(0.2)
		30.1	(5.9)	24.2
<b>Remeasurements:</b>	<b>重新計量：</b>			
Effects from change in financial assumptions	財務假設變動的影響	4.3	–	4.3
Effect from other experienced based adjustments	其他按經驗作出的調整的影響	0.4	–	0.4
Return on plan assets, excluding amounts included in interest income	計劃資產的回報，不包括計入利息收入的金額	–	(0.1)	(0.1)
		4.7	(0.1)	4.6
<b>Currency translation differences</b>	<b>匯兌差額</b>	(0.1)	0.1	–
<b>Contributions</b>	<b>供款</b>			
– Employers	– 僱主	–	(0.3)	(0.3)
<b>Payments from plans:</b>	<b>計劃付款：</b>			
– Benefit payments	– 福利付款	(1.2)	–	(1.2)
<b>As at 31 December</b>	<b>於十二月三十一日</b>	<b>33.5</b>	<b>(6.2)</b>	<b>27.3</b>

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**33 RETIREMENT BENEFIT PLANS (continued)**

**(b) Defined benefit plans (continued)**

The principal actuarial assumptions used are as follows:

		<b>2020</b> 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Discount rate	貼現率	<b>0.38%</b>	0.65%
Future pension increase rate	未來退休金增加比率	<b>1% – 2%</b>	1% – 2%
Future salary increase rate	未來加薪比率	<b>0% – 3%</b>	0% – 3%

The sensitivity of the defined benefit plans to changes in the weighted principal assumptions is:

**33 退休福利計劃 (續)**

**(b) 界定福利計劃 (續)**

所採用的主要精算假設如下：

界定福利計劃對加權主要假設變動之敏感度如下：

**Impact on defined benefit liabilities**  
**對界定福利責任的影響**

		<b>2020</b> 二零二零年			2019 二零一九年		
		<b>Change in assumption</b> 假設變動	<b>Increase in assumption</b> 假設增加 HK\$M 百萬港元	<b>Decrease in assumption</b> 假設減少 HK\$M 百萬港元	Change in assumption 假設變動	Increase in assumption 假設增加 HK\$M 百萬港元	Decrease in assumption 假設減少 HK\$M 百萬港元
Discount rate	貼現率	<b>0.50%</b>	<b>decrease</b> by 2.3 減少2.3	<b>increase</b> by 2.5 增加2.5	0.50%	decrease by 2.1 減少2.1	increase by 2.3 增加2.3
Pension increase rate	退休金增加比率	<b>0.25%</b>	<b>increase</b> by 1.1 增加1.1	<b>decrease</b> by 1.1 減少1.1	0.25%	increase by 1.0 增加1.0	decrease by 1.0 減少1.0

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liabilities recognised within the consolidated balance sheet.

上述敏感度分析乃以一項假設出現變動而其他所有假設維持不變為基礎。實際上，這不大可能發生，且若干假設的變動可能互有關連。計算界定福利責任對重大精算假設之敏感度時，已應用與在綜合資產負債表計算確認之退休金責任相同之方法，即以預期單位記賬法計算於報告期末之界定福利責任現值。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**34 TRADE, BILLS AND OTHER PAYABLES**

**34 貿易、票據及其他應付款項**

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Trade payables (Note (i))	貿易應付款項 (附註(i))	1,377.2	639.3
Contract liabilities (Note (ii))	合約負債 (附註(ii))	18.1	40.0
Other taxes payable	其他應付稅項	49.0	67.5
Accrued salaries and employee benefits	應計薪金及僱員福利	125.9	143.5
Provision for claims and contingencies	索償及或然事項撥備	12.1	17.7
Accrued professional expenses	應計專業開支	20.6	22.6
Asset retirement obligations	資產報廢責任	79.7	72.8
Other payables and accruals	其他應付款項及應計費用	109.5	160.1
		<b>1,792.1</b>	1,163.5
Less: non-current portion	減：非流動部分		
Asset retirement obligations	資產報廢責任	(79.7)	(72.8)
Other payables	其他應付款項	(22.9)	(23.8)
		<b>1,689.5</b>	1,066.9

Notes:

- (i) As at 31 December 2020, the balance includes payables of HK\$332.6 million which were subject to reverse factoring arrangement.

附註：

- (i) 於二零二零年十二月三十一日，結餘包括與反向保理安排有關的應付款項332.6百萬港元。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 34 TRADE, BILLS AND OTHER PAYABLES (continued)

Notes: (continued)

- (ii) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	40.0	25.4

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

	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
0 – 90 days	1,351.7	601.3
91 – 180 days	4.9	12.5
Over 180 days	20.6	25.5
	<b>1,377.2</b>	<b>639.3</b>

The carrying amounts of the trade, bills and other payables approximate their fair values.

During the year ended 31 December 2020, trade and other payables of HK\$51.0 million (2019: Nil) were transferred to liabilities associated with assets held for sale (Note 27).

### 34 貿易、票據及其他應付款項 (續)

附註：(續)

- (ii) 就合約負債確認的收益

下表列示於本報告期間內確認的與結轉合約負債相關的收益：

	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	40.0	25.4

貿易應付款項根據發票日期之賬齡分析如下：

	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
0 – 90 days	1,351.7	601.3
91 – 180 days	4.9	12.5
Over 180 days	20.6	25.5
	<b>1,377.2</b>	<b>639.3</b>

貿易、票據及其他應付款項之賬面值與其公平值相若。

於截至二零二零年十二月三十一日止年度，51.0百萬港元(二零一九年：無)的貿易及其他應付款項轉為與持作出售資產相關的負債(附註27)。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**35 FINANCIAL INSTRUMENTS BY CATEGORY**

**35 按類別劃分之金融工具**

		Assets at amortisation cost	Assets at fair value through profit or loss	Assets at fair value through the other comprehensive income	Total
		按攤銷成本 列賬之資產	按公平值計入 損益之資產	按公平值計入 其他全面 收益之資產	總計
		HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元
<b>31 December 2020</b>	<b>二零二零年十二月三十一日</b>				
Assets as per consolidated balance sheet	綜合資產負債表之資產				
Trade, bills and other receivables excluding non-financial assets	貿易、票據及其他 應收款項，不包括 非金融資產	1,406.9	-	-	1,406.9
Amounts due from related parties	應收關聯方款項	129.3	-	-	129.3
Derivative financial instruments	衍生金融工具	-	14.3	-	14.3
Pledged bank deposits	已抵押銀行存款	122.7	-	-	122.7
Cash and cash equivalents	現金及現金等值項目	913.8	-	-	913.8
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	0.9	-	0.9
Financial assets at fair value through other comprehensive income	按公平值計入其他全面 收益之金融資產	-	-	104.6	104.6
<b>Total</b>	<b>總計</b>	<b>2,572.7</b>	<b>15.2</b>	<b>104.6</b>	<b>2,692.5</b>

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**35 FINANCIAL INSTRUMENTS BY CATEGORY**  
**(continued)**

**35 按類別劃分之金融工具 (續)**

		Assets at amortisation cost	Assets at fair value through profit or loss	Assets at fair value through the other comprehensive income	Total
		按攤銷成本 列賬之資產	按公平值計入 損益之資產	按公平值計入 其他全面 收益之資產	總計
		HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元	HK\$M 百萬港元
<b>31 December 2019</b>	<b>二零一九年十二月三十一日</b>				
Assets as per consolidated balance sheet	綜合資產負債表之資產				
Trade, bills and other receivables excluding non-financial assets	貿易、票據及其他應收款項， 不包括非金融資產	1,086.5	-	-	1,086.5
Fixed return investment	固定回報投資	88.4	-	-	88.4
Amounts due from related parties	應收關聯方款項	47.9	-	-	47.9
Derivative financial instruments	衍生金融工具	-	25.0	-	25.0
Pledged bank deposits	已抵押銀行存款	191.7	-	-	191.7
Cash and cash equivalents	現金及現金等值項目	784.8	-	-	784.8
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	1.9	-	1.9
Financial assets at fair value through other comprehensive income	按公平值計入其他全面 收益之金融資產	-	-	98.7	98.7
<b>Total</b>	<b>總計</b>	<b>2,199.3</b>	<b>26.9</b>	<b>98.7</b>	<b>2,324.9</b>

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**35 FINANCIAL INSTRUMENTS BY CATEGORY  
(continued)**

**35 按類別劃分之金融工具 (續)**

		<b>Other financial liabilities at amortised cost</b>	<b>Liabilities at fair value through profit or loss</b>	<b>Total</b>
		按攤銷成本 列賬之其他 金融負債	按公平值計入 損益之負債	總計
		HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元
<b>31 December 2020</b>	<b>二零二零年十二月三十一日</b>			
Liabilities as per consolidated balance sheet	綜合資產負債表之負債			
Borrowings	借款	<b>2,298.4</b>	–	<b>2,298.4</b>
Lease liabilities	租賃負債	<b>544.5</b>	–	<b>544.5</b>
Derivative financial instruments	衍生金融工具	–	<b>59.7</b>	<b>59.7</b>
Trade, bills and other payables, excluding non-financial liabilities	貿易、票據及其他 應付款項，不包括 非金融負債	<b>2,833.0</b>	–	<b>2,833.0</b>
Amounts due to related parties	應付關聯方款項	<b>63.4</b>	–	<b>63.4</b>
<b>Total</b>	<b>總計</b>	<b>5,739.3</b>	<b>59.7</b>	<b>5,799.0</b>
<b>31 December 2019</b>	<b>二零一九年十二月三十一日</b>			
Liabilities as per consolidated balance sheet	綜合資產負債表之負債			
Borrowings	借款	2,795.4	–	2,795.4
Lease liabilities	租賃負債	761.1	–	761.1
Derivative financial instruments	衍生金融工具	–	30.2	30.2
Trade, bills and other payables, excluding non-financial liabilities	貿易、票據及其他 應付款項，不包括 非金融負債	828.3	–	828.3
Amounts due to related parties	應付關聯方款項	37.5	–	37.5
<b>Total</b>	<b>總計</b>	<b>4,422.3</b>	<b>30.2</b>	<b>4,452.5</b>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 36 PLEDGES OF ASSETS

At the end of the reporting period, the Group has pledged the following assets to secure certain borrowings and general banking facilities granted to the Group:

### 36 資產抵押

於報告期末，本集團已抵押以下資產，以擔保授予本集團之若干借款及一般銀行信貸：

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Property, plant and equipment	物業、廠房及設備	1,888.2	1,905.0
Right-of-use assets	使用權資產	187.1	288.2
Investment properties	投資物業	20.7	9.1
Inventories	存貨	837.4	711.7
Trade receivables	貿易應收款項	1,277.9	701.7
Assets held for sale	持作出售資產	3.0	-
Pledged bank deposits	已抵押銀行存款	122.7	191.7
		<b>4,337.0</b>	3,807.4

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**37 COMMITMENTS**

**(a) Capital commitments**

As at 31 December 2020 and 2019, significant capital expenditure contracted for but not yet incurred is as follows:

**37 承擔**

**(a) 資本承擔**

於二零二零年及二零一九年十二月三十一日，已訂約但未產生之重大資本開支如下：

		<b>2020</b> <b>二零二零年</b> <b>HK\$M</b> <b>百萬港元</b>	2019 二零一九年 HK\$M 百萬港元
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:	已訂約但未於綜合財務報表中撥備的資本開支：		
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	<b>14.7</b>	118.8
– additions in construction in progress	– 添置在建工程	<b>1.8</b>	2.2
– investment in joint ventures	– 於合營企業之投資	–	7.9
		<b>16.5</b>	128.9
Authorised but not contracted for:	已授權但尚未訂約：		
– additions of property, plant and equipment	– 添置物業、廠房及設備	<b>2.1</b>	–
– additions in construction in progress	– 添置在建工程	<b>0.6</b>	2.0

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**37 COMMITMENTS (continued)**

**(b) Operating lease commitments – as lessor**

The future aggregate minimum lease payments receivable under non-cancellable operating leases are as follows:

		<b>2020</b> 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
No later than 1 year	不遲於一年	<b>17.9</b>	27.9
Later than 1 year and no later than 5 years	遲於一年但不遲於五年	<b>43.3</b>	41.4
Later than 5 years	遲於五年	<b>21.6</b>	32.9
		<b>82.8</b>	102.2

**37 承擔 (續)**

**(b) 經營租賃承擔—作為承租人**

根據不可撤銷經營租賃之未來最低租賃付款總額如下：

		<b>2020</b> 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
No later than 1 year	不遲於一年	<b>17.9</b>	27.9
Later than 1 year and no later than 5 years	遲於一年但不遲於五年	<b>43.3</b>	41.4
Later than 5 years	遲於五年	<b>21.6</b>	32.9
		<b>82.8</b>	102.2

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 38 RELATED PARTIES TRANSACTIONS

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

#### (a) Transactions

In addition to those disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with its related parties which mainly comprises of joint ventures, associates, Loncin International Limited, USUMHK and their subsidiaries during the years ended 31 December 2020 and 2019.

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

### 38 關聯方交易

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

#### (a) 交易

除已於綜合財務報表其他部分披露外，本集團於截至二零二零年及二零一九年十二月三十一日止年度曾與其關聯方（主要包括合營企業、聯營公司、隆鑫國際有限公司、渝商香港及彼等的子公司）進行以下交易。

所有交易均於本集團日常業務過程中按交易雙方所協定的條款進行，詳情概述如下：

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Sales of goods to	向以下各方銷售貨品		
– Joint ventures	– 合營企業	306.8	99.6
– Related parties	– 關聯方	85.9	173.3
Purchases of goods from	自以下各方採購貨品		
– An associate	– 聯營公司	(20.0)	(41.3)
– Joint ventures	– 合營企業	(222.7)	(259.8)
– Related parties	– 關聯方	(84.5)	(108.5)
Interest income from	來自以下各方的利息收入		
– Joint ventures	– 合營企業	0.9	1.0
– Related parties	– 關聯方	0.9	0.5
Interest expense to	向以下各方支付的利息開支		
– Related parties	– 關聯方	(0.7)	(0.6)

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**38 RELATED PARTIES TRANSACTIONS**  
**(continued)**

**(a) Transactions (continued)**

		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$M</b>	HK\$M
		<b>百萬港元</b>	百萬港元
Sales of property, plant and equipment to	向以下各方銷售物業、廠房及設備		
– A related party	— 一名關聯方	–	1.1
Other income from (Note (i))	來自以下各方的其他收入 (附註(i))		
– Joint ventures	— 合營企業	<b>4.6</b>	2.6
– Related parties	— 關聯方	<b>3.9</b>	5.2
Administrative expenses to (Note (ii))	向以下各方支付的行政開支 (附註(ii))		
– Joint ventures	— 合營企業	<b>(0.1)</b>	(0.7)
– Related parties	— 關聯方	<b>(2.7)</b>	(1.0)
Financial guarantee to	向以下各方作出的金融擔保		
– A related party (Note 43 (c))	— 一位關聯方 (附註43(c))	<b>9.5</b>	1.2

Notes:

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

附註：

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

**38 關聯方交易 (續)**

**(a) 交易 (續)**

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**38 RELATED PARTIES TRANSACTIONS**  
**(continued)**

**(b) Key management compensation**

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

		<b>2020</b> 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Wages and salaries, including restructuring costs and other termination benefits	工資及薪金，包括重組成本及其他終止僱傭福利	<b>35.1</b>	27.1
Pension costs – defined contribution plans	退休金成本—界定供款計劃	<b>0.1</b>	0.1
Other employee benefits	其他僱員福利	<b>0.3</b>	0.7
<b>Total</b>	<b>總計</b>	<b>35.5</b>	27.9

**(c) Year-end balances**

		<b>2020</b> 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
Receivables from:	應收以下各方款項：		
– Joint ventures (Note (i))	– 合營企業 (附註(i))	<b>100.5</b>	33.9
– Related parties (Note (i))	– 關聯方 (附註(i))	<b>28.8</b>	14.0
		<b>129.3</b>	47.9
Payables to:	應付以下各方款項：		
– Joint ventures (Note (ii))	– 合營企業 (附註(ii))	<b>(28.6)</b>	(15.5)
– Related parties (Note (ii))	– 關聯方 (附註(ii))	<b>(34.8)</b>	(22.0)
		<b>(63.4)</b>	(37.5)

**38 關聯方交易 (續)**

**(b) 主要管理層薪酬**

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

**(c) 年終結餘**

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 38 RELATED PARTIES TRANSACTIONS (continued)

#### (c) Year-end balances (continued)

Notes:

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

### 39 BENEFITS AND INTERESTS OF DIRECTORS

#### (a) Directors' emoluments

The remuneration of the directors for the years ended 31 December 2020 and 2019 is set out below:

		Fees	Salaries and allowances	Performance bonus	Retirement benefit scheme contributions	Other benefits	Total
		袍金 HK\$M 百萬港元	薪金及津貼 HK\$M 百萬港元	表現花紅 HK\$M 百萬港元	退休福利 計劃供款 HK\$M 百萬港元	其他福利 HK\$M 百萬港元	總計 HK\$M 百萬港元
<b>Year ended 31 December 2020</b>							
<b>截至二零二零年十二月三十一日止年度</b>							
<b>Executive directors:</b>	<b>執行董事：</b>						
Mr. Tu Jianhua	涂建華先生	-	4.0	2.8	-	-	6.8
Mr. Qin Yongming (Note (i))	秦永明先生 (附註(i))	-	8.6	0.1	-	0.2	8.9
Mr. Chen Chunguo (Note (iii))	陳春國先生 (附註(iii))	-	0.3	-	-	-	0.3
Mr. Rafael Heinrich Suchan (Note (ii))	Rafael Heinrich Suchan 先生 (附註(ii))	-	5.8	3.0	-	-	8.8
Mr. Martin Simon (Note (iv))	Martin Simon 先生 (附註(iv))	-	1.9	0.6	-	-	2.5
Mr. Ding Zhiyi (Note (iii))	丁志懿先生 (附註(iii))	-	-	-	-	-	-
Mr. Miao Yu (Note (v))	苗雨先生 (附註(v))	-	-	-	-	-	-
<b>Non-executive directors:</b>	<b>非執行董事：</b>						
Dr. Loke Yu	陸海林博士	0.3	-	-	-	-	0.3
Ms. Qian Liping (Note (vi))	錢麗萍女士 (附註(vi))	0.3	-	-	-	-	0.3
Mr. Ko Frankie Andrew (Note (vii))	高瑞強先生 (附註(vii))	0.2	-	-	-	-	0.2
Mr. Zhu HongChao (Note (viii))	朱洪超先生 (附註(viii))	0.1	-	-	-	-	0.1
Ms. Yang Yali (Note (x))	楊雅麗女士 (附註(x))	-	-	-	-	-	-
Mr. Wang Qiwei (Note (x))	王奇偉先生 (附註(x))	-	-	-	-	-	-
		0.9	20.6	6.5	-	0.2	28.2

### 38 關聯方交易 (續)

#### (c) 年終結餘 (續)

附註：

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

### 39 董事福利及權益

#### (a) 董事酬金

截至二零二零年及二零一九年十二月三十一日止年度之董事薪酬載列如下：

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**39 BENEFITS AND INTERESTS OF DIRECTORS (continued)**

**39 董事福利及權益 (續)**

**(a) Directors' emoluments (continued)**

**(a) 董事酬金 (續)**

Year ended 31 December 2019 截至二零一九年十二月三十一日止年度	Fees	Salaries and allowances	Performance bonus	Retirement benefit scheme contributions 退休福利計劃供款	Other benefits	Total
	袍金 HK\$M 百萬港元	薪金及津貼 HK\$M 百萬港元	表現花紅 HK\$M 百萬港元	計劃供款 HK\$M 百萬港元	其他福利 HK\$M 百萬港元	總計 HK\$M 百萬港元
<b>Executive directors:</b>	<b>執行董事：</b>					
Mr. Tu Jianhua	-	2.6	3.5	-	-	6.1
Mr. Qin Yongming (Note (i))	-	5.2	4.0	-	0.7	9.9
Mr. Wong Wun Lam (Note (ix))	-	3.0	-	-	-	3.0
<b>Non-executive directors:</b>	<b>非執行董事：</b>					
Dr. Loke Yu	0.3	-	-	-	-	0.3
Ms. Qian Liping (Note (vi))	0.3	-	-	-	-	0.3
Mr. Zhu HongChao (Note (viii))	0.3	-	-	-	-	0.3
	0.9	10.8	7.5	-	0.7	19.9

Notes:

- (i) Mr. Qin Yongming was also the Chief Executive Officer ("CEO") of the Company and his emoluments disclosed above include those for services rendered by him as the CEO. Mr. Qin resigned as the CEO on 1 March 2020 but remained as an executive director of the Company. Mr. Qin resigned as an executive director of the Company on 16 December 2020.
- (ii) Mr. Rafael Heinrich Suchan was appointed as an executive director and the CEO of the Company on 1 March 2020 and his emoluments disclosed above include those for services rendered by him as the CEO.
- (iii) Mr. Chen Chunguo and Mr. Ding Zhiyi were appointed as executive directors of the Company on 16 December 2020 and 29 December 2020, respectively. They resigned as the executive directors of the Company on 3 March 2021 and 5 March 2021, respectively.

附註：

- (i) 秦永明先生亦為本公司行政總裁（「行政總裁」），彼於上文所披露之酬金包括就彼擔任行政總裁所提供服務而支付之酬金。秦先生已於二零二零年三月一日已辭任行政總裁但仍擔任本公司執行董事。秦先生已於二零二零年十二月十六日辭任本公司執行董事。
- (ii) Rafael Heinrich Suchan先生於二零二零年三月一日獲委任為本公司的執行董事兼行政總裁。彼於上文所披露之酬金包括就彼擔任行政總裁所提供服務而支付之酬金作。
- (iii) 陳春國先生及丁志懿先生分別於二零二零年十二月十六日及二零二零年十二月二十九日獲委任為本公司執行董事。彼等分別於二零二一年三月三日及二零二一年三月五日辭任本公司執行董事。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 39 BENEFITS AND INTERESTS OF DIRECTORS (continued)

#### (a) Directors' emoluments (continued)

Notes: (continued)

- (iv) Mr. Martin Simon was appointed as an executive director and the Chief Financial Officer ("CFO") of the Company on 23 June 2020. He also acts as the CFO of one of the major operation groups of the Group. His emoluments disclosed above include those for services rendered by him as the CFOs.
- (v) Mr. Miao was appointed as an executive director of the Company on 29 December 2020.
- (vi) Ms. Qian Liping resigned as an independent non-executive director of the Company on 29 December 2020.
- (vii) Mr. Ko Frankie Andrew was appointed as an independent non-executive director of the Company on 19 February 2020 and resigned on 29 December 2020. He was re-appointed as an independent executive director of the Company on 5 March 2021.
- (viii) Mr. Zhu HongChao resigned as an independent non-executive director of the Company on 19 February 2020.
- (ix) Mr. Wong Wun Lam was also the CFO of the Company and his emoluments disclosed above include those for services rendered by him as the CFO. Mr. Wong resigned as an executive director and the CFO of the Company on 20 December 2019.
- (x) Ms. Yang Yali and Mr. Wang Qiwei were appointed as the independent non-executive directors of the Company on 29 December 2020. They resigned as the independent non-executive directors of the Company on 5 March 2021.
- (xi) During both years, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments during both years.

### 39 董事福利及權益 (續)

#### (a) 董事酬金 (續)

附註：(續)

- (iv) Martin Simon先生於二零二零年六月二十三日獲委任為本公司執行董事兼首席財務官(「首席財務官」)。彼亦擔任本集團主要營運集團之一的首席財務官。彼於上文所披露之酬金包括就彼擔任首席財務官所提供服務而支付之酬金。
- (v) 苗雨先生於二零二零年十二月二十九日獲委任為本公司執行董事。
- (vi) 錢麗萍女士於二零二零年十二月二十九日已辭任本公司獨立非執行董事。
- (vii) 高瑞強先生於二零二零年二月十九日獲委任為本公司獨立非執行董事並於二零二零年十二月二十九日已辭任。彼於二零二一年三月五日獲重新委任為本公司獨立非執行董事。
- (viii) 朱洪超先生於二零二零年二月十九日已辭任本公司獨立非執行董事職務。
- (ix) 黃煥霖先生亦為本公司執行董事兼首席財務官及彼於上文所披露之酬金包括就彼擔任首席財務官所提供服務而支付之酬金。黃先生於二零一九年十二月二十日已辭任本公司執行董事兼首席財務官。
- (x) 楊雅麗女士及王奇偉先生於二零二零年十二月二十九日獲委任為本公司獨立非執行董事。彼等已於二零二一年三月五日辭任本公司獨立非執行董事。
- (xi) 於兩個年度，本集團概無向任何董事或五名最高薪人士支付酬金作為吸引加入或於加入本集團時的獎勵或作為離職補償。概無董事於兩個年度放棄任何酬金。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**39 BENEFITS AND INTERESTS OF DIRECTORS (continued)**

**(b) Directors' retirement benefits**

During the year ended 31 December 2020, the Company made contributions to the Hong Kong Mandatory Provident Fund Scheme for Mr. Tu Jianhua, Mr. Qin Yongming, Mr. Rafael Heinrich Suchan and Mr. Wong Wun Lam in the amount of HK\$18,000, HK\$18,000, HK\$15,000 and Nil, respectively (2019: HK\$18,000, HK\$18,000, Nil and HK\$18,000, respectively).

**(c) Consideration provided to third parties for making available directors' services**

During the year ended 31 December 2020, the Company did not pay consideration to any third parties for making available directors' services (2019: Nil).

**(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and controlled entities with such directors**

As at 31 December 2020 and 2019, there were no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and controlled entities with such directors.

**(e) Directors' material interests in transactions, arrangements or contracts**

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 financial year (2019: Nil).

**39 董事福利及權益 (續)**

**(b) 董事退休福利**

於截至二零二零年十二月三十一日止年度，本公司分別為涂建華先生、秦永明先生、Rafael Heinrich Suchan先生及黃煥霖先生向香港強制性公積金計劃作出供款18,000港元、18,000港元、15,000港元及零(二零一九年：分別為18,000港元、18,000港元、零及18,000港元)。

**(c) 就提供董事服務而向第三方提供之代價**

於截至二零二零年十二月三十一日止年度，本公司並無就提供董事服務而向任何第三方支付代價(二零一九年：無)。

**(d) 有關惠及董事、由有關董事控制的團體公司及與有關董事共同控制的實體的貸款、類似貸款及其他交易的資料**

於二零二零年及二零一九年十二月三十一日，概無以董事、由有關董事控制的團體公司及與有關董事共同控制的實體為受益人的貸款、類似貸款及其他交易安排。

**(e) 董事於交易、安排或合約中之重大權益**

本公司概無訂立任何與本集團業務有關而本公司董事於當中擁有重大權益(不論直接或間接)，且於年末或財政年度內任何時間存續之重大交易、安排及合約(二零一九年：無)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 40 CASH GENERATED FROM OPERATIONS

Reconciliation from loss before income tax to cash generated from operations:

### 40 經營所得現金

除所得稅前虧損與經營所得現金對賬：

		2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>Cash flows from operating activities</b>	<b>經營活動所得現金流量</b>		
Loss before income tax	除所得稅前虧損	(809.8)	(99.5)
Adjustments for:	就以下各項調整：		
Finance costs (Note 10)	財務成本 (附註10)	243.5	236.2
Finance income (Note 10)	財務收入 (附註10)	(11.0)	(23.6)
Dividend income (Note 6)	股息收入 (附註6)	(2.5)	(4.8)
Depreciation and amortisation (Note 8)	折舊及攤銷 (附註8)	450.8	422.5
Fair value loss on derivative financial instruments, net (Note 7)	衍生金融工具之公平值虧損淨額 (附註7)	68.1	2.1
Fair value loss/(gain) on financial assets at fair value through profit or loss (Note 7)	按公平值計入損益之金融資產公平值虧損/(收益) (附註7)	2.5	(1.7)
Gain on disposal of property, plant and equipment and right-of-use assets (Note 7)	出售物業、廠房及設備以及使用權資產之收益 (附註7)	(23.4)	(33.3)
Net reversal of impairment on financial assets	金融資產減值撥回淨額	(7.4)	(39.4)
Provision/(Reversal of provision) for inventories, net (Note 8)	存貨撥備/(撥備撥回)淨額 (附註8)	18.5	(1.9)
Provision for impairment on property, plant, and equipment (Note 7)	物業、廠房及設備之減值撥備 (附註7)	150.0	0.9
Provision for impairment on right-of-use assets (Note 7)	使用權資產減值撥備 (附註7)	72.8	-
Impairment on intangible assets (Note 7)	無形資產之減值 (附註7)	205.1	-
Impairment on assets held for sale (Note 7)	持作出售資產減值 (附註7)	91.3	-
Loss on disposal and deregistration of subsidiaries or joint ventures (Note 7)	出售及註銷子公司或合營企業之虧損 (附註7)	4.5	13.7
Share of post-tax loss of an associate	應佔聯營公司除稅後虧損	0.1	0.3
Share of post-tax profit of joint ventures	應佔合營企業除稅後溢利	(66.9)	(47.6)
Non-cash post-employment benefit expenses	非現金僱員結束服務後之福利開支	(0.9)	(0.6)
Net foreign exchange losses	外匯虧損淨額	(19.3)	(20.9)
		<b>366.0</b>	402.4
Changes in working capital	營運資金變動		
Decrease in inventories	存貨減少	344.8	580.3
(Increase)/Decrease in trade, bills and other receivables	貿易、票據及其他應收款項 (增加)/減少	(424.7)	508.5
Change in derivative financial instruments	衍生金融工具變動	(27.0)	23.8
Increase/(Decrease) in trade, bills and other payables	貿易、票據及其他應付款項增加/(減少)	694.6	(711.4)
		<b>953.7</b>	803.6

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**40 CASH GENERATED FROM OPERATIONS  
(continued)**

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment and right-of-use assets comprise:

**40 經營所得現金 (續)**

於綜合現金流量表，出售物業、廠房及設備以及使用權資產之所得款項包括：

		<b>2020</b> <b>二零二零年</b> <b>HK\$M</b> <b>百萬港元</b>	2019 二零一九年 HK\$M 百萬港元
Net book amount of property, plant and equipment (Note 14)	物業、廠房及設備之賬面淨值 (附註14)	<b>97.6</b>	220.1
Net book amount of right-of-use assets (Note 15)	使用權資產之賬面淨值 (附註15)	<b>81.2</b>	14.5
Gain on disposal of property, plant and equipment and right-of-use assets (Note 7)	出售物業、廠房及設備以及使用權資產之收益 (附註7)	<b>23.4</b>	33.3
Proceeds receivable	應收所得款項	<b>(17.3)</b>	-
Reduction in lease liabilities	租賃負債減少	<b>(7.0)</b>	-
<b>Proceeds from disposal of property, plant and equipment and right-of-use assets</b>	<b>出售物業、廠房及設備以及使用權資產之所得款項</b>	<b>177.9</b>	267.9

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 40 CASH GENERATED FROM OPERATIONS (continued)

This section sets out an analysis of net debt and the movements in net debt for each of the years presented.

### 40 經營所得現金 (續)

本節載列債務淨額分析及所呈列各年度債務淨額變動。

		Liabilities from financing activities 融資活動產生的負債						Total 總計
		Lease liabilities		Bank borrowings		Other borrowings		
		due within 1 year	due after 1 year	due within 1 year	due after 1 year	due within 1 year	due after 1 year	
		於一年內到期的租賃負債	於一年後到期的租賃負債	於一年內到期的銀行借款	於一年後到期的銀行借款	於一年內到期的其他借款	於一年後到期的其他借款	
<b>Net debt as at 1 January 2019</b>	<b>於二零一九一月一日的債務淨額</b>	165.2	407.4	971.5	388.7	250.5	1,738.1	3,921.4
Proceeds/additions	所得款項／添置	145.7	246.8	697.0	34.3	53.1	-	1,176.9
Repayments	償還款項	(147.1)	(51.6)	(1,186.0)	(101.0)	-	-	(1,485.7)
Other non-cash movement	其他非現金變動	30.2	(29.6)	84.1	(85.7)	1,739.8	(1,738.1)	0.7
Currency translation differences	匯兌差額	(2.3)	(3.6)	(19.3)	(9.9)	(21.7)	-	(56.8)
<b>Net debt as at 31 December 2019</b>	<b>於二零一九年十二月三十一日的債務淨額</b>	191.7	569.4	547.3	226.4	2,021.7	-	3,556.5
Proceeds/additions	所得款項／添置	38.6	55.4	416.0	121.6	-	-	631.6
Reversals	撥回	(2.9)	(4.1)	-	-	-	-	(7.0)
Repayments	償還款項	(180.8)	(61.5)	(379.7)	(173.2)	(488.1)	-	(1,283.3)
Reclassification to liabilities directly associated with assets held for sale	重新分類至與持作出售資產直接相關的負債	(11.7)	(86.0)	(0.7)	(7.8)	-	-	(106.2)
Other non-cash movement	其他非現金變動	155.5	(151.0)	(15.3)	-	(2.8)	-	(13.6)
Currency translation differences	匯兌差額	11.8	20.1	37.2	11.3	(15.5)	-	64.9
<b>Net debt as at 31 December 2020</b>	<b>於二零二零年十二月三十一日的債務淨額</b>	202.2	342.3	604.8	178.3	1,515.3	-	2,842.9

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**41 BALANCE SHEET AND RESERVE MOVEMENT**      **41 資產負債表及儲備變動**

**Balance sheet of the Company**

本公司之資產負債表

		Note	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
		附註		
<b>ASSETS</b>	<b>資產</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Investment in subsidiaries, unlisted	於子公司之投資，非上市		3,500.4	3,500.4
Investment in a joint venture, unlisted	於合營企業之投資，非上市		4.1	4.1
Right-of-use assets	使用權資產		19.2	29.5
Other deposit	其他按金		2.7	2.7
Loan receivables from a subsidiary	應收子公司貸款		-	89.1
			<b>3,526.4</b>	3,625.8
<b>Current assets</b>	<b>流動資產</b>			
Other receivables	其他應收款項		13.1	95.0
Amounts due from subsidiaries	應收子公司款項		2,155.6	2,335.1
Amount due from a related party	應收關聯方款項		1.7	1.3
Loan receivables from a subsidiary	應收子公司貸款		89.1	-
Cash and cash equivalents	現金及現金等值項目		0.8	36.1
			<b>2,260.3</b>	2,467.5
<b>Total assets</b>	<b>資產總值</b>		<b>5,786.7</b>	6,093.3
<b>EQUITY AND LIABILITIES</b>	<b>權益及負債</b>			
<b>Equity attributable to shareholders of the company</b>	<b>本公司股東應佔權益</b>			
Share capital	股本	27	16.1	16.1
Reserves	股本		3,612.8	3,785.0
<b>Total equity</b>	<b>總權益</b>		<b>3,628.9</b>	3,801.1

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**41 BALANCE SHEET AND RESERVE MOVEMENT (continued)**      **41 資產負債表及儲備變動 (續)**

**Balance sheet of the Company (continued)**

**本公司之資產負債表 (續)**

	Note 附註	2020 二零二零年 HK\$M 百萬港元	2019 二零一九年 HK\$M 百萬港元
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		8.8	18.1
Other payables		3.0	3.0
		<b>11.8</b>	21.1
<b>Current liabilities</b>			
Accruals and other payables		21.6	17.2
Amounts due to subsidiaries		606.4	523.5
Lease liabilities		9.3	8.6
Other borrowings		1,508.7	1,721.8
		<b>2,146.0</b>	2,271.1
<b>Total liabilities</b>		<b>2,157.8</b>	2,292.2
<b>Total equity and liabilities</b>		<b>5,786.7</b>	6,093.3

The balance sheet of the Company was approved by the Board of Directors on 31 March 2021 and was signed on its behalf:

本公司之資產負債表已獲董事會於二零二一年三月三十一日批准並由以下董事代表簽署：

**Mr. Tu Jianhua**  
涂建華先生  
Director  
董事

**Mr. Rafael Heinrich Suchan**  
Rafael Heinrich Suchan先生  
Director  
董事

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**41 BALANCE SHEET AND RESERVE MOVEMENT (continued)**      **41 資產負債表及儲備變動 (續)**

**Reserves movement of the Company**

**本公司之儲備變動**

		Share premium 股份溢價 HK\$M 百萬港元	Capital redemption reserve 資本 贖回儲備 HK\$M 百萬港元	Capital reserve 資本儲備 HK\$M 百萬港元 (Note (i)) (附註(i))	Accumulated losses 累計虧損 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
At 1 January 2019	於二零一九年 一月一日	5,911.9	0.3	216.2	(2,129.9)	3,998.5
Loss for the year	年內虧損	-	-	-	(213.5)	(213.5)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(213.5)	(213.5)
At 31 December 2019	於二零一九年 十二月三十一日	5,911.9	0.3	216.2	(2,343.4)	3,785.0

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**41 BALANCE SHEET AND RESERVE MOVEMENT (continued)**

**Reserves movement of the Company (continued)**

**本公司之儲備變動(續)**

		Share premium 股份溢價 HK\$M 百萬港元	Capital redemption reserve 資本贖回儲備 HK\$M 百萬港元	Capital reserve 資本儲備 HK\$M 百萬港元 (Note (i)) (附註(i))	Accumulated losses 累計虧損 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
At 1 January 2020	於二零二零年 一月一日	5,911.9	0.3	216.2	(2,343.4)	3,785.0
Loss for the year	年內虧損	-	-	-	(172.2)	(172.2)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(172.2)	(172.2)
At 31 December 2020	於二零二零年 十二月三十一日	5,911.9	0.3	216.2	(2,515.6)	3,612.8

Note:

- (i) Capital reserve represents the sum of (a) the difference between the nominal value of the aggregate share capital and share premium of the subsidiaries acquired by the Company upon a group reorganisation in 2008 and the nominal value of the Company's shares issued in exchange and (b) a capitalisation of shareholders' loans in 2010.

附註：

- (i) 資本儲備指(a)本公司於二零零八年集團重組時所收購子公司股本及股份溢價總額之面值與本公司交換股權所發行股份之面值的差額及(b)二零一零年資本化股東貸款。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 42 PARTICULARS OF SUBSIDIARIES OF THE COMPANY

#### (a) General information of principal subsidiaries

The table below shows the subsidiaries as at 31 December 2020, which in the opinion of the Directors, principally affect the revenue, net assets or business aspects of the Group. To give details of all subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

Name of subsidiary 子公司名稱	Place of operation 經營地點	Place of incorporation/ establishment 註冊成立 / 成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 / 註冊股本	Attributable equity interest and voting power held by the Group 本集團所持應佔股本權益及投票		Principal activities 主要業務
				2020 二零二零年	2019 二零一九年	
Chiho-Tiande (HK) Limited 齊合天地(香港)有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1 1港元	100%	100%	Purchasing agent of the Group and wholesales of metal scrap without processing 本集團採購代理及批發未經加工之再生金屬
Chiho Eco Protection Limited 齊合綠色環保有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Processing and sales of metal scrap and WEEE 加工及銷售再生金屬及廢棄電力及電子設備
Chiho Environmental (Beijing) Company Limited** 齊合環保(北京)有限公司*	The PRC 中國	The PRC 中國	RMB50,000,000 人民幣50,000,000元	100%	-	Providing services to group companies 提供服務予集團公司
Taizhou Chiho-Tiande Metals Company Limited** 台州齊合天地金屬有限公司*	The PRC 中國	The PRC 中國	US\$108,000,000 108,000,000美元	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Chiho Environmental (Suyang) Resources Recycling Company Limited** 齊合環保再生資源(沭陽)有限公司*	The PRC 中國	The PRC 中國	RMB5,000,000 人民幣5,000,000元	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Chiho-Tiande (Yantai) Resources Recycling Company Limited** 齊合天地(煙台)再生資源有限公司*	The PRC 中國	The PRC 中國	US\$40,000,000 40,000,000美元	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Yantai Liheng Environmental Protection Technology Company Limited** 煙台立衡環保科技有限公司*	The PRC 中國	The PRC 中國	RMB55,150,000 人民幣55,150,000元	60%	60%	Processing and sales of lubricating oil 加工及銷售潤滑油

\* For identification purpose only

+ Limited liability company

△ All these subsidiaries are indirectly held by the Company

### 42 本公司之子公司詳情

#### (a) 主要子公司的一般資料

下表列示董事認為於二零二零年十二月三十一日對本集團收入、淨資產或業務有主要影響之子公司。董事認為，提供所有子公司之詳情將會令篇幅過於冗長。

\* 僅供識別

+ 有限責任公司

△ 所有該等子公司均由本公司間接持有

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 42 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

#### (a) General information of principal subsidiaries (continued)

Name of subsidiary 子公司名稱	Place of operation 經營地點	Place of incorporation/ establishment 註冊成立 ／成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 ／註冊股本	Attributable equity interest and voting power held by the Group 本集團所持應佔股本權益及投票		Principal activities 主要業務
				2020 二零二零年	2019 二零一九年	
Dalian New Green Recycle & Resources Corporation** 大連新綠再生資源加工有限公司*	The PRC 中國	The PRC 中國	JPY 8,566,011,000 8,566,011,000日圓	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Heng Hup Chiho Recycling (Malaysia) SDN. BND.	Malaysia 馬來西亞	Malaysia 馬來西亞	RM5,000,000 5,000,000馬來亞令吉	51%	51%	Processing of metal scrap 加工再生金屬
Hidaka-Chiho Metal Recycling (Thailand) Company Limited#	Thailand 泰國	Thailand 泰國	Baht152,500,000 152,500,000泰銖	45.7%	45.7%	Processing and sales of metal scrap 加工及銷售再生金屬
Delco Europe B.V.	The Netherlands 荷蘭	The Netherlands 荷蘭	EUR18,151 18,151歐元	100%	100%	Purchasing agent of the Group 本集團之採購代理
Fegert Recycling GmbH	Germany 德國	Germany 德國	EUR84,000 84,000歐元	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Scholz Industrieservice GmbH	Germany 德國	Germany 德國	EUR50,000 50,000歐元	100%	100%	Providing industrial and logistic services 提供工業及物流服務
Scholz Recycling GmbH	Germany 德國	Germany 德國	EUR100,000,000 100,000,000歐元	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
SIV Immobilien Verwaltungs GmbH	Germany 德國	Germany 德國	EUR25,000 25,000歐元	100%	100%	Purchase and administration of real estate 購買及管理房地產
Scholz Management Service GmbH	Germany 德國	Germany 德國	EUR25,000 25,000歐元	100%	100%	Providing services to group companies 提供服務予集團公司

\* For identification purpose only

+ Limited liability company

# The Group controls the board of directors

△ All these subsidiaries are indirectly held by the Company

\* 僅供識別

+ 有限責任公司

# 本集團控制董事會

△ 所有該等子公司均由本公司間接持有

### 42 本公司之子公司詳情 (續)

#### (a) 主要子公司的一般資料 (續)

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註**

**42 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)**

**(a) General information of principal subsidiaries (continued)**

Name of subsidiary 子公司名稱	Place of operation 經營地點	Place of incorporation/ establishment 註冊成立 ／成立地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 ／註冊股本	Attributable equity interest and voting power held by the Group 本集團所持應佔股本權益及投票		Principal activities 主要業務
				2020 二零二零年	2019 二零一九年	
SRW metalfloat GmbH	Germany 德國	Germany 德國	EUR1,000,000 1,000,000歐元	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Liberty Iron & Metal, Inc.	USA 美國	USA 美國	US\$3,100 3,100美元	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Uniscrap A/S	Denmark 丹麥	Denmark 丹麥	DKK20,003,000 20,003,000丹麥克朗	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Uniscrap Sverige AB	Sweden 瑞典	Sweden 瑞典	SEK100,000 100,000瑞典克朗	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Scholz Polska Sp. z.o.o.	Poland 波蘭	Poland 波蘭	PLN88,501,000 88,501,000茲羅提	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Scholz Austria Holding GmbH	Republic of Austria 奧地利共和國	Republic of Austria 奧地利共和國	EUR35,000 35,000歐元	100%	100%	Holding company 控股公司
Kovosrot Group CZ s.r.o.	Czech Republic 捷克共和國	Czech Republic 捷克共和國	CZK499,834,000 499,834,000捷克克朗	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬
Sberne suroviny, a.s.	Czech Republic 捷克共和國	Czech Republic 捷克共和國	CZK61,217,000 61,217,000捷克克朗	79.6%	79.6%	Processing and sales of metal scrap 加工及銷售再生金屬
DINOS d.d.	Republic of Slovenia 斯洛文尼亞共和國	Republic of Slovenia 斯洛文尼亞共和國	EUR2,279,700 2,279,700歐元	100%	100%	Processing and sales of metal scrap 加工及銷售再生金屬

<sup>Δ</sup> All these subsidiaries are indirectly held by the Company

<sup>Δ</sup> 所有該等子公司均由本公司間接持有

**42 本公司之子公司詳情 (續)**

**(a) 主要子公司的一般資料 (續)**

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 42 PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

#### (b) Significant restrictions

Cash and short-term deposits held in the PRC are subject to local exchange control regulations. These regulations provide for restrictions on exporting capital from the PRC, other than through normal dividend.

The carrying amount of the assets included within the consolidated balance sheet to which these restrictions apply is HK\$389.1 million (2019: HK\$396.7 million).

#### (c) Details of non-wholly owned subsidiaries that have material non-controlling interest

The non-controlling interests of all non-wholly owned subsidiaries are individually not material to the Group.

### 43 CONTINGENCIES

- (a) The Company is one of the defendants to a legal claim by Delco Participation B.V. ("Delco") regarding an alleged non-payment of a portion of the loans advanced by Delco Asia Company Limited ("Delco Asia") to subsidiaries of the Company, amounting to approximately HK\$57.8 million together with interest and costs. Delco alleged that it acquired the assets and liabilities of Delco Asia in 2011. Delco Asia was dissolved by deregistration in 2012. Each of Mr. Fang Ankong ("Mr. Fang") and HWH Holdings Limited ("HWH") undertook to the Company to indemnify and hold the Company harmless on demand against all losses arising out of, inter alia, this claim in accordance with the terms of a letter of indemnity signed by Mr. Fang and HWH in favour of the Company on 17 December 2015 (the "Indemnity"). Such indemnity was previously secured by a sum, including the amount of HK\$57.8 million in an escrow account set up by HWH, and is now subject to a Mareva injunction granted by the Court on 30 October 2019 until the determination of, inter alia, HCA3040/2015 or further order of the Court.

### 42 本公司之子公司詳情 (續)

#### (b) 重大限制

於中國持有之現金及短期存款須遵守當地外匯管制法規。該等法規對自中國匯出資本施加限制，惟以正常股息方式除外。

綜合資產負債表內適用該等限制之資產賬面值為389.1百萬港元(二零一九年：396.7百萬港元)。

#### (c) 擁有重大非控股權益之非全資子公司之詳情

全部非全資子公司之非控股權益對本集團單獨而言並不重大。

### 43 或然事項

- (a) (「Delco」) 就聲稱未償還Delco Asia Company Limited (「Delco Asia」) 墊付予本公司子公司的部分貸款金額約57.8百萬港元連同利息及相關費用而提起的法律索賠的被告人之一。Delco聲稱其已於二零一一年收購Delco Asia的資產及負債。於二零一二年，Delco Asia以撤銷註冊方式解散。方先生及HWH各自向本公司承諾，根據方安空先生(「方先生」)與HWH Holdings Limited (「HWH」) 以本公司為受益人於二零一五年十二月十七日簽署的彌償函件的條款，彌償本公司因(其中包括)此索賠產生的所有損失及使本公司不受到損失(「彌償」)。有關彌償先前由一筆款項作抵押(包括由HWH開設之託管賬戶內57.8百萬港元的金額)，而目前受法院於二零一九年十月三十日頒佈的資產凍結令所規限，直至(其中包括)HCA3040/2015的裁決或法院進一步頒令為止。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

### 43 CONTINGENCIES (continued)

- (a) (continued)
- The court case is still in progress, with the parties filing amended pleadings and evidence, and preparing for trial. The directors of the Company, after taking legal advice from its legal advisers and in review of the Indemnity and the Escrow Account, are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle this claim. Accordingly, no provision for this claim has been made.
- (b) The Company and Chiho-Tiande (HK) Limited (“CTHK”), a wholly-owned subsidiary of the Company, are two of the defendants to another legal claim by Delco regarding an alleged breach of a letter of undertaking in relation to a convertible bond issued by the Company and subscribed for by Delco. Delco further claimed against CTHK for a sum of US\$1.0 million, allegedly advanced by Delco Asia to CTHK. Delco further claimed interests, costs and further or other relief of approximately HK\$6.3 million.

The court case is still in progress, with the parties filing amended pleadings and evidence, and preparing for trial. The directors of the Company, after taking legal advice from its legal advisers, are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle this claim. Accordingly, no provision for this claim has been made.

- (c) As at 31 December 2020, the Group has provided financial guarantees to a related party and certain joint ventures of HK\$9.5 million (2019: HK\$1.2 million) and HK\$38.0 million (2019: HK\$35.3 million), respectively. As the risk of default is very remote and there is no history of default, no financial guarantee liability was recognised.

### 43 或然事項 (續)

- (a) (續)
- 訴訟現正在進行中，當事各方已提交經修訂訴狀和證據，並在準備庭審。經考慮本公司法律顧問的法律意見及審閱彌償及信託賬戶後，本公司董事認為為清償此索賠不可能導致經濟利益的流出。因此，並無就此索賠作出撥備。
- (b) 本公司及本公司之全資子公司齊合天地(香港)有限公司(「齊合香港」)為Delco就聲稱違反本公司所發行及Delco所認購之可換股債券所涉及之承諾函件而提起的另一宗法律索賠的其中兩名被告人。Delco進一步向齊合香港申索金額1.0百萬美元，該款項聲稱是由Delco Asia墊付予齊合香港。Delco再申索利息、訟費及進一步或其他寬免，涉及金額約6.3百萬港元。

訴訟現正在進行中，當事各方已提交經修訂訴狀和證據，並在準備庭審。經考慮本公司法律顧問的法律意見後，本公司董事認為清償此索賠不可能導致經濟利益的流出。因此，並無就此索賠作出撥備。

- (c) 於二零二零年十二月三十一日，本集團已分別向一位關聯方及若干合營企業提供金融擔保9.5百萬港元(二零一九年：1.2百萬港元)及38.0百萬港元(二零一九年：35.3百萬港元)。由於違約風險極小且無違約歷史，因此並無確認任何金融擔保負債。

## 5-Year Financial Summary 五年財務概要

### Summary of selected items of consolidated statement of profit and loss

### 綜合損益表選定項目概要

		For the year ended 31 December 截至十二月三十一日止年度				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Revenue	收益	13,368.1	15,363.4	20,912.8	18,491.0	3,211.4
(Loss)/Profit before income tax	除所得稅前(虧損)/溢利	(809.8)	(99.5)	469.4	546.2	(443.6)
Income tax (expense)/credit	所得稅(開支)/抵免	(54.4)	(34.3)	(70.4)	(110.6)	0.4
(Loss)/Profit attributable to:	以下各方應佔(虧損)/溢利:					
Shareholders of the Company	本公司股東	(848.1)	(128.7)	401.2	426.8	(439.9)
Non-controlling interests	非控股權益	(16.1)	(5.1)	(2.2)	8.8	(3.3)
		(864.2)	(133.8)	399.0	435.6	(443.2)

### Summary of selected items of consolidated balance sheet

### 綜合資產負債表選定項目概要

		As at 31 December 於十二月三十一日				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		HK\$'M	HK\$'M	HK\$'M	HK\$'M	HK\$'M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
<b>Assets</b>	<b>資產</b>					
Current assets	流動資產	4,510.1	4,039.4	5,329.5	6,022.2	6,602.3
Non-current assets	非流動資產	5,362.8	6,150.6	6,058.0	6,071.5	5,183.4
Total assets	資產總值	9,872.9	10,190.0	11,387.5	12,093.7	11,785.7
<b>Liabilities</b>	<b>負債</b>					
Current liabilities	流動負債	4,392.0	3,996.5	3,298.0	5,365.2	5,032.9
Non-current liabilities	非流動負債	1,016.7	1,262.5	2,943.6	1,681.4	2,668.4
Total liabilities	負債總值	5,408.7	5,259.0	6,241.6	7,046.6	7,701.3
		4,464.2	4,931.0	5,145.9	5,047.1	4,084.4
Equity attributable to:	以下各方應佔權益:					
Shareholders of the Company	本公司股東	4,477.6	4,941.3	5,175.3	5,073.1	4,117.2
Non-controlling interests	非控股權益	(13.4)	(10.3)	(29.4)	(26.0)	(32.8)
		4,464.2	4,931.0	5,145.9	5,047.1	4,084.4

## BOARD OF DIRECTORS

### Executive Directors

- Mr. Tu Jianhua  
Mr. Chen Chunguo (Chairman)  
(appointed on 16 December 2020  
and resigned on 3 March 2021)  
Mr. Qin Yongming (Chairman)  
(resigned on 16 December 2020)  
Mr. Rafael Heinrich Suchan (Chief Executive Officer)  
(appointed on 1 March 2020)  
Mr. Martin Simon (Chief Financial Officer)  
(appointed on 23 June 2020)  
Mr. Ding Zhiyi  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Mr. Miao Yu  
(appointed on 29 December 2020)

### Independent Non-Executive Directors

- Dr. Loke Yu  
Ms. Yang Yali  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Mr. Wang Qiwei  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Ms. Qian Liping  
(resigned on 29 December 2020)  
Mr. Ko Frankie Andrew  
(appointed on 19 February 2020 and  
resigned on 29 December 2020;  
re-appointed on 5 March 2021)  
Mr. Zhu Hongchao  
(resigned on 19 February 2020)

## EXECUTIVE COMMITTEE

- Mr. Tu Jianhua  
Mr. Chen Chunguo (Chairman)  
(appointed on 16 December 2020  
and resigned on 3 March 2021)  
Mr. Qin Yongming (Chairman)  
(resigned on 16 December 2020)  
Mr. Rafael Heinrich Suchan (Chief Executive Officer)  
(appointed on 1 March 2020)  
Mr. Martin Simon (Chief Financial Officer)  
(appointed on 23 June 2020)  
Mr. Ding Zhiyi  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Mr. Miao Yu  
(appointed on 29 December 2020)

## 董事會

### 執行董事

- 涂建華先生  
陳春國先生 (主席)  
(於二零二零年十二月十六日獲委任  
及於二零二一年三月三日辭任)  
秦永明先生 (主席)  
(於二零二零年十二月十六日辭任)  
Rafael Heinrich Suchan先生 (行政總裁)  
(於二零二零年三月一日獲委任)  
Martin Simon先生 (首席財務官)  
(於二零二零年六月二十三日獲委任)  
丁志懿先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
苗雨先生  
(於二零二零年十二月二十九日獲委任)

### 獨立非執行董事

- 陸海林博士  
楊雅麗女士  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
王奇偉先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
錢麗萍女士  
(於二零二零年十二月二十九日辭任)  
高瑞強先生  
(於二零二零年二月十九日獲委任及  
於二零二零年十二月二十九日辭任  
；於二零二一年三月五日獲重新委任)  
朱洪超先生  
(於二零二零年二月十九日辭任)

## 執行委員會

- 涂建華先生  
陳春國先生 (主席)  
(於二零二零年十二月十六日獲委任  
及於二零二一年三月三日辭任)  
秦永明先生 (主席)  
(於二零二零年十二月十六日辭任)  
Rafael Heinrich Suchan先生 (行政總裁)  
(於二零二零年三月一日獲委任)  
Martin Simon先生 (首席財務官)  
(於二零二零年六月二十三日獲委任)  
丁志懿先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
苗雨先生  
(於二零二零年十二月二十九日獲委任)

## Corporate Information 公司資料

### AUDIT COMMITTEE

Dr. Loke Yu (Chairman)  
Mr. Ko Frankie Andrew  
(appointed on 19 February 2020 and  
resigned on 29 December 2020;  
re-appointed on 5 March 2021)  
Ms. Yang Yali  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Mr. Wang Qiwei  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Ms. Qian Liping  
(resigned on 29 December 2020)  
Mr. Zhu Hongchao  
(resigned on 19 February 2020)

### NOMINATION COMMITTEE

Mr. Chen Chunguo (Chairman)  
(appointed on 16 December 2020  
and resigned on 3 March 2021)  
Mr. Qin Yongming (Chairman)  
(resigned on 16 December 2020)  
Dr. Loke Yu  
Mr. Ko Frankie Andrew  
(appointed on 19 February 2020 and  
resigned on 29 December 2020;  
re-appointed on 5 March 2021)  
Ms. Yang Yali  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Mr. Wang Qiwei  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Ms. Qian Liping  
(resigned on 29 December 2020)  
Mr. Zhu Hongchao  
(resigned on 19 February 2020)

### REMUNERATION COMMITTEE

Ms. Yang Yali (Chairman)  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Mr. Ko Frankie Andrew (Chairman)  
(appointed on 19 February 2020 and  
resigned on 29 December 2020;  
re-appointed on 5 March 2021)  
Dr. Loke Yu  
Mr. Wang Qiwei  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Ms. Qian Liping  
(resigned on 29 December 2020)  
Mr. Zhu Hongchao  
(resigned on 19 February 2020)

### 審核委員會

陸海林博士 (主席)  
高瑞強先生  
(於二零二零年十二月二十九日獲委任及  
於二零二零年十二月二十九日辭任;  
於二零二一年三月五日獲重新委任)  
楊雅麗女士  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
王奇偉先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
錢麗萍女士  
(於二零二零年十二月二十九日辭任)  
朱洪超先生  
(於二零二零年二月十九日辭任)

### 提名委員會

陳春國先生 (主席)  
(於二零二零年十二月十六日獲委任  
及於二零二一年三月三日辭任)  
秦永明先生 (主席)  
(於二零二零年十二月十六日辭任)  
陸海林博士  
高瑞強先生  
(於二零二零年二月十九日獲委任及  
於二零二零年十二月二十九日辭任;  
於二零二一年三月五日獲重新委任)  
楊雅麗女士  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
王奇偉先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
錢麗萍女士  
(於二零二零年十二月二十九日辭任)  
朱洪超先生  
(於二零二零年二月十九日辭任)

### 薪酬委員會

楊雅麗女士 (主席)  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
高瑞強先生 (主席)  
(於二零二零年二月十九日獲委任及  
於二零二零年十二月二十九日辭任;  
於二零二一年三月五日獲重新委任)  
陸海林博士  
王奇偉先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
錢麗萍女士  
(於二零二零年十二月二十九日辭任)  
朱洪超先生  
(於二零二零年二月十九日辭任)

## STRATEGY AND INVESTMENT COMMITTEE

Mr. Tu Jianhua  
Mr. Chen Chunguo (*Chairman*)  
(appointed on 16 December 2020  
and resigned on 3 March 2021)  
Mr. Qin Yongming (*Chairman*)  
(resigned on 16 December 2020)  
Mr. Rafael Heinrich Suchan  
(appointed on 1 March 2020)  
Mr. Martin Simon  
(appointed on 23 June 2020)  
Mr. Ding Zhiyi  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Mr. Miao Yu  
(appointed on 29 December 2020)  
Mr. Ko Frankie Andrew  
(appointed on 5 March 2021)  
Mr. Goh Kian Guan

## PRICING COMMITTEE

Mr. Chen Chunguo (*Chairman*)  
(appointed on 16 December 2020  
and resigned on 3 March 2021)  
Mr. Qin Yongming (*Chairman*)  
(resigned on 16 December 2020)  
Mr. Rafael Heinrich Suchan  
(appointed on 1 March 2020)  
Mr. Martin Simon  
(appointed on 23 June 2020)  
Mr. Ding Zhiyi  
(appointed on 29 December 2020  
and resigned on 5 March 2021)  
Mr. Miao Yu  
(appointed on 29 December 2020)  
Mr. Marc Breidenbach  
(appointed on 23 June 2020)  
Dr. Haehne Gerd  
(appointed on 3 March 2020)  
Mr. Kian Guan Goh  
(appointed on 1 July 2020)  
Mr. Udo Langhans  
Mr. Maier Tobias  
(appointed on 1 January 2021)  
Mr. Zhao Wei  
(resigned on 18 December 2020)

## 戰略與投資委員會

涂建華先生  
陳春國先生 (*主席*)  
(於二零二零年十二月十六日獲委任  
及於二零二一年三月三日辭任)  
秦永明先生 (*主席*)  
(於二零二零年十二月十六日辭任)  
Rafael Heinrich Suchan先生  
(於二零二零年三月一日獲委任)  
Martin Simon先生  
(於二零二零年六月二十三日獲委任)  
丁志懿先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
苗雨先生  
(於二零二零年十二月二十九日獲委任)  
高瑞強先生  
(於二零二一年三月五日獲委任)  
吳健源先生

## 定價委員會

陳春國先生 (*主席*)  
(於二零二零年十二月十六日獲委任  
及於二零二一年三月三日辭任)  
秦永明先生 (*主席*)  
(於二零二零年十二月十六日辭任)  
Rafael Heinrich Suchan先生  
(於二零二零年三月一日獲委任)  
Martin Simon先生  
(於二零二零年六月二十三日獲委任)  
丁志懿先生  
(於二零二零年十二月二十九日獲委任  
及於二零二一年三月五日辭任)  
苗雨先生  
(於二零二零年十二月二十九日獲委任)  
Marc Breidenbach先生  
(於二零二零年六月二十三日獲委任)  
Haehne Gerd博士  
(於二零二零年三月三日獲委任)  
吳健源先生  
(於二零二零年七月一日獲委任)  
Udo Langhans先生  
Maier Tobias先生  
(於二零二一年一月一日獲委任)  
趙巍先生  
(於二零二零年十二月十八日辭任)

## Corporate Information 公司資料

### AUTHORISED REPRESENTATIVES

Mr. Tu Jianhua  
Ms. Lam Pui Sea  
*(appointed on 18 December 2020  
and resigned on 5 March 2021)*  
Ms. So Shuk Yi Betty  
*(appointed on 24 July 2020 and  
resigned on 18 December 2020;  
re-appointed on 5 March 2021)*  
Ms. Yiu Yi Ting  
*(resigned on 24 July 2020)*

### CHIEF FINANCIAL OFFICER

Mr. Martin Simon  
*(appointed on 23 June 2020)*

### COMPANY SECRETARY

Ms. Lam Pui Sea  
*(appointed on 18 December 2020  
and resigned on 5 March 2021)*  
Ms. So Shuk Yi Betty  
*(appointed on 24 July 2020 and  
resigned on 18 December 2020;  
re-appointed on 5 March 2021)*  
Ms. Yiu Yi Ting  
*(resigned on 24 July 2020)*

### AUDITOR

PricewaterhouseCoopers  
*Certified Public Accountants  
Registered Public Interest Entity Auditor*

### LEGAL ADVISORS

Conyers Dill & Pearman (Cayman Islands)  
DLA Piper (Hong Kong)  
Deacons (Hong Kong)  
Dechert (Hong Kong)  
LC Lawyers LLP (Hong Kong)  
Ashurst (Hong Kong)  
Aber-Law (Thailand)  
Latham & Watkins LLP (Germany)  
CMS Hasche Sigle (Germany)  
Menold Bezler (Germany)  
Acuminis (US)  
Withers Worldwide

### 授權代表

涂建華先生  
林霽詩女士  
*(於二零二零年十二月十八日獲委任  
及於二零二一年三月五日辭任)*  
蘇淑儀女士  
*(於二零二零年七月二十四日獲委任及  
於二零二零年十二月十八日辭任；  
於二零二一年三月五日獲重新委任)*  
姚懿庭女士  
*(於二零二零年七月二十四日辭任)*

### 首席財務官

Martin Simon先生  
*(於二零二零年六月二十三日獲委任)*

### 公司秘書

林霽詩女士  
*(於二零二零年十二月十八日獲委任  
及於二零二一年三月五日辭任)*  
蘇淑儀女士  
*(於二零二零年七月二十四日獲委任及  
於二零二零年十二月十八日辭任；  
於二零二一年三月五日獲重新委任)*  
姚懿庭女士  
*(於二零二零年七月二十四日辭任)*

### 核數師

羅兵咸永道會計師事務所  
*執業會計師  
註冊公眾利益實體核數師*

### 法律顧問

Conyers Dill & Pearman (開曼群島)  
歐華律師事務所 (香港)  
的近律師行 (香港)  
德傑律師事務所 (香港)  
LC Lawyers LLP (香港)  
Ashurst (香港)  
Aber-Law (泰國)  
Latham & Watkins LLP (德國)  
CMS Hasche Sigle (德國)  
Menold Bezler (德國)  
Acuminis (美國)  
Withers Worldwide

## PRINCIPAL BANKERS

Agricultural Bank of China  
Bank of China  
KeyBank National Association  
Landesbank Baden-Württemberg (LBBW)  
The Hongkong and Shanghai banking Corporation Limited  
Targo Bank

## REGISTERED OFFICE IN CAYMAN ISLANDS

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

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

48 Wang Lok Street  
Yuen Long Industrial Estate  
Hong Kong

## GROUP HEADQUARTERS

23/F., Infinitus Plaza  
199 Des Voeux Road Central  
Hong Kong  
The PRC

## HEADQUARTERS IN THE PRC

Unit AF2, Block A, Gateway Plaza  
No. 18, Xiaguangli  
East 3rd Ring Road North  
Chaoyang District  
Beijing  
The PRC

## HEADQUARTERS IN EUROPE

Berndt-Ulrich-Scholz-Str. 1  
73457 Essingen  
Germany

## HEADQUARTERS IN NORTH AND CENTRAL AMERICA

2144 W. McDowell Road  
Phoenix, AZ 85004  
USA 85009

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

## 主要往來銀行

中國農業銀行  
中國銀行  
KeyBank National Association  
Landesbank Baden-Württemberg (LBBW)  
香港上海滙豐銀行有限公司  
Targo Bank

## 開曼群島註冊辦事處

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

## 香港註冊辦事處及主要營業地點

香港  
元朗工業邨  
宏樂街48號

## 集團總部

中國  
香港  
德輔道中199號  
無限極廣場23樓

## 中國總部

中國  
北京市  
朝陽區  
東三環北路  
霞光里18號  
佳程廣場A座AF2單元

## 歐洲總部

Berndt-Ulrich-Scholz-Str. 1  
73457 Essingen  
Germany

## 中北美洲總部

2144 W. McDowell Road  
Phoenix, AZ 85004  
USA 85009

\* 請訪問本公司網站以獲取本集團其他主要營運基地之營業地址

## **Corporate Information** **公司資料**

### **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### **CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

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

### **WEBSITE**

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

### **STOCK CODE**

Hong Kong Stock Exchange 976

### **香港股份登記及過戶分處**

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

### **開曼群島主要股份登記及過戶處**

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

### **公司網站**

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

### **股份代號**

香港聯交所976



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