



世紀陽光集團控股有限公司  
Century Sunshine Group Holdings Limited

Stock Code 股票代號：00509.HK



Create a  
*Better Living*

創造美好生活

2023

Interim Report 中期報告

# 目錄

## Contents

2	公司資料	Corporate Information
4	財務概要	Financial Highlights
5	管理層討論及分析	Management Discussion and Analysis
18	未經審核簡明綜合損益表	Unaudited Condensed Consolidated Statement of Profit or Loss
19	未經審核簡明綜合全面收益表	Unaudited Condensed Consolidated Statement of Comprehensive Income
20	未經審核簡明綜合財務狀況表	Unaudited Condensed Consolidated Statement of Financial Position
22	未經審核簡明綜合權益變動表	Unaudited Condensed Consolidated Statement of Changes in Equity
23	未經審核簡明綜合現金流量表	Unaudited Condensed Consolidated Statement of Cash Flows
24	未經審核簡明綜合中期財務報表附註	Notes to the Unaudited Condensed Consolidated Interim Financial Statements
48	其他資料	Other Information

# 公司資料

## Corporate Information

### 董事會

#### 執行董事

池文富 (主席)  
池靜超

#### 非執行董事

郭孟勇 (於2023年5月9日辭逝)

#### 獨立非執行董事

張省本  
盛洪  
沈毅民

#### 公司秘書

陸世煒

### 委員會

#### 審核委員會

張省本 (委員會主席)  
盛洪  
沈毅民

#### 提名委員會

池文富 (委員會主席)  
張省本  
盛洪  
沈毅民

#### 薪酬委員會

張省本 (委員會主席)  
池靜超  
盛洪  
沈毅民

### 總辦事處

香港  
九龍  
尖沙咀  
海港城  
港威大廈第5座16樓  
電話 : (852) 2802 2165  
傳真 : (852) 2802 2697  
電郵 : ir@centurysunshine.com.hk  
網址 : www.centurysunshine.com.hk

### BOARD OF DIRECTORS

#### *Executive Directors*

Chi Wen Fu (*Chairman*)  
Chi Jing Chao

#### *Non-executive Director*

Guo Mengyong (Passed away on 9 May 2023)

#### *Independent Non-executive Directors*

Cheung Sound Poon  
Sheng Hong  
Shen Yi Min

#### *Company Secretary*

Luk Sai Wai, Simon

### COMMITTEES

#### *Audit Committee*

Cheung Sound Poon (*Committee Chairman*)  
Sheng Hong  
Shen Yi Min

#### *Nomination Committee*

Chi Wen Fu (*Committee Chairman*)  
Cheung Sound Poon  
Sheng Hong  
Shen Yi Min

#### *Remuneration Committee*

Cheung Sound Poon (*Committee Chairman*)  
Chi Jing Chao  
Sheng Hong  
Shen Yi Min

### HEAD OFFICE

16th Floor, Tower 5, The Gateway  
Harbour City  
Tsim Sha Tsui  
Kowloon  
Hong Kong  
Telephone : (852) 2802 2165  
Fax : (852) 2802 2697  
E-mail : ir@centurysunshine.com.hk  
Website : www.centurysunshine.com.hk

## 上市資料

上市地點 : 香港聯合交易所  
有限公司主板  
股票代號 : 00509

## 股份資料

本公司每股面值 : 4,581,116,843股  
0.02港元之已發行  
股份(「股/股份」)  
(2023年6月30日)  
市值(2023年6月30日) : 50,392,285港元  
每手買賣單位 : 5,000股

## 股份登記及過戶處

### 總處 :

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

### 香港分處 :

卓佳證券登記有限公司  
香港  
夏慤道16號  
遠東金融中心17樓

## 註冊辦事處

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

## LISTING INFORMATION

Listing : Main Board of The Stock  
Exchange of Hong Kong Limited  
Stock code : 00509

## SHARE INFORMATION

Company's shares of : 4,581,116,843 Shares  
HK\$0.02 each (the  
"Shares") in issue  
(30 June 2023)  
Market capitalisation : HK\$50,392,285  
(30 June 2023)  
Board lot size : 5,000 Shares

## SHARE REGISTRAR AND TRANSFER OFFICES

### Principal:

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

### Hong Kong:

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

## REGISTERED OFFICE

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

# 財務概要

## Financial Highlights

		截至6月30日止六個月		
		Six months ended 30 June		
		2023	2022	增加／(減少)
		(未經審核)	(未經審核)	(Decrease)
		(unaudited)	(unaudited)	(unaudited)
		千港元	千港元	百分比
		HK\$'000	HK\$'000	%
收入	Revenue			
• 農業肥料業務	• Fertiliser business	19,316	97,778	(80.2)
• 鎂產品業務	• Magnesium product business	103,004	238,936	(56.9)
• 煉鋼熔劑業務	• Metallurgical flux business	31	3,561	(99.1)
		<b>122,351</b>	340,275	(64.0)
本公司擁有人應佔虧損	Loss attributable to owners of the Company	<b>(225,218)</b>	(374,100)	(39.8)
每股基本虧損	Basic loss per share	<b>(4.92)港仙HK cents</b>	(8.17)港仙HK cents	(39.8)
股息	Dividend	—	—	—
		於2023年	於2022年	
		6月30日	12月31日	
		As at	As at	減少
		30 June	31 December	Decrease
		2023	2022	(未經審核)
		(未經審核)	(經審核)	(unaudited)
		(unaudited)	(audited)	(unaudited)
		千港元	千港元	百分比
		HK\$'000	HK\$'000	%
資產總值	Total assets	<b>4,007,924</b>	4,361,021	(8.1)
資產淨值	Net assets	<b>803,533</b>	1,182,813	(32.1)
總借貸	Total borrowings	<b>1,938,804</b>	1,963,590	(1.3)
股東權益	Shareholders' equity	<b>1,095,891</b>	1,388,573	(21.1)

# 管理層討論及分析

## Management Discussion and Analysis

### 行業回顧

受到國際局勢、經濟環境、氣候環境等多重因素影響，2022年的大宗商品原材料價格飆升的歷史記錄仍猶然在目，其中包括了複合肥的原材料，氮磷鉀等單質基礎化肥。單質化肥佔複合肥的生產成本超過80%，單質化肥的價格波動直接影響複合肥的價格。然而2022年第三季度至今年的第二季度，單質化肥價格急速回落且大幅波動，嚴重擾亂了複合肥經銷商和農戶的採購節奏，觀望氛圍濃厚，給複合肥企業的銷量和生產帶來了嚴重的負面影響。

### 業務回顧

截至2023年6月30日止六個月（「期內」），本集團整體收入達約122,351,000港元（2022年：約340,275,000港元），同比下降約64.0%。整體毛虧損率約27.8%（2022年：毛利率約19.2%），稅後虧損約274,414,000港元（2022年：約438,033,000港元）。

### INDUSTRY REVIEW

Due to multiple factors including international situations, economic environment, and climate conditions, the soaring prices of commodity raw materials in 2022 are still fresh in our memory. This includes the raw materials for compound fertilisers, such as nitrogen, phosphorus, and potassium. The prices of these elemental fertilisers directly impact the production cost of compound fertilisers, with elemental fertilisers accounting for over 80% of the production cost of compound fertilisers. However, from the third quarter of 2022 to the second quarter of this year, the prices of elemental fertilisers experienced a rapid decline and significant fluctuations. This disruption severely affected the purchasing rhythm of compound fertiliser distributors and farmers, leading to a strong atmosphere of caution and hesitation. It has had a significant negative impact on the sales and production of compound fertiliser companies.

### BUSINESS REVIEW

For the six months ended 30 June 2023 (“the Period”), the Group’s overall revenue reached approximately HK\$122,351,000 (2022: approximately HK\$340,275,000), representing a period-on-period decrease of approximately 64.0%. The overall gross loss margin was approximately 27.8% (2022: overall gross profit margin of approximately 19.2%), and the net loss after tax was approximately HK\$274,414,000 (2022: approximately HK\$438,033,000).

## 管理層討論及分析

### Management Discussion and Analysis

本集團的肥料產品均為綠色生態肥料，是將單質基礎化肥按照科學配比進行二次加工，處於整個化肥產業鏈的後端，對單質基礎化肥的依賴性較強。同時，複合肥下游直接對接農業生產。農業種植結構的變化、種植面積的改變以及農產品價格的波動等對複合肥的需求量均有直接影響。因此我們作為產業鏈的下游企業，受到供給端（單質基礎化肥）與需求端（經銷商和農戶）兩端擠壓，集團業績承壓，從而我們的毛利率大幅減少。為維持肥料生產的流動資金及最小化市場波動產生的風險，本集團調整並壓縮了肥料生產規模，導致期內本集團肥料銷售收入同比減少。為應對市場的變化，本集團運用自身品牌優勢，採用品牌授權的運營模式，既能降低由於原材料價格大幅波動對集團生產運營帶來的風險，亦能保持一定市場佔有率、品牌滲透性及增加額外收入。管理層將繼續關注市場動態，也將因應市場狀況等多重因素適時調整其業務策略，減少相應的價格波動風險，保持肥料生產平穩運營。

The Group's fertiliser products are all green ecological fertilisers, which are processed from elemental fertilisers based on scientific formulations. The Group operates in the downstream segment of the entire fertiliser industry chain and has a strong reliance on elemental fertilisers. At the same time, compound fertilisers directly connect with agricultural production. Changes in agricultural planting structures, changes in planting areas, and fluctuations in agricultural product prices all have a direct impact on the demand for compound fertilisers. As a downstream company in the industry chain, we are squeezed between the supply side (elemental fertilisers supplies) and the demand side (distributors and farmers), which puts pressure on the Group's performance, resulting in a significant reduction in our gross profit margin. To maintain the working capital for fertiliser production and minimise the risks arising from market fluctuations, the Group has adjusted and compressed its fertiliser production scale, leading to a period-on-period decrease in fertiliser sales revenue during the Period. To respond to market changes, the Group leverages its brand advantages and adopts a brand licensing operating model, which not only reduces the risks to the Group's production and operations caused by significant fluctuations in raw material prices but also maintains a certain market share, brand penetration, and additional income. The management will continue to monitor market dynamics and make timely adjustments to its business strategy in response to market conditions and other factors, in order to reduce corresponding price volatility risks and maintain stable operations in fertiliser production.

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

過往三年，在公司、債權人以及各方專業團隊的共同努力下，於2023年6月15日，本公司提出的債權人計劃獲得了法定所需的多數計劃債權人的接納。並且，香港法院和新加坡法院分別於2023年7月26日以及2023年7月31日批准該計劃，當該計劃內所規定的所有先決條件已滿足，該計劃將會生效。然後，本公司將向開曼群島以及英屬處女群島法院申請撤銷清盤呈請和解除共同臨時清盤人的任命，預計將於2023年第四季內完成整個境外債務重組程序。然而，集團旗下中國內地肥料企業的銀行借貸訴訟進入執行階段，江西公司也在法院主持下開展債務重組工作，給相關企業經營帶來巨大的壓力，管理層積極應對，努力與債權人磋商，尋求解決方案，推動債務重組工作儘快落地，以期讓集團逐步恢復健康運營狀態。

本集團附屬公司山東紅日化工股份有限公司（「山東紅日」）響應和配合臨沂市羅莊區政府關於企業「退城入園」的要求。自項目啟動至今，全部山東廠房已拆除。去年山東紅日與臨沂市羅莊區政府簽署協議，由臨沂市羅莊區政府代為支付職工安置費用且此工作已大致完成。山東省政府雖然發佈了「退城入園」政策，但各地方政府尚未出台相應的與之配套政策和操作細則，導致臨沂市羅莊區政府在推動「山東紅日」退城入園的過程中遇到不少困難，相關工作進度較預期緩慢，但我們仍與臨沂市羅莊區政府保持密切溝通，繼續推進退城入園工作順利開展。

In the past three years, through the joint efforts of the Company, creditors, and various professional teams, the schemes proposed by the Company was approved by the requisite statutory majorities of the scheme creditors on 15 June 2023. The schemes were subsequently approved by the Hong Kong Court on 26 July 2023, and the Singapore Court on 31 July 2023. Upon all conditions precedent as set out under the schemes to be satisfied, the schemes will be effective. The Company will then apply to the courts of Cayman Islands and BVI to withdraw the winding-up petition and discharge the appointment of the joint provisional liquidators, with the expectation of completing the whole process of offshore debt restructuring within the fourth quarter of 2023. However, the bank loan litigation of the fertiliser subsidiaries under the Group in mainland China has entered the enforcement stage, and the Jiangxi company is undergoing debt restructuring under the supervision of the court. This has put tremendous pressure on the operations of the relevant companies. The management is actively responding to the situation, engaging in negotiations with creditors, seeking solutions, and pushing for the prompt implementation of the debt restructuring work, with the aim of gradually restoring the healthy operational state of the Group.

The Group's subsidiary, Shandong Hongri Chemical Joint Stock Company Limited ("Shandong Hongri"), has cooperated with the Luozhuang District Government of Linyi City to respond to the requirements of "Relocation of Industries from City Urban Area to Industrial Parks" ("the Plan"). All plants in Shandong have been demolished since the launch of the Plan. Last year, Shandong Hongri signed an agreement with the Luozhuang District Government of Linyi City regarding the payment of resettlement compensation to employees by the Luozhuang District Government of Linyi City on behalf of Shandong Hongri and such work has been substantially completed. Although the Shandong provincial government has issued the Plan, the local governments have not yet introduced corresponding supporting policies and operational guidelines. This has resulted in difficulties faced by the Luozhuang District Government of Linyi City in promoting the Plan. The progress of related work has been slower than expected. However, we are maintaining close communication with the Luozhuang District Government of Linyi City and continuing to promote the smooth progress of the Plan.



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

本集團附屬公司稀鎂科技集團控股有限公司（「稀鎂科技」）由於受到鎂價格持續下跌，市場需求疲軟。稀鎂科技期內收入約103,004,000港元（2022年：約238,936,000港元），同比下降約56.9%。平均毛虧損率約34.0%。總銷量由2022年同期的5,603噸下降至期內的4,745噸。為了保證產品質量並提升生產效率，稀鎂科技生產廠房在今年4月份進行了必要的停產檢修工作，導致暫時產能減少，對稀鎂科技期內利潤率產生負面影響。同時，今年上半年人民幣貶值，稀鎂科技的產品平均售價較去年同期下滑約49.1%，市場鎂價處於兩年來低位，不斷挑戰成本線，利潤承壓，需求疲弱，鎂行業整體氣氛低迷。但是，隨著鎂產品市場應用不斷延伸，「鎂代鋁」的趨勢更加清晰和篤定，「輕量化」和「節能減排」趨勢更加受到重視和提倡，鎂產業的市場前景可期。

### 展望

從過往兩年肥料市場行情可以看出，起伏不定的單質基礎化肥的價格對複合肥產品的定價及市場需求產生負面影響，只有企穩的原料價格才能增加客戶備貨信心。目前原材料價格已調整至2020年大漲前的水平，加之目前行業經銷商庫存普遍較低。我們希望未來客戶採購積極性提升帶動公司業績。「讓作物更高產，讓土壤更肥沃」，始終是我們永恆的使命。公司歷時三年的境外債務重組工作即將完成，這與股東、債權人及各方專業人士的支持和信任是密不可分的。誠望各位股東、債權人、供應商及客戶能與世紀陽光共同克服暫時的困難，砥礪奮進！

Due to the continuous decline in magnesium prices and weak market demand, Rare Earth Magnesium Technology Group Holdings Limited (“REMT”), a subsidiary of the Group, faced challenges. The revenue for the Period was approximately HK\$103,004,000 (2022: approximately HK\$238,936,000), representing a period-on-period decrease of approximately 56.9%. The average gross loss margin was approximately 34.0%. The total sales volume decreased from 5,603 tonnes in the same period of 2022 to 4,745 tonnes in the Period. In order to ensure product quality and improve production efficiency, necessary production maintenance work was carried out at the Group’s production facilities in April this year, resulting in a temporary reduction in production capacity and a negative impact on the Group’s profit margin during the period. Additionally, the depreciation of the RMB in the first half of this year led to an average selling price of our products decreasing by approximately 49.1% compared to the same period last year. The market price of magnesium has been at a low level for the past two years, continuously challenging the cost line and putting pressure on profits. With weak demand, the overall atmosphere of the magnesium industry has been sluggish in the first half of this year. However, as the market application of magnesium products continues to expand, the trend of “magnesium replacing aluminium” becomes more clear and certain. The trends of “lightweight” and “energy-saving and emission reduction” are receiving increased attention and promotion. The market prospects for the magnesium industry are promising.

### PROSPECT

From the past two years’ fertiliser market trends, it can be observed that the fluctuating prices of elemental fertilisers have had a negative impact on the pricing and market demand for compound fertiliser products. Only when the prices of raw materials stabilise can customer confidence in stocking up be increased. Currently, raw material prices have adjusted to the levels prior to the significant increase in 2020, and in addition, industry distributors generally have low inventory levels. We hope that the future increase in customer purchasing enthusiasm will drive the company’s performance. “Enhancing Crop Productivity and Soil Fertility” has always been our eternal mission. The company will be about to complete the three-year offshore debt restructuring process, which is inseparable from the support and trust of shareholders, creditors, and all professional parties. We sincerely hope that shareholders, creditors, suppliers, and customers can work together with us to overcome temporary difficulties and strive for progress!

管理層討論及分析  
Management Discussion and Analysis

主要營運數據

截至2023年6月30日止六個月之未經審核主要營運數據與2022年同期數據比較如下。下表所列的主要業務佔本集團於期內的總收入超過99% (2022年：超過98%)。

KEY OPERATIONAL DATA

Unaudited key operational data for the six months ended 30 June 2023, together with the comparative figures for the corresponding period in 2022, are as follows. Main businesses listed below contributed over 99% (2022: over 98%) of the Group's total revenue for the Period.

(a) 主要產品之銷售量：

(a) Sales volume of major products:

		2023 噸 Tonnes	2022 噸 Tonnes	減少 Decrease %
農業肥料業務	Fertiliser business			
來自生產	From production	4,217	24,061	(82.5)
來自品牌授權	From brand-licensing	20,208	59,345	(65.9)
		24,425	83,406	(70.7)
鎂產品業務	Magnesium product business	4,745	5,603	(15.3)

(b) 生產之主要產品平均售價：

(b) Average selling price of major products produced:

		2023 港元／噸 HK\$/Tonnes	2022 港元／噸 HK\$/Tonnes	增加／(減少) Increase/ (Decrease) %
農業肥料業務	Fertiliser business	3,874	3,759	3.1
鎂產品業務	Magnesium product business	21,708	42,644	(49.1)

(c) 生產之主要產品毛(虧損)／利率：

(c) Gross (loss)/profit margin of major products produced:

		2023 %	2022 %	減少 Decrease Percentage point
農業肥料業務	Fertiliser business	(11.6)	3.5	(15.1)
鎂產品業務	Magnesium product business	(34.0)	24.0	(58.0)
本集團之整體	The Group's overall	(27.8)	19.2	(47.0)

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

### 財務回顧

#### 營運收入及毛利

本集團今年錄得收益約122,351,000港元(2022年:約340,275,000港元),較去年減少64.0%。其中,本集團的雙核心業務:農業肥料業務及鎂產品業務分別佔約15.8%及84.2%(2022年:約28.7%及70.2%)。

農業肥料業務本期收入約19,316,000港元(2022年:約97,778,000港元),整體毛利率約5.6%(2022年:約10.8%)。收入同比減少約80.2%,毛利率同比減少約5.2個百分點。2022年下半年開始,肥料產品價格走弱,2023年上半年跌勢延續,肥料產品銷售及原料價格的下跌波動使經銷商及農戶備貨謹慎,以消化庫存為主。加上本集團仍在進行境外債務重組,資金不充裕,因此本集團進一步調整及壓縮了生產規模,本期之銷量只約4,217噸(2022年:24,061噸),同比下降約82.5%。為降低原材料價格大幅波動及市場低迷所帶來的營運風險,又保持市場佔有率及品牌滲透性,本集團同時營運品牌授權,期內品牌授權之授權量約20,208噸(2022年:59,346噸),同比下降約65.9%。總肥料銷量及授權量共約24,425噸,同比下降約70.7%。

### FINANCIAL REVIEW

#### *Operating income and gross profit*

The Group recorded a revenue of approximately HK\$122,351,000 during the Period (2022: approximately HK\$340,275,000), being a decrease of approximately 64.0% period-on-period. Of which, the Group's dual core businesses: fertiliser business and magnesium product business accounted for approximately 15.8% and 84.2% (2022: approximately 28.7% and 70.2%) respectively.

During the Period, revenue from fertiliser business was approximately HK\$19,316,000 (2022: approximately HK\$97,778,000), overall gross profit margin was approximately 5.6% (2022: approximately 10.8%). Revenue decreased by approximately 80.2% period-on-period, gross profit margin decreased by approximately 5.2 percentage points period-on-period. Price of fertiliser products became weakening since the second half of 2022, and continued to drop in the first half of 2023. The decline and fluctuate in fertiliser selling prices and raw materials prices make the wholesalers and farmers become conservative in stocking up and focus on consuming own inventories. In addition, the Group is still undergoing offshore debt restructuring and fund is insufficient, the Group therefore further adjusted and compressed its production scale. Sale quantity for the Period is approximately 4,217 tonnes (2022: 24,061 tonnes), being a decrease of 82.5% period-on-period. In order to reduce the operational risks bought about by significant volatility in raw material prices and the depressed market, while maintaining a certain market share and brand penetration, the Group also operates brand-licensing. During the Period, quantity licensed from brand licensing amounted to approximately 20,208 tonnes (2022: 59,346 tonnes), being a decrease of approximately 65.9% period-on-period. The total sales and licensed quantity of fertilisers during the Period amounted to approximately 24,425 tonnes, being a decrease of approximately 70.7% period-on-period.

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

期內，鎂產品業務收入約為103,004,000港元（2022年：約238,936,000港元），同比減少約56.9%。鎂產品業務之毛虧損率約為34.0%（2022年：毛利率約24.0%），同比減少約58.0百分點。總銷量由2022年同期的5,603噸下降至期內的4,745噸。為了保證產品品質並提升生產效率，本集團生產廠房在今年4月份進行了必要的停產檢修工作，致使今年上半年產銷量減少。同時，市場鎂價處於兩年來低位，連同期內人民幣貶值影響，鎂產品平均售價較去年同期下滑約49.1%，不斷挑戰成本線，利潤承壓，需求疲弱，鎂行業整體氣氛低迷。

### **其他收益或虧損淨額**

本期之其他收益或虧損淨額為虧損約10,279,000港元（2022年：收益約8,912,000港元），同比減少約215.3%。這主要因為煉鋼熔劑業務廢料銷售同比減少約7,548,000港元。另外，鎂產品業務於本期出售了其長期閑置的原材料以套現資金，錄得原材料銷售虧損約14,877,000港元。

### **銷售及市場推廣費用**

銷售及市場推廣費用約2,241,000港元（2022年：約4,598,000港元），主要包括市場業務費用、銷售人員工資及銷售運輸費用。銷售及市場推廣費用的下跌主要因同比銷量下降。

During the period, the magnesium product business revenue was approximately HK\$103,004,000 (2022: approximately HK\$238,936,000), representing a period-on-period decrease of approximately 56.9%. The gross loss margin of the magnesium products business was approximately 34.0% (2022: gross profit margin of approximately 24.0%), being a decrease of 58.0 percentage points period-on-period. Total sales fell to 4,745 tonnes during the period from 5,603 tonnes of the same period in 2022. In order to ensure product quality and improve production efficiency, the Group's production plants were shut down for maintenance in April this year, resulting in a decrease in production and sales in the first half of this year. At the same time. The market magnesium price is at a two-year low, together with the depreciation of RMB during the Period, the average selling price of magnesium products fell by about 49.1% compared with the same period last year, constantly challenging the cost line, profits are under pressure, demand is weak, and the overall mood of the magnesium industry is sluggish.

### **Other gains or losses, net**

Other net gains or losses for the Period amounted to net loss of approximately HK\$10,279,000 (2022: net gain of approximately HK\$8,912,000), being a decrease of approximately 215.3% period-on-period. This was mainly due to the decrease in sales of scrap materials by metallurgical flux business by approximately HK\$7,548,000 period-on-period. Besides, magnesium product business also recorded a loss on sales of long-idle raw materials to realise cash during the Period of approximately HK\$14,877,000.

### **Selling and marketing expenses**

Selling and marketing expenses were approximately HK\$2,241,000 (2022: approximately HK\$4,598,000), which mainly consisted of market operating expenses, sales staff salaries, and sales and distribution expenses. The decrease in selling and marketing expenses was mainly due to decrease in sales quantity as compare to last period.

## 管理層討論及分析

### Management Discussion and Analysis

#### 行政開支

行政開支主要包括員工薪酬折舊及攤銷及專業費用。期內之行政開支約為145,220,000港元（2022年：約240,182,000港元），同比減少約39.5%。這主要為去年同期計提了山東紅日退城入園項目的安置補償金撥備約85,510,000港元。

#### 財務費用

財務費用約93,832,000港元（2022年：約101,919,000港元），同比減少約7.9%。由於稀鎂科技的債權人計劃已於2022年年中正式生效，因此消除了其與離岸債務有關的任何進一步違約利息的確認。

#### 所得稅抵免／(開支)

期內之所得稅抵免為315,000港元（2022年：所得稅開支約9,980,000港元），同比所得稅開支減少約103.2%，主要因鎂產品業務稅前利潤減少所致。

#### 貿易應收款項之預期信貸虧損撥回／(撥備)

根據相關財務報告準則第9號，企業須計算其於發出發票當日之預期虧損並修訂其預期虧損直至其獲得支付。預期信貸虧損之概念指企業被要求查看當前及未來之經濟狀況對虧損金額之影響。然而，這並非指該等虧損實際已經發生，亦非指在未來年度該等虧損會發生。反而，預期信貸虧損反映於報告日期可用之信息，並需在各財政年度作出評估。根據採納與2022年財政年度相同之評估方式，本集團評估於2023年6月30日之貿易應收款項預期信貸虧損撥回撥約9,251,000港元（2022年：計提撥備約171,323,000港元）。

#### Administrative expenses

Administrative expenses mainly included staff compensation, depreciation and amortisation and professional expenses. Administrative expenses during the Period amounted to approximately HK\$145,220,000 (2022: approximately HK\$240,182,000), representing a period-on-period decrease of approximately 39.5%. This mainly due to that provision of approximately HK\$85,510,000 for the resettlement compensation for Shandong Hongri's relocation Plan was made in last corresponding period.

#### Finance costs

Finance costs were approximately HK\$93,832,000 (2022: approximately HK\$101,919,000), representing a decrease of approximately 7.9% period-on-period. REMT has effectively implemented the REMT creditors' scheme in mid-2022, which eliminated the recognition of any further default interests in respect of the offshore debt of REMT.

#### Income tax credit/(expenses)

The income tax credit for the Period was approximately HK\$315,000 (2022: income tax expenses of approximately HK\$9,980,000), representing a period-on-period decrease of approximately 103.2%, which was mainly due to the decrease in profit before tax of magnesium product business.

#### Reversal/(allowance) for expected credit losses on trade receivables

Under HKFRS 9, companies are required to account for what they expect the loss to be on the day they issue the invoice and revise their estimate of that loss until the date they get paid. The concept of expected credit losses (ECLs) means that companies are required to look at how current and future economic conditions impact the amount of loss. However, it does not mean that such losses had actually occurred nor should happen in coming years. Instead, ECLs reflect information available at the reporting date and it should need to be assessed for each financial year. Based on the same assessment methodology adopted for 2022 financial year, the Group assessed that ECL on trade receivables as at 30 June 2023 should be reversed by HK\$9,251,000 (2022: allowance made for approximately HK\$171,323,000).

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

### 利潤

期內，本集團的稅後虧損約274,414,000港元（2022年：約438,033,000港元），同比減少約37.4%。

若扣除非經營性項目之貿易應收款項預期信貸虧損撥／(撥備)、就山東紅日退城入園的安置補償金撥備及淨匯兌差額合共收益約11,273,000港元（2022年：合共費用約240,959,000港元），經調整期內經營性之稅後虧損約為285,687,000港元（2022年：約197,074,000港元），同比增加約45.0%。期內虧損增加主要因為銷售收入及毛利減少。

本集團將繼續關注市場動態，也將會因應市場狀況等多重因素適時調整其業務策略，減少相應的價格波動風險，以期帶動業績回升。此外，董事會亦正在採取若干措施改善及加強本集團之運營管理。當中包括(i)內部資本及債務重組，以及尋求潛在投資者參與籌資計劃；及／或(ii)對資本投資及運營採取進一步之成本控制措施，以降低本集團之整體運營成本。

### Margin

During the Period, the Group's after-tax loss was approximately HK\$274,414,000 (2022: approximately HK\$438,033,000), representing a period-on-period decrease of approximately 37.4%.

If excluding the non-operating items of reversal or allowance of ECL on trade receivables, provision for the resettlement compensation for Shandong Hongri's relocation Plan and net exchange difference in aggregate of gain of approximately HK\$11,273,000 (2022: in aggregate of expense of approximately HK\$240,959,000), the adjusted after-tax loss from operations for the Period was approximately HK\$285,687,000 (2022: HK\$197,074,000), being an increase of 45.0% period-on-period. The increase in adjusted loss was mainly due to the decrease in the revenue and gross profits of the Group during the period.

The Group will continue to monitor the market movements and will timely adjust its business strategies in response to various market conditions so as to minimise the associated price risk and for resumption of performance. In addition, the Board is also taking various measures to improve and strengthen the operation and management of the Group. These measures include (i) restructuring internal capital and debt, and seeking potential investors to participate in fundraising plans; and/or (ii) taking further cost control measures on capital investment and operation to reduce the overall operating costs of the Group.

## 管理層討論及分析

### Management Discussion and Analysis

#### **流動資金、負債及財務資源**

本集團期內的流動資金主要來自經營業務所產生的現金。於2023年6月30日，本集團之銀行及現金結餘合共約為74,485,000港元（於2022年12月31日：約86,369,000港元）。

於2023年6月30日，本集團之總借貸約為1,938,804,000港元，較於2022年12月31日之約1,963,590,000港元減少約1.3%，主要因人民幣貶值。本集團於2023年6月30日之負債比率（總借貸除資產總值）約為48.4%（於2022年12月31日：約45.0%）。

#### **匯率風險管理**

本集團主要在中華人民共和國（「中國」）及香港經營業務，故此承受外匯風險，主要涉及港元、人民幣、美元、新加坡元及澳元。外匯風險源於未來商業交易、已確認資產及負債以及海外業務的投資淨額。本集團現時並無對沖外匯風險。本集團將定期檢討以港元以外之貨幣持有之流動資產及負債以評估外匯風險，並於必要時考慮使用對沖工具。

#### **Liquidity, liabilities and financial resources**

The Group's liquidity during the Period was mainly derived from cash generated from business operations. As at 30 June 2023, total amount of bank and cash balances of the Group was approximately HK\$74,485,000 (As at 31 December 2022: approximately HK\$86,369,000).

As at 30 June 2023, the Group's total borrowings was approximately HK\$1,938,804,000, decreased by approximately 1.3% as compared to that at as 31 December 2022 of approximately HK\$1,963,590,000, which was mainly due to the depreciation of RMB. The Group's gearing ratio (calculated by total borrowings over total assets) was approximately 48.4% as at 30 June 2023 (as at 31 December 2022: approximately 45.0%).

#### **Exchange Rate Risk Management**

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong and is exposed to foreign exchange risk primarily with respect to HK\$, Renminbi, US\$, Singapore dollars and Australian dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations. The Group does not presently hedge the foreign exchange risks. The Group will periodically review liquid assets and liabilities held in currencies other than HK\$ to evaluate its foreign exchange risk exposure and consider the usage of hedging instruments when necessary.

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

### 資產抵押

於2023年6月30日，本集團之物業、廠房及設備、使用權資產和銀行存款已抵押以取得借貸及應付票據融資，已抵押資產的賬面值分別約為547,409,000港元、101,379,000港元和9,362,000港元（於2022年12月31日：分別約為592,049,000港元、108,768,000港元和9,767,000港元）。

### 或然負債

於2023年6月30日，本集團並無任何重大或然負債，惟於未經審核簡明綜合中期財務報表附註17所披露者除外。

### 資本結構

於2023年6月30日及2022年12月31日，本公司已發行股本為91,622,337港元，分為4,581,116,843股，每股面值0.02港元。

### 人力資源

於2023年6月30日，本集團所僱用之員工數目約為610名（於2022年12月31日：約670名）。本集團根據員工之表現、工作經驗和現時市場情況訂定彼等之薪酬。員工福利包括醫療保障、界定供款退休計劃、酌情花紅和僱員購股權計劃。本集團並無發生任何導致正常業務運作受影響之勞資糾紛或僱員數目重大改變。董事認為本集團與僱員關係良好。

### Pledge of Assets

As at 30 June 2023, the Group had pledged its property, plant and equipment, right-of-use assets and bank deposits with carrying amount of approximately HK\$547,409,000, HK\$101,379,000 and HK\$9,362,000 respectively (as at 31 December 2022: approximately HK\$592,049,000, HK\$108,768,000 and HK\$9,767,000 respectively) to secure borrowings and bills payables.

### Contingent liabilities

As at 30 June 2023, other than those disclosed in Note 17 to the unaudited condensed consolidated interim financial statements, the Group did not have any significant contingent liabilities.

### Capital Structure

As at 30 June 2023 and 31 December 2022, the issued share capital of the Company were HK\$91,622,337, divided into 4,581,116,843 shares of HK\$0.02 each.

### Human resources

The number of employees of the Group was approximately 610 as at 30 June 2023 (as at 31 December 2022: approximately 670). The remuneration of employees was determined by the Group with reference to their performance, work experience and current market conditions. Employee benefits include medical insurance, defined contribution retirement plans, discretionary bonus and employee share option scheme. There has been no labour dispute or significant change in the number of employees that affect the normal operations of the Group. The Directors believe that the Group maintains admirable relations with its employees.



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

### 項目概覽

#### 白雲石礦

本集團之白雲石礦位於中國吉林省白山市。該礦場以露天開採方式操作，不涉及也不需要額外勘探工程，開發活動僅涉及露天開採時的簡易基建工程，並沒有涉及任何地下鑽挖以及結構工程。已開採之白雲石為本集團生產金屬鎂產品之原材料。礦場的位置鄰近本集團生產基地，原料的運輸成本亦相對很低。

誠如本公司於2010年年報內披露，本集團之白雲石礦乃按中國資源／儲量分類。截至2023年6月30日的估計資源量和儲量，按已開採量逐年核減，得出剩餘資源量及儲量。本集團的估算假設與以往所披露者相比無重大變更。該資源量及儲量由本集團之內部地質專家審核。截至2023年6月30日止六個月，概無任何白雲石礦產出量\*。與2022年12月31日相比，白雲石礦的估計資源量及礦石儲量並無重大變動。

截至2023年6月30日止六個月，開採活動、勘探活動及開發活動概無任何開支。

#### 蛇紋石礦

本集團之蛇紋石礦位於中國江蘇省東海縣。該礦場以露天開採方式操作，不涉及也不需要額外勘探工程，開發活動僅涉及露天開採時的簡易基建工程，並沒有涉及任何地下鑽挖以及結構工程。已開採之蛇紋石直接作為鋼鐵冶煉的輔助材料出售和作為本集團生產硅鎂肥之原材料。礦場的位置鄰近本集團生產基地，原料的運輸成本亦相對很低。

### PROJECT OVERVIEW

#### *Dolomite Mine*

The Group's dolomite mine is situated in Baishan City, Jilin Province, the PRC. The mine is operated by open-pit method, and therefore no additional exploration works are involved or required. Only simple infrastructure works for open-pit mining are involved in the development activities, and no underground drilling or structural works are involved. The dolomite mined is the raw material for producing magnesium products of the Group. The transportation cost for the raw material is relatively low due to the close proximity of the mine to the production base of the Group.

As disclosed in the 2010 annual report of the Company, the dolomite mine of the Group was reported under the Chinese resource/reserve categories. As at 30 June 2023, the anticipated resource and reserve volumes were determined based on the yearly reduction of quantity mined to calculate the remaining resource and reserve volumes. There is no material change in the assumptions of estimation by the Group as compared with those previously disclosed. The resource and reserve volumes was reviewed by the Group's internal geological experts. For the six months ended 30 June 2023, there were no dolomite output\*. As compared with the status as at 31 December 2022, there was no material change in the resource estimate and ore reserve of the dolomite mine.

For the six months ended 30 June 2023, there were no expenditures incurred in mining activities, exploration activities and development activities.

#### *Serpentine Mine*

The Group's serpentine mine is situated in Donghai County, Jiangsu Province, the PRC. The mine is operated by open-pit method, and therefore no additional exploration works are involved or required. Only simple infrastructure works for open-pit mining are involved in the development activities, and no underground drilling or structural works are involved. The serpentine mined is sold directly as metallurgical flux for iron and steel smelting and is the raw material for producing silicon magnesium fertilisers of the Group. The transportation cost for the raw material is relatively low due to the close proximity of the mine to the production base of the Group.

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

誠如本公司於2010年年報內披露，本集團之蛇紋石礦於2010年購入時，乃按JORC準則呈報資源／儲量分類。截至2023年6月30日，估計資源量和儲量乃根據購入時的數量，按已開採量逐年核減，得出剩餘資源量及儲量。本集團的估算假設與以往所披露者相比無重大變更。該資源量及儲量由本集團之內部地質專家審核。截至2023年6月30日止六個月，概無任何蛇紋石礦產出量\*。與2022年12月31日相比，蛇紋石礦的估計資源量及礦石儲量並無重大變動。

本期之開發活動開支主要為礦山安全生產風險監測預警系統的資本開支，並已予資本化並計入未經審簡明綜合財務狀況表內。

開採活動開支主要用於直接工資、材料、能源、運輸及折舊攤銷費用等，並已計入銷售成本並於未經審核簡明綜合損益表及未經審核簡明綜合全面收益表內扣除或被資本化為存貨並包含於未經審核簡明綜合財務狀況表。

截至2023年6月30日止六個月，蛇紋石礦開發及開採活動產生之支出分別約為15,283,000港元及2,444,000港元，而勘探活動之支出則為零港元。

\* 產出量為白雲石／蛇紋石礦之入庫量，包括期內採礦石量。

As disclosed in the 2010 annual report of the Company, the resource/reserve of the Serpentine Mine was reported under the JORC system when it was acquired in 2010. As at 30 June 2023, the anticipated resource and reserve volumes were determined based on the volume at the time of acquisition with the yearly reduction of quantity mined to calculate the remaining resource and reserve volumes. There is no material change in the assumptions of estimation by the Group as compared with those previously disclosed. The resource and reserve volumes were reviewed by the Group's internal geological experts. For the six months ended 30 June 2022, there were no serpentine output\*. As compared with the status as at 31 December 2022, there was no material change in the resource estimate and ore reserve of the serpentine mine.

The expenditure incurred during the Period in development activities were mainly CAPEX in relation to the mine safety production risk monitoring and warning system. Such expenditures have been capitalised and included in the unaudited condensed consolidated statement of financial position.

The expenditures incurred in mining activities were mainly for direct wages, materials, energy, transportation, depreciation and amortisation, etc. Such expenditures have been included in cost of sales and charged to the unaudited condensed consolidated statement of profit or loss and the unaudited condensed consolidated statement of comprehensive income or capitalised as inventories and included in the unaudited condensed consolidated statement of financial position.

The expenditure incurred in development and mining activities of serpentine for the six months ended 30 June 2023 was approximately HK\$15,283,000 and HK\$2,444,000 respectively while the expenditure incurred in exploration activities was HK\$Nil.

\* Output is the stock-in-quantity from Dolomite/Serpentine mines, including mine extraction for the Period.

## 未經審核簡明綜合損益表

## Unaudited Condensed Consolidated Statement of Profit or Loss

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

			2023 (未經審核) <b>(unaudited)</b> 千港元 <b>HK\$'000</b>	2022 (未經審核) (unaudited) 千港元 HK\$'000
收入	Revenue	4	<b>122,351</b>	340,275
銷售成本	Cost of sales		<b>(156,315)</b>	(275,042)
毛(虧損)/利	Gross (loss)/profit		<b>(33,964)</b>	65,233
其他收益或虧損淨額	Other gains or losses, net		<b>(10,279)</b>	8,912
銷售及市場推廣費用	Selling and marketing costs		<b>(2,241)</b>	(4,598)
行政開支	Administrative expenses		<b>(145,220)</b>	(240,182)
貿易應收款項預期信貸虧損 回撥/(撥備)淨額	Net reversal/(allowances) on expected credit loss on trade receivables		<b>9,251</b>	(171,323)
財務擔保負債公允值變動	Change in fair value of financial guarantee liabilities		<b>(466)</b>	(50)
匯兌差額淨值	Exchange differences, net		<b>2,022</b>	15,874
財務費用	Finance costs	6	<b>(93,832)</b>	(101,919)
除所得稅前虧損	Loss before income tax		<b>(274,729)</b>	(428,053)
所得稅抵免/(開支)	Income tax credit/(expense)	7	<b>315</b>	(9,980)
期內虧損	Loss for the Period	8	<b>(274,414)</b>	(438,033)
下列人士應佔期內虧損：	<b>Loss for the Period attributable to:</b>			
本公司擁有人	Owners of the Company		<b>(225,218)</b>	(374,100)
非控股權益	Non-controlling interests		<b>(49,196)</b>	(63,933)
			<b>(274,414)</b>	(438,033)
每股虧損：	<b>Loss per share:</b>			
— 基本(港仙)	— basic (HK cents)	9(a)	<b>(4.92)</b>	(8.17)
— 攤薄(港仙)	— diluted (HK cents)	9(b)	<b>(4.92)</b>	(8.17)

# 未經審核簡明綜合全面收益表

## Unaudited Condensed Consolidated Statement of Comprehensive Income

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

		<b>2023</b> (未經審核) <b>(unaudited)</b> 千港元 <b>HK\$'000</b>	2022 (未經審核) (unaudited) 千港元 HK\$'000
期內虧損	<b>Loss for the Period</b>	<b>(274,414)</b>	(438,033)
其他全面開支， 扣除所得稅： 其後可能重新分類至損益之 項目： 換算海外業務所產生之 匯兌差額	<b>Other comprehensive expenses, net of income tax:</b> Items that may be reclassified subsequently to profit or loss: Exchange differences arising from translation of foreign operations	<b>(105,843)</b>	(166,041)
期內其他全面開支 (扣除所得稅)	<b>Other comprehensive expenses for the Period (net of income tax)</b>	<b>(105,843)</b>	(166,041)
期內全面開支總額	<b>Total comprehensive expenses for the Period</b>	<b>(380,257)</b>	(604,074)
下列人士應佔期內全面開支 總額：	<b>Total comprehensive expenses for the Period attributable to:</b>		
本公司擁有人	Owners of the Company	<b>(292,593)</b>	(505,144)
非控股權益	Non-controlling interests	<b>(87,664)</b>	(98,930)
		<b>(380,257)</b>	(604,074)

## 未經審核簡明綜合財務狀況表

## Unaudited Condensed Consolidated Statement of Financial Position

			於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
		附註 Notes		
<b>非流動資產</b>	<b>Non-current assets</b>			
物業、廠房及設備	Property, plant and equipment	11	<b>2,411,107</b>	2,619,818
投資物業	Investment properties		<b>89,837</b>	95,176
使用權資產	Right-of-use assets		<b>166,243</b>	178,135
商譽	Goodwill		<b>151,116</b>	151,116
無形資產	Intangible assets		<b>212,455</b>	224,066
採礦權	Mining rights		<b>405,952</b>	424,720
			<b>3,436,710</b>	3,693,031
<b>流動資產</b>	<b>Current assets</b>			
按公允值計入損益之 股本工具	Equity instruments at fair value through profit or loss		<b>1,155</b>	1,690
存貨	Inventories		<b>194,302</b>	223,161
貿易應收款項及應收票據	Trade and bills receivables	12	<b>33,560</b>	55,606
預付款項、按金及其他 應收款項	Prepayment, deposits and other receivables		<b>267,712</b>	296,047
應退回所得稅	Income tax recoverable		<b>-</b>	5,117
銀行及現金結餘	Bank and cash balances		<b>74,485</b>	86,369
			<b>571,214</b>	667,990
<b>流動負債</b>	<b>Current liabilities</b>			
貿易應付款項及應付票據	Trade and bills payables	13	<b>123,295</b>	125,402
應計費用及其他應付款項	Accruals and other payables		<b>747,299</b>	680,174
合約負債	Contract liabilities		<b>152,387</b>	154,553
租賃負債	Lease liabilities		<b>993</b>	963
應付所得稅	Income tax payable		<b>4,426</b>	5,276
借貸	Borrowings	14	<b>1,716,279</b>	1,750,179
			<b>2,744,679</b>	2,716,547
<b>流動負債淨值</b>	<b>Net current liabilities</b>		<b>(2,173,465)</b>	(2,048,557)
<b>資產總值減流動負債</b>	<b>Total assets less current liabilities</b>		<b>1,263,245</b>	1,644,474

未經審核簡明綜合財務狀況表  
Unaudited Condensed Consolidated Statement of Financial Position

		於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
		附註 Notes	
<b>非流動負債</b>	<b>Non-current liabilities</b>		
其他應付款項	Other payables		22,890
租賃負債	Lease liabilities		5,539
借貸	Borrowings	14	205,512
一間上市附屬公司發行的 可換股債券	Convertible bonds issued by a listed subsidiary		7,899
遞延收入	Deferred revenue		69,354
遞延稅項負債	Deferred tax liabilities		150,467
			<b>459,712</b>
<b>資產淨值</b>	<b>Net assets</b>		1,182,813
<b>本公司擁有人應佔股本及 儲備</b>	<b>Capital and reserves attributable to owners of the Company</b>		
股本	Share capital	15	101,419
儲備	Reserves		1,287,154
			<b>1,095,891</b>
<b>非控股權益</b>	<b>Non-controlling interests</b>		1,388,573 (205,760)
<b>權益總額</b>	<b>Total equity</b>		<b>803,533</b> 1,182,813

# 未經審核簡明綜合權益變動表

## Unaudited Condensed Consolidated Statement of Changes in Equity

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

		本公司擁有人應佔										非控股權益		總計
		Attributable to Owners of the Company										Non-controlling interests		Total
		股本	股份溢價	資本贖回儲備	資本儲備	法定儲備	購股權儲備	換算儲備	其他儲備	保留盈利	小計			
		Share capital	Share premium	Capital redemption reserve	Capital reserve	Statutory reserve	Share option reserve	Translation reserve	Other reserve	Retained earnings	Sub-total			
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)			(未經審核)
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)			(unaudited)
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元			千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			HK\$'000
於2022年1月1日 (經審核)	As at 1 January 2022 (audited)	101,419	1,353,356	4,526	13,666	289,225	45,309	18,837	(219,701)	741,446	2,348,083	115,936		2,464,019
期內溢利	Profit for the Period	-	-	-	-	-	-	-	-	(374,100)	(374,100)	(63,933)		(438,033)
期內其他全面開支 (扣除所得稅)：	Other comprehensive expenses for the Period (net of income tax)：													
換算海外業務所產生之匯兌差額	Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	(131,044)	-	-	(131,044)	(34,997)		(166,041)
期內全面開支總額	Total comprehensive expense for the Period	-	-	-	-	-	-	(131,044)	-	(374,100)	(505,144)	(98,930)		(604,074)
儲備轉撥	Transfer of reserve	-	-	-	-	2,622	-	-	-	(2,622)	-	-		-
股權結算股份付款之交易	Equity settled share-based transactions	-	-	-	-	-	1,983	-	-	-	1,983	-		1,983
已失效購股權	Share option lapsed	-	-	-	-	-	(428)	-	-	428	-	-		-
於2022年6月30日 (未經審核)	As at 30 June 2022 (unaudited)	101,419	1,353,356	4,526	13,666	291,847	46,864	(112,207)	(219,701)	365,152	1,844,922	17,006		1,861,928
於2023年1月1日 (經審核)	As at 1 January 2023 (audited)	101,419	1,353,356	4,526	13,666	290,474	48,488	(100,261)	(56,808)	(266,287)	1,388,573	(205,760)		1,182,813
期內虧損	Loss for the Period	-	-	-	-	-	-	-	-	(225,218)	(225,218)	(49,196)		(274,414)
期內其他全面開支 (扣除所得稅)：	Other comprehensive expenses for the Period (net of income tax)：													
換算海外業務所產生之匯兌差額	Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	(67,375)	-	-	(67,375)	(38,468)		(105,843)
期內全面開支總額	Total comprehensive expense for the Period	-	-	-	-	-	-	(67,375)	-	(225,218)	(292,593)	(87,664)		(380,257)
儲備轉撥	Transfer of reserve	-	-	-	-	59	-	-	-	(59)	-	-		-
股權結算股份付款之交易	Equity settled share-based transactions	-	-	-	-	-	902	-	-	-	902	-		902
不涉及控制權變動的附屬公司所有權益變動	Change in ownership interest in subsidiaries without change of control	-	-	-	-	-	-	-	(991)	-	(991)	1,066		75
已失效購股權	Share option lapsed	-	-	-	-	-	(10,165)	-	-	10,165	-	-		-
於2023年6月30日 (未經審核)	As at 30 June 2023 (unaudited)	101,419	1,353,356	4,526	13,666	290,533	39,225	(167,636)	(57,799)	(481,399)	1,095,891	(292,358)		803,533

# 未經審核簡明綜合現金流量表

## Unaudited Condensed Consolidated Statement of Cash Flows

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

		2023 (未經審核) (unaudited) 千港元 HK\$'000	2022 (未經審核) (unaudited) 千港元 HK\$'000
經營活動所產生的現金淨額	Net cash generated from operating activities	2,480	42,357
投資活動所(動用)/產生的現金淨額	Net cash (used in)/generated from investing activities	(5,772)	1,967
融資活動所動用的現金淨額	Net cash used in financing activities	(2,897)	(41,923)
現金及等同現金項目 (減少)/增加淨額	Net (decrease)/increase in cash and cash equivalents	(6,189)	2,401
期初的現金及等同現金項目	Cash and cash equivalents at the beginning of the Period	76,602	101,964
外幣匯率變動的影響	Effect of foreign exchange rate changes	(5,290)	(13,395)
期末的現金及等同現金項目	Cash and cash equivalents at the end of the Period	65,123	90,970
<b>現金及等同現金項目 結餘分析</b>	<b>Analysis of balances of cash and cash equivalents</b>		
於未經審核簡明綜合財務狀況表列賬的銀行及現金結餘	Bank and cash balances as stated in the unaudited condensed consolidated statement of financial position	74,485	101,074
為借貸及應付票據作抵押擔保之銀行存款	Deposits with banks pledged as security for borrowings and bills payables	(9,362)	(10,104)
於未經審核簡明綜合現金流量表列賬的現金及等同現金項目	Cash and cash equivalents as stated in the unaudited condensed consolidated statement of cash flows	65,123	90,970



# 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

### 1. 一般資料

世紀陽光集團控股有限公司(「本公司」)與其附屬公司(統稱「本集團」)主要從事農業肥料業務、鎂產品業務及煉鋼熔劑業務。

本公司乃於2003年1月21日根據開曼群島公司法第22章(1961年法律3, 經綜合及修訂)在開曼群島註冊成立的獲豁免有限公司。本公司的股份於2004年2月17日於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市,並於2008年7月31日撤銷其於創業板上市地位。自2008年8月1日起,本公司的股份於聯交所主板上市。

未經審核簡明綜合中期財務報表均以港元(「港元」)呈列,除非另有說明,否則所有金額均以最接近千位(千港元)計值。

截至2023年6月30日止六個月之未經審核簡明綜合中期財務報表已獲董事會於2023年8月31日批准刊發。

### 2. 編製基準

截至2023年6月30日止六個月之未經審核簡明綜合中期財務報表乃遵照香港會計準則(「香港會計準則」)第34號「中期財務報告」及聯交所主板上市之證券上市規則(「上市規則」)附錄16之適用披露要求而編製。

未經審核簡明綜合中期財務報表須與根據香港財務報告準則(「香港財務報告準則」)編製之截至2022年12月31日止年度之綜合財務報表一併閱讀。

### 1. GENERAL INFORMATION

Century Sunshine Group Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in fertiliser business, magnesium product business and metallurgical flux business.

The Company was incorporated in the Cayman Islands on 21 January 2003 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. On 17 February 2004, the Company’s shares were listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and were withdrawn from the GEM Board on 31 July 2008. Since 1 August 2008, the Company’s shares have been listing on the Main Board of the Stock Exchange.

The unaudited condensed consolidated interim financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2023 were approved for issue by the Board on 31 August 2023.

### 2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” and the applicable disclosure requirements of Appendix 16 to the Main Board Listing Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The unaudited condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2022, which has been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”).

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

於編製未經審核簡明綜合中期財務報表時，管理層須作出會影響會計政策應用以及資產負債與收支呈報金額之判斷、估計及假設。實際結果可能有別於該等估計。

除因應用經修訂香港財務報告準則而導致的會計政策變動外，於編製該等未經審核簡明綜合中期財務報表時，管理層於應用本集團會計政策時作出之重大判斷，以及估計不明朗因素之主要來源，與截至2022年12月31日止年度之綜合財務報表所應用者相同。

**清盤呈請及委任臨時清盤人**

於2020年7月3日，本公司公佈(i)本公司違約贖回於2020年7月3日到期之本金金額為101.75百萬新加坡元之上市後償票據(「票據」)(「付款違約」)；(ii)一份清盤呈請連同委任共同臨時清盤人(「共同臨時清盤人」)之申請已代表本公司於2020年7月2日(開曼群島時間)向開曼群島大法院(「大法院」)提交，其為按「非強制」原則行事，即本公司董事會(「董事會」)仍將管理本公司，而共同臨時清盤人會與本公司管理層一起致力於(其中包括)監督、督導和監察對整個集團進行全面及經協調的債務和負債重組(「建議重組計劃」)，包括維持本公司在香港聯合交易所有限公司的上市。

於2020年7月14日(開曼群島時間)，開曼群島大法院已頒佈命令，委任安永企業財務服務有限公司的閻正為先生及蘇潔儀女士、Ernst & Young Ltd的Roy Bailey先生以及EY Cayman Ltd的Tammy Karina Fu女士為本公司共同臨時清盤人，並授予其共同及個別之權力。

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

Other than the changes in accounting policies resulting from application of amendments to HKFRSs, in preparing these unaudited condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimate uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2022.

**Winding-up petitions and appointment of provisional liquidators**

On 3 July 2020, the Company announced (i) the Company defaulted on the redemption of the SGD 101.75 million in principal amount of the listed subordinated notes (the "Notes") on their maturity on 3 July 2020 (the "Payment Default"); (ii) a winding-up petition has been filed on 2 July 2020 (Cayman Islands time) to the Grand Court of the Cayman Islands (the "Grand Court") on behalf of the Company together with an application for the appointment of joint provisional liquidators ("JPLs") on a "light touch" basis that the board of directors of the Company (the "Board") will retain management of the Company while the JPLs will work alongside the Company's management to, amongst other things, monitor, supervise and oversee the implementation of a group-wide holistic and coordinated restructuring of its debts and liabilities (the "Proposed Restructuring Plan") including to maintain the listing of the Company on The Stock Exchange of the Hong Kong Limited.

On 14 July 2020 (Cayman Islands time), an order was granted by the Grand Court for the appointment of Mr. Yen Ching Wai David and Ms. So Kit Yee Anita of Ernst & Young Transactions Limited, Mr. Roy Bailey of Ernst & Young Ltd, and Ms. Tammy Karina Fu of EY Cayman Ltd. as the JPLs of the Company with the power to act jointly and severally.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

於2020年8月18日，大法院向香港高等法院發出請求書（「請求書」），要求在香港承認共同臨時清盤人的任命和權力，以（其中包括）制定並提出重組計劃，致使本公司能夠繼續持續經營。大法院亦於當日接受其中一位共同臨時清盤人閻正為先生之辭任。而有關Roy Bailey先生、Tammy Karina Fu女士及蘇潔儀女士作為共同臨時清盤人的委任令則維持生效。共同臨時清盤人於2020年8月26日向香港高等法院提出申請，要求頒令認可共同臨時清盤人的任命，及獲得根據該請求書所給予的共同臨時清盤人權利。於2020年8月28日，香港高等法院已批准該申請。

共同臨時清盤人於2020年10月28日向新加坡共和國高等法院（「新加坡高等法院」）提出申請，要求頒令認可共同臨時清盤人的任命，及獲得根據該請求書所給予的共同臨時清盤人權利。於2020年11月30日，新加坡高等法院已批准該申請。

於2020年12月23日，新加坡債券持有人成立了非正式指導委員會（「非正式指導委員會」）。於2021年3月7日，非正式指導委員會委任了一家獨立財務顧問（「獨立財務顧問」），與其共同列席債權人委員會，並推進行後續相關工作。

該擬議的重組計劃是為了債權人之間的初步談判而制定的。自2021年至2023年，共同臨時清盤人召開了多次債權人委員會會議，討論了臨時清盤和重組方案的發展情況。

2023年6月15日，計劃債權人進行了計劃會議，並且該計劃得到了計劃債權人法定多數的批准。本公司將計劃會議結果提交給香港法院，並向香港法院申請批准該計劃。此外，本公司還在新加坡提出了申請，無需進一步召開計劃債權人會議，以批准新加坡的預重整計劃。

On 18 August 2020, the Grand Court issued a letter of request (“LOR”) to the High Court of Hong Kong for the recognition of the appointment and powers of the JPLs in Hong Kong to, inter alia, develop and propose a restructuring plan to allow the Company to continue as a going concern. The Grand Court also accepted the resignation of one of the JPLs, Mr. Yen Ching Wai David on the same day. The JPLs appointment order remains in force in respect of Mr. Roy Bailey, Ms. Tammy Karina Fu and Ms. So Kit Yee Anita as JPLs. An application has been filed by the JPLs to the High Court of Hong Kong on 26 August 2020 for the recognition of the appointment and powers of the JPLs pursuant to the LOR. On 28 August 2020, the High Court of Hong Kong has approved the said application.

An application has been filed by the JPLs to the High Court of the Republic of Singapore (the “Singapore High Court”) on 28 October 2020 for the recognition of the appointment and powers of the JPLs pursuant to the LOR. On 30 November 2020, the Singapore High Court has approved the said application.

On 23 December 2020, the Singapore Noteholders have established the informal steering committee (the “ISC”). On 7 March 2021, the ISC has appointed an independent financial advisor (the “IFA”), who sits on the creditors’ committee, together with the ISC, to proceed the follow-up work.

The Proposed Restructuring Plan was initially formulated for negotiation among the creditors. From 2021 to 2023, the JPLs have held several creditors committee’s meetings to discuss the development of the provisional liquidation and restructuring scheme.

On 15 June 2023, scheme meetings were held among scheme creditors and in which the schemes were approved by the requisite statutory majorities of the scheme creditors. The Company submitted the result of the scheme meetings to the Hong Kong Court and applied to the Hong Kong Court for the sanctioning of the schemes. In addition, an application also was made by the Company in Singapore to sanction the pre-pack scheme in Singapore, without the need to convene any further meeting of the scheme creditors of the Company.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

於2023年7月26日，香港法院在批准聆訊上批准該計劃。於2023年7月31日，新加坡法院也批准了預重整計劃，並頒佈了與預重整計劃批准相關的命令。

當該計劃內所規定的所有先決條件已滿足，該計劃將會生效。然後，公司將向開曼群島及英屬處女群島法院申請撤銷清盤呈請和解除共同臨時清盤人的任命，預計將於2023年第四季內完成整個境外債務重組程序。

公司將會適時就任何重大進展作出進一步的公告。

**持續經營**

截至2023年6月30日止年度本集團產生虧損約274,414,000港元，而截至該日，本集團之流動負債超過其流動資產約2,173,465,000港元。此外，於2023年6月30日，本集團之流動及非流動借款分別約為1,716,279,000港元及214,301,000港元，而其銀行及現金結餘僅約為74,485,000港元。誠如未經審核簡明綜合中期財務報表附註2所述，本公司未能償還本金為101.75百萬新加坡元（相當於約588,044,000港元）之上市後債票據加2020年7月3日到期日時到期應計之利息，並收到若干銀行要求償還本集團之借款。截至2023年6月30日本集團已違約或未能履行若干契諾的本集團若干借款約1,716,279,000港元，有關金額須按要求償還並在綜合財務狀況表中呈列為流動負債。此外，由於本集團的境外債務重組引起直接或間接影響境內銀行對本集團國內附屬公司的信貸融資，及部分銀行採取法律行動如訴訟、要求凍結、查封及拍賣企業資產以實現其債權。於2023年6月30日，欠該等銀行及其他債權人的負債已包括在借款約703,345,000港元以及超過1百萬港元的貿易應付款項及應付票據及其他應付款項合共約71,511,000港元。

On 26 July 2023, the Hong Kong Court made an order to sanction the schemes at the sanction hearing. On 31 July 2023, the Singapore Court also approved the pre-pack scheme and granted orders relating to the approval of the pre-pack scheme.

Upon all conditions precedent as set out under the schemes to be satisfied, the schemes will be effective. The Company will then process to make an application to the courts of Cayman Islands and BVI for the withdrawal of the winding up petition and the discharge of the appointment of joint provisional liquidators, with the expectation of completion the whole process of offshore debt restructuring within the fourth quarter of 2023.

The Company will make further announcements in respect of any substantial development in due course.

**Going concern**

The Group recorded loss of approximately HK\$274,414,000 for the six months ended 30 June 2023, and, as of that date, the Group's current liabilities exceeded its current assets by approximately HK\$2,173,465,000. Further, as at 30 June 2023, the Group's current and non-current borrowings amounted to approximately HK\$1,716,279,000 and HK\$214,301,000 respectively, while its bank and cash balances only amounted to approximately HK\$74,485,000. As stated in Note 2 to the unaudited consolidated interim financial statements, the Company had defaulted in repayment of its listed subordinated notes of principal amount of SGD101.75 million (equivalent to approximately HK\$588,044,000) plus interests accrued when they fell due on their maturity date on 3 July 2020 and had received demands certain banks for the repayment of the Group's borrowings. As at 30 June 2023, the Group was defaulted in repayment or could not fulfil certain covenants of certain borrowings amounting to approximately HK\$1,716,279,000, which have become repayable on demand and are presented as current liabilities in the consolidated statement of financial position. Further, the Group's offshore debt restructuring causes a direct or indirect impact on the credit financing of its PRC onshore subsidiaries provided by PRC domestic banks, whereby some banks have resorted to taking legal actions such as litigation, freezing, sealing, and auctioning of the subsidiaries' assets to recover their debts. The liabilities owed to these banks and other creditors as at 30 June 2023 were included within the borrowings of approximately HK\$703,345,000 and trade and bills payables and other payables for exceeding HK\$1 million in aggregate of approximately HK\$71,511,000.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

本公司正積極探索本集團債務重組之方案，藉開曼群島大法院監督臨時清盤制度（通常稱為「非強制」臨時清盤）下執行管理層領導之重組，從而取得法定延緩以禁止未經大法院准許下對本公司展開或持續進行任何訴訟。本公司已積極努力地制定切實可行之建議重組計劃，包括但不限於以下部分或全部事項：

1. 進行股權重組以便本公司透過發行股權自第三方投資者籌集現金；
2. 進行可能涉及再融資及／或本集團債務及負債和解或安排之債務重組；
3. 可能由一個或以上的第三方投資者投資於本公司，借此為本公司籌集現金，以及可能出售本集團之非核心業務及非營運性固定資產。

此外，本公司計劃對資本投資、生產及行政運營採取進一步之成本控制措施，以降低本集團之整體運營成本。

The Company is actively exploring options to restructure debts of the Group and intends to implement a management led restructuring by taking advantage of the court-supervised provisional liquidation regime in the Cayman Islands, commonly known as a “light touch” provisional liquidation, which gives the Company the benefit of a statutory moratorium prohibiting the commencement or continuance of any proceedings against the Company without the leave of the Grand Court. The Company has actively developed a viable proposed restructuring plan, including but not limited to some or all of the followings:

1. equity restructuring to facilitate the raising of cash for the Company from third party investors through equity issue;
2. a debt restructuring that may involve refinancing and/or a compromise or arrangement of the debts and liabilities of the Group;
3. potential investment in the Company from one or more third party investor(s) to facilitate raising of cash for the Company and potential disposal of non-core business and non-operating fixed assets of the Group.

In addition, the Company plans to implement further cost control measures on capital investments, production and administrative operations to reduce overall operating costs of the Group.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

於2023年6月15日，計劃債權人進行了計劃會議，並且該計劃得到了計劃債權人法定多數的批准。於2023年7月26日，香港法院在批准聆訊上批准該計劃。於2023年7月31日，新加坡法院也批准了預重整計劃，並頒布了與預重整計劃批准相關的命令。當該計劃內所規定的所有先決條件已滿足，該計劃將會生效。然後，公司將向開曼群島及英屬處女群島法院申請撤銷清盤呈請和解除共同臨時清盤人的任命，預計將於2023年第四季內完成整個境外債務重組程序。

本公司董事認為，按持續經營基準編製未經審核簡明綜合中期財務報表乃合宜之舉。

但無論如何，於2023年6月30日，批准該計劃之命令尚未從相關法院取得且建議重組計劃之最終結果無法合理確定。因此，仍存在對本集團之持續經營能力構成疑慮之重大不明朗因素。倘本集團無法持續經營，則須於未經審核簡明綜合中期財務報表作出調整以將本集團之資產價值撇減至可收回金額，以為可能進一步產生之負債作出撥備，並將非流動資產及非流動負債分別重新分類至流動資產及流動負債。此等調整之影響尚未反映於未經審核簡明綜合中期財務報表內。

On 15 June 2023, scheme meetings were held among scheme creditors and in which the schemes were approved by the requisite statutory majorities of the scheme creditors. On 26 July 2023, the Hong Kong Court made an order to sanction the schemes at the sanction hearing. On 31 July 2023, the Singapore Court also approved the pre-pack scheme and granted orders relating to the approval of the pre-pack scheme. Upon all conditions precedent as set out under the schemes to be satisfied, the schemes will be effective. The Company will then process to make an application to the courts of Cayman Islands and BVI for the withdrawal of the winding up petition and the discharge of the appointment of joint provisional liquidators, with the expectation of completion the whole process of offshore debt restructuring within the fourth quarter of 2023.

The directors of the Company are of the opinion that it is appropriate to prepare the unaudited condensed consolidated interim financial statements on a going concern basis.

Nevertheless, the sanctions of the schemes have not been obtained from the relevant courts and the eventual outcome of the proposed restructuring plan cannot be determined with reasonable certainty as at 30 June 2023. Accordingly, material uncertainty that cast significant doubt on the Group's ability to continue as a going concern remains in existence. Should the Group be unable to continue as a going concern, adjustments would have to be made to the unaudited condensed consolidated interim financial statements to write down the carrying values of the Group's assets to their recoverable amounts, to provide for 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 the unaudited condensed consolidated interim financial statements.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

## 3. 主要會計政策

**應用香港財務報告準則之修訂**

於本中期期間，本集團已首次採用以下由香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則之修訂，該等修訂就編製本集團未經審核簡明綜合中期財務報表而言於2023年1月1日或之後開始之年度期間強制生效：

香港財務報告準則 第17號的修訂	保險合約
香港會計準則第1號 及香港財務報告準 則實務聲明2的修訂	會計政策之披露
香港會計準則 第8號的修訂	會計估計之定義
香港會計準則 第12號的修訂	與單一交易產生的 資產及負債相關 的遞延稅項
香港會計準則第12號 的修訂	國際稅收改革一 第二支柱示範 規則

本中期期間採用香港財務報告準則的修訂對本集團當前及以前期間之財務狀況及業績及／或該等未經審核簡明綜合中期財務報表所載披露並無產生重大影響。

## 3. SIGNIFICANT ACCOUNTING POLICIES

**Application of amendments to HKFRSs**

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2023 for the preparation of the Group’s unaudited condensed consolidated interim financial statements

Amendments to HKFRS 17	Insurance contracts
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these unaudited condensed consolidated interim financial statements.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

## 4. 收入

## 4. REVENUE

		截至6月30日止六個月	
		Six months ended 30 June	
		2023	2022
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
銷售農業肥料產品	Sales of fertiliser products	19,316	97,778
銷售鎂產品	Sales of magnesium products	103,004	238,936
銷售煉鋼熔劑產品	Sales of metallurgical flux products	31	3,561
		<b>122,351</b>	340,275
確認收入的時間： 於時間點發生	Timing of revenue recognition: A point in time	<b>122,351</b>	340,275

## 5. 分部資料

## 5. SEGMENT INFORMATION

就資源調配及分部表現評估向本公司行政總裁(主要營運決策者)報告之資料側重於經營類別。本集團根據香港財務報告準則第8號經營及申報的分部如下：

- 農業肥料業務
- 鎂產品業務
- 煉鋼熔劑業務

有關本集團之可報告分部資料於下文呈報。

Information reported to the Company's Chief Executive Officer, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the operating divisions. The Group's operating and reportable segments under HKFRS 8 are therefore as follows:

- Fertiliser business
- Magnesium product business
- Metallurgical flux business

Information regarding the Group's reportable segments is presented below.



## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

**(a) 分部收入及業績**

截至2023年6月30日止六個月

**(a) Segment Revenue and Results**

For six months ended 30 June 2023

		農業肥料業務 Fertiliser business (未經審核) (unaudited) 千港元 HK\$'000	鎂產品業務 Magnesium product business (未經審核) (unaudited) 千港元 HK\$'000	煉鋼熔劑業務 Metallurgical flux business (未經審核) (unaudited) 千港元 HK\$'000	合計 Total (未經審核) (unaudited) 千港元 HK\$'000
分部收入	Segment revenue	19,316	103,004	31	122,351
分部間收入	Intersegment revenue	-	-	-	-
來自外部客戶的收入	Revenue from external customers	19,316	103,004	31	122,351
分部業績	Segment results	(64,973)	(88,043)	(8,121)	(161,137)
其他收益或虧損淨額	Other gain or losses, net				3,536
財務擔保負債公允價值變動	Change in fair value of financial guarantee liabilities				(466)
中央行政費用	Central administrative costs				(22,830)
財務費用	Finance costs				(93,832)
除所得稅前虧損	Loss before income tax				(274,729)

## 未經審核簡明綜合中期財務報表附註

### Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

截至2022年6月30日止六個月

For the six months ended 30 June 2022

		農業肥料業務 Fertiliser business (未經審核) (unaudited) 千港元 HK\$'000	鎂產品業務 Magnesium product business (未經審核) (unaudited) 千港元 HK\$'000	煉鋼熔劑業務 Metallurgical flux business (未經審核) (unaudited) 千港元 HK\$'000	合計 Total (未經審核) (unaudited) 千港元 HK\$'000
分部收入	Segment revenue	97,778	238,936	3,561	340,275
分部間收入	Intersegment revenue	—	—	—	—
來自外部客戶的收入	Revenue from external customers	97,778	238,936	3,561	340,275
分部業績	Segment results	(261,957)	(60,715)	(4,042)	(326,714)
其他收益或虧損淨額	Other gain or losses, net				14,524
財務擔保負債公允價值變動	Change in fair value of financial guarantee liabilities				(50)
中央行政費用	Central administrative costs				(13,894)
財務費用	Finance costs				(101,919)
除所得稅前虧損	Loss before income tax				(428,053)

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

上文呈列之分部收入乃代表外部客戶所產生之收入。本期間及以前期間之分部間收入已對銷。分部間交易均按公平基準訂立。

可報告分部之會計政策與本集團會計政策相同。分部業績指於並無分配中央行政費用(包括董事薪酬、若干其他淨收益或虧損)、財務擔保負債公允值變動及財務費用情況下各分部之業績。此為向主要營運決策者報告以供其調配資源及評估分部表現之方式。

Segment revenue reported above represents revenue generated from external customers. Intersegment revenue has been eliminated in current and last periods. Intersegment transactions are entered into at arm's length.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the results from each segment without allocation of central administrative costs including directors' emoluments, certain net other gains or losses, change in fair value of financial guarantee liabilities and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

**(b) 分部資產****(b) Segment Assets**

		於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
農業肥料業務	Fertiliser business	1,450,919	1,581,227
鎂產品業務	Magnesium product business	1,824,705	1,985,992
煉鋼熔劑業務	Metallurgical flux business	506,054	543,599
		<b>3,781,678</b>	4,110,818
未分配	Unallocated	<b>226,246</b>	250,203
		<b>4,007,924</b>	4,361,021

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

## 6. 財務費用

## 6. FINANCE COSTS

		截至6月30日止六個月	
		Six months ended 30 June	
		2023	2022
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
上市後償票據之利息	Interest on listed subordinated notes	26,612	25,902
須於五年內全數償還之 借貸之利息	Interest on borrowings wholly repayable within five years	66,680	75,812
可換股債券利息	Interest on convertible bonds	325	–
租賃負債之利息	Interest on lease liabilities	215	205
		<b>93,832</b>	101,919

## 7. 所得稅(抵免)/開支

## 7. INCOME TAX (CREDIT)/EXPENSE

於未經審核簡明綜合損益表內扣除/(計入)  
的所得稅數額指：

The amount of income tax charged/(credited) to the  
unaudited condensed consolidated statement of profit  
or loss represents:

		截至6月30日止六個月	
		Six months ended 30 June	
		2023	2022
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
即期稅項：	Current tax:		
— 中國企業所得稅	— PRC Enterprises Income Tax	6	10,560
遞延稅項	Deferred taxation	(321)	(580)
		<b>(315)</b>	9,980

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

## 8. 期內虧損

期內虧損由扣除下列項目後達致：

		截至6月30日止六個月	
		Six months ended 30 June	
		2023	2022
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
折舊及攤銷	Depreciation and amortisation	127,577	145,817

## 8. LOSS FOR THE PERIOD

Loss for the Period has been arrived at after charging:

## 9. 每股虧損

## (a) 基本

計算每股基本虧損是根據本公司擁有人應佔期內虧損除以期內已發行普通股加權平均數。

## 9. LOSS PER SHARE

## (a) Basic

Basic loss per share is calculated by dividing loss for the Period attributable to owners of Company by the weighted average number ordinary shares in issue during the Period.

		截至6月30日止六個月	
		Six months ended 30 June	
		2023	2022
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
計算每股基本虧損之母公司 普通股權益持有人應佔 虧損(千港元)	Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (HK\$'000)	(225,218)	(374,100)
已發行普通股加權平均數 (千股)	Weighted average number of ordinary shares in issue (thousand shares)	4,581,117	4,581,117
每股基本虧損(港仙)	Basic loss per share (HK cents)	(4.92)	(8.17)

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

**(b) 攤薄**

計算每股攤薄虧損是假設轉換所有具攤薄性的潛在普通股，以調整已發行普通股加權平均數。本公司有一類具攤薄性的潛在普通股：購股權。

就購股權而言，本公司按尚未行使購股權所附之認購權貨幣價值，計算若按公允值（以本公司期內之股份平均市場價值釐定）能購入的股份數目。按上文所述計算的股份數目，與假設行使購股權後所發行的股份數目作比較。

由於購股權行使價高於截至2023年及2022年6月30日止六個月的股份平均市價，故計算每股攤薄虧損時並不假設行使本公司的購股權。

**10. 股息**

本公司董事不建議就截至2023年6月30日止六個月派付任何股息（2022年：零港元）。

**11. 物業、廠房及設備**

於截至2023年6月30日止六個月，本集團增加了約23,043,000港元（2022年：892,000港元）的物業、廠房及設備。

於截至2023年6月30日止六個月，本集團出售了賬面值約1,165,000港元的物業、廠房及設備，所得款項約3,181,000港元。（2022年：本集團出售了賬面值約1,050,000港元的物業、廠房及設備，所得款項約2,375,000港元）。

**(b) Diluted**

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options.

For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the Period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

The computation of diluted loss per share does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price of shares for the six months ended 30 June 2023 and 2022.

**10. DIVIDEND**

The directors of the Company do not recommend the payment of any dividend in respect of the six months ended 30 June 2023 (2022: HK\$Nil).

**11. PROPERTY, PLANT AND EQUIPMENT**

During the six months ended 30 June 2023, the Group had additions of property, plant and equipment amounting to approximately HK\$23,043,000 (2022: HK\$892,000).

During the six months ended 30 June 2023, the Group disposed property, plant and equipment with a carrying amount of approximately HK\$1,165,000 for the proceeds of approximately HK\$3,181,000. (2022: the Group disposed of property, plant and equipment with a carrying amount of approximately HK\$1,050,000 for the proceeds of approximately HK\$2,375,000).

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

## 12. 貿易應收款項及應收票據

## 12. TRADE AND BILLS RECEIVABLES

		於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
貿易應收款項	Trade receivables	525,768	577,964
預期信貸虧損撥備	Allowance for expected credit losses	(492,857)	(523,060)
		<b>32,911</b>	54,904
應收票據	Bills receivables	649	702
		<b>33,560</b>	55,606

於報告日期，本集團貿易應收款項按發票日期呈列及扣除呆賬撥備的賬齡分析如下：

As at the reporting date, the ageing analysis of the trade receivables of the Group presented based on the invoice date and net of allowance for doubtful debts was as follows:

		於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
60日以內	Within 60 days	2,096	10,286
61至90日	61 to 90 days	323	5,523
超過90日	Over 90 days	30,492	39,095
		<b>32,911</b>	54,904

本集團給予貿易客戶之信貸期一般不超過180日(2022年：不超過180日)。

The Group allows a credit period normally not more than 180 days (2022: not more than 180 days) to its trade customers.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

## 13. 貿易應付款項及應付票據

## 13. TRADE AND BILLS PAYABLES

		於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
貿易應付款項	Trade payables	90,792	91,494
應付票據	Bills payable	32,503	33,908
		<b>123,295</b>	125,402

於報告日期，本集團按發票日期呈列之貿易應付款項賬齡分析如下：

As at the reporting date, the ageing analysis of the trade payables of the Group presented based on the invoice date was as follows:

		於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
60日以內	Within 60 days	7,906	6,277
61至90日	61 to 90 days	711	571
超過90日	Over 90 days	82,175	84,646
		<b>90,792</b>	91,494



## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

## 14. 借貸

## 14. BORROWINGS

		於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
銀行借貸	Bank borrowings	782,137	813,189
其他借貸	Other borrowings	560,399	551,721
上市後償票據(附註(i))	Listed subordinated notes (note (i))	588,044	590,781
		<b>1,930,580</b>	1,955,691
不含按要求償還條款之借貸之賬面值應於以下期限內償還：			
一年內	Carrying amounts of borrowings that do not contain repayable on demand clause and repayable: Within one year	<b>1,489,503</b>	1,516,357
一年以上但不超過兩年期間內	Within a period of more than one year but not exceeding two years	<b>214,301</b>	205,512
小計	Sub-total	<b>1,703,804</b>	1,721,869
含按要求償還條款之借貸之賬面值應於以下期限內償還：			
一年內	Carrying amounts of borrowings that contain a repayment on demand clause and repayable: Within one year	<b>226,776</b>	233,822
小計	Sub-total	<b>226,776</b>	233,822
合計	Total	<b>1,930,580</b>	1,955,691
減：列作非流動負債之款項	Less: Amounts shown under non-current liabilities	<b>(214,301)</b>	(205,512)
列作流動負債之款項	Amounts shown under current liabilities	<b>1,716,279</b>	1,750,179
由於違反貸款契諾而須按要求償還之借貸之賬面值(列作流動負債)	The carrying amount of borrowings that are repayable on demand due to breach of loan covenants (shown under current liabilities)	<b>(1,716,279)</b>	(1,734,391)
未違反貸款契諾的借貸列作流動負債之款項	Amounts shown under current liabilities for the borrowings without breach of loan covenants	-	15,788
借貸：	Borrowings:		
有抵押	Secured	<b>810,493</b>	837,078
無抵押	Unsecured	<b>1,120,087</b>	1,118,613
		<b>1,930,580</b>	1,955,691

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

附註：

note:

(i) 此指本公司於2017年6月5日發行之面值為101,750,000新加坡元之7.0%後償票據(屬多種幣種中期票據計劃項下)之賬面值。該等票據於新加坡證券交易所上市，並已於2020年7月3日到期及發生違約。

(i) This represents the carrying amount of the 7.0% subordinated notes with the face value of SGD101,750,000 (under the Multicurrency Medium Term Note Programme) issued by the Company on 5 June 2017. The notes are listed on the Singapore Stock Exchange and was matured and defaulted on 3 July 2020.

## 15. 股本

## 15. SHARE CAPITAL

		股份數目 Number of shares 千股 '000	股本 Share capital 千港元 HK\$'000
<b>法定：</b>	<b>Authorised:</b>		
每股面值0.02港元之普通股	Ordinary shares of HK\$0.02 each		
於2022年1月1日、2022年 12月31日、2023年1月1日 及2023年6月30日	As at 1 January 2022, 31 December 2022, 1 January 2023 and 30 June 2023	10,000,000	200,000
<b>已發行及繳足：</b>	<b>Issued and fully paid:</b>		
於2022年1月1日、2022年 12月31日、2023年1月1日 及2023年6月30日	As at 1 January 2022, 31 December 2022, 1 January 2023 and 30 June 2023	4,581,117	101,419

## 16. 資本承擔

## 16. CAPITAL COMMITMENTS

	於2023年 6月30日 As at 30 June 2023 (未經審核) (unaudited) 千港元 HK\$'000	於2022年 12月31日 As at 31 December 2022 (經審核) (audited) 千港元 HK\$'000
已訂約但尚未於未經審核簡明綜合中期財務報表／經審核綜合財務報表撥備之有關收購物業、廠房及設備之資本支出	Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the unaudited condensed consolidated interim financial statements/audited consolidated financial statements	
	50,414	68,682

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

## 17. 訴訟與或然負債

(a) 茲提述本公司日期為2014年10月9日有關對首智投資有限公司(「首智」)之民事追討之公佈。截至本報告日期，據本公司所知悉，有關訴訟的傳訊令狀尚未送達首智。首智待接獲該法律文件後，將就有關追討及就此應予採取的必要行動尋求法律意見，且將就追討極力抗辯。本公司董事會認為，該追討不會對本集團業務、營運及財務情況造成重大不利影響。

(b) 茲提述附註2中的披露。鑑於付款違約、交叉違約和債務重組，於2023年6月30日本集團借貸中包括借貸約703,345,000港元及本集團之貿易應付和其他應付款項中包括個別超過1百萬港元合共約71,511,000港元的賬款，其債權人已啟動對若干附屬公司提出立即還款的訴訟並對若干非主要營運資產進行查封及凍結。

## 17. LITIGATIONS AND CONTINGENT LIABILITIES

(a) Reference is made to the announcement of the Company dated 9 October 2014 regarding a civil claim against Capital Idea Investments Limited (“Capital Idea”). As of the date of this report, to the best knowledge of the Company, the writ of summons of the litigation has not yet been served on Capital Idea. Upon receiving this legal document, Capital Idea will seek legal advice in relation to the claim and the necessary actions to be taken in this respect and will vigorously defend against the claim. The Board of the Company is of the view that this claim will not have a material adverse impact on the business, operation and financial position of the Group.

(b) Reference is made to the disclosure in Note 2. In view of payment default, cross default and debt restructuring, included in the borrowings of the Group as at 30 June 2023 were borrowings of approximately HK\$703,345,000 and in the trade and other payables of the Group were accounts individually exceeding HK\$1 million and in aggregate to approximately HK\$71,511,000 of which the creditors have commenced litigations against certain subsidiaries for immediate repayments and to proceed ruling and freezing on certain non-core operating assets.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

由於該等訴訟主要涉及未能履行已在綜合財務報表中確認之相關負債的義務及相關已抵押資產，本集團正積極與債權人溝通，爭取通過協議和解方式解決訴訟。

誠如參照2021至2022年間之相關做法，若干訴訟已透過調解及協商解決，當中包括(1)約67,089,000港元的借款已同意以經修訂及延長的時間表償還，及(2)債權人提出申請，撤回早前獲頒佈關於一項人民幣124,960,000元（折合約135,082,000港元）貸款的執行書，並已獲法院批准。

鑑此，本公司董事認為，截至2023年6月30日，在並無發生不可預見之情況下，尚未完結訴訟中債權人尋求的上述查封及凍結將不會影響本集團持續經營業務，且預計不會對本集團的財務狀況或其業務營運產生重大不利影響。

儘管如此，本公司將就該等訴訟尋求法律意見，並將根據該等法律意見採取必要行動，以維護本集團的整體利益。本公司將另行刊發公佈，以向本公司股東及投資者通報有關建議債務重組及該等訴訟的任何重大進展。

For such litigations, which were mainly in relation to failure to perform the obligation of the related liabilities already recognised in the consolidated financial statements and related assets pledged, the Group is proactively communicating with the creditors, striving to solve the litigations through settlement by agreement.

As reference to relevant practices during 2021 to 2022, certain litigations were resolved by mediations and negotiations which included (1) borrowings of approximately HK\$67,089,000 were agreed to be repaid by revised and extended schedules; and, (2) an application was made by a creditor to withdraw an enforcement granted before in respect of borrowings RMB124,960,000 (equivalent to approximate HK\$135,082,000) and was approved by court.

As such, in the view of the directors of the Company, the above ruling and freezing being sought by the creditors in the outstanding litigations as at 30 June 2023 will not affect the Group's continued operations, in the absence of unforeseen circumstances, and is not expected to have a material adverse effect on the Group's financial position or its business operations.

Nevertheless, the Company will seek legal advices on the litigations and will take necessary actions based on such legal advices for the entire interests of the Group. Further announcements will be made by the Company to update the shareholders and investors of the Company in relation to any material development on the proposed debt restructuring and litigations.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

- (c) 於2023年6月30日，山東紅日就一名獨立第三方（於2022年12月31日：一名獨立第三方）所獲授信貸融資約人民幣141,000,000元（於2022年12月31日：人民幣141,000,000元）向若干銀行提供財務擔保，而倘擔保被要求悉數履行，本集團可能須支付有關金額。

有關公司擔保之更多詳情請參閱日期為2016年9月27日之公佈。

由於該獨立第三方於2022年進行了債務重組，銀行對山東紅日提起訴訟，要求執行企業擔保。山東紅日將採取必要的行動，積極進行抗辯以全力捍衛集團的利益。

除上文所披露者外，董事認為直至報告日期概無對本集團業務及營運造成重大不利影響的重大訴訟。

- (c) As at 30 June 2023, Shandong Hongri has executed financial guarantees to certain banks for credit facilities granted to an independent third party (as at 31 December 2022: an independent third party), for approximately RMB141,000,000 (as at 31 December 2022: RMB141,000,000) which would be required to be paid if the guarantees were called upon in entirety.

For more detail of the corporate guarantees please refer to announcement date 27 September 2016.

As the independent third party was entering into debt restructuring in 2022, the bank pursued litigation against Shandong Hongri to claim enforcement on the corporate guarantee. Shandong Hongri will take necessary actions in this respect and will vigorously defend against the claim for the entire interests of the Group.

Save as disclosed above, the Directors consider that up to report date there were no significant litigations would have material adverse impact on the business and operation of the Group.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

**18. 重大關聯方交易**

除未經審核簡明綜合中期財務報表另行披露外，期內本集團進行以下重大關聯方交易。

**(a) 主要管理人員酬金**

		截至6月30日止六個月	
		Six months ended 30 June	
		2023	2022
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
董事	Directors	1,494	1,620
其他主要管理人員： 薪金及其他短期僱員福利	Other key management personnel: Salaries and other short-term employee benefits	2,613	2,594
		<b>4,107</b>	4,214

**(b)** 池文富先生已承諾維持持有本公司股權之最低水平。此承諾構成本集團若干借貸及本公司發行之可轉換債券之部分抵押品。

**18. MATERIAL RELATED PARTY TRANSACTIONS**

Except as disclosed elsewhere in the unaudited condensed consolidated interim financial statements, the Group entered into the following significant related party transactions during the Period.

**(a) Key management compensation**

**(b)** Mr. Chi Wen Fu has undertaken to maintain a minimum level of shareholding in the Company. The undertaking form part of the collateral of certain borrowings by the Group and exchangeable bond issued by the Company.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月

For the six months ended 30 June 2023

- (c) 於2023年6月30日，一間附屬公司欠下由一間附屬公司董事授予的一筆金額為35,944,000港元（2022年：36,314,000港元）的貸款，年利率為6%。

根據香港聯合交易所有限公司證券上市規則（「上市規則」）第14A.72條規定，董事會確認該借款是以正常商業條件或更優條件進行，並非以本集團資產為抵押，因此完全符合上市規則第14A.73條和第14A.90條的報告、公告、通函和股東批准要求之豁免規定。

該筆貸款自本公司開始臨時清盤以來一直拖欠償還利息和本金。

此外，根據香港聯合交易所有限公司證券上市規則（「上市規則」）第14A.72條，董事認為以上所披露之重大關連人士交易概不符合上市規則第14A章所定義的關連交易或持續關連交易。

- (c) As at 30 June 2023, a subsidiary was indebtedness in a loan amounting to HK\$35,944,000 (2022: HK\$36,314,000), at an interest rate of 6% per annum, granted by a director of a subsidiary.

Pursuant to Rule 14A.72 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the Directors confirm that such borrowing was conducted on normal commercial terms or better, and not secured by the assets of the Group, and thus are fully exempt from the reporting, announcement, circular and shareholders’ approval requirements under Rule 14A.73 and Rule 14A.90 of the Listing Rules.

The loan has been default in repayment of interest and principle since the commencement of provisional liquidation of the Company.

In addition, pursuant to Rule 14A.72 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”), the Directors consider that none of the material related party transactions disclosed above falls under the definition of connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

## 未經審核簡明綜合中期財務報表附註

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2023年6月30日止六個月  
For the six months ended 30 June 2023

**19. 報告期後事項**

於2023年7月26日，香港法院在批准聆訊上批准該計劃。於2023年7月31日，新加坡法院也批准了預重整計劃，並頒佈了與預重整計劃批准相關的命令。

當該計劃內所規定的所有先決條件已滿足，該計劃將會生效。然後，公司將向開曼群島及英屬處女群島法院申請撤銷清盤呈請和解除共同臨時清盤人的任命，預計將於2023年第四季內完成整個境外債務重組程序。

本公司將會適時就任何重大進展作出進一步的公告。

**20. 比較數字**

若干比較數字已重新分類，以符合本期間之分類及呈報方式。

**19. EVENTS AFTER THE REPORTING PERIOD**

On 26 July 2023, the Hong Kong Court made an order to sanction the schemes at the sanction hearing. On 31 July 2023, the Singapore Court also approved the pre-pack scheme and granted orders relating to the approval of the pre-pack scheme

Upon all conditions precedent as set out under the schemes to be satisfied, the schemes will be effective. The Company will then process to make an application to the courts of Cayman Islands and BVI for the withdrawal of the winding up petition and the discharge of the appointment of joint provisional liquidators, with the expectation of completion the whole process of offshore debt restructuring within the fourth quarter of 2023.

The Company will make further announcements in respect of any substantial development in due course.

**20. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform to current period's classification and presentation.



## 其他資料

### Other Information

#### 購股權計劃

##### (1) 本公司之購股權計劃

為吸引及挽留最優秀之員工以發展本集團業務，以及提供額外鼓勵或獎勵予獲選之合資格參與者，本公司於2019年6月26日採納一項購股權計劃（「該計劃」）。合資格參與者主要為本集團僱員、董事及對本集團有所貢獻之本集團承包商、供應商或服務供應商。除非另行註銷或修訂，否則該計劃將自成立日期起10年內有效。該計劃之餘下年期約為7年（於2029年6月26日屆滿）。

於2023年6月30日，該計劃項下尚未行使之購股權（「購股權」）合共可認購284,900,000股股份，相當於本公司於本中期報告日期已發行股本約6.22%。

#### SHARE OPTION SCHEMES

##### (1) Share option scheme of the Company

In order to attract and retain the best quality employees for the development of the Group's businesses and to provide additional incentives or rewards to selected qualifying participants, the Company adopted a share option scheme on 26 June 2019 (the "Scheme"). The qualifying participants mainly include employees of the Group, Directors and contractors, suppliers or service providers of the Group who have contribution to the Group. Unless otherwise cancelled or amended, the scheme will remain in force for 10 years since its establishing date. The remaining life of the scheme is approximately 7 years (expiry on 26 June 2029).

As at 30 June 2023, options to subscribe for a total of 284,900,000 Shares were outstanding under the Scheme (the "Options"), representing approximately 6.22% of the issued share capital of the Company as at the date of this Interim Report.

	於2023年 1月1日持有	期內授出之 購股權	期內行使之 購股權	期內失效之 購股權	於2023年 6月30日持有	行使價 港元
	Held at 1 January 2023	Options granted during the Period	Options exercised during the Period	Options lapsed during the Period	Held at 30 June 2023	Exercise price HK\$
<b>(A) 僱員</b>						
<b>Employees</b>	131,900,000	—	—	—	131,900,000	0.3
<b>(B) 顧問(附註a)</b>						
<b>Consultants (note a)</b>	110,000,000	—	—	—	110,000,000	0.3
<b>(C) 董事</b>						
<b>Directors</b>						
池文富 Chi Wen Fu	20,000,000	—	—	—	20,000,000	0.3
池靜超 Chi Jing Chao	8,000,000	—	—	—	8,000,000	0.3
郭孟勇 Guo Mengyong	5,000,000	—	—	—	5,000,000	0.3
張省本 Cheung Sound Poon	5,000,000	—	—	—	5,000,000	0.3
盛洪 Sheng Hong	5,000,000	—	—	—	5,000,000	0.3
	284,900,000	—	—	—	284,900,000	0.3

## 其他資料 Other Information

附註：

- (a) 於2019年7月25日，3名顧問各自分別獲授45,000,000份、25,000,000份及40,000,000份購股權。彼等為法團及本集團的獨立第三方，並提供有關(包括但不限於)協助進行各種融資活動、進行投資者推介及其他合適及所能提供的金融服務等。

本公司認為，鑒於本集團資源有限且為維持長期增長，向顧問授出購股權有助挽留及激勵該等非僱員促進公司價值增長。購股權乃為授予該等顧問以為本集團提供持續服務及與彼等維持長遠關係的獎勵，本集團因而可維持精簡且穩定的營運。除授出的購股權外，本公司並無就本中報向該等顧問提供任何其他報酬。

於報告期末，尚未行使購股權之屆滿日期、行使期及行使價如下。

note:

- (a) On 25 July 2019, 3 consultants were granted each with 45,000,000, 25,000,000 and 40,000,000 Share Options respectively. They are body incorporated and independent third parties to the Group who are rendering, including but not limited to, services in relation to assisting of all types of financing arrangement, introducing of investors, and other financial services if appropriate and available, etc.

The Company considers that in view of the limited resources of the Group and to maintain a long term growth, the Share Options granted to the consultants can help to retain and motivates these non-employees to generate growth in company value. The Share Options was granted as incentive for these consultants to provide ongoing service to the Group and to maintain a long-term relationship with them so that the Group can maintain a streamline operation with stability. Apart from the Share Options granted, the Company has not provided any other remuneration to these consultants for this interim report.

The Options outstanding at the end of the reporting period have the following expiry date, exercise period and exercise prices.

授出日期 Grant date	屆滿日期 Expiry date	行使期 Exercise period	每股行使價 Exercise prices per Share 港元 HK\$	購股權數目 Number of Options
--------------------	---------------------	------------------------	---	-------------------------------

### 該計劃

#### The Scheme

2019年7月25日	2025年12月30日	自2020年11月1日至2025年12月30日	0.3	284,900,000
25 July 2019	30 December 2025	From 1 November 2020 to 30 December 2025		

於本中期報告日期，該計劃項下可供發行之本公司股份總數(包括該計劃項下上述尚未行使之購股權)為443,111,684股，相當於本公司於本中期報告日期已發行股本約9.67%。該計劃將於2029年6月26日屆滿。

As at the date of this interim report, the total number of shares of the Company available for issue under the Scheme (including the above Options under the Scheme outstanding not yet exercised) was 443,111,684, representing approximately 9.67% of the issued share capital of the Company as at the date of this interim report. The Scheme will be expired on 26 June 2029.

## 其他資料 Other Information

### (2) 附屬公司之購股權計劃 稀鎂科技集團控股有限公司 (「稀鎂科技」)

為吸引及挽留最優秀員工發展稀鎂科技集團的業務，並向經選定合資格參與者提供額外獎勵或回報，稀鎂科技於2017年12月4日採納購股權計劃 (「稀鎂科技計劃」)。合資格參與者主要包括僱員、董事、承包商、供應商或服務供應商。彼等皆曾為稀鎂科技作出貢獻。除非另行註銷或修訂，稀鎂科技計劃自其成立日期起十年內有效。稀鎂科技計劃餘下年期約為4.5年 (於2027年12月4日屆滿)。

於2023年6月30日，稀鎂科技計劃項下尚未行使之購股權 (「稀鎂科技購股權」) 合共可認購10,170,000股稀鎂科技股份。

### (2) Share option scheme of the subsidiary Rare Earth Magnesium Technology Group Holdings Limited (“REMT”)

In order to attract and retain the best quality employees for the development of the Group of REMT's businesses and to provide additional incentives or rewards to selected qualifying participants, REMT adopted a share option scheme on 4 December 2017 (the “REMT Scheme”). The qualifying participants mainly include employees, directors, contractors, suppliers or service providers who have contribution to REMT. The REMT Scheme, unless otherwise cancelled or amended, will remain in force for 10 years since its establishing date. The remaining life of the REMT Scheme is approximately 4.5 years (expiry on 4 December 2027).

As at 30 June 2023, options to subscribe for a total of 10,170,000 REMT shares were outstanding under the REMT Scheme (the “REMT Options”).

	於2023年 1月1日持有	期內授出之 稀鎂科技購股權	期內行使之 稀鎂科技購股權	期內失效之 稀鎂科技購股權	於2023年 6月30日持有	行使價 港元
	Held at 1 January 2023	REMT Options granted during the Period	REMT Options exercised during the Period	REMT Options lapsed during the Period	Held at 30 June 2023	Exercise price HK\$
<b>(A) 僱員</b>						
Employees	8,170,000	—	—	—	8,170,000	8
<b>(B) 董事</b>						
Directors						
張省本	250,000	—	—	—	250,000	8
Cheung Sound Poon						
稀鎂科技其他董事	1,750,000	—	—	—	1,750,000	8
Other directors of REMT						
	10,170,000	—	—	—	10,170,000	8

## 其他資料 Other Information

於報告期末，上述尚未行使稀鎂科技購股權有以下屆滿日期、行使期及行使價。

The above REMT Options outstanding at the end of the reporting period have the following expiry date, exercise period and exercise prices.

授出日期	屆滿日期	行使期	每股稀鎂科技股份行使價 Exercise price per REMT share 港元 HK\$	稀鎂科技購股權數目 Number of REMT Options
Grant date	Expiry date	Exercise period		
2018年4月25日	2023年12月29日	自2018年11月1日起至 2023年12月29日	8	10,170,000
25 April 2018	29 December 2023	From 1 November 2018 to 29 December 2023		

於本中期報告日期，稀鎂科技計劃項下可供發行之稀鎂科技股份總數（包括上述已發行尚未行使稀鎂科技購股權）為33,041,950股，相當於稀鎂科技當日已發行股本約8.36%。該計劃之餘下年期約為4.5年，並將於2027年12月4日屆滿。

As at the date of this Interim Report, the total number of shares of REMT available for issue under the REMT Scheme (including the above REMT Options outstanding not yet exercised) was 33,041,950, representing approximately 8.36% of the issued share capital of REMT as of the date thereof. The remaining life of the Scheme is approximately 4.5 years and to be expired on 4 December 2027.

## 其他資料 Other Information

### 董事及主要行政人員於本公司及任何相聯法團之股份、相關股份及債權證之權益

於2023年6月30日，董事及本公司主要行政人員於本公司及任何其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債權證中擁有之須記錄於根據證券及期貨條例第352條由本公司存置之登記冊或根據上市規則附錄10之上市發行人董事進行證券交易的標準守則（「標準守則」）須另行通知本公司及香港聯合交易所有限公司（「聯交所」）之權益及短倉如下：

### DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATION

As at 30 June 2023, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules (the "Model Code"), were as follows:

#### (1) 本公司之股份及購股權長倉

#### (1) Long positions in shares and share options of the Company

董事姓名 Name of Director	持有股份數目 Number of Shares held			持有購股權 數目 (附註b)	佔本公司 於2023年6月30日 已發行股本之百分比
	個人權益 Personal interests	公司權益 Corporate interests	合計 Total	Number of Options held (note b)	Percentage of issued share capital of the Company as at 30 June 2023
池文富（「池先生」） Chi Wen Fu ("Mr. Chi")	249,970,548	1,341,871,364 (附註a) (note a)	1,591,841,912	20,000,000	34.75% 0.44%
池靜超 Chi Jing Chao	1,633,998	—	1,633,998	8,000,000	0.04% 0.17%
張省本 Cheung Sound Poon	—	—	—	5,000,000	— 0.11%
盛洪 Sheng Hong	1,775,000	—	1,775,000	5,000,000	0.04% 0.11%
沈毅民 Shen Yi Min	300,000	—	300,000	—	0.01%

其他資料  
Other Information

## (2) 本公司之債權證長倉

## (2) Long positions in debentures of the Company

董事姓名 Name of director	身份／權益性質 Capacity/Nature of interest	所持債權證金額 Amount of debentures held 新加坡元 SGD
池先生 Mr. Chi	個人權益 Personal interest	2,500,000

## (3) 於本公司之相聯法團之股份、相關股份及債權證之權益

## (3) Interests in the shares, underlying shares and debenture of associated corporation of the Company

稀鎂科技

REMT

董事姓名 Name of Director	擁有權益或被視為擁有權益之普通股數目 Number of ordinary shares interested or deemed to be interested			持有稀鎂科技 購股權數目 (附註b) Number of REMT Options held (note b)	佔稀鎂科技 於2023年6月30日 已發行股本之百分比 Percentage of issued share capital of REMT as at 30 June 2023
	個人權益 Personal interests	公司權益 Corporate interests	合計 Total		
長倉 Long position 張省本 Cheung Sound Poon	—	—	—	250,000	0.06%

## 其他資料 Other Information

附註：

- (a) 該等股份由冠華國際有限公司（「冠華」）持有。鑒於池先生持有冠華已發行股本83.74%，據此賦予彼於冠華股東大會上行使或控制行使三分之一或以上之投票權，因此被視為公司權益。

按照日期為2014年7月10日之股份抵押，作為本公司主要股東的冠華將549,280,000股股份（相當於2015年6月30日本公司已發行股本約12%）抵押給國際金融公司（「國際金融公司」），作為保證根據2014年5月30日簽署的貸款協議償還國際金融公司貸款之抵押品。該項貸款協議由國際金融公司和白山市天安金屬鎂礦業有限公司簽署。

- (b) 持有之購股權之詳情載列於上文「購股權計劃」一節。

除上文所披露者外，於2023年6月30日，董事或本公司主要行政人員或彼等各自之聯繫人士概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中擁有記錄於本公司根據證券及期貨條例第352條存置之登記冊內之權益及短倉。

### 董事購買股份或債權證之權利

除上文所披露者外，於期內任何時間概無授予任何董事、其各自之配偶或十八歲以下子女任何可透過購入本公司股份或債權證而獲得利益的權利，彼等亦無行使任何該等權利；本公司或其任何附屬公司亦無參與訂立任何安排致使各董事獲得於任何其他法人團體之該等權利。

notes:

- (a) These Shares are held by Alpha Sino International Limited (“Alpha Sino”) and are deemed corporate interests by virtue of Mr. Chi’s holding of 83.74% of the issued share capital of Alpha Sino which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Alpha Sino.

As pursuant to a share mortgage dated 10 July 2014, Alpha Sino, being the substantial shareholder of the Company, had mortgaged 549,280,000 Shares (representing approximately 12% of the issued share capital of the Company as at 30 June 2015) to International Finance Corporation (“IFC”) to secure repayment of the IFC Loan under a loan agreement dated 30 May 2014 entered into between IFC and Baishan City Tianan Magnesium Resources Co. Ltd.

- (b) Details of options held are set out in the above section headed “Share Option Schemes”.

Save as disclosed above, as at 30 June 2023, none of the Directors or chief executive of the Company or their respective associates had interests and short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register to be kept by the Company under Section 352 of SFO.

### DIRECTORS’ RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the Period were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

### 主要股東於本公司股份及相關股份之權益及短倉

就任何董事或本公司主要行政人員所知悉，根據證券及期貨條例第336條規定須保存的登記冊所示，於2023年6月30日，於本公司股份或股票衍生工具的相關股份擁有權益或短倉的人士如下：

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

So far as is known to any Director or chief executive of the Company, as at 30 June 2023, persons who had interests or short positions in the Shares or underlying shares of equity derivatives of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

股東姓名／名稱 Name of shareholder	持倉性質 Nature	持有股份數目 Number of Shares held	持有購股權數目 Number of Options held	佔本公司於2023年6月30日已發行股本之百分比 Percentage of issued share capital of the Company as at 30 June 2023
池文富 Chi Wen Fu	長倉 Long position	1,591,841,912 (附註a)(note a)		34.75%
	長倉 Long position		20,000,000 (附註c)(note c)	0.44%
冠華 Alpha Sino	長倉 Long position	1,341,871,364 (附註b)(note b)		29.29%
國際金融公司(「國際金融公司」) International Finance Corporation (“IFC”)	長倉 Long position	549,280,000 (附註b)(note b)		12.00%



## 其他資料 Other Information

附註：

- (a) 池文富先生於合共1,591,841,912股股份中擁有權益，當中(a)249,970,548股股份乃由其實益擁有，並以其名義登記；及(b)1,341,871,364股股份乃基於其持有冠華已發行股本83.74%，據此賦予其權利可於冠華股東大會上行使或控制行使三分之一或以上之投票權而被視為公司權益。
- (b) 根據日期為2014年7月10日之股份抵押，作為本公司主要股東的冠華將549,280,000股股份（相當於2015年6月30日本公司已發行股本約12%）抵押給國際金融公司（「國際金融公司」），作為保證根據2014年5月30日簽署的貸款協議償還國際金融公司貸款之抵押品。該項貸款協議由國際金融公司和白山市天安金屬鎂礦業有限公司簽署。
- (c) 持有之購股權之詳情載列於上文「購股權計劃」一節。

### 董事於競爭業務之權益

於回顧期內，董事或本公司管理層股東或彼等各自之聯繫人士（定義見香港聯合交易所有限公司證券上市規則（「上市規則」）），概無於任何與本集團業務構成或可能構成競爭之業務中擁有任何權益。

### 購買、出售或贖回本公司上市證券

本公司或其任何附屬公司並無於期內購買、出售或贖回本公司任何上市證券。

notes:

- (a) Mr. Chi Wen Fu has interest in an aggregate of 1,591,841,912 Shares of which (a) 249,970,548 Shares are beneficially owned by him and registered in his name; and (b) 1,341,871,364 Shares are deemed corporate interests by virtue of his holding of 83.74% of the issued share capital of Alpha Sino which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Alpha Sino.
- (b) Pursuant to a share mortgage dated 10 July 2014, Alpha Sino, being the substantial shareholder of the Company, had mortgaged 549,280,000 Shares (representing approximately 12% of the issued share capital of the Company as at 30 June 2015) to International Finance Corporation ("IFC") to secure repayment of the IFC Loan under a loan agreement dated 30 May 2014 entered into between IFC and Baishan City Tianan Magnesium Resources Co. Ltd.
- (c) Details of options held are set out in the above section headed "Share Option Schemes".

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Period under review, none of the Directors nor the management shareholders of the Company or their respective associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")) had any interest in a business that competed or might compete with the business of the Group.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

**企業管治常規守則**

於整個期間內，本公司已遵守上市規則附錄14之企業管治守則所載守則條文，惟以下偏離情況除外：

(a) 根據守則條文第A.2.1條，主席與行政總裁（「行政總裁」）之角色須分開，不應由同一人擔任。於2021年7月30日沈世捷先生辭任行政總裁後，本集團創辦人、主席兼執行董事池文富先生獲委任為本公司之行政總裁。董事會認為，由於池先生在中國市場積累豐富經驗及知識，並在制定本集團策略性決策和整體管理方面擔當重要角色，採取單一領導架構符合本集團的最佳利益，令本公司能夠快速高效地作出及落實決策。此外，現階段正進行債務重組，董事會難以在市場上覓得具備適合資格及專業技能的候選人擔任行政總裁一職。就單一領導架構而言，本集團已採取充分保障措施，確保管理層向董事會負責。主席／行政總裁保證董事會能定期及於需要時召開會議。主席／行政總裁保證董事會成員定期獲提供完備、充足、準確和及時的資料，以確保彼等能充分掌握本集團的事務。主席／行政總裁保證所有董事均可於有需要時不受限制地獲取本集團保存的文件或資料以及專業建議。

(b) 根據守則條文第E.1.2條，董事會主席須出席股東週年大會。由於董事會主席於2023年6月29日因公出差，故彼無法出席於該日舉行之股東週年大會。本公司之獨立非執行董事張省本先生已出席上述股東週年大會以回答股東提問。

**CODE OF CORPORATE GOVERNANCE PRACTICES**

Throughout the Period, the Company has complied with the code provisions as set out in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, with the following deviations:

(a) Under code provision A.2.1, the roles of chairman and chief executive officer (the “CEO”) should be separated and should not be performed by the same individual. Upon the resignation of Mr. Shum Sai Chit as Chief Executive Officer on 30 July 2021, Mr. Chi Wen Fu, founder of the Group, the chairman and an executive Director, has been appointed as the CEO of the Company. The Board is of the view that it is in the best interests of the Group to adopt a single leadership structure, as Mr. Chi possesses extensive experience and knowledge in the PRC market and he is playing a significant role in establishing strategic decisions and overall management of the Group. It enables the Company to make and implement decisions promptly and efficiently. Further, it is difficult for the Board to find a candidate with suitable qualification and expertise in the market to fill the position of CEO at this stage of debts restructuring. With the single leadership structure, sufficient safeguards are established to ensure the management is accountable to the Board. The Chairman/CEO ensures Board meetings are held regularly and when necessary. The Chairman/CEO ensures that Board members are provided with complete, adequate, accurate and timely information on a regular basis to enable them to be fully cognizant of the affairs of the Group. The Chairman/CEO ensures all Directors have unrestricted access to document or information kept by the Group and professional advice when necessary.

(b) Under the code provision E.1.2, the chairman of the Board should attend the annual general meeting. The chairman of the Board was unable to attend the annual general meeting held on 29 June 2023 as he was obliged to be away for a business trip on that date. Mr. Cheung Sound Poon, independent non-executive Director of the Company, attended the said annual general meeting to answer questions from shareholders.

## 其他資料 Other Information

### 對持續經營不發表意見

在本公司及其附屬公司(統稱「本集團」)截至2022年12月31日止年度之綜合財務報表(「2022年年報」)中，本公司核數師就與持續經營基準有關之重大不明朗因素出具不發表意見聲明(「不發表意見聲明」)，因為彼等未能取得充足適當審核憑證以就管理層以持續經營為基準編製綜合財務報表之適當性作出結論，這是由於管理層有關其持續經營評估之未來行動(「行動計劃」)尚未落實，因此彼等就本集團綜合財務報表之結果出具不發表意見聲明。

管理層正竭盡全力於2023年協定並執行行動計劃。經考慮建議重組之成功及持續實施，管理層及董事均信納本集團將有足夠的營運資金來履行其在可預見的未來到期的財務義務，因此，按持續經營基準編製本集團綜合財務報表乃合宜之舉。根據不發表意見聲明，管理層估計本集團之財務狀況不會受到重大影響，原因是持續經營事宜可透過所制定之行動計劃解決。

董事會與審核委員會對不發表意見聲明沒有意見分歧，認為該等綜合財務報表乃由管理層按持續經營基準編製，其有效程度視乎管理層假設下之措施結果而定，惟受若干不明朗因素所限。核數師認為，在所有其他方面，該等綜合財務報表已根據香港公司條例的披露規定妥為編製。

審核委員會與董事會觀點一致，並同意管理層基於上述原因就持續經營問題及不發表意見聲明所作出之立場。

### DISCLAIMER OPINION RELATING GOING CONCERN

In the consolidated financial statements of the Company and its subsidiaries (together as the “Group”) for the year ended 31 December 2022 (the “2022 AR”), the Company’s auditors issued disclaimer of opinion on the material uncertainties relating to the going concern basis (“Disclaimer of Opinion”), in which they were unable to obtain sufficient appropriate audit evidence to conclude on the appropriateness of management to use the going concern basis of accounting in the preparation of the consolidated financial statements because management’s plans for future actions (the “Action Plan”) in relation to its going concern assessment could not be finalised yet and therefore issued a disclaimer of opinion on the results of the Group’s consolidated financial statements.

The management is taking the best efforts to agree on and execute the Action Plan in 2023. Taking into account the successful and continued implementation of the proposed restructuring, the management and also the Directors are satisfied that the Group will have sufficient working capital to meet its financial obligation as and when they fall due in the foreseeable future, and hence it is appropriate to prepare the Group’s consolidated financial statements on a going concern basis. The management assessed that there is no material impact on the Group’s financial position in light of the Disclaimer of Opinion, as the going concern issue could be resolved by the Action Plan devised.

There was no disagreement between the Board and the Auditors regarding the Disclaimer of Opinion, considering that the consolidated financial statements have been prepared by the management on a going concern basis, the validity of which depends on the outcome of the measures under management’s assumptions, which are subject to multiple uncertainties. In all other respects, in the opinion of the Auditors, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

The Audit Committee takes the same view as the Board and agreed with the management’s position concerning the going concern issue and Disclaimer of Opinion based on the reasons above.

### 管理層之立場及持續經營假設之基準

誠如未經審核簡明綜合中期財務報表附註2之詳述，截至2023年6月30日之情況表明存在重大不明朗因素，可能會對本集團之持續經營能力構成重大疑慮。

誠如參照未經審核簡明綜合中期財務報表附註19，假設整個境外債務重組程序預計將於2023年第四季內完成，董事會認為本集團將有足夠的營運資金來履行其在可預見的未來到期的財務義務。因此，未經審核簡明綜合中期財務報表乃按持續經營基準編製。

倘發生任何重大進展，本公司將以公告形式知會股東。

### 董事進行證券交易之行為守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則作為本公司董事進行證券交易之行為守則。本公司已向全體董事作出特別查詢，而彼等亦已書面確認，彼等於期內已遵守行為守則所載之規定標準。

### 中期股息

董事會不建議派付截至2023年6月30日止六個月之中期股息。

### MANAGEMENT'S POSITION AND BASIS ON THE GOING CONCERN ASSUMPTION

As detailed in Note 2 to the unaudited condensed consolidated interim financial statements, conditions existed as at 30 June 2023 indicating the existence of material uncertainties which may cast significant doubt regarding the Group's ability to continue as a going concern.

As reference to Note 19 to the unaudited condensed consolidated interim financial statements, assuming the whole process of offshore debt restructuring as expected to be completed within the fourth quarter of 2023, the Board is of the opinion that the Group will have sufficient working capital to meet its financial obligation as and when they fall due in the foreseeable future. Accordingly, the unaudited condensed consolidation interim financial statements have been prepared on a going concern basis.

The Company will update the shareholders by way of announcement(s) when there is any material development.

### CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules as the code of conduct of the Company regarding Directors' securities transactions. The Company made specific enquiries to all Directors and all Directors have confirmed in writing that they have complied with the required standards set out in the code of conduct during the Period.

### INTERIM DIVIDEND

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

## 其他資料 Other Information

### 薪酬委員會

薪酬委員會現時由四名成員組成，分別為張省本先生、池靜超先生、盛洪先生及沈毅民先生，大部分為獨立非執行董事。薪酬委員會之職能為制訂一套具透明度的程序，以制定董事及本集團高級管理層的薪酬政策及待遇。

### 審核委員會

審核委員會於2004年1月成立。於2023年6月30日，審核委員會有三名成員，分別為張省本先生、盛洪先生及沈毅民先生。張省本先生為審核委員會主席。

審核委員會旨在審閱本集團之財務報告、內外審計以及內部監控之效力，並向董事會提供建議。截至2023年6月30日止六個月，審核委員會舉行兩次會議，以審閱本公司報告及賬目，並向董事會提出意見及建議。

本集團截至2023年6月30日止六個月之未經審核簡明綜合中期財務報表已由審核委員會審閱，而審核委員會認為，編製該等財務報表的方法符合適用之會計準則，並已作出足夠披露。

承董事會命  
世紀陽光集團控股有限公司  
(臨時清盤中)  
(僅作重組用途)  
池靜超  
執行董事

香港，2023年8月31日

### REMUNERATION COMMITTEE

The Remuneration Committee currently comprises four members, namely Mr. Cheung Sound Poon, Mr. Chi Jing Chao, Mr. Sheng Hong and Mr. Shen Yi Min, the majority of whom are independent non-executive Directors. The functions of the Remuneration Committee are to formulate transparent procedures for setting up remuneration policies and packages for Directors and the senior management of the Group.

### AUDIT COMMITTEE

The Audit Committee was established in January 2004. As at 30 June 2023, the Audit Committee has three members, namely Mr. Cheung Sound Poon, Mr. Sheng Hong and Mr. Shen Yi Min. Mr. Cheung Sound Poon is the chairman of the Audit Committee.

The Audit Committee is to review the Group's financial reporting, the effectiveness of both the internal and external audit and internal controls and to make recommendations to the Board. During the six months ended 30 June 2023, the Audit Committee held two meetings for the purpose of reviewing the Company's reports and accounts, and providing advices and recommendations to the Board.

The Group's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2023 has been reviewed by the Audit Committee, which was of the opinion that the preparation of such financial statements were complied with the applicable accounting standards and adequate disclosures had been made.

By Order of the Board  
**Century Sunshine Group Holdings Limited**  
**(in provisional liquidation)**  
**(for restructuring purposes only)**  
**Chi Jing Chao**  
Executive Director

Hong Kong, 31 August 2023



**世纪阳光**

**世紀陽光集團控股有限公司**

**Century Sunshine Group Holdings Limited**

Incorporated in the Cayman Islands with limited liability  
於開曼群島註冊成立之有限公司

Stock Code 股票代號：00509.HK

Website 網址：www.centurysunshine.com.hk



MIX  
Paper from  
responsible sources  
FSC® C120915