



China Starch Holdings Limited 中國澱粉控股有限公司

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

Stock Code 股份代號: 3838



Annual Report
2023 年報

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Directors' Report

董事會報告書

The Directors are pleased to present this annual report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in the manufacture and sale of cornstarch, lysine, starch-based sweetener, modified starch and ancillary corn-based and corn-refined products. Details of the principal activities of the Company's subsidiaries are set out in note 15 to the audited consolidated financial statements.

BUSINESS REVIEW

The Group's revenue is derived from two business segments, namely (i) upstream products and (ii) fermented and downstream products, the production activities of which are carried out in the People's Republic of China (the "PRC").

A fair review of the Group's business during the year is set out in the Management Discussion and Analysis on pages 11 to 20. The Environmental and Sustainability Report set out on pages 21 to 32 provides a review of the Group's environmental policies, compliance details and key relationships with the major stakeholders (including its employees, customers and suppliers). The Risk Review Report set out on pages 33 to 36 provides a comprehensive review of principal risks and uncertainties facing the Group.

The Group is committed to complying with all environmental policies and other relevant laws and regulations related to its business operating environment. In addition, the Group also has an internal laboratory to monitor the quality of our products perpetually in order to ensure that our products comply with national standards, including food safety standards.

CONNECTED TRANSACTION

Details of the related party transactions of the Group for the year ended 31 December 2023 are set out in notes 25 and 32 to the audited consolidated financial statements. The related party transactions as set out in notes 25 and 32 to the audited consolidated financial statements constituted fully exempt connected transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

董事欣然提呈本年報及本公司及其附屬公司(統稱「本集團」)截至二零二三年十二月三十一日止年度的經審核合併財務報表。

主要業務

本公司的主要業務為投資控股。本公司的附屬公司主要從事製造及銷售玉米澱粉、賴氨酸、澱粉糖、變性澱粉、玉米製副產品及玉米深加工產品。有關本公司附屬公司的主要業務詳情載於經審核合併財務報表附註15。

業務回顧

本集團的收入來自兩個業務分部，即(i)上游產品及(ii)發酵及下游產品，有關業務的生產活動於中華人民共和國(「中國」)進行。

有關本集團年內業務的公平回顧載於第11至20頁的管理層討論及分析。環境及可持續發展報告載於第21至32頁，就本集團的環境政策、合規細節及與主要持份者(包括其僱員、客戶及供應商)的主要關係進行檢討。風險審閱報告載於第33至36頁，就本集團所面對的主要風險及不明朗因素進行全面檢討。

本集團承諾遵守與其業務營運環境相關的全部環境政策及其他相關法律及法規。此外，為確保我們的產品遵守國家標準(包括食品安全標準)，本集團亦設有內部實驗室以不間斷地監控產品質量。

關連交易

有關截至二零二三年十二月三十一日止年度的本集團關連方交易詳情載於經審核合併財務報表附註25及32。經審核合併財務報表附註25及32所載的關連方交易構成香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第14A章所界定的獲全面豁免的關連交易。

Directors' Report

董事會報告書

DIVIDENDS

The Board is pleased to recommend the payment of a final dividend of HK0.69 cents per share for the year ended 31 December 2023 to shareholders whose names appear on the register of members of the Company on 14 June 2024. The proposed final dividend, if approved at the forthcoming annual general meeting of the Company ("AGM"), is expected to be paid on or about 17 July 2024 in cash.

DIRECTORS

The Directors of the Company during the year and up to the date of this report are:

Executive Directors:

Mr. Tian Qixiang (*Chairman*)
Mr. Gao Shijun (*Chief Executive Officer*)
Mr. Liu Xianggang
Mr. Yu Yingquan

Independent non-executive Directors:

Professor Hua Qiang
Mr. Sun Mingdao
Mr. Yue Kwai Wa, Ken

Mr. Tian Qixiang, Mr. Liu Xianggang and Professor Hua Qiang will retire and, being eligible, offer themselves for re-election at the forthcoming AGM.

None of the above Directors proposed for re-election has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

The Company has received from all of the independent non-executive Directors, namely Professor Hua Qiang, Mr. Sun Mingdao and Mr. Yue Kwai Wa, Ken, an annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules and considers that all of them are independent.

股息

董事會欣然建議向於二零二四年六月十四日名列本公司股東名冊之股東派付截至二零二三年十二月三十一日止年度的末期股息每股0.69港仙。擬派末期股息如於本公司應屆股東週年大會（「股東週年大會」）獲批准，預期將於二零二四年七月十七日或前後以現金派發。

董事

年內及直至本報告日期止，本公司董事如下：

執行董事：

田其祥先生 (*主席*)
高世軍先生 (*行政總裁*)
劉象剛先生
于英泉先生

獨立非執行董事：

花強教授
孫明導先生
余季華先生

田其祥先生、劉象剛先生及花強教授將退任，惟彼等均符合資格並願於應屆股東週年大會膺選連任。

以上建議重選連任的董事並無與本公司訂立任何不可由本公司於一年內毋須支付賠償（除法定賠償外）之情況下終止之服務合約。

本公司已收到每位獨立非執行董事（即花強教授、孫明導先生及余季華先生）根據上市規則第3.13條發出的年度獨立性確認函，並認為彼等全部具獨立性。

Directors' Report

董事會報告書

DIRECTORS' INTEREST IN TRANSACTION, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

No transaction, arrangement or contract of significance in relation to the Group's business to which the Group was a party and in which a Director or his connected entity had a material interest, whether directly or indirectly, subsisted during or at the end of the financial year.

PERMITTED INDEMNITY

Pursuant to Article 201 of the articles of association (the "Articles") of the Company, the Directors and other officers of the Company shall be indemnified out of the Company's assets from and against all losses and liabilities which they may incur or sustain in the execution of their duties, excluding any losses and liabilities that may arise from fraud and dishonesty. The above indemnity provision was in force during the course of the year and remained in force as of the date of this annual report. In addition, the Company has maintained appropriate directors' and officers' liability insurance for the purpose of indemnifying for losses in respect of relevant legal actions against the Directors and other officers of the Company.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 31 December 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were as follows:

(A) Long positions in shares of the Company

Name of Director 董事姓名	Nature of interest 權益性質
Mr. Tian Qixiang 田其祥先生	Interest in a controlled corporation (note) 受控制法團權益(附註)

Note:

The interest in these shares was held by Merry Boom Group Limited ("Merry Boom"). Merry Boom is owned as to approximately 54.58% by Mr. Tian Qixiang. Mr. Tian was deemed to be interested in all the shares held by Merry Boom under the SFO.

董事於重大交易、安排或合約中的權益

於本財政年度內或年度結束時，本集團並無參與與董事或其關連實體直接或間接擁有重大權益而有關本集團業務的重大交易、安排或合約。

獲准彌償

根據本公司章程細則(「章程細則」)第201條，本公司董事及其他高級人員於執行職務時產生或蒙受的所有虧損及責任應以本公司資產作出彌償，惟由欺騙及失實引致的任何虧損及責任除外。上述彌償條文於年內有效，且截至本年報日期仍然具有效力。此外，本公司已就針對本公司董事及其他高級人員的相關法律行動所導致的彌償損失保留適當的董事及高級人員責任險。

董事及主要行政人員的權益

於二零二三年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份或債券中，擁有根據證券及期貨條例第352條須記錄於本公司存置的登記冊內或根據上市規則所載的上市發行人董事進行證券交易的標準守則(「標準守則」)須另行通知會本公司及聯交所的權益及淡倉如下：

(A) 於本公司股份的好倉

Number of shares 股份數目	Percentage of shareholding 佔股權百分比
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3,705,385,194 62.08%

附註：

此等股份之權益由怡興集團有限公司(「怡興」)持有。怡興由田其祥先生擁有約54.58%權益。根據證券及期貨條例，田先生被視為於怡興持有的所有股份中擁有權益。

Directors' Report

董事會報告書

(B) Long positions in shares of the associated corporations

Name of associated corporation 相聯法團名稱	Name of Director 董事姓名	Nature of interest 權益性質	Number of shares 股份數目	Percentage of interest in associated corporation 佔相聯法團權益百分比
Merry Boom 怡興	Mr. Tian Qixiang 田其祥先生	Beneficial owner 實益擁有人	131	54.58%
	Mr. Gao Shijun 高世軍先生	Beneficial owner 實益擁有人	60	25.00%
	Mr. Yu Yingquan 于英泉先生	Beneficial owner 實益擁有人	1	0.42%
Shouguang Golden Corn Biotechnology Limited* ("Golden Corn Biotech") 壽光金玉米生物科技股份有限公司 ("金玉米生物科技")	Mr. Gao Shijun 高世軍先生	Beneficial owner 實益擁有人	– (notes 1,2) (附註1、2)	0.75%
	Mr. Yu Yingquan 于英泉先生	Beneficial owner 實益擁有人	– (notes 1,3) (附註1、3)	0.23%
	Mr. Liu Xianggang 劉象剛先生	Beneficial owner 實益擁有人	– (notes 1,4) (附註1、4)	0.19%

Notes:

- (1) Golden Corn Biotech was an indirect non-wholly owned subsidiary of the Company. The amount of paid-up share capital of Golden Corn Biotech was RMB200,000,000. The number of shares was not specified in the constitutional document.
- (2) Shouguang Chengyu Investment Co., Ltd* ("Chengyu") was one of the shareholders of Golden Corn Biotech. Mr. Gao Shijun held 1,500,000 shares in Chengyu through Shouguang Junze Technology Service Co., Ltd.* ("Junze"). The entire issued share capital of Junze was wholly and beneficially owned by Mr. Gao Shijun.
- (3) Chengyu was one of the shareholders of Golden Corn Biotech. Mr. Yu Yingquan held 460,000 shares in Chengyu through Shouguang Starsea Trading Co., Ltd* ("Starsea"). The entire issued share capital of Starsea was wholly and beneficially owned by Mr. Yu Yingquan.
- (4) Shouguang Shengyu Investment Co., Ltd* ("Shengyu") was one of the shareholders of Golden Corn Biotech. Mr. Liu Xianggang held 375,000 shares in Shengyu through Shouguang Xiangyin Trading Co., Ltd ("Xiangyin"). The entire issued share capital of Xiangyin was wholly and beneficially owned by Mr. Liu Xianggang.

* English transliteration for identification only.

(B) 於相聯法團股份的好倉

附註：

- (1) 金玉米生物科技為本公司的間接非全資附屬公司。金玉米生物科技的實繳股本為人民幣200,000,000元。憲章文件中並無指定股份數目。
- (2) 壽光晟玉投資股份有限公司（「晟玉」）為金玉米生物科技的股東之一。高世軍先生通過壽光君澤科技服務有限公司（「君澤」）持有1,500,000股晟玉股份。君澤的全部已發行股本由高世軍先生全資實益擁有。
- (3) 晟玉為金玉米生物科技的股東之一。于英泉先生通過壽光星辰大海商貿有限公司（「星辰大海」）持有460,000股晟玉股份。星辰大海的全部已發行股本由于英泉先生全資實益擁有。
- (4) 壽光聖玉投資股份有限公司（「聖玉」）為金玉米生物科技的股東之一。劉象剛先生通過壽光象印經貿有限責任公司（「象印」）持有375,000股晟玉股份。象印的全部已發行股本由劉象剛先生全資實益擁有。

Directors' Report

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Save as disclosed above, as at 31 December 2023, none of the Directors and the chief executive of the Company nor their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be recorded in the register kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") on 19 May 2017. The major terms of the Share Option Scheme are as follows:

1. The purpose of the Share Option Scheme is to enable the Group to grant options to eligible persons as incentives or rewards for their contribution to the Group and to enable the Group to attract, recruit and retain senior management, key employees and human resources that are valuable or potentially valuable to the Group.
2. Eligible participants of the Share Option Scheme are (a) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries or any entity ("Invested Entity") in which any member of the Group holds an equity interest; (b) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

除上文所披露者外，於二零二三年十二月三十一日，董事及本公司主要行政人員或彼等各自的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）的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須記錄於本公司存置的登記冊內或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

購股權計劃

本公司於二零一七年五月十九日採納一項購股權計劃（「購股權計劃」）。購股權計劃的主要條款如下：

1. 購股權計劃的目的為讓本集團可向合資格人士授出購股權，作為彼等對本集團所作貢獻的激勵或獎勵，以及讓本集團可吸引、招聘及挽留高級管理層、主要僱員及對本集團有價值或潛在價值的人力資源。
2. 購股權計劃的合資格參與者為：(a)本公司、其任何附屬公司或本集團任何成員公司擁有股權的任何實體（「投資實體」）的任何僱員（無論全職或兼職，包括任何執行董事，但不包括任何非執行董事）；(b)本公司、其任何附屬公司或任何投資實體的任何非執行董事（包括獨立非執行董事）；(c)向本集團任何成員公司或任何投資實體提供貨物或服務的任何供應商；(d)本集團任何成員公司或任何投資實體的任何客戶；(e)向本集團任何成員公司或任何投資實體提供研究、開發或其他技術支援的任何人士或實體；(f)本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體所發行的任何證券的任何持有人；(g)本集團任何成員公司或任何投資實體的任何業務領域或業務發展的任何顧問（專業或其他）或諮詢人；(h)任何其他已經或可能透過合資、業務聯合或其他業務安排而對本集團的發展及增長作出貢獻的參與者小組或類別。

Directors' Report

董事會報告書

3. The maximum number of shares of the Company (the "Shares") which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the number of issued Shares from time to time. The total number of the Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the issued Shares as at the date of approval of the Share Option Scheme.
4. The total number of Shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued Share for the time being ("Individual Limit"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the shareholders of the Company in general meeting with such grantee and his associates abstaining from voting.
5. Any grant of options under the Share Option Scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive directors of the Company (excluding independent non-executive director of the Company who or whose associates is the proposed grantee of the options). In addition, any grant of options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, in excess of 0.1% of the issued Shares at any time or with an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval of the Company in a general meeting.
6. The vesting period of the share options granted under the Share Option Scheme is determined by the directors of the Company, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of the offer for the grant of the option or the expiry date of the Share Option Scheme, whichever is earlier, subject to the provisions for early termination as stated in the Share Option Scheme.
7. The acceptance of an offer of the grant of the option must be made within 28 days from the date of the offer for the grant with a non-refundable payment of HK\$1.00 from the grantee.
3. 因行使根據購股權計劃及本集團採納的任何其他購股權計劃授出而尚未行使的所有未行使購股權而可能發行的本公司股份（「股份」）上限，合計不得超過不時已發行股份數目的30%。因行使根據購股權計劃及本集團任何其他購股權計劃授出的全部購股權（就此而言，不包括根據購股權計劃及本集團任何其他購股權計劃的條款已失效的購股權）而可能配發及發行的股份數目總額，合計不得超過於批准購股權計劃當日已發行股份的10%。
4. 於任何十二個月期間因行使根據購股權計劃及本集團任何其他購股權計劃所授出的購股權（同時包括已行使或尚未行使購股權兩者）而向各承授人發行及可能發行的股份總數，不得超過當時已發行股份1%（「個別上限」）。倘於直至再授出購股權之日（包括該日）止之任何十二個月期間進一步授出超逾個別上限的購股權，須待於股東大會上另行取得本公司股東的批准，而承授人及其聯繫人須於會上放棄投票。
5. 根據購股權計劃向本公司董事、主要行政人員或主要股東或任何彼等各自的聯繫人授予購股權必須經本公司獨立非執行董事（不包括身為購股權建議承授人或其聯繫人為購股權建議承授人的本公司獨立非執行董事）的批准。此外，倘於任何十二個月期間內向本公司主要股東或獨立非執行董事或任何彼等各自的聯繫人授出的購股權超過任何時間已發行股份0.1%，或按授出日期股份的收市價計算總值超過5,000,000港元，則須待股東於本公司股東大會上批准，方可作實。
6. 根據購股權計劃授出的購股權的歸屬期限由本公司董事釐定，該期間可由授出購股權建議日期起計，惟無論如何不遲於授出購股權建議日期後十年止，或購股權計劃屆滿日期止（以較早者為準），惟可根據購股權計劃所載有關條文提早終止。
7. 授出購股權建議須於授出建議日期起計二十八日內接納，而承授人於接納時須支付不可退回款項1.00港元。

Directors' Report

董事會報告書

8. The exercise price of the share option is determined by the Board but shall not be less than the higher of (a) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant; (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (c) the nominal value of the Shares.
9. The Share Option Scheme shall be valid and effective till 18 May 2027.

The Company has not granted any share options under the Share Option Scheme since its adoption.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

The interests of substantial shareholders in the shares and underlying shares of the Company as at 31 December 2023, as recorded in the register required to be kept under Section 336 of the SFO, are set out in the table below:

Name	Capacity	Number of shares	Percentage of issued share capital
名稱	身份	股份數目	佔已發行股本百分比
Merry Boom 怡興	Beneficial owner (note) 實益擁有人 (附註)	3,705,385,194	62.08%

Note:

These shares were held by Merry Boom. Merry Boom is owned as to approximately 54.58% by Mr. Tian Qixiang, an executive Director and Chairman of the Company. Mr. Tian is deemed to be interested in all the shares held by Merry Boom under the SFO as disclosed under the paragraph headed "Directors' and Chief Executive's Interests" above.

Save as disclosed above, as at 31 December 2023, there were no any other persons (other than the Directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which were required to be recorded in the register kept by the Company pursuant to section 336 of the SFO.

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Other than the Share Option Scheme as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement which enables the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

8. 購股權的行使價由董事會釐定，但不得少於以下較高者：(a)股份於授出日期在聯交所日報表上所列的收市價；(b)股份於緊接授出日期前五個營業日在聯交所日報表上所列的平均收市價；及(c)股份面值。
9. 購股權計劃有效至二零二七年五月十八日止。

本公司自採納以來概無根據購股權計劃授出任何購股權。

主要股東及其他人士的權益

於二零二三年十二月三十一日，主要股東於本公司股份及相關股份中擁有記錄於根據證券及期貨條例第336條存置的登記冊內的權益載列於下表：

Name	Capacity	Number of shares	Percentage of issued share capital
名稱	身份	股份數目	佔已發行股本百分比
Merry Boom 怡興	Beneficial owner (note) 實益擁有人 (附註)	3,705,385,194	62.08%

附註：

此等股份由怡興持有。怡興由本公司執行董事兼主席田其祥先生擁有約54.58%權益。根據證券及期貨條例，如上文「董事及主要行政人員的權益」一段所披露，田先生被視為於怡興持有的所有股份中擁有權益。

除上文所披露者外，於二零二三年十二月三十一日，概無任何其他人士（董事及本公司主要行政人員除外）於本公司股份或相關股份中擁有須記錄於根據證券及期貨條例第336條本公司存置的登記冊內的權益或淡倉。

購入股份或債券的安排

除上文所披露之購股權計劃外，於年內任何時間本公司或其任何附屬公司概無參與任何可令董事藉購入本公司或任何其他法人團體的股份或債券而獲益的安排。

Directors' Report

董事會報告書

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

During the year ended 31 December 2023, the Company repurchased 25,565,000 shares of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$3,375,000. All of the shares repurchased by the Company were cancelled prior to 31 December 2023 and the total number of shares of the Company in issue has been reduced accordingly. Details of the shares repurchased are set out as follows:

2023	二零二三年	Number of shares 股份數目	Price paid per share 每股已付價格		Aggregate price paid 合共已付 HK\$'000 千港元
			Highest 最高價 HK\$ 港元	Lowest 最低價 HK\$ 港元	
August	八月	700,000	0.145	0.142	101
September	九月	1,500,000	0.135	0.131	201
October	十月	6,785,000	0.130	0.128	875
November	十一月	8,570,000	0.139	0.130	1,148
December	十二月	8,010,000	0.134	0.127	1,050
		25,565,000			3,375

The Directors considered that the repurchases could lead to an enhancement of the Company's earnings per share. Save as disclosed above, at no time during the year ended 31 December 2023 was there any purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's shares.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's five largest customers accounted for less than 30% of the Group's turnover and purchases from the Group's five largest suppliers accounted for less than 30% of the total purchases of the Group.

購買、出售或贖回本公司的上市證券

於截至二零二三年十二月三十一日止年度，本公司於聯交所回購本公司25,565,000股股份，總代價約為3,375,000港元。本公司回購的所有股份已於二零二三年十二月三十一日前注銷，本公司已發行股份總數已相應減少。回購股份的詳情載列如下：

董事認為，回購可提高本公司的每股收益。除上文所披露者外，於截至二零二三年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司股份。

優先購買權

章程細則或開曼群島法例概無載列有關本公司須按比例基準向現有股東發售新股份的優先購買權條文。

主要客戶及供應商

年內，向本集團五大客戶作出的銷售額佔本集團營業額不足30%，而本集團五大供應商作出的採購額佔本集團採購總額不足30%。

Directors' Report

董事會報告書

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's total issued shares as required under the Listing Rules.

On behalf of the Board

Tian Qixiang

Chairman

Shouguang, The People's Republic of China

20 March 2024

公眾持股量

根據本公司公開可得的資料及就其董事所知，於本報告日期，本公司按上市規則規定維持不少於本公司已發行股份總數25%的足夠公眾持股量。

代表董事會

田其祥

主席

中華人民共和國，壽光

二零二四年三月二十日

Management Discussion and Analysis

管理層討論及分析

INDUSTRY REVIEW AND COMPANY DEVELOPMENT

Overview

The business environment in 2023 was worlds apart as compared with 2022. Many cornstarch and lysine manufacturers resumed their operations robustly in 2023 and boosted the supply of various products rising like a rocket. However, the market demand for various products increased at paces substantially lower than the increase in the market supply. These resulted in a serious problem of oversupply within a very short period of time and caused market prices for finished goods to fall like a stick. The decrease in market price and the lack of market demand gradually eased in the second half of 2023. Certain cornstarch and lysine manufacturers temporarily suspended their operations under the critical market conditions. On the other hand, the market demand for corn derived products and lysine recovered slightly.

Under this new market environment, most small-scale and less efficient market players could not return to this battlefield in the corn deep-processing industry. The management expected that the market will consolidate the existing production capacity and bring a new equilibrium demand and supply in the coming year.

Business Development

Although there were many adverse factors in the market during the year under review, the Group has not reduced its commitment to the business development in this industry. The Group will deploy resources on the reduction of production cost by upgrading existing equipment and using more energy-saving machineries.

The annual production capacity of lysine products had increased to 500,000 tonnes by the end of 2023. This enlarged scale of production facilities could effectively reduce our unit cost and allow us to offer our products at more favourable prices in this highly competitive economic environment, and in the meantime, maintain our market shares without compromising our margin level.

行業概覽及公司發展

概覽

二零二三年的營商環境與二零二二年相比大相逕庭。多數玉米澱粉及賴氨酸製造商於二零二三年恢復強勁營運，使各種產品的供應大幅增加。然而，多種產品的市場需求增長速度遠低於市場供應的增長速度。這導致極短時間內出現嚴重供過於求的問題，製成品的市場價格急速下跌。市場價格下降及市場需求短缺於二零二三年下半年逐漸緩解。若干玉米澱粉及賴氨酸製造商因市況嚴峻暫時停止營運。另一方面，玉米衍生產品及賴氨酸的市場需求略有恢復。

於該新市場環境下，大多數規模較小、效益較差的市場參與者退出玉米深加工行業。管理層預計，來年市場將鞏固現有產能，實現新的供需平衡。

業務發展

儘管於回顧年度內市場出現諸多不利因素，本集團並無削減對該行業業務發展的投入。本集團將投放資源，提升現有設備及使用更多節能機器，從而降低生產成本。

截至二零二三年底，賴氨酸產品的年產能已增至500,000噸。生產設施規模擴大可有效降低單位成本，使我們能夠在競爭激烈的經濟環境中以更優惠的價格供應產品，同時在不影響利潤水平的情況下保持我們的市場份額。

Management Discussion and Analysis

管理層討論及分析

The table below set out the annual production capacity of the Group of each of our major products at the end of 2023:

Products	產品	Tonnes 噸
Cornstarch	玉米澱粉	2,700,000
Lysine	賴氨酸	500,000
Starch-based sweetener (Crystallised)	澱粉糖 (結晶)	150,000
Modified starch	變性澱粉	100,000
D-lactic acid	D-乳酸	20,000

In addition, the construction of lactide and polylactide trial production lines, which was not included in the table above, was completed by the end of 2023. The trial production lines will be used for the new product development and market research according to the research schedule and/or the prevailing market conditions of these related products.

Our other project under Shouguang Juneng Musashino Biotechnology Co., Ltd. in relation to the development of lactate production facilities with our joint venture partner was still in progress. We still work closely with the local government on the selection of an appropriate production site. Further announcement(s) will be made as and when appropriate in compliance with the applicable requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

BUSINESS REVIEW

Upstream Products

During the year under review, the Group was challenged by the problem of oversupply in the domestic market and the indirect competition with other replaceable products. The average market prices for agriculture commodities, including soybean, wheat and corn, in 2023 was lower than that of 2022, which reflected the sluggish economy around the globe. This trend drove down the market prices of finished goods which were derived from soybean, wheat and other grains. The end-users might shift their demand from corn-derived products to other replaceable materials taking into consideration of the price fluctuations.

Upstream products segment was our major business segment, which contributed approximately 72.9% of our turnover for the year. As a result, our business performance was affected during the year under review.

下表載列於二零二三年底本集團各主要產品的年產能：

此外，未列入上表的丙交酯及聚乳酸的試產線建設已於二零二三年底完成。試產線將根據研究進度及／或該等相關產品當時的市況，用於新產品開發及市場研究。

我們與合資夥伴在壽光巨能武藏野生物科技有限公司的另一項目仍在進行中，該項目有關建立乳酸酯生產設施。我們仍就選擇合適的生產地點與當地政府密切合作。本公司將根據香港聯合交易所有限公司證券上市規則的適用規定，適時刊發進一步公告。

業務回顧

上游產品

於回顧年度內，本集團面臨國內市場供過於求的問題以及與其他可替代產品的間接競爭。二零二三年農產品（包括大豆、小麥及玉米）的平均市場價格與二零二二年相比較低，反映出全球經濟不景氣。這一趨勢導致大豆、小麥及其他穀物製成品的市場價格下跌。出於對價格波動的考慮，終端用戶或會將需求從玉米衍生產品轉向其他可替代材料。

上游產品分部是我們的主要業務分部，佔年度營業額約72.9%。因此，我們的業務表現於回顧年度受到影響。

Management Discussion and Analysis

管理層討論及分析

Fermented and Downstream Products

In 2022, the Group benefited from the strong demand in fermented and downstream products, which resulted from the expansion of the pig-farming production capacity after the end of African Swine Fever pandemic previously. However, this situation in 2023 turned around, in which the oversupply in pork led to a significant reduction in their market prices and in turn, affected the number of pigs in the pig-farming industry. Two of our major products, lysine and corn gluten meal (upstream products), were substantially affected under this market condition as they are the raw materials for the production of animal feeds.

During the year under review, the business performance of lysine was affected by the poor market atmosphere in the pig-farming industry. Our operation was affected in the first half of the year as our production capacity has not been fully utilised due to the reduced demand of animal feeds, but such situation has gradually recovered in the second half of the year.

The business performance of starch-based sweetener was affected by the problem of oversupply and weakened domestic food and beverage demand. The sales team tried to reach out to and solicit new customers outside the traditional food and beverage industry as starch-based sweetener could also be used in other industries, such as battery manufacturing.

Modified starch was still affected by the city sewage control policy during the year under review. However, the improvement in our production knowhow and the promotion of use of liquid modified starch mitigated such adverse factor. In addition, the Group also engaged external professional sewage treatment companies to solve the residue liquid during the modified starch dehydration process. During the year under review, the Group recorded a substantial growth in the sales volume of modified starch.

New biobased material was affected by the domestic market condition. The business performance of new biobased material was lower than the initial expectations of the management for the first half of 2023, but gradually recovered in the second half of the year.

FINANCIAL PERFORMANCE

Overview

During the year under review, total revenue of the Group reduced slightly by 1.3% to approximately RMB11,797,534,000 (2022: RMB11,948,852,000). Gross profit of the Group decreased significantly by 53.2% to approximately RMB556,572,000 (2022: RMB1,190,475,000).

Profit after taxation decreased significantly to RMB157,396,000 (2022: RMB495,432,000). Basic earnings per share of the Company was RMB0.0180 per share based on the weighted average number of 5,990,605,000 ordinary shares (2022: RMB0.0587 per share based on the weighted average number of 5,994,132,000 ordinary shares).

發酵及下游產品

於二零二二年，本集團受惠於先前非洲豬瘟疫情結束後養豬業產能擴張帶來對發酵及下游產品的強勁需求。然而，這一情況於二零二三年發生逆轉，豬肉供過於求導致市場價格大幅下跌，從而影響養豬業的生豬數量。於該市況下，我們的兩種主要產品賴氨酸及玉米蛋白粉（上游產品）受到重大影響，因為這兩種產品是生產動物飼料的原材料。

於回顧年度內，賴氨酸的業務表現受到養豬業市場不景氣的影響。我們的營運於上半年受到由於動物飼料需求減少而產能未能充分利用的影響，但該情況已於下半年逐漸恢復。

澱粉糖的業務表現受到供過於求問題及國內餐飲需求疲軟的影響。由於澱粉糖亦可用於電池製造等其他行業，銷售團隊試圖接觸和招攬傳統餐飲行業以外的新客戶。

於回顧年度內，變性澱粉仍然受到城市污水治理政策的影響。然而，生產技術的改進及液態變性澱粉的推廣使用緩解了該等不利因素。此外，本集團亦聘請外部專業污水處理公司解決變性澱粉脫水過程中的殘液。於回顧年度內，本集團變性澱粉的銷量錄得大幅增長。

受到國內市況的影響，新生物基準材料業的業務表現低於管理層對二零二三年上半年的初始預期，但於下半年逐漸恢復。

財務表現

概覽

於回顧年度內，本集團的總收入略微減少1.3%至約人民幣11,797,534,000元（二零二二年：人民幣11,948,852,000元）。本集團的毛利大幅減少53.2%至約人民幣556,572,000元（二零二二年：人民幣1,190,475,000元）。

除稅後利潤大幅減少至人民幣157,396,000元（二零二二年：人民幣495,432,000元）。根據加權平均股數5,990,605,000股普通股計算，本公司的每股基本盈利為每股人民幣0.0180元（二零二二年：根據加權平均股數5,994,132,000股普通股計算為每股人民幣0.0587元）。

Management Discussion and Analysis

管理層討論及分析

Segment Performance

Upstream products

Revenue
Gross profit
Gross profit margin

收入
毛利
毛利率

2023
二零二三年
RMB'000
人民幣千元

2022
二零二二年
RMB'000
人民幣千元

8,596,863
129,951
1.5%

8,705,998
441,715
5.1%

Revenue of upstream products decreased slightly by 1.3% to RMB8,596,863,000 (2022: RMB8,705,998,000). The gross profit margin of this business segment decreased by 3.6 percentage point to 1.5%. The upstream product segment contributed most of our revenue and gross profits to the Group. During the year under review, the average selling price of cornstarch decreased by 2% to RMB2,816 (2022: RMB2,872) per tonne. The sales volume of cornstarch was approximately 2,007,204 tonnes (2022: 1,953,563 tonnes).

上游產品的收入略微下降1.3%至人民幣8,596,863,000元(二零二二年：人民幣8,705,998,000元)。本業務分部的毛利率減少3.6個百分點至1.5%。上游產品分部為本集團貢獻大部分收入及毛利。於回顧年度內，玉米澱粉的平均售價下降2%至每噸人民幣2,816元(二零二二年：人民幣2,872元)。玉米澱粉的銷量約為2,007,204噸(二零二二年：1,953,563噸)。

Fermented and downstream products

Revenue
– Lysine
– Starch-based sweetener
– Modified starch
– Others

收入
– 賴氨酸
– 澱粉糖
– 變性澱粉
– 其他

2023
二零二三年
RMB'000
人民幣千元

2022
二零二二年
RMB'000
人民幣千元

2,261,792
472,198
351,583
115,098

2,424,684
541,364
196,006
80,800

Total

總計

3,200,671

3,242,854

Gross profit
Gross profit margin

毛利
毛利率

426,621
13.3%

748,760
23.1%

Revenue of fermented and downstream products decreased to RMB3,200,671,000 (2022: RMB3,242,854,000).

發酵及下游產品的收入減少至人民幣3,200,671,000元(二零二二年：人民幣3,242,854,000元)。

Management Discussion and Analysis

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Revenue of lysine decreased from approximately RMB2,424,684,000 to RMB2,261,792,000. The overall sales volume of lysine products was about 340,746 tonnes (2022: 314,179 tonnes). The sales volume of lysine products increased by 8.5% as a result of an increase in production capacity of lysine production facilities from 300,000 tonnes to 500,000 tonnes during the year under review. The average selling price of lysine products was about RMB6,638 (2022: RMB7,718) per tonne.

Revenue of starch-based sweetener was approximately RMB472,198,000 (2022: RMB541,364,000). The market price of starch-based sweetener was highly affected by the price of cane sugar. The average selling price of starch-based sweetener increased substantially by 15.5% to RMB2,629 (2022: RMB2,277) per tonne because the price of cane sugar recorded a substantial increase during the year under review. The sales volume of starch-based sweetener decreased by 24.4% to 179,598 tonnes (2022: 237,718 tonnes).

Revenue of modified starch was RMB351,583,000 (2022: RMB196,006,000). The increase in revenue of modified starch was mainly attributable to the successful development of liquid-modified starch market and the solution of the dehydration-sewage problem during the year under review.

Revenue of other fermented products increased substantially by 42.4% to approximately RMB115,098,000 (2022: RMB80,800,000). The substantial increase in revenue from biobased material was mainly attributable to the full year effect after the trial-run in 2022.

Cost of sales and gross profit

During the year under review, the total cost of sales increased to RMB11,240,962,000 (2022: RMB10,758,377,000). The average corn kernel cost of the Group for the year 2023 was stable as compared with the last year (2023: RMB2,543 per tonne and 2022: RMB2,550 per tonne). The second largest cost of sales was utilities. The average prices of electricity and steam was also stable in the past two years.

As the market prices for certain finished goods, such as cornstarch, corn gluten meal, corn germs, lysine and modified starch in 2023 were lower than that in 2022, the gross profit of the Group decreased to RMB556,572,000 (2022: RMB1,190,475,000).

The Group did not enter into any forward/futures contract to hedge the price fluctuation of corn kernel during the year under review. The Group makes purchases from the spot market in accordance with its production schedule.

賴氨酸的收入由約人民幣2,424,684,000元減少至人民幣2,261,792,000元。賴氨酸產品的總銷量為約340,746噸(二零二二年：314,179噸)。於回顧年度內，賴氨酸生產設施的產能由300,000噸增加至500,000噸，使賴氨酸產品的銷量增加8.5%。賴氨酸產品的平均售價約為每噸人民幣6,638元(二零二二年：人民幣7,718元)。

澱粉糖的收入約為人民幣472,198,000元(二零二二年：人民幣541,364,000元)。澱粉糖的市價受蔗糖價格影響較大。澱粉糖的平均售價大幅上升15.5%至每噸人民幣2,629元(二零二二年：人民幣2,277元)，原因為於回顧年度內，蔗糖價格大幅上升。澱粉糖的銷量減少24.4%至179,598噸(二零二二年：237,718噸)。

變性澱粉的收入為人民幣351,583,000元(二零二二年：人民幣196,006,000元)。變性澱粉的收入增加主要由於於回顧年度內成功開發液態變性澱粉市場及解決脫水污水問題。

其他發酵產品的收入大幅增加42.4%至約人民幣115,098,000元(二零二二年：人民幣80,800,000元)。生物基材料收入的大幅增加主要由於二零二二年試運營後的全年影響。

銷售成本及毛利

於回顧年度內，銷售總成本增加至人民幣11,240,962,000元(二零二二年：人民幣10,758,377,000元)。本集團於二零二三年的平均玉米粒成本與去年相比保持穩定(二零二三年：每噸人民幣2,543元及二零二二年：每噸人民幣2,550元)。第二大銷售成本為公用設施。於過去兩個年度，電力及蒸汽的平均價格亦保持穩定。

由於二零二三年玉米澱粉、玉米蛋白粉、玉米胚芽、賴氨酸及變性澱粉等製成品的市價低於二零二二年，本集團的毛利減少至人民幣556,572,000元(二零二二年：人民幣1,190,475,000元)。

本集團於回顧年度內並無訂立任何遠期／期貨合約對沖玉米粒的價格波動。本集團根據其生產計劃在現貨市場進行採購。

Management Discussion and Analysis

管理層討論及分析

Review of other Operations

Distribution and administrative expenses

Distribution expenses for the year ended 31 December 2023 decreased to RMB157,175,000 (2022: RMB171,044,000). The decrease in distribution expenses was mainly attributable to a decrease in delivery expenses which was partly offset by an increase in the packaging costs as a result of using more durable and protective package materials.

Distribution expenses for the years ended 31 December 2023 and 2022 mainly comprised of the following:

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Delivery and logistics	交付及物流	125,177	141,651
Marketing expenses	市場推廣開支	15,570	14,989
Staff costs	員工成本	8,388	8,335
Others	其他	8,040	6,069
		157,175	171,044

Administrative expenses for the year ended 31 December 2023 decreased to RMB194,551,000 (2022: RMB207,835,000). The decrease was mainly attributable to a decrease in staff costs, government levies, and repairing expenses. Administrative expenses for the years ended 31 December 2023 and 2022 mainly comprised of the following:

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Staff costs	員工成本	104,833	108,655
Depreciation and amortisation expenses	折舊及攤銷費用	35,658	32,147
Government levies	政府徵費	26,939	31,094
Others	其他	27,121	35,939
		194,551	207,835

其他營運回顧

分銷及行政費用

截至二零二三年十二月三十一日止年度的分銷費用減少至人民幣157,175,000元(二零二二年：人民幣171,044,000元)。分銷費用減少乃主要由於交付費用減少，其由使用較耐用及更環保的包裝物料導致包裝成本增長所部分抵銷。

截至二零二三年及二零二二年十二月三十一日止年度的分銷費用主要包括下列各項：

截至二零二三年十二月三十一日止年度的行政費用減少至人民幣194,551,000元(二零二二年：人民幣207,835,000元)。該減少乃主要由於員工成本、政府徵費及維修費用減少。截至二零二三年及二零二二年十二月三十一日止年度的行政費用主要包括下列各項：

Management Discussion and Analysis

管理層討論及分析

Research expenses

Research expenses mainly consisted of material costs and depreciation and amortisation costs. During the year under review, our research expenses decreased substantially from RMB324,108,000 to RMB160,490,000. The decrease was mainly attributed to the reduced number of research projects. In addition, the level of expenses was also affected by the progression status and the complexity of each project. The management would allocate appropriate resources on the research and development activities and maintain our competitive edges in respect of our knowhow and advanced products.

Other net income

The other net income decreased to RMB113,114,000 (2022: RMB119,838,000). The major items of other net income for the years ended 31 December 2023 and 2022 are set out below:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Amortisation of government grants	政府補助的攤銷	80,371	81,766
Gain on sales of scrap materials	銷售廢料之收益	20,506	21,841
Net foreign exchange gain	匯兌收益淨額	7,532	1,538
Sewage treatment	污水處理	1,993	2,875
Gain on disposals of property, plant and equipment	出售物業、廠房及設備的收益	1,644	9,403
Government grants (one-off)	政府補助(一次性)	534	1,185
Gain on futures contracts	期貨合約收益	12	601
Written off of property, plant and equipment	撇銷物業、廠房及設備	(3,300)	(208)
Others	其他	3,822	837
		113,114	119,838

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2023, the Group had about 2,267 full time staff (2022: 2,364) in the PRC and Hong Kong. Total staff costs, including Directors' emoluments, of the Group were approximately RMB267,121,000 (2022: RMB266,179,000). The Group considers the experience, responsibility, and performance of the Directors and employees of the Group when determining their respective remuneration packages.

The Company has adopted a share option scheme (the "Share Option Scheme") to enable the Group to grant options to eligible persons as incentives or rewards for their contribution to the Group as well as to attract, recruit and retain senior management, key employees and human resources that are valuable or potentially valuable to the Group.

研究費用

研究費用主要包括所用材料成本以及折舊及攤銷成本。於回顧年度內，本集團的研究費用由人民幣324,108,000元大幅減少至人民幣160,490,000元。該減少乃主要由於研究項目數量減少。此外，費用高低亦受到各項目的進展及複雜程度影響。管理層將分配適當資源用於研發活動並維持我們在技術及先進產品方面的競爭優勢。

其他淨收入

其他淨收入減少至人民幣113,114,000元(二零二二年：人民幣119,838,000元)。截至二零二三年及二零二二年十二月三十一日止年度，其他淨收入的主要項目載列如下：

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Amortisation of government grants	80,371	81,766
Gain on sales of scrap materials	20,506	21,841
Net foreign exchange gain	7,532	1,538
Sewage treatment	1,993	2,875
Gain on disposals of property, plant and equipment	1,644	9,403
Government grants (one-off)	534	1,185
Gain on futures contracts	12	601
Written off of property, plant and equipment	(3,300)	(208)
Others	3,822	837
	113,114	119,838

人力資源及薪酬政策

於二零二三年十二月三十一日，本集團於中國及香港聘用大概2,267名全職僱員(二零二二年：2,364名)。本集團的總員工成本(包括董事酬金)約為人民幣267,121,000元(二零二二年：人民幣266,179,000元)。於釐定本集團各董事及僱員的薪酬待遇時，本集團會考慮彼等各自的經驗、職責及表現。

本公司已採納一項購股權計劃(「購股權計劃」)，以讓本集團可向合資格人士授出購股權，作為彼等對本集團所作貢獻的獎勵或回報，以及讓本集團可吸引、延攬及挽留高級管理層、主要僱員及對本集團而言屬或可能屬寶貴的人力資源。

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In addition, a remuneration committee is delegated by the Board to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management.

As at 31 December 2023, no share options have been granted under the Share Option Scheme.

FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on uncommitted funds. The primary purpose of our financial management and treasury policy is to ensure possessing of sufficient cash and available banking facilities to meet its commitment on one hand and to obtain better return on the other hand. Any unused fund is not only placed on short-term/fixed deposits with authorised financial institutions in Hong Kong and/or the PRC, but also short-term capital-and-reward guaranteed financial instruments.

FOREIGN CURRENCY EXPOSURE

The Directors do not consider the exposure to foreign exchange risk being significant to the Group's operation as the Group operated mainly in the PRC and most of the Group's transactions, assets and liabilities were denominated in Renminbi. Foreign currencies were however received from export sales. Such proceeds were subject to foreign exchange risk before converting into Renminbi. The foreign currencies received from export sales were converted into Renminbi upon receipt from overseas customers. The Group manages foreign exchange risk by monitoring the exchange rates closely instead of entering into any foreign exchange hedging arrangement.

此外，薪酬委員會獲董事會委派審閱及釐定薪酬待遇的條款、花紅及應付予董事及高級管理層的其他報酬。

於二零二三年十二月三十一日，本公司並無根據購股權計劃授出任何購股權。

財務管理及庫務政策

本集團對並無指定用途的資金採取保守的現金管理及投資策略。我們財務管理及庫務政策的主要目的為確保持有足夠現金及可動用銀行信貸應付其承諾，以及取得更佳的回報。任何尚未動用的資金除會存放於香港及／或中國的認可金融機構作短期／定期存款外，亦會用作購買短期保本保收益型金融工具。

外匯風險

鑒於本集團主要在中國經營業務，而本集團大部分交易、資產及負債乃以人民幣計值，故董事認為本集團業務並無承受重大外匯風險。然而，出口銷售所收取的貨幣為外幣。有關所得款項於兌換為人民幣前須承受外匯風險。出口銷售收取的外幣於向海外客戶收取時兌換為人民幣。本集團並無以訂立外匯對沖安排的方式管理外匯風險，而是透過密切留意匯率管理風險。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The key financial performance indicators of the Group for the two years ended 31 December are set out below:

		Units 單位	2023 二零二三年	2022 二零二二年
Debtors turnover	應收賬款週轉	days 天	12	11
Creditors turnover	應付賬款週轉	days 天	5	7
Inventories turnover	存貨週轉	days 天	26	25
Current ratio	流動比率	times 倍	2.3	2.8
Quick ratio	速動比率	times 倍	1.6	1.9
Gearing ratio (note 1)	槓桿比率 (附註1)	%	10.5	5.6
Total shareholder return (note 2)	總股東回報率 (附註2)	%	-36.5	9.4

Notes:

- (1) Gearing ratio is calculated as the borrowings to total assets.
- (2) Total shareholder return combines share price appreciation and dividends paid to show the total return to shareholders.

流動資金、財務資源及資本架構

本集團截至十二月三十一日止兩個年度的關鍵財務表現指標載列如下：

		Units 單位	2023 二零二三年	2022 二零二二年
Debtors turnover	應收賬款週轉	days 天	12	11
Creditors turnover	應付賬款週轉	days 天	5	7
Inventories turnover	存貨週轉	days 天	26	25
Current ratio	流動比率	times 倍	2.3	2.8
Quick ratio	速動比率	times 倍	1.6	1.9
Gearing ratio (note 1)	槓桿比率 (附註1)	%	10.5	5.6
Total shareholder return (note 2)	總股東回報率 (附註2)	%	-36.5	9.4

附註：

- (1) 槓桿比率乃按借款除以總資產計算。
- (2) 總股東回報率包括股價升幅及已付股息，以反映為股東帶來的總回報。

The Directors are of the opinion that the working capital available to the Group is sufficient for its present requirements. As at 31 December 2023, all borrowings of the Group are short-term borrowings. The aggregated bank borrowings of approximately RMB518,585,000 were denominated in Renminbi and carried interest at fixed rates. In addition, the loan from a controlling shareholder of the Company of RMB40,780,000 was denominated in Hong Kong dollars and was carrying interest at a floating rate. The Group's cash and cash equivalents were mostly denominated in Renminbi. The increase in borrowings was mainly attributable to an increase in the working capital requirement. As at 31 December 2023, most of cash and cash equivalents are denominated in Renminbi.

董事認為，本集團可動用的營運資金足以應付其當前所需。於二零二三年十二月三十一日，本集團的全部借款大部分均為短期借款。銀行借款總額約人民幣518,585,000元乃以人民幣計值並按固定利率計息。此外，來自本公司一名控股股東的貸款人民幣40,780,000元乃以港元計值並按浮動利率計息。本集團之現金及現金等價物大部分以人民幣計值。借款增加主要因為營運資金需求增加。於二零二三年十二月三十一日，大部分現金及現金等價物以人民幣計值。

PLEDGE OF ASSETS

As at 31 December 2023, the Group did not pledge any leasehold land and building to secure banking facilities. As at 31 December 2023, the Group provided a deposit of RMB500,000,000 and bank acceptance bills of RMB18,585,000 for securing banking facilities and bills payables respectively.

資產抵押

於二零二三年十二月三十一日，本集團並無抵押任何租賃土地及樓宇作為銀行信貸之抵押。於二零二三年十二月三十一日，本集團分別提供人民幣500,000,000元的存款及人民幣18,585,000元的銀行承兌票據作為銀行信貸及應付票據的抵押。

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管理層討論及分析

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 December 2023.

DISTRIBUTABLE RESERVES

As at 31 December 2023, the Company's reserves available for distribution to shareholders amounted to approximately RMB125,739,000.

DIVIDEND POLICY

The Board intends to create long term value for the shareholders of the Company through maintaining a balance between dividend distribution, adequate cash flow and reserve to meet its working capital requirement and capturing growth opportunities. The Board may propose or declare the payment of dividends after taking into account the current financial performance, the future financial requirements and any other factors that may deem relevant to the Company. The Board may decide the frequency of dividend payment and further declare or recommend any special distributions. Dividends may be declared or paid by way of cash or scrip or by other means that the Board considers appropriate. The payment of dividend is also subject to compliance with applicable laws and regulations including the laws of the Cayman Islands and the Company's memorandum and articles of association. The Board will review this dividend policy from time to time and there can be no assurance that dividend will be paid in any particular amount for any given period.

或然負債

於二零二三年十二月三十一日，本集團並無任何重大或然負債。

可供分派儲備

於二零二三年十二月三十一日，本公司可供分派予股東的儲備約為人民幣125,739,000元。

股息政策

董事會計劃透過維持股息分派、充足現金流量及儲備之間的平衡為本公司股東創造長遠價值，以符合其營運資金需求及把握增長機會。董事會可在考慮目前財務表現、未來財務要求及任何其他可能被視為與本公司相關的因素後建議或宣派股息。董事會可決定派付股息的頻率，並進一步宣派或建議任何特別分派。股息可以現金或以股代息或董事會認為合適的其他方式宣派或派付。股息派付亦須遵守適用法例及法規，包括開曼群島法例及本公司的章程大綱及細則。董事會將不時檢討本股息政策，概不保證將於任何指定期間派付任何特定金額的股息。

Environmental and Sustainability Report

環境及可持續發展報告

Basis of preparation

The preparation of this report was conducted mainly with reference to the “Environmental, Social and Governance Reporting Guide” set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. We aimed to provide a balanced and comprehensive review of the environmental and social performance of different areas in our Group with our major stakeholders in this report. We used priority issue analysis to identify and focus on the primary needs and issues faced by our stakeholder groups.

This report covered the overall environmental and social performance of all major subsidiaries of the Group, which are set out in note 15 to the consolidated financial statements of the Company for the year ended 31 December 2023, which engage in the manufacturing and sales activities of cornstarch and other related products in the People’s Republic of China (the “PRC”).

Disclaimer statement

The performance data set out in this report are not independently audited or verified. The management endeavours to present complete and meaningful information to the user of such data, however, we cannot assure the accuracy or completeness of data in which we collected. The accuracy of the data we produced in this report may be affected by, inter alia, unit conversion factors, material/quality tolerance, and difference in material used and method of production. Therefore, we accept no liability for the accuracy of the information if users of such data suffer any losses or damage.

Board statement

We recognise our corporate social responsibility to society. Consequently, the Board oversees ESG-related issues as well as the overall environmental, social and governance (“ESG”) management approach.

The Board believes that the Group’s sustainability is highly dependent on the relationship with its stakeholders. Besides creating value for shareholders of the Company, we also create value for our stakeholders beyond monetary terms. We are committed to incorporating ESG mindsets into business operations by balancing financial performance with how we do business, how we treat our people, how we live the values in our business relationships and how we care for the environment on which we rely.

編製基準

本報告主要參考載於香港聯合交易所有限公司證券上市規則附錄C2的「環境、社會及管治報告指引」而編製。基於本集團在不同領域的環境及社會表現，我們旨在透過本報告向主要持份者提供平衡而全面的回顧。我們利用優先問題分析的方法識別及集中處理我們持份者群組的主要需求及所面對問題。

本報告涵蓋本集團所有於中華人民共和國（「中國」）從事玉米澱粉及其他相關產品的生產及銷售業務的主要附屬公司的整體環境及社會表現，該等附屬公司的詳情載於本公司截至二零二三年十二月三十一日止年度之合併財務報表附註15。

免責聲明

本報告所載的表現數據未經獨立審核或驗證。管理層盡力向該等數據的使用者呈報完整及具意義的資料，然而，我們無法保證我們收集所得數據的準確性或完整性。我們於本報告內提供的數據的準確性可能會因（其中包括）單位換算系數、物料／質量差範圍，以及使用不同的物料及生產方法而受到影響。因此，我們不會就有關數據的使用者因該等資料準確性所蒙受的任何損失或損害而承擔任何責任。

董事會聲明

我們意識到我們對社會的企業社會責任。因此，董事會監督環境、社會及管治相關問題以及整體環境、社會及管治（「環境、社會及管治」）管理辦法。

董事會相信，本集團的可持續性很大程度取決於其與持份者的關係。除為本公司股東創造價值外，我們亦為持份者創造金錢以外的價值。我們致力通過在財務表現與經營、員工待遇、於業務關係中體現我們價值及關愛我們賴以維生的環境的方式間取得平衡，將環境、社會及管治思維融入業務營運。

Environmental and Sustainability Report

環境及可持續發展報告

What we believe

Cornstarch is one of the most versatile and easily workable resources which also has a wide range of applications in various industries. From the perspective of corn supply, the promotion of using cornstarch would support the development of local and village economies by wise-using agricultural lands. From the perspective of demand of corn kernel, cornstarch is one of the most commonly used components of tens of thousands of manufactured products nowadays. Its existence can be found in different formats, such as in the clothing we wear, the food and beverage served in the restaurant, and as far as oil exploration. Thus, we maintain a positive outlook on our business in the long run.

With our strong platform, we are positioned to capture the benefits of an increasing market share and are well prepared for further sustainable growth. Even though we are facing the current tough and uncertain global and domestic environment, our objective remains unchanged, which is to be in a leading position in the corn-refinery industry in the PRC. To achieve this goal, the Directors and the Company's executive management teams are engaged in expanding our Group in various aspects, including our production capacity of cornstarch and lysine products, our product pipeline, our marketing force and our market coverage. The Company is also committed to enhancing our research and development capability.

我們的信念

玉米澱粉是一種用途最廣及易加工的資源，並獲不同行業廣泛應用。從玉米粒供應角度來看，透過明智地使用農地，推廣使用玉米澱粉將可支持本地及農村經濟發展。從玉米粒需求角度來看，玉米澱粉已成為現時最常用的生產材料之一，用於生產數以萬計的產品。玉米澱粉的呈現形式各異，如我們身上的衣服、餐廳所供應的食物及餐飲，甚或乎石油勘探。因此，我們對業務的長遠前景繼續持樂觀態度。

憑藉我們強大的平台，我們已作好準備，把握市場份額上升所帶來的好處，並已為達到進一步可持續增長作好部署。雖然我們現時所面對的全球及本地環境十分嚴峻及充滿不確定因素，但我們成為中國玉米深加工業領導者的目標並未因而改變。為達到這一目標，董事及本公司執行管理團隊已全力提升本集團於多個不同方面的能力，包括提升玉米澱粉及賴氨酸產品的產能、拓展產品渠道、增強市場推廣力度及拓展市場覆蓋率。本公司亦致力提升研究及開發能力。

Goal 目標	Method 方法	Outcome 結果
Become a market leader in the corn refinery industry in China 成為中國玉米深加工業的市場領導者	<ul style="list-style-type: none"> • Cost control • 成本控制 • Strengthen the balance sheet • 加強資產負債表 • Research and development • 研究及開發 	Create value for our shareholders 為股東創造價值

Environmental and Sustainability Report

環境及可持續發展報告

Reporting principles

We applied the following principles in the preparation of this report:

Materiality

We identify and assess ESG issues by considering key factors that affect the operations and continuity of our business from the perspectives of our stakeholders. We have seven major stakeholder groups which are set out in the section headed “Our Methodology to this Report” below in this report.

Quantitative

Where applicable, we provided information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption disclosed in the respective sections in this report.

Consistency

We applied consistent methodologies to allow for meaningful comparisons of ESG data over time.

Our Methodology for this Report

The management team is delegated by the Board to identify, evaluate, prioritise, manage and mitigate material ESG-related issues that might adversely affect our business. The Board will discuss and review the Group’s ESG risks and opportunities, performance, progress, goals and targets regularly with the assistance of the management team, with reference to the applicable environmental-related targets set by the local governments and compare our outcomes with these targets.

We conducted a stakeholder review every year to ensure that we can address material issues related to the Group.

We have seven major stakeholder groups which can participate in or affect our decision-making process and influence our business outcomes.

匯報原則

我們於編製本報告時應用以下原則：

重要性

我們從持份者的角度考慮影響業務營運及連續性的關鍵因素以識別及評估環境、社會及管治問題。我們有七個主要持份者群組，其載於本報告下文「我們於本報告採用的方法」一節。

量化

在適用的情況下，我們提供了有關標準、方法、假設及／或所使用的計算工具，以及所使用的轉換因素的來源的資料，用於匯報本報告各部分中的排放量／能源消耗披露。

一致性

我們應用一致的方法，令環境、社會及管治數據日後可作有意義的比較。

我們於本報告採用的方法

董事會授權管理團隊識別、評估、優次排列、管理及減少可能對我們業務有不利影響的環境、社會及管治相關重大事宜。董事會將在管理團隊定期協助下，參考當地政府設立的適用環境相關目標討論及檢討本集團環境、社會及管治的風險及機會、表現、進度、目的及目標，並與之相比較。

我們每年會對持份者進行審查，以確保我們能解決與本集團有關的重要事宜。

我們有七個主要持份者群組參與或能影響我們的決策程序，且能對我們的業務結果造成影響。

Environmental and Sustainability Report

環境及可持續發展報告

A. Talents

We recognise that the health and safety of our people come first as they are key to our long-term success. This is core to us and every aspect of our business. We believe the achievement of positive workplace relations is mutually beneficial to the Group and our employees as workplace efficiency is achieved when labour relationships allow for a culture of continuous improvement and acceptance of change. Thus, we encourage communication at all levels. Apart from regular meetings with the representative of the Group's labour union, we also obtain opinions from and provide feedback within our workgroups in order to ensure continual improvement for the work environment and other staff related matters. To understand, manage and, where possible, minimise occupational injuries or illnesses in our business is equally important. We have appropriate controls in place and provide our people with appropriate training to ensure compliance with the relevant laws and regulations in relation to employees' health and safety. On-the-job training related to individual development is also provided to our people to enhance skills and capabilities for discharging duties at work. The purpose of this arrangement lets our staff get familiar with all accidental situations and minimise the risk of accidents.

Major topics include fire prevention and fire drill, hazardous chemical leaking drill, electrician, welder and boiler worker safety training, lightning prevention, dust explosion prevention. We will also update our safety handbook on a regular basis and provide body check for selected staff with high risk of occupational disease. Our training and drills are mandatory and their results will become a part of the staff appraisal record.

During the year under review, the Group recorded two motorcycle accidents before and after work outside the production plant in Linqing, one of which caused death of one of our staff. According to the police investigations in the PRC, both accidents were caused by the outside drivers. Although these two accidents were caused by the third parties outside our production plant and were not work-related, these were still recognised as occupational injuries pursuant to the PRC Work-related Injury Insurance Regulations.

A. 人才

我們深明將員工的健康及安全置於首位的重要性，因為彼等是我們取得長遠成功的關鍵。這亦是我們及業務各方面的核心。我們認為維持積極的員工關係對本集團及僱員雙方均有益處，倘勞資關係能夠成就不斷改進並接受轉變的文化，即能達到職場效率。因此，我們鼓勵不同級別的員工進行溝通。除定期與本集團工會代表會面外，我們亦會聽取不同工作小組的意見及作出回應，以確保持續改進工作環境及其他員工相關事宜。清楚明白及應付於營運中的職業傷病問題，及於可行情況下將發生職業傷病的機會降至最低同樣重要。我們已有合適的監控措施，並為員工提供合適培訓以確保遵守有關僱員健康及安全的相關法律及法規。我們亦為員工提供與其個人發展有關的在職培訓，以提升彼等於工作中執行職務的技能及能力。這項安排旨在令我們的員工熟悉所有意外情況，並將發生事故的風險降至最低。

主要主題包括防火及火警演習、化學物品洩漏演習、電工、焊工和鍋爐工人安全培訓、雷電防護及塵爆預防。我們還將定期更新安全手冊，並為經選定的職業疾病高危員工提供身體檢查。我們的培訓及演習為強制的，而其結果將成為員工評估記錄的一部分。

於回顧年度內，本集團錄得兩起於臨清生產廠房外在工作前後發生的摩托車事故，其中一起事故導致一名員工死亡。根據中國警方調查，兩起事故均由外來司機導致。儘管該兩起事故均在生產廠房外由第三方導致，與工作無關，但根據中國工傷保險條例仍被認為工傷。

Environmental and Sustainability Report

環境及可持續發展報告

We strive to cultivate sustainable employment practices and labour standards by strictly complying with the PRC Labour Law, the PRC Labour Contract Law and other applicable PRC employment regulations throughout our production processes, and by promoting fair and equal treatment in all areas of human resources, including recruitment and promotion, compensation and dismissal, working hours, diversity, rest periods, equal opportunity, anti-discrimination, and other benefits and welfare. We usually recruit staff in colleges to ensure the candidates have sufficient working capability. In addition, we also check candidates' identification documents to avoid hiring child labour. It is our policy to avoid child labour and forced labour in any of our operations. We believe that the Group can uphold human rights and prevent child labour and forced labour by strictly complying with the above laws and regulations and internal policy.

In adherence with high standards of business ethics and anti-bribery policies, all employees (including the Directors) are required to abide by our ethics policy. Our employees are prohibited from conducting themselves in any way which involves any illegal behaviours by taking advantage or abusing their positions, including but not limited to bribery, fraud, extortion, money laundering and illegally obtaining or accepting benefits from others. In addition, a whistleblowing policy has been implemented to provide a secured reporting channel for employees and stakeholders including, among others, customers and suppliers to report any suspected misconduct or malpractice involving the Group.

Our Directors are reminded to avoid making decisions and abstain from voting if they are aware of potential conflicts of interest in any meetings. Our staff handbook also included anti-corruption clauses to enhance staff's awareness of handling conflict of interest situations. We set the tone at the top and implement these rules at all levels in the Group. Our in-house training is mandatory and applicable to all staff without distinction by gender. During the year under review, we provided training of various topics to all our staff in accordance with their work levels, job nature and duties.

During the year under review, there had been no incidences of non-compliance with relevant laws and regulations that have a significant impact on the Group regarding, among others, safe working environment, occupational hazards, employment and labour practices, bribery, extortion, fraud and money laundering, preventing child and forced labour and anti-corruption and no legal proceedings or cases regarding corrupt practices had been instituted by or brought against the Group and/or its employees.

我們在整個生產過程中嚴格遵守中國勞動法、中國勞動合同法及其他適用的中國僱傭法規，並在招聘及晉升、賠償及解僱、工時、多樣性、休息時間、平等機會、反歧視及其他利益及福利等所有與人力資源有關的領域提倡公平及平等的待遇，致力建立可持續的僱傭常規。我們通常在大學招聘員工以確保候選人具備足夠的工作能力。此外，我們亦會檢查候選人的身份證件以避免僱用童工。我們的政策為避免在任何業務中僱用童工及強制勞工。我們相信，通過嚴格遵守以上法律及法規以及內部政策，本集團能夠維護人權及防止出現童工及強迫勞工的情況。

為堅守高標準的商業道德和反賄賂政策，所有僱員（包括董事）均須遵守我們的道德政策。我們嚴禁僱員利用或濫用彼等職權進行任何形式的違法行為，包括（但不限於）賄賂、欺詐、勒索、洗黑錢及違法收受他人利益。此外，我們亦落實執行舉報政策，為僱員和持份人（包括（其中包括）客戶及供應商）提供安全的渠道舉報任何涉及本集團的疑似不當或不良行為。

倘若我們的董事意識到於任何會議上潛在的權益衝突，務請避免作出決定並放棄投票。我們的員工手冊亦包含反貪污條款，以提高員工處理利益衝突的意識。我們在集團頂層設定總基調，並在集團內各層級落實此等規則。我們的內部培訓為強制性並適用於全體員工，而無性別區分。於回顧年度內，我們根據工作級別、工作性質及職責向全體員工提供各種主題的培訓。

於回顧年度內，在（其中包括）安全工作環境、職業危害、僱傭及勞動常規、賄賂、勒索、欺詐及洗黑錢、杜絕童工及強制勞工以及反貪方面，並無發生違反相關法律及法規，且對本集團有重大影響的事件而本集團及／或其僱員並無提起或被提起與貪污行為有關的法律程序或案件。

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環境及可持續發展報告

The following table summarised the employment information of the major PRC subsidiaries of the Group for the past three consecutive years.

下表概述本集團主要中國附屬公司過往三個連續年度的僱傭資料。

		2023	2022	2021
		二零二三年	二零二二年	二零二一年
Number of employees	僱員人數	2,263	2,360	2,323
By gender	按性別分類			
All grades	所有級別			
– Male	– 男性	1,908	1,983	1,932
– Female	– 女性	355	377	391
Supervisory level	主任級			
– Male	– 男性	56	57	56
– Female	– 女性	1	1	1
Managerial level	經理級			
– Male	– 男性	7	7	9
– Female	– 女性	1	1	1
By age group	按年齡組別分類			
– Under 30	– 30歲以下	512	565	787
– 30 to 50	– 30歲至50歲	1,639	1,693	1,465
– Above 50	– 50歲以上	112	102	71
By employment type	按僱傭類別分類			
– Permanent	– 長期	2,263	2,359	2,281
– Temporary	– 臨時	–	1	42
Staff turnover ratio ^a	員工流失率 ^a			
All grades	所有級別			
– Male	– 男性	4.7%	5.8%	6.7%
– Female	– 女性	1.2%	0.6%	0.7%
By age group	按年齡組別分類			
– Under 30	– 30歲以下	0.6%	4.3%	4.6%
– 30 to 50	– 30歲至50歲	4.4%	1.8%	2.6%
– Above 50	– 50歲以上	0.9%	0.3%	0.2%
Number of fatalities ^b	死亡事故數 ^b	1	–	–
Rate of fatality ^c	死亡事故率 ^c	0.2%	–	–
Lost time injury (“LTI”) ^d	損失工時工傷 (「損失工時工傷」) ^d	2	1	6
Rate of LTI ^e	損失工時工傷率 ^e	0.4%	0.2%	1.3%
Training hours ^e (per month)	培訓時數 ^e (每月)			
– General	– 一般	14.6	12.2	11.4
– Middle-level	– 中級	19.9	18.2	16.6
– Senior	– 高級	28.0	18.2	21.4

a Staff turnover represents the employees (permanent and temporary) leaving the Group voluntarily. Given that the employment information presented above is related to the major subsidiaries of the Group in the PRC, the staff turnover ratio for different geographical region is not applicable.

a 員工流失率為自願離開本集團的僱員 (長期及臨時)。鑒於上述為本集團於中國的主要附屬公司的僱傭資料，不同地區的員工流失率並不適用。

b Fatality is the death of an employee as a result of an occupational injury incident in the course of employment.

b 死亡事故為一名僱員於受僱期間因工傷導致死亡。

c The rates are the number of incidents within a financial year relative to the total number of hours worked in the same financial year. The rates are normalised to 1,000,000 worked hours.

c 有關比率為於財政年度內事故數目相對於同一財政年度內工時總數之比率。有關比率以每百萬工時為標準呈報。

d LTI is an occupational injury sustained by an employee for which the employee misses one or more scheduled workdays after the day of injury.

d 損失工時工傷為僱員因工傷而在受傷當日後損失一天或以上預定工作日的情况。

e The average number of training hours per employee is calculated as the total internal training hours to different employee categories.

e 每名僱員的平均培訓時數乃按不同員工層級的內部總培訓時數計算。

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B. Suppliers

We have developed trust with our suppliers. We, as a leading cornstarch manufacturer, play an important role in the procurement of corn kernel in Shouguang and Linqing districts, which are located in Shandong province. During the year under review, we had not less than 3,300 corn kernel suppliers and all of them are located in the PRC. Our suppliers mainly consist of farmers, cooperatives, agents and traders in the PRC. We provide our corn kernel offer price to our suppliers by using mobile technology. While our procurement is carried out on a 24/7 basis, we propose corn kernel offer prices to our suppliers through mobile technology to increase efficiency. We believe that our suppliers will deliver the best corn kernel to us at their first priority because our offer prices are transparent and we show commitment to purchase at our initial offer prices.

Our second largest material supplier group is the suppliers of chemical materials and consumables. We had not less than 500 of these suppliers during the year under review and they are also located in the PRC. In order to have a fair, transparent and competitive environment, it is our policy to publish our tender invitation on the Company's website. Offer price given by tenderers is not the only crucial factor considered by us. Historical compliance records, such as labour practices, business ethics and environmental protection policies, will also be considered during the selection process. We have a similar procedure for the selection of construction and equipment contractors.

The Group also has a quality assurance policy for all our suppliers. We conduct supplier audits and on-site inspections to (i) ensure that the materials used by our suppliers complied with the contract specifications (and in particular, specifications on environmentally preferable products, where applicable); and (ii) review any potential risk or issue on environment and labour practice. If the performance of work is carried in our site, the contractor is also required to follow our factory safety regulations.

It is our target to maintain an open and fair business environment for our partners. We are committed to maintaining highest standards of openness, probity and accountability. Not only do we have a whistle-blowing policy which allows the report of any misconduct, but we also have anti-bribery provision in our procurement agreements stating the consequence of the breach of the Group's anti-corruption policy. Such policies are supervised and managed by members of the Board to ensure their efficient implementation. During the year under review, the Group did not receive any reports in respect of staff or supplier corruption.

B. 供應商

我們與供應商之間已建立互信關係。作為龍頭玉米澱粉製造商，我們於山東省壽光及臨清區玉米粒採購上扮演重要角色。於回顧年度內，我們有不少於3,300名玉米粒供應商，彼等均位於中國。我們的供應商主要為中國的農民、合作社、代理商及貿易商。我們利用移動科技向供應商提供玉米粒收購價。基於採購工作全年無休止進行，我們利用移動科技向供應商提出玉米粒收購價以提升效率。由於我們的收購價具透明度，加上我們承諾按最初提供的收購價購貨，我們相信供應商將優先向我們提供最優質的玉米粒。

我們的第二大物料供應商組別為化工原料及消耗品的供應商。於回顧年度內，我們有不少於500名此類供應商且彼等亦位於中國。為了營造一個公平、透明及富競爭的環境，我們的政策為於本公司網站刊登我們的招標邀請。我們認為投標者開出的要約價並非我們考慮的唯一關鍵因素。我們亦將於甄選過程中考慮勞動常規、商業道德及環保政策等過往合規記錄。在甄選建造及設備的承包商時，我們沿用類似的甄選程序。

本集團亦對我們的所有供應商採取質量保證政策。我們進行供應商審計及實地考察以(i)確保我們的供應商所使用的材料符合合約指明的規格(尤其是環保產品的規格，倘適用)；及(ii)審視任何有關環境及勞動常規的潛在風險或事宜。倘執行的工作於我們的廠房中進行，承包商亦須遵守我們工廠的安全守則。

我們的目標是為我們的夥伴維持一個開放及公平的營商環境。我們竭力保持公開、誠實和負責的最高標準。我們不僅有舉報政策以便匯報任何不當行為，同時我們於採購協議內亦訂有反貪污條文，列明違反本集團反貪污政策的後果。該等政策由董事會成員監督及管理以確保其能有效實施。於回顧年度內，本集團並無接獲任何有關員工或供應商貪污的報告。

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C. Customers

Product safety is a great issue as we produce base raw materials for our customers. Our products can be reproduced for animal feeds or other products for human consumption. The maintenance of high product quality is the only key to customers' loyalty. Our quality assurance programme ensures that our product standards can be identified precisely in accordance with the Chinese national standards issued by The Standardization Administration of the PRC. Each quality report and product recall request, if any, from our customers will be investigated and examined seriously by our designated quality control team to determine appropriate follow-up actions. In many cases, product quality was affected during delivery or the production method in the customer's production facilities. During the year under review, the Group did not receive any substantiated and material complaints on its products that the Group had to recall and treat the whole batch of products as scrap material for safety and health reasons. In addition, we also work closely with our customers to develop our order book and provide the required products at the right time.

During the year under review, there had been no incidences of non-compliance with relevant laws and regulations that have a significant impact on the Group regarding health and safety, marketing and labelling.

D. Governments

One of our major stakeholders is government authorities. The Group shows its commitment to improve production efficiency by using modernised production facilities and deploying resources in the development of production knowhow. The payback of these investments would not be within a short time. To ensure that the development direction is on the right way with long-term government support, we maintain good working relationships with the municipal governments. We expect that our continuous commitments and support to the government authorities would assist them in better understanding and responding to our industry needs.

E. Business Strategic Partners

It is the Group's vision to become a leading market player in the corn-refinery industry in the PRC. Our business strategies are formulated on this basis. Now, we are gradually moving towards cornstarch-derivative markets representing high value-added products and higher barriers of entry. We welcome cooperation with other leading market players and develop businesses with them.

To ensure long-term success, we carry out market assessment analysis on potential products cautiously. It is important to select a suitable business partner who should have a high reputation in the industry and a proven successful business record.

C. 客戶

由於我們為客戶生產基礎原材料，產品安全是我們的重大議題。我們的產品可加工製成動物飼料或供人類食用的其他產品。保持優質產品質量是挽留客戶的唯一方法。我們的質量保證計劃確保產品標準能精準地符合國家標準化管理委員會發佈的中國國家標準。我們指定的質量控制團隊將認真調查及審查客戶的每一份質量報告及產品召回請求（如有）以確定適當的後續行動。於多數情況下，產品質量於交付期間或客戶生產設施的生產方法中受到影響。於回顧年度內，本集團並無接獲任何證明屬實及重大的產品投訴，說明本集團出於安全及健康的原因必須召回整批產品並將其作為廢品處理。此外，我們亦與客戶緊密合作安排訂單，並適時提供所需產品。

於回顧年度內，於健康及安全、市場推廣及標籤方面概無對本集團有重大影響的相關法律及法規的不合規事件。

D. 政府

政府機關是我們主要持份者之一。本集團承諾使用現代化的生產設施及分配資源發展生產技術，以改善生產效益。該等投資的回報在短期內不會顯現。為確保發展方向能得到政府的長期支持，我們與市政府保持良好工作關係。我們預期，我們長久以來對政府機關的承諾及支持，將有助政府機關對我們行業的需求有更適切的了解及作出更好的回應。

E. 業務策略夥伴

本集團的願景是成為中國玉米深加工行業的市場領導者。我們的業務策略乃根據此基準制定。目前，我們逐漸向高增值產品及入門門檻更高的玉米澱粉衍生品市場發展。我們樂於與其他市場領導者合作，並與他們開展業務。

為確保長期成功，我們對潛在產品進行審慎的市場評估分析。選擇合適的業務夥伴至關重要，我們的業務夥伴應在業界享有盛譽及擁有卓越業務往績記錄。

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F. Shareholders

One of the major stakeholders of the Company is our shareholders. We share our business objective with and create value for our shareholders. Our long-term corporate strategy is to maximise total shareholder return. The Board undertakes the management responsibility on behalf of our shareholders. During our decision-making process, we strive to strike a balance among various factors, including without limitation, maintaining a healthy balance sheet, choosing sustainable development projects, and determining the optimal financial requirements of the Group.

The Board established a shareholders' communication policy setting out the principles of the Company in relation to shareholders' communications, with the objective of ensuring the availability of balanced and understandable information and each of the shareholders is treated equally. We encourage shareholders and potential investors to read the Company's corporate communication policy, which is available on the Company's website.

G. Environment

Environmental Policies

The Group understands that our business has an impact on the environment and we recognise the importance of sound environmental management practices and sustainable business operations. We are committed to meeting all environmental standards and policies as set by the PRC government.

Throughout the year under review, there were no material incidences of non-compliance with the relevant environmental laws and regulations nor were there climate-related issues that have a significant impact on the Group. Our environmental strategy is to achieve a balance between cost of production on one hand, and greenhouse gas ("GHG") emissions and sewage disposal on the other hand. Our business is both energy and water intensive, the Group has its own facilities to reduce GHG emissions and treat sewage before disposal to city sewage network. A perpetual monitoring system on sewage disposal is reported to the local environmental protection bureau and open to public inspection. In order to protect our environment and reduce the cost of production, we use methane generated from sewage treatment to produce steam for internal use.

F. 股東

我們的股東是本公司的主要持份者之一。我們與股東秉持一致的業務目標，並為股東創造價值。我們的長遠企業策略是為股東帶來最大的總回報。董事會代表股東肩負管理的責任。在我們的決策過程中，我們力求在多個因素間取得平衡，包括但不限於維持健康的資產負債表、挑選可持續發展項目，以及釐定本集團的最佳財務需求。

董事會已制定一套股東溝通政策，當中載列本公司有關股東溝通的原則，旨在確保提供公允、易懂的資料，且每位股東均獲平等對待。我們鼓勵股東及潛在投資者閱讀本公司的公司通訊政策，有關政策可於本公司網站查閱。

G. 環境

環境政策

本集團明白我們的業務會對環境造成一定影響，並深明良好的環境管理常規及可持續業務營運的重要性。我們致力遵守中國政府所制定的所有環保標準及政策。

於整個回顧年度，並無發生違反相關環境法律及規例的重大事件，也無發生與氣候有關之問題，且對本集團有重大影響。我們的環境策略為在生產成本、溫室氣體（「溫室氣體」）排放及污水排放方面取得平衡。我們的業務需要使用大量能源及水資源，本集團已安裝自有設施以減少溫室氣體排放及對污水進行處理後方將其排入城市污水管網。本集團已有一套全天候運作的系統監察污水排放，並向地方環保當局報告有關數據，並公開予公眾人士查閱。為保護環境及降低生產成本，我們利用處理污水時所產生的甲烷生產蒸汽供內部使用。

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We currently do not set any target for the reduction of emission of non-hazardous waste. It is because these factors are easily affected by the product mix and the method of production. For example, the energy consumption ratio for liquid sweetener and crystallised sweetener are materially different. We perpetually adjust our production plan to satisfy our customers' orders on one hand and maximise the efficiency of utilities and other resources consumption ratio on the other hand, having regard to the importance of sound environmental management practices and sustainable business operations.

During the year under review, the Group did not produce any hazardous waste in our production plants. In addition, most of our non-hazardous wastes are collected and sold to third parties for other uses.

Use of Resources

Other than corn kernel, electricity and steam are the other two major elements during production. The electricity we used is mainly generated from coal in Shandong province. Although the Group does not have any option to choose the source for the production of energy, we spend much effort to improve production efficiency and, in return, we can reduce the GHG intensity indirectly. For example, the management team reviews the energy consumption rate and sets a new target at the beginning of every financial year. The management team monitors the status of achieving such targets regularly and, apart from cost-efficiency, energy-efficiency would also be taken into account by our management team when making production-related decisions. Water is a vital resource for our planet. It is used to grow crops, feed animals and people, generate electricity and steam, and produce our products. We extract underground water during production and use our own reclaimed water treatment facilities to minimise over-reliance on using underground water and its impact on the environment. We are committed to using water responsibly. While we do not set specific water reduction targets, it is the general strategy and direction of our Group to reduce the overall resource consumption during our production process, all while maintaining our production level and efficiency. This is expected to be achieved through continuous review and evaluation of our ESG performance, business strategy and sustainability goals.

我們目前並未就減少無害廢料排放設定任何目標，乃主要由於該等因素極易受品組合及生產方式影響。例如，液體甜味劑及結晶甜味劑能源消耗比率存在極大差異。考慮到良好環境管理常規及可持續業務營運的重要性，我們不斷調整生產計劃，一方面滿足客戶的訂單需求，另一方面提高設施的效率及其他生產資源的消耗比率。

於回顧年度內，本集團的生產廠房並無產生任何有害廢料。此外，我們會收集大部份無害廢料並出售予第三方作其他用途。

資源使用

除玉米粒外，電力和食水是生產過程中另外兩大主要元素。我們主要使用在山東省的煤電。儘管本集團不能選擇使用何種生產能源，我們會致力改善生產效益，從而間接減少溫室氣體排放強度。例如，管理層團隊審視能源消耗率，並於每個財政年度開始時訂立新目標。管理層團隊定期監察該等目標的達成情況，除成本效益外，我們的管理層團隊在作出生產相關決策時亦會考慮能源效率。水是地球的重要資源。水可以栽種莊稼、供動物及人類飲用、發電及產生蒸汽，以及生產我們的產品。我們於生產過程中抽取地下水，並會使用自設的回收水處理設施減少對使用地下水的過度依賴，以及降低對環境造成的影響。我們承諾以負責任的態度用水。儘管我們沒有設定具體的節水目標，但在保持生產水平和效率的同時，於生產過程中降低整體資源消耗是本集團的總體戰略方向，並有望通過不斷審視及評估我們的環境、社會及管治表現、業務戰略及可持續發展目標來實現。

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Packaging Materials

The usage of packaging material would change in accordance with the customer's packaging requirements. We encourage our customers to use reusable packaging material. During 2023, packaging material used for finished goods was about 10,902 tonnes (2022: 10,240 tonnes). Among which, newly purchased reusable packaging material was about 8,279 tonnes for the year ended 31 December 2023 (2022: 7,515 tonnes). The overall usage volume of packaging materials for cornstarch and lysine products recorded a substantial decrease in 2023 as the Group replaced more durable bags in 2022. In the meantime, the Group was required to acquire new packaging materials for modified starch as the sales of modified starch increased substantially during the year. Therefore, the Group still recorded an increase in aggregate usage and purchase of new packaging materials during the year under review.

The following table summarised the environment-related information for all major subsidiaries of the Group for the past three consecutive years.

		2023 二零二三年	2022 二零二二年	2021 二零二一年
Fresh water used (m ³)	所用食水 (立方米)	1,884,863	2,164,876	2,037,133
Fresh water consumption intensity index ^f	食水消耗強度指數 ^f	129	152	134
Electricity used (GWh)	所用電力 (吉瓦時)	806	786	735
Electricity consumption intensity index ^f	電力消耗強度指數 ^f	104	103	95
Steam used (tonne)	所用蒸汽 (噸)	2,518,643	2,573,524	2,424,367
Steam consumption intensity index ^f	蒸汽消耗強度指數 ^f	86	90	86
Fuel used (litre)	所用燃料 (公升)			
– Diesel	– 柴油	283,768	414,432	407,155
– Unleaded petrol	– 無鉛汽油	69,395	59,106	84,577
GHG emissions ^g (tonne of CO ₂ e)	溫室氣體排放 ^g (噸等值二氧化碳)			
– Scope 1 ^h	– 範圍1 ^h	938	1,279	1,312
– Scope 2 ⁱ	– 範圍2 ⁱ	1,265,309	1,273,946	1,262,320
– Total GHG emission ^j	– 溫室氣體總排放 ^j	1,266,247	1,275,225	1,263,632
GHG emission intensity index ^k	溫室氣體排放強度指數 ^k	94	96	90
Water discharged (m ³)	水排放量 (立方米)			
– Waste water to recycled water	– 廢水轉化為循環再用水	4,160,204	4,050,311	4,032,190
– Waste water to sewage network	– 排放至污水網絡的廢水	2,417,102	2,996,180	2,732,015
Non-hazardous waste ^l produced (tonne)	產生的非危險廢物 ^l (噸)	66,932	71,925	66,590
Packaging material used ^m (tonne)	所用包裝物料 ^m (噸)	10,902	10,240	7,888

f Fresh water, electricity and steam consumption intensity indices are calculated as the intensity of fresh water, electricity and steam consumed per tonne of physical product produced in the financial year relative to the intensity in the 2016 base year (set to 100).

包裝物料

包裝物料的使用會根據客戶的包裝要求而改變。我們鼓勵客戶使用可重複使用包裝物料。於二零二三年，製成品所用包裝物料約為10,902噸（二零二二年：10,240噸）。其中，截至二零二三年十二月三十一日止年度，新採購的可重複使用包裝物料約為8,279噸（二零二二年：7,515噸）。玉米澱粉及賴氨酸產品的包裝物料整體使用量於二零二三年錄得大幅下降，原因為本集團於二零二二年更換了較耐用的包裝袋。與此同時，由於變性澱粉的銷量於年內大幅增加，本集團需要採購變性澱粉的新包裝物料。因此，於回顧年度，本集團新包裝物料的總使用量及的購買量仍錄得增長。

下表概述本集團所有主要附屬公司於過去連續三年的環境相關資料。

		2023 二零二三年	2022 二零二二年	2021 二零二一年
Fresh water used (m ³)	所用食水 (立方米)	1,884,863	2,164,876	2,037,133
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Packaging material used ^m (tonne)	所用包裝物料 ^m (噸)	10,902	10,240	7,888

f 食水、電力及蒸汽消耗強度指數按財政年度所生產實質產品每噸所消耗的食水、電力及蒸汽強度，相對二零一六基準年的強度（設定為100）計算。

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g	The methodology used for the determination of emissions for the financial year 2016 is based on various documents, such as 2006 IPCC Guidelines for National Greenhouse Gas Inventories, and the 2015 Baseline Emission Factors for Regional Power Grids in China issued by the Department of Climate Change and IPCC Fifth Assessment Report.	g	釐定二零一六年財政年度排放量所使用的方法乃以多份文件為根據，如二零零六年IPCC國家溫室氣體清單指南、國家應對氣候變化司發出《二零一五年中國區域電網基準線排放因子》及IPCC第五次評估報告。
h	Scope 1 emissions represent the emissions from combustion of fuels at stationary sources to generate electricity, steam, or heat which are owned or controlled by the Group and transportation emissions from owned or operated vehicles.	h	範圍1排放指由本集團擁有或控制的固定污染源燃料燃燒發電、生產蒸汽或熱力時的排放，以及擁有或操作車輛的交通運輸排放。
i	Scope 2 emissions are emissions from consumption of purchased electricity, steam and heat.	i	範圍2排放為耗用所購買電力、蒸汽及熱力的排放。
j	Total GHG emissions are direct emissions, plus emissions from the net change of purchasing and selling of electricity and steam.	j	溫室氣體排放總量為直接排放，另加來自購買及出售電力及蒸汽淨變動所產生的排放。
k	GHG emission intensity index is calculated as the GHG emissions from physical products produced in the financial year relative to the intensity in the base year (set to 100). The base year is 2016.	k	溫室氣體排放強度指數按財政年度所生產實質產品所排放的溫室氣體，相對基準年的強度（設定為100）計算。基準年為二零一六年。
l	Non-hazardous wastes mainly represent sludge, saccharified residue, inactivated bacteria residue and fertiliser.	l	非危險廢物主要為污泥、糖化殘渣、滅活細菌殘留物及肥料。
m	The quantity includes reusable packaging material that has been used many times.	m	該數量包括已多次使用的可重複使用包裝物料。

Other Environmental and Social Areas

Staff care

During the year under review, the Group organised various activities, such as poker and chess competitions, tug-of-war competitions, Lantern Festival, Women's Day Festival, bicycle day and other activities for its staff. These activities could achieve good team spirit and enhance harmony in the workplace. The expenses used for these staff activities were not material to the Group. It is the Group's policy to contribute to activities which can benefit the community and create positive values for society through our business and operation.

Intellectual property rights

We spend many resources on research and development of new products or innovation of new production methods. It is very difficult to quantify the result of our study outcome in monetary terms. The use of this knowhow, however, can improve our production efficiency and control our cost effectively. In order to protect our research and development results, the Group will register the results with the National Intellectual Property Administration in the PRC.

Consumer data protection and privacy policies

Our transactions are a business-to-business model. Therefore, consumer data protection and privacy policies are not material to our operation.

其他環境及社會範疇

員工關懷

於回顧年度內，本集團為其員工組織了撲克及棋牌比賽、拔河比賽、元宵節、婦女節節慶、及單車日等多項活動。該等活動有利於培養良好的團隊精神，並促進工作場所的和諧。該等員工活動所用開支對本集團而言並不重大。本集團的政策乃通過我們的業務和運營，為有利於社區的活動作出貢獻以及為社會創造積極價值。

知識產權

我們在新產品的研發或新生產方法的創新方面投放大量資源。我們的研究結果難以用金錢來量化。然而，我們能應用這種技術知識改善生產效率並有效控制成本。為了保障我們的研發成果，本集團將向中國國家知識產權局申請將成果註冊。

消費者資料保障及私隱政策

我們的交易以企業對企業的模式進行。因此，消費者資料保障及私隱政策對我們的營運而言並非至關重要。

Risk Review Report

風險審閱報告

Our risk measurement philosophy

An effective risk review system could help an entity minimise and manage risks efficiently. Our risk management and internal control systems are not one-off arrangements; instead they are integrated into our daily business operations and decision-making process. The objective of upholding a high standard of risk management and internal control is to guarantee the sustainability of the Group's development.

The Board has the overall responsibility for the Group's risk management and internal control systems. These systems are monitored by the Board through the assistance of the Audit Committee, Corporate Strategy and Development Department and Internal Audit Department.

Identifying risks

The management uses risk scorecard to rank and compare each identified risk and its related impact posing to the Group. Through this analysis process, all identified risks are presented to the Board in an effective and comprehensible manner. The Board reviews the risks and mitigation tools every year.

How we manage risk

Risk and control responsibility must be well-defined and delegated to each staff. Each staff must understand their duty and recognise their responsibility. A well-defined control prevention system is a key to success. Our risk prevention mechanism is as follows:

Risk ownership	The executive management team is assigned the responsibility for managing risks and monitoring the implementation of risk mitigation policies. In addition, the team heads are required to pledge themselves to ensure appropriate control procedures are in place within their respective teams to the Chief Executive Officer once a year.
風險承擔	執行管理團隊負責管理風險並監管風險舒緩政策的落實情況。此外，各小組主管須每年向行政總裁承諾確保其各自的團隊已制訂合適的監控程序。
Monitoring	A monthly management report in respect to the operation, market and safety issues is circulated amongst the management team. It allows the management to stay alert on potential risks in different seasons.
監管	每月就經營、市場及安全事宜向管理團隊提交管理報告，令管理層對不同季節的潛在風險保持警惕。
Compliance review	Internal Audit Department considers the review areas for the coming year and discusses its plan with the Audit Committee. It also carries out ad-hoc tasks on specific areas which required by the Board or the management. The internal audit report will be discussed with the respective department head and reviewed by the Board respectively.
合規審查	內部審核部門考慮來年的審查範圍，並與審核委員會討論其計劃。其亦按董事會或管理層的要求對特定領域進行臨時審核。內部審核報告將與各部門主管討論，並由董事會審閱。

我們的風險管理理念

有效的風險檢討系統可幫助實體將風險降至最低及有效地管理風險。風險管理及內部監控系統並非一次過的安排，相反，該等系統是我們的日常業務營運及決策過程的一部份。維持高水準風險管理及內部監控的目的是保證本集團可持續發展。

董事會對本集團風險管理及內部監控系統承擔整體責任。該等系統由董事會在審核委員會、企劃部及內部審核部協助下進行監察。

確認風險

管理層採用風險計分卡對本集團所面對的各項已識別風險及其相關影響進行評級及比較。透過是項分析過程，所有已識別的風險會以有效及易於理解之方式向董事會呈報。董事會每年檢討風險及舒緩風險的工具。

管理風險的方法

我們須明確界定風險及監控責任並落實到各個員工。各員工均須了解其職責，並深明其責任。界定明確的監控防範系統乃成功的關鍵。我們的風險防範機制如下：

Risk Review Report

風險審閱報告

Challenges

After the end of the COVID-19 pandemic towards the end of 2022, people looked forward to having an energetic and prosperous 2023. However, this hope burst due to global inflation, dampening market demand and geopolitical tensions. These unstable factors hindered the global economic recovery. The Group, as a manufacturer of base materials, inevitably suffered from the adverse economic factors during 2023. In response to these challenges, our competent management team strengthened control on working capital and expenditures as well as adjusted production schedules that minimised production costs on one hand and satisfied customers' orders on the other hand.

Principle risks analysis

Principle risk and uncertainty identification are part of our risk management system. During the year under review, the Board held one meeting to discuss the risks and mitigation tools. The risk of flattening demand was escalated during the year under review. The following analysis shows the major risks and uncertainties that are considered material and may adversely affect the business and financial position of the Group.

挑戰

於二零二二年底COVID-19疫情結束後，人們期待著一個充滿活力及繁榮的二零二三年。然而，全球通貨膨脹、市場需求抑制、地緣政治緊張等因素使這一希望破滅。該等不穩定因素阻礙了經濟復甦。本集團作為基礎材料製造商，於二零二三年不可避免地受到該等不利經濟因素的影響。為應對該等挑戰，我們稱職的管理團隊加強了對營運資金及支出的控制，並調整了生產計劃，一方面最小化了生產成本，另一方面滿足了客戶訂單的需求。

主要風險分析

識別主要風險及不確定因素是我們風險管理系統的其中一部分。於回顧年度，董事會舉行一次會議討論風險及舒緩風險的工具。於回顧年度，市場需求平緩的風險升級。以下分析載列被視為重大及可能對本集團的業務及財務狀況產生不利影響的主要風險及不確定因素。

Major risks 主要風險	Mitigation plans 舒緩風險計劃
<p>Lack of growth dynamic in the PRC</p> <p>Our businesses are dependent on the prosperity of the Chinese market. The challenge of oversupply and weak demand for cornstarch and its related products accelerates over the year.</p> <p>於中國缺少增長動力</p> <p>我們的業務依賴於中國市場的繁榮。玉米澱粉及其相關產品供過於求及需求疲弱的挑戰於年內加劇。</p>	<ul style="list-style-type: none"> Maintain a strong balance sheet Maintain sufficient banking facilities Strengthen the credit control of customers Develop our business in a cornstarch-derivative product market <ul style="list-style-type: none"> 維持穩健的資產負債表 保持足夠的銀行融資 加強對客戶的信貸監控 發展玉米澱粉衍生產品市場的業務
<p>Failure to operate our plants as scheduled</p> <p>Production schedule may be affected by working safety review and environmental review.</p> <p>We have no compromise on staff safety. Failure to follow safety laws, regulations and standards may result in workplace accidents involving injury or fatality. During the year under review, we spend much effort to ensure that safety controls are in place.</p> <p>In order to fulfil a regional gas pollutant or sewage discharge benchmark set by the local government, factories in the region may be required to limit their production output temporarily. The frequency of such requirements may increase in the future.</p> <p>我們的工廠無法如期營運</p> <p>生產計劃可能受到工作安全審查及環境評估的影響。</p> <p>我們在員工安全事宜上絕不讓步。如未能遵守安全法例、規例及標準，可能會導致工作地點發生意外，造成傷亡。於回顧年度，我們努力確保妥善實施安全監控。</p> <p>為了符合當地政府制定的地區性氣體污染物或污水排放指標，該地區的工廠可能會被要求暫時限制產量。接獲該要求的次數在未來可能會增加。</p>	<ul style="list-style-type: none"> Safety Supervision Department to oversee all safety issues of the Group Corporate Strategy and Development Department to monitor control procedures in place regularly Perform various safety exercises and safety drills regularly Maintain high level of gas emission/sewage discharge standard during our production Have regular follow-up meetings with the municipal government for expansion plans <ul style="list-style-type: none"> 安監部監察本集團所有安全事宜 企劃部定期監察是否妥善實施監控程序 定期進行各種安全活動及安全演習 於生產中保持高標準的氣體排放／污水排放水平 定期與市政府就擴張計畫舉行後續會議

Risk Review Report

風險審閱報告

Major risks 主要風險	Mitigation plans 舒緩風險計劃
<p>Failure to minimise adverse impacts from national-wide disruptive forces such as disease and natural disaster</p> <p>External events (such as swine flu, extreme weather, and crop failure) would have a significant impact on our business. This could happen at any time without warning.</p> <p>無法將疾病及自然災害等具全國破壞性因素的不利影響降至最低</p> <p>外部事件(如豬流感、極端天氣、農作物減產)將對我們的業務造成重大影響。該情況並無任何預警，隨時可能發生。</p>	<ul style="list-style-type: none"> • Sourcing from national food reserve or other regions • Maintain adequate insurance to protect our assets • Review and update our mitigation plan regularly • Set up emergency mitigation action group if necessary <ul style="list-style-type: none"> • 從國家糧食儲備或其他地區採購 • 投購足夠的保險以保護我們的資產 • 定期檢討及更新舒緩風險計劃 • 必要時成立緊急舒緩風險行動小組
<p>Extra cost to neutralise greenhouse gas (“GHG”) footprint</p> <p>The transfer of carbon neutrality roadmap to carbon neutrality policy would affect business operations. It may also increase operating costs and affect capital investment.</p> <p>中和溫室氣體(「溫室氣體」)足跡的額外成本</p> <p>將碳中和路線圖轉變為碳中和政策將影響業務運營。此舉亦可能增加運營成本並影響資本投資。</p>	<ul style="list-style-type: none"> • Engage external GHG professional parties (eg. local universities) to assist the Group to evaluate any new investment projects • Investment in the use of power-saving equipment • Participate in the government/industry workgroup of setting GHG standards <ul style="list-style-type: none"> • 委聘外部溫室氣體專業機構(如當地大學)以協助本集團評估任何新投資項目 • 投資使用節電設備 • 參與設立溫室氣體標準的政府/業界工作小組
<p>Failure to maintain our product quality</p> <p>Our product may not achieve our customer’s required level of quality or national standards. Poor quality or sub-standard products could have a negative impact on our brand image and reputation.</p> <p>無法維持我們的產品質量</p> <p>我們的產品可能未能達到客戶要求的質量水平或國家標準。質量低劣或不合格的產品會對我們的品牌形象及聲譽產生負面影響。</p>	<ul style="list-style-type: none"> • Undertake strict quality control and product testing • Carry out periodic product recall drills to improve the handling process of product recalls shall they arise, hence minimising the potential negative impact of any sub-standard product on the Group <ul style="list-style-type: none"> • 進行嚴格的質控及產品測試 • 定期進行產品召回演習，以改進發生產品召回時的處理流程，從而將任何不合格產品對本集團的潛在負面影響降至最低
<p>Failure to maintain production software security</p> <p>The increase in using automated production methods can reduce headcount effectively. However, it increases the exposure to software malfunction risk. Operations may be interrupted by a cyber-attack or false human input.</p> <p>無法維持生產軟件安全</p> <p>增加使用自動化生產的方法可有效減少員工數量。然而，其增加了軟件故障的風險。營運可能會因受到網絡攻擊或人工輸入錯誤而中斷。</p>	<ul style="list-style-type: none"> • Real-time power supply monitoring system • Implement strict physical security control in restricted areas, e.g. control room • Use of firewall and antivirus software <ul style="list-style-type: none"> • 實時供電監控系統 • 於受限制區域(例如控制室)實施嚴格的物理安全控制 • 使用防火牆及殺毒軟件

Risk Review Report

風險審閱報告

Major risks 主要風險	Mitigation plans 舒緩風險計劃
<p>Failure to manage price fluctuation in cornstarch, corn kernel and energy costs</p> <p>Cornstarch and corn kernel prices are more volatile in recent years. We may not pass the increased cost to customers immediately and may result in a significant loss.</p> <p>無法管理玉米澱粉、玉米粒及能源成本之價格波動</p> <p>近年來，玉米澱粉及玉米粒價格波動較大。我們可能無法即時將增加的成本轉至客戶，從而造成重大損失。</p>	<ul style="list-style-type: none"> • Monitor the commodity price movement closely • Use derivatives • Set energy consumption reduction target <ul style="list-style-type: none"> • 密切監察商品價格變動 • 使用衍生產品 • 制定節能降耗目標
<p>Breach of legal and regulatory requirements</p> <p>It is a trend that environmental protection-related rules and regulations will be more stringent year by year. Government policies may change without prior signals. Evolving standards, rules and regulations could result in increased costs, regulatory actions, or in extreme cases, litigation or plant closure.</p> <p>違反法律及監管要求</p> <p>與環境保護相關的規則及規例一年比一年嚴格，並已成為趨勢。政府政策可在毫無先兆的情況下改變。標準、規則及規例不停轉變，可能會導致成本上升和招致監管行動，在極端情況下更可能會導致訴訟或關閉工廠。</p>	<ul style="list-style-type: none"> • Regular monitoring and review of changes in laws and regulations • Act as a representative of industry group and participate in the government policy/regulation-making stage <ul style="list-style-type: none"> • 定期監察及檢討法例及規例的變動 • 擔任行業組織的代表，在政府政策／規例的制定階段介入
<p>Failure to promote new products</p> <p>The Group may not execute a new product project as planned.</p> <p>無法推廣新產品</p> <p>本集團未必會按計劃推行新產品項目。</p>	<ul style="list-style-type: none"> • Market research and feasibility study on potential new product <ul style="list-style-type: none"> • 對潛在新產品進行市場調查及可行性研究
<p>Failure to meet expansion target</p> <p>Business combination, acquisition or formation of joint venture may not achieve the expected outcome as planned.</p> <p>無法滿足拓展目標</p> <p>業務合併、收購或成立合營企業可能無法按計劃取得預期成果。</p>	<ul style="list-style-type: none"> • Due diligence work on a potential acquisition target • Engage legal advisors to advise on investment or cooperation proposal <ul style="list-style-type: none"> • 對潛在收購目標進行盡職調查 • 委聘法律顧問就投資或合作建議提供意見

The Board considered the internal control system is effective and adequate for the year ended 31 December 2023. No significant areas of concern that might affect the Group were identified.

It should be acknowledged that our risk management and internal control systems are designed to manage rather than eliminate the risk of failure and can only provide reasonable and not absolute assurance against material misstatement or loss.

就截至二零二三年十二月三十一日止年度而言，董事會認為內部監控系統屬有效及足夠，且並無發現任何可能影響本集團的重大須關注事宜。

務請注意，我們的風險管理及內部監控系統乃為管理（而非消除）出現事故的風險，並僅可合理（而非絕對）保證並無重大錯誤陳述或損失。

Corporate Governance Report

企業管治報告

The board (the “Board”) of directors (the “Directors”) of China Starch Holdings Limited (the “Company” or “China Starch”) understands maintaining high corporate governance standards is crucial to success in the future. The Board and its dedicated executive management teams always demonstrate its commitment in upholding sound internal control standards, accountability and integrity to the shareholders and stakeholders of the Company.

China Starch’s Mission and Objective

China Starch is committed to becoming a leading corn deep-processing manufacturer in China. Our business history started in 1998. We have been focusing on the application development of cornstarch and other related products for over a quarter century. Our business decisions and objective are formulated based on “3S”:

Shareholders:

股東：

Providing reasonable investment returns
提供合理投資回報

Staff:

僱員：

Providing opportunities for employees to realise their own value
為僱員實現其自身價值提供機會

Society:

社會：

Creating elements of sustainable development
創造可持續發展要素

Corporate Governance Practices

The Company has complied with the applicable code provisions as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) during the year under review and has applied the principles as laid down with the aim of achieving a high level of governance, except that Mr. Tian Qixiang (the chairman of the Board and an executive Director) did not attend the 2023 annual general meeting of the Company (the “2023 AGM”) because of his other business engagement.

Directors’ Securities Transactions

The Company has adopted its own Securities Dealing Code (the “Dealing Code”) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules. The Dealing Code applies to all Directors and to all employees who are informed that they are subject to its provisions. The Company has made specific enquiry of all Directors and that all the Directors confirmed their compliance with the required standard set out in the Dealing Code throughout the year under review.

The Board

The Board is accountable to the shareholders of the Company (the “Shareholders”) for its leadership and control and is collectively responsible for promoting the Company’s long-term success and businesses by directing and supervising the Company’s affairs. The Board is currently composed of four executive Directors and three independent non-executive Directors. All members of the Board are subject to the same duties of care and skill and fiduciary duties in upholding their accountability to the Shareholders and in making decisions objectively in the best interests of the Company and the Shareholders as a whole.

中國澱粉控股有限公司（「本公司」或「中國澱粉」）董事（「董事」）會（「董事會」）深明保持高水平企業管治準則對未來取得成功的重要性。董事會與專責的執行管理團隊一直銳意向本公司股東及利益相關者展示其對維持良好的內部監控標準、問責性及誠實守信的承諾。

中國澱粉之使命及目標

中國澱粉致力於成為中國龍頭玉米深加工製造商。我們的業務歷史始於一九九八年。25年間，我們一直專注於玉米澱粉及其他相關產品的應用開發。我們的業務決策及目標乃基於「3S」制定：

企業管治常規

除田其祥先生（董事會主席及執行董事）因其他業務活動而並無出席本公司二零二三年股東週年大會（「二零二三年股東週年大會」）外，本公司已於回顧年度遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄C1第二部分所載的適用守則條文，並應用已訂明的原則以實現高水平企業管治。

董事的證券交易

本公司已採納其自訂的證券買賣守則（「買賣守則」），其條款不比上市規則附錄C3所載的上市發行人董事進行證券交易的標準守則寬鬆。買賣守則適用於所有董事及所有獲通知須遵守該守則規定的僱員。本公司已向全體董事作出具體查詢，全體董事確認彼等於整個回顧年度一直遵守買賣守則所載的規定標準。

董事會

董事會須就領導及控制本公司向本公司股東（「股東」）負責，並共同負責指引及監管本公司事務，促成本公司長期成功及推進業務。董事會目前由四名執行董事及三名獨立非執行董事組成。董事會所有成員均須遵守相同的謹慎及技巧行事及受信責任，以向股東負責及客觀地作出符合本公司及股東整體利益的決策。

Corporate Governance Report

企業管治報告

The Board, being the governing body of the Company, had led the management in performing the following duties during the year under review:

- Formulating long-term and short-term strategic and business plans
- Approving the Group's annual forecasts
- Evaluating the business performance of the Group
- Ensuring the integrity of financial information
- Evaluating the effectiveness of the Group's internal control and risk management systems
- Developing, reviewing and monitoring the Group's corporate governance policies and practices and ensuring their implementation in accordance with the CG Code (including but not limited to reviewing and monitoring the training and CPD development of the Directors, the compliance with the CG Code and the Dealing Code, as well as reviewing the disclosures in this Corporate Governance Report)
- Ensuring the Group's compliance with legal and regulatory requirements

To facilitate effective management, the Board has delegated certain functions to various Board committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee. Each of these Board committees operates under their respective written terms of reference on terms no less exacting than the code provisions as set out in the CG Code. Suggestions and conclusions of the Board committees will be reported to the Board in its subsequent meeting.

In addition, the Board also delegates the day-to-day operational responsibilities to the executive management team under the leadership of the Chief Executive Officer. The Chief Executive Officer, working with the executive management team, is responsible for the operations and business development of the Group.

Chairman and Chief Executive Officer

The roles of the Chairman and Chief Executive Officer are separate and not be performed by the same individual. Mr. Tian Qixiang holds the position of the Chairman, and is primarily responsible for the strategic positioning. Mr. Gao Shijun serves as the Chief Executive Officer, and is primarily responsible for the operations and business development of the Group.

There is no relationship (including financial, business, family or other material/relevant relationship(s)) among the Directors and in particular, between Mr. Tian Qixiang (Chairman) and Mr. Gao Shijun (Chief Executive Officer). The biographies of the Directors are set out in the section headed "Directors and Senior Management Profiles".

董事會作為本公司的管理組織，已於回顧年度帶領管理層履行下列職責：

- 制訂長期及短期策略及業務計劃
- 批准本集團的年度預測
- 評估本集團業務表現
- 確保財務資料的完整性
- 評估本集團內部監控及風險管理系統的成效
- 制定、檢討及監察本集團企業管治政策及常規，以及確保根據企業管治守則執行（包括但不限於檢討及監察董事之培訓及持續專業發展、遵守企業管治守則及買賣守則的情況，以及審閱本企業管治報告作出的披露）
- 確保本集團遵守法律及監管規定

為達致有效管理，董事會將若干職能指派予不同的董事會委員會，即審核委員會、薪酬委員會及提名委員會。各董事會委員會依據彼等各自的書面職權範圍運作，其條款不比企業管治守則所載之守則條文寬鬆。各董事會委員會將於其後的董事會會議中，向董事會匯報其建議及結論。

此外，董事會亦將指派執行管理團隊在行政總裁的領導下負責集團的日常營運。行政總裁與執行管理團隊共同負責本集團的營運及業務發展。

主席與行政總裁

主席與行政總裁的角色明確區分，且並非由一人同時兼任。田其祥先生擔任主席一職，主要負責戰略部署。高世軍先生擔任行政總裁一職，主要負責本集團的營運和業務發展。

董事之間（尤其是田其祥先生（主席）與高世軍先生（行政總裁）之間）概無任何關係（包括財務、業務、家族或其他重大／相關關係）。董事的履歷詳情載於「董事及高級管理人員簡介」一節。

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Company Secretary

Mr. Leung Siu Hong, the company secretary of the Company, is a full-time employee of the Group. He also serves as the secretary of each of the Audit Committee, Nomination Committee, Remuneration Committee and other board committees as organised by the Board from time to time. Mr. Leung is responsible for advising the Board through the Chairman and/or the Chief Executive Officer on governance matters, for example, to ensure Board procedures and applicable laws and regulations are followed.

Mr. Leung is a fellow member of the Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountant. Mr. Leung is also a fellow member of The Chartered Governance Institute and The Hong Kong Chartered Governance Institute.

During the year under review, Mr. Leung took no less than 15 hours professional training to update his skills and knowledge.

2023 Board and Committee Meeting Attendance and Training Record

During the year under review, the Board held four regular meetings. The regular Board meetings are scheduled one year in advance to facilitate maximum attendance by the Directors. Other additional Board meetings are convened as and when required.

Our Directors recognised the importance of participating in continuous professional development (the “CPD”) to develop and refresh their knowledge and skill, which can help them keep abreast of current trends and issues facing the Group and ensure better fulfilment of their duties as directors of the Company.

公司秘書

本公司公司秘書梁兆康先生為本集團全職僱員。彼亦擔任審核委員會、提名委員會、薪酬委員會及董事會不時成立的其他董事會委員會的秘書。梁先生負責透過主席及／或行政總裁向董事會提供有關管治事宜的建議，例如確保董事會程序及適用法律及法規獲得遵從。

梁先生為香港會計師公會及英國特許公認會計師公會的資深會員，亦為特許公司治理公會與香港公司治理公會的資深會員。

於回顧年度，梁先生已接受不少於15小時專業培訓以提升其技能及知識。

二零二三年董事會會議及委員會會議的出席及培訓記錄

於回顧年度，董事會舉行四次定期會議。董事會預早一年計劃定期董事會會議的時間表，藉以將董事的出席率提至最高。如有需要，亦會召開其他額外董事會會議。

董事肯定參與持續專業發展（「持續專業發展」）以發展及更新知識與技能的重要性，其可令董事緊貼目前趨勢及本集團所面臨的問題，並確保彼等更好地履行作為本公司董事的職責。

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The attendance record of the Directors at Board meetings, Board committee meetings and the 2023 AGM, together with the type of training received by each of the Directors during the year under review are as follows:

董事於回顧年度的董事會會議、董事會委員會會議及二零二三年股東週年大會出席記錄，以及各董事所接受的培訓類別如下：

	Board Meetings	Board Committee Meetings 董事會委員會會議			2023 AGM 二零二三年 股東週年大會	Type of CPD received 所接受的 持續專業 發展類別
		Audit Committee	Remuneration Committee	Nomination Committee		
	董事會會議	審核委員會	薪酬委員會	提名委員會		
Executive Directors:						
Mr. Tian Qixiang (Chairman)	2/4	N/A 不適用	1/1	1/1	X	B
Mr. Gao Shijun (Chief Executive Officer)	2/4	N/A 不適用	N/A 不適用	N/A 不適用	✓	A,B
Mr. Liu Xianggang	4/4	N/A 不適用	N/A 不適用	N/A 不適用	✓	A,B
Mr. Yu Yingquan	4/4	N/A 不適用	N/A 不適用	N/A 不適用	✓	A,B
Independent non-executive Directors:						
Professor Hua Qiang	4/4	3/3	1/1	1/1	✓	A,B
Mr. Sun Mingdao	4/4	3/3	1/1	1/1	✓	A,B
Mr. Yue Kwai Wa, Ken	4/4	3/3	1/1	1/1	✓	A,B

A	Attending briefings/seminars/webinars/forums/workshops/conferences relating to directors' duties or other relevant topics	A	出席與董事職務或其他相關主題有關的簡報會／研討會／網上研討會／論壇／工作坊／會議等
B	Reading materials, such as newspapers, journals, business updates and regulatory updates relating to business, economy or directors' duties	B	閱覽與業務、經濟形勢或董事職務有關的材料，如報章、期刊、最新業務資訊及最新監管資訊等

Board Diversity

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The current Board Diversity Policy provides that, among others, the Company should not have a single gender Board. In designing the Board's composition, board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural, race, educational background, professional experience, skills, knowledge and independence under the Board Diversity Policy as published on the Company's website. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

The existing members of the Board consist of male Directors only. The Board has set a target to appoint at least one director of a different gender to the Board by the end of 2024. The Company expects this to be achievable with suitable effort in promoting gender diversity culture within the Group, which the Company has been advocating. We believe a board with gender diversity will give a more balanced view, save for working experience and academic background, in formulating decisions at the strategic level. The Company also endeavours to maintain gender diversity and equality in terms of the whole workforce, by providing an equal working environment and same opportunities to all our employees. In particular, we encourage our female staff to participate in organising staff activities and express their ideas in different staff panels.

董事會多元化

為達致可持續及均衡的發展，本公司視董事會層面日益多元化為支持其達到戰略目標及維持可持續發展的關鍵元素。當前的董事會多元化政策規定（其中包括），本公司不得組成全屬單一性別的董事會。在設定董事會成員組合時，會根據本公司網站所載的董事會成員多元化政策，從多個方面考慮董事會多元化，包括但不限於性別、年齡、文化、種族、教育背景、專業經驗、技能、知識及獨立性。董事會所有委任均以用人唯才為原則，並會充分顧及董事會成員多元化的裨益，以客觀條件考慮人選。

現有董事會成員僅由男性董事組成。董事會設定目標於二零二四年底前任命至少一名異性董事加入董事會。本公司一直倡導在集團內部推廣性別多元化文化，並希望通過適當的努力實現這一目標。我們相信，除工作經驗及學術背景外，不同性別的董事會將在制定戰略層面決策時給出平衡的觀點。本公司亦努力為我們的員工提供平等的工作環境及機會，致力於維持整個員工隊伍的性別多元化及平等。特別是，我們將繼續鼓勵女性員工參與組織的員工活動，並在不同的員工小組中發表意見。

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Director's Appointments, Re-election and Removal

Pursuant to the Articles of the Company, every Director shall be subject to retirement by rotation at least once every three years. Any Director appointed to fill a casual vacancy or as an additional Director shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that general meeting.

Independent non-executive Directors are appointed for a term of one year subject to retirement by rotation and re-election in accordance with the Articles. Each independent non-executive Director is required to inform the Company as soon as practicable if there is any change that may affect his independence and must provide annual confirmation of his independence to the Company.

Accountability and Audit

The Directors acknowledge their responsibility for the preparation and the true and fair presentation of the consolidated financial statements in accordance with Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards, using and applying consistently suitable accounting policies and making reasonable and prudent judgement and estimates. The Board is not aware of any material uncertainties relating to events or conditions that may affect the business of the Company or cast doubts on its ability to continue as a going concern.

The financial information and plans were discussed in the regular Board meetings. The Chairman and Chief Executive Officer of the Company are responsible for explaining the latest business development and financial projections to the Directors.

During the year under review, the fees payable to the external auditor of the Group, SHINEWING (HK) CPA Limited ("SHINEWING"), and its affiliated firms comprise service charges for the following:

Audit service	審核服務
Others	其他

董事的委任、重選及罷免

根據本公司章程細則，每名董事須至少每三年輪流退任一次。任何就填補臨時空缺或作為新增董事而獲委任的董事僅可任職至本公司下一次股東大會，屆時將合資格於該股東大會上接受重選。

獨立非執行董事的任期為一年，並須根據章程細則輪流退任及接受重選。倘出現任何可能影響獨立非執行董事獨立性的變動，各獨立非執行董事均須在切實可行的情況下盡快通知本公司，並須就其獨立性向本公司作出年度確認。

問責及核數

董事已確認，彼等有責任根據香港財務報告準則及香港會計準則編製及真實而公平地列報合併財務報表，並且貫徹使用及應用適當的會計政策，以及作出合理和審慎的判斷及估計。董事會並無發現任何與可能會影響本公司的業務或令其持續經營能力成疑的事件或情況相關的重大不明朗因素。

董事會在定期會議中討論財務資料和計劃。本公司主席及行政總裁負責向各董事解釋最新的業務發展及財務預測。

於回顧年度內，應付本集團外聘核數師信永中和（香港）會計師事務所有限公司（「信永中和」）及其聯屬公司的費用包括以下服務費用：

		2023 二零二三年 HK\$000 千港元	2022 二零二二年 HK\$000 千港元
Audit service	審核服務	1,180	1,180
Others	其他	230	230

Risk Management and Internal Control

Each company and industry is associated with specific inevitable risks. We cannot avoid them, but we adopt the best and responsible approach to manage and overcome them. Our risk management and internal control systems have been in place for many years, which provide the assurance of operation efficiency, work safety and safeguarding of assets. The Company does not set up a designated committee for reviewing risk management and internal control systems. However, the Board undertakes the responsibility for monitoring the business risks and formulating plans and risk management policies to mitigate potential risks and uncertainties that materially affect the business of the Group. The Board is also responsible for evaluating the effectiveness of the risk management and internal control systems of the Group. The risk management and internal systems are reviewed on an ongoing basis by the Board in order to ensure that they are effective in providing reasonable assurance in relation to the identification of business risks. The Board is satisfied that, based on the best information available and its own observations, the present risk management and internal control systems of the Group are effective and adequate.

The management team is delegated by the Board to identify, manage and mitigate material risks that might adversely affect our business. Once the management team considers any newly-identified risk to be material, it will report such risk to the Board for assessment and consideration of implementing a corresponding mitigation plan where appropriate. However, it is possible that certain risks remain undetected or unidentified and risks currently identified as immaterial may eventually turn out to be material to our Group. In view of the inevitable nature of certain risks associated with our business and industry, our risk management and internal control systems are designed to manage rather than eliminate unavoidable risks of failure to achieve the Group's business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

風險管理及內部監控

各公司及行業均無可避免面對特定的風險。我們無法避免風險，但我們採取最佳及負責的方法處理及克服風險。我們的風險管理及內部監控系統已運作多年，為營運效率、工作安全及財產保障提供保證。本公司並無設立負責審閱風險管理及內部監控系統的專責委員會。然而，董事會負責監察業務風險，並制定計劃及風險管理政策，將可能會對本集團業務造成重大影響的風險及不明朗因素減至最低。董事會亦負責評估本集團風險管理及內部監控系統的功效。董事會持續審查風險管理及內部監控系統，以確保其於識別業務風險時提供有效合理保證。根據可得最佳資料及其自身觀察，董事會信納本集團現有的風險管理及內部監控系統乃屬有效適當。

董事會授權管理團隊識別、管理及減少對本集團業務有不利影響的重大風險。倘管理團隊認為任何新識別的風險屬重大，其將向董事會報告有關風險進行評估，以及考慮實施相應的舒緩計劃（如適用）。然而，仍有可能出現若干未能發現或識別的風險，或現時識別為對本集團不重大但最終成為重大的風險。鑒於與我們業務及行業有關的若干風險屬無法避免，我們的風險管理及內部監控系統乃為管理而非消除未能達成本集團業務目標的無可避免風險設計，且只能合理（而非絕對）保證不會有重大失實陳述或損失。

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The following diagram shows the risk management hierarchy of the Group, which provides information on our processes used to identify, evaluate and manage significant risks:

下表載列本集團的風險管理層級，其提供我們用於識別、評估及管理重大風險的流程的資料：

The Board

董事會

- Monitoring business risks
監察業務風險
- Formulating plans and risk management policies
制定計劃及風險管理政策
- Evaluating effectiveness of risk controls and mitigation tools
評估風險控制及舒緩工具的成效
- Overseeing and ensuring the conduct of reviews on the Group's risk management and internal control systems at least annually
監察及確保每年至少對本集團的風險管理及內部監控系統進行一次審閱

Audit committee

審核委員會

- Reviewing the Group's risk management and internal control systems at least annually
每年至少對本集團的風險管理及內部監控系統進行一次審閱
- Ensuring the Group's management has performed its duty in implementing the Group's risk management and internal control systems
確保本集團管理層履行其執行本集團風險管理及內部監控系統的職責
- Considering major findings on risk management and internal control matters
考慮風險管理及內部監控事務的重大發現

Operational departments

營運部門

- Identifying different risks and uncertainties in each operating cycle
識別各個營運週期中不同的風險及不明朗因素
- Reporting identified risks and significant adverse business factors
報告已識別風險及重大不利業務因素
- Implementing risk controls and mitigation policies determined by the Board
執行由董事會釐定的風險控制及舒緩政策



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Operational departments

The function of operational management includes, inter alia, the identification of potential risks and the implementation of the Group's risk management and internal control systems, including risk controls and mitigation policies, as determined by the Board in the course of daily operations.

The Group has built in the risk management culture from top to bottom. At departmental level, the Group has prescribed, for each operational department, our risk management principles, control procedures and code of conducts in order to promote stronger understanding of stewardship responsibilities, delegation of duties, and accountability for the Group's risk management and internal control systems. At staff level, the Group has laid down the business ethics policy, whistleblowing policy and inside information escalation policy to ensure that sufficient controls are in place to guide our employees' behaviours through, and ensure timely and decisive responses to, potential and emerging crises. To enforce our people's individual risk management capabilities and minimise any gap between the Board's risk vision and the management's actions, risk-related objectives are also integrated into employees' annual performance goals and appraisal process.

The Group emphasises production safety and product safety in every aspect of our operations. Safety always comes first.

The production safety function is carried out by the Safety Supervision Department (the "SSD") of the Group. The major functions of SSD includes, inter alia, the promotion of risk management culture, compliance and regulatory standards. It also carries out periodical drills on whole-factory scale, such as fire drill, prevention of dust explosion review, safety review on working at height and use of corrosive chemicals, regular staff examination on safety issues, etc.

The product safety function is carried out by the Corporate Strategy and Development Department (the "CSDD"). It carries out product recall drills periodically. In addition, CSDD also assists our department heads to develop control procedures in their respective departments.

The management believes that periodic drills provide our employees with opportunities to train and test their reactions under different critical situations. In addition, it also allows the Group to evaluate the effectiveness of each of our codes of conduct and risk management and internal control procedures.

營運部門

營運管理部門的職能包括(其中包括)識別潛在風險及執行董事會於日常業務過程中所釐定的本集團風險管理及內部監控系統,包括風險控制及舒緩政策。

本集團由上至下建立風險管理文化。於部門層面上,本集團各營運部門均有訂明的風險管理原則、監控程序及行為守則,藉以加深管理層對本集團風險管理及內部監控系統的責任、職務分授及問責性的認識。於員工層面上,本集團已制定商業道德政策、舉報政策及內幕消息匯報政策,確保有足夠監控就潛在及突發危機為僱員的行為提供指引,並確保適時作出堅定的回應。為加強員工的個人風險管理能力,以及縮小董事會的風險預測與管理層行動間的差距,僱員的年度表現目標及評估程序中亦加入風險相關的目標。

本集團於營運各方面均注重生產安全及產品安全,並時刻將安全放於首位。

生產安全職能由本集團安監部(「安監部」)執行。安監部的主要職能包括(其中包括)推廣風險管理文化、提升合規及監管標準。安監部亦定期進行以全廠房為對象的演習,如消防演習、塵爆預防檢討、高空作業及使用腐蝕性化學品的安全檢討,定期就安全事宜對員工進行評核等。

產品安全職能由企劃部(「企劃部」)執行。其定期進行產品召回演習。此外,企劃部亦協助部門主管製訂各部門自身的監控程序。

管理層相信定期演習為僱員提供訓練機會,以及測試彼等在不同危急情況下的反應。另外,演習亦讓本集團評估各項行為準則,以及風險管理及內部監控程序的成效。

Corporate Governance Report

企業管治報告

Internal audit is an important component of corporate risk management. The internal audit function is performed by the Group's Internal Audit Department (the "IAD"). The major responsibilities of IAD are as follows:

- (i) To carry out independent review on business activities;
- (ii) To analyse any areas of potential control, operational, compliance and financial weaknesses and their impacts;
- (iii) To report findings on any weakness areas; and
- (iv) To suggest improvement and remedy procedures.

Relationship of Audit Committee and the Board under risk management framework

The Audit Committee is delegated with the responsibility to review the adequacy and effectiveness of the Group's internal control and risk management systems at least annually. Periodical review reports and presentations in relation to internal control and risk management matters are provided to the Audit Committee by the management. These reports allow the Audit Committee to assess the effectiveness of the internal control and risk management systems. Whenever a weakness of the Group's internal control and risk management systems is identified, the Audit Committee is responsible for discussing its potential financial impacts and the corresponding remedy procedures with the Board and the management. The Group had not been aware of any material internal control failings or weaknesses affecting its overall operation during the year under review.

A Risk Review Report set out on pages 33 to 36 summarised our works conducted and the evaluation of risks associated with the Group during the year under review.

Inside information

An inside information escalation policy is in place and sets out the principles and internal control procedures for guiding our Directors and relevant employees on the handling and dissemination of inside information in a timely manner and in adherence to the relevant laws and regulations. The policy is subject to review by the Board from time to time in view of, among others, relevant legal and regulatory updates.

Audit Committee

The major roles and functions of the Audit Committee are to review and supervise the financial reporting process, financial controls, internal control and risk management system of the Group and to provide recommendations and advice to the Board on the appointment, re-appointment and removal of external auditor as well as their terms of appointment.

The Audit Committee of the Company currently consists of all independent non-executive Directors, namely Professor Hua Qiang, Mr. Sun Mingdao and Mr. Yue Kwai Wa, Ken. Mr. Yue is the chairman of the Audit Committee.

內部審計為企業風險管理的重要元素。內部審計職能由本集團的內部審計部（「內部審計部」）進行。內部審計部的主要職責如下：

- (i) 對業務活動進行獨立審閱；
- (ii) 分析任何潛在監控、營運、合規及財務弱點的影響；
- (iii) 匯報所發現的任何弱點；及
- (iv) 就改善及補救程序提供建議。

審核委員會及董事會在風險管理框架下的關係

審核委員會獲授權負責每年對本集團內部監控及風險管理系統充分性及有效性進行至少一次審閱。管理層定期向審核委員會提供有關內部監控及風險管理事宜的審閱報告及呈報。有關報告可讓審核委員會評估內部監控及風險管理系統的成效。倘發現本集團內部監控及風險管理系統存在弱點，審核委員會負責與董事會及管理層討論其潛在財務影響及相應的補救程序。本集團於回顧年度並無發現任何影響本集團整體營運的重大內部監控缺失或弱點。

風險審閱報告載於第33至36頁，概列其於回顧年度內所進行的工作及對與本集團有關的風險作出的評估。

內幕消息

本集團已制定內幕消息匯報政策，並訂明原則及內部監控程序，指引董事及相關僱員及時根據相關法例及法規處理及發佈內幕消息。董事會須不時根據（其中包括）相關法例及監管更新檢討有關政策。

審核委員會

審核委員會的主要角色及職能為檢討及監察本集團的財務申報程序、財務控制、內部監控及風險管理系統，並就委任、續聘及罷免外聘核數師以及彼等的委任條款向董事會提供建議及意見。

目前，本公司審核委員會成員包括全體獨立非執行董事，即花強教授、孫明導先生及余季華先生。余先生為審核委員會主席。

Corporate Governance Report

企業管治報告

During the year under review, the Audit Committee performed the following duties:

- Reviewed the Group's annual report and interim report
- Reviewed the significant accounting policy and the impact of the adoption of new financial reporting standards
- Discussed the audit issues with the external auditor
- Reviewed the annual internal audit plan
- Made recommendation of the appointment of external auditor
- Reviewed the whistleblowing policy of the Group
- Assessed the independence of external auditor
- Reviewed and discussed the internal audit reports and risk management findings with our management

Remuneration Committee

The major function of the Remuneration Committee is to make recommendation to the Board on the remuneration policy and remuneration structure for all Directors.

Our remuneration policy prohibited our Directors from determining his or her own remuneration. Each Director's remuneration package has been considered and/or reviewed periodically with respect to his or her individual performance, responsibilities, financial performance of the Group, market practice and other applicable factors.

The Remuneration Committee currently consists of all independent non-executive Directors namely Professor Hua Qiang, Mr. Sun Mingdao and Mr. Yue Kwai Wa, Ken and the Chairman of the Company, Mr. Tian Qixiang. Mr. Yue is the chairman of the Remuneration Committee.

The remuneration of the executive Directors and the independent non-executive Directors for the financial year 2022 and 2023 are the same. On 15 December 2023, the Remuneration Committee reviewed the annual remuneration package of both the executive Directors and the independent non-executive Directors for the financial year 2023 and has recommended to the Board that the annual remuneration for Directors should remain unchanged for the financial year 2024.

None of the Directors participated in any discussion about his own remuneration in the meetings regarding the review of remuneration.

Nomination Committee

The major functions of the Nomination Committee are to review the structure and composition of the Board, to implement and review the Board Diversity Policy, to review and provide recommendations on the terms of Director's service contract, and to assess the independence of the independent non-executive Directors.

於回顧年度，審核委員會已履行下列職責：

- 審閱本集團的年度報告及中期報告
- 審閱重大會計政策及採納新訂財務報告準則的影響
- 與外聘核數師討論審核問題
- 檢討年度內部審核計劃
- 就委任外聘核數師提供推薦建議
- 檢討本集團的舉報政策
- 評估外聘核數師的獨立性
- 與管理層審閱及討論內部審核報告及風險管理所發現的情況

薪酬委員會

薪酬委員會的主要職能為就全體董事的薪酬政策及薪酬架構向董事會作出推薦建議。

我們的薪酬政策禁止董事釐定自身的薪酬。每名董事的薪酬待遇會定期根據其個人表現、職責、本集團的財務表現、市場慣例及其他適用因素進行考慮及／或審閱。

目前，薪酬委員會成員包括全體獨立非執行董事，即花強教授、孫明導先生及余季華先生，以及本公司主席田其祥先生。余先生為薪酬委員會主席。

執行董事及獨立非執行董事於二零二二年及二零二三年財政年度的薪酬相同。於二零二三年十二月十五日，薪酬委員會已審閱執行董事及獨立非執行董事於二零二三年財政年度的年度薪酬待遇，並向董事會建議於二零二四年財政年度的董事年度薪酬應維持不變。

於檢討薪酬的會議上，概無董事參與討論自身的薪酬。

提名委員會

提名委員會的主要職能為審閱董事會的架構及組成、執行及檢討董事會成員多元化政策、審閱董事服務合約的條款及就此向股東提供推薦建議，以及評估獨立非執行董事的獨立性。

Corporate Governance Report

企業管治報告

The Board adopts a board diversity policy that, in formally nominating a candidate, the Board shall assess the suitability of a proposed candidate by taking into account factors including but not limited to gender, age, cultural, race, educational background, professional experience, skills, knowledge and independence. A summary of the Group's diversity policy is set out in page 40 above.

The Nomination Committee currently consists of all independent non-executive Directors, namely Professor Hua Qiang, Mr. Sun Mingdao and Mr. Yue Kwai Wa, Ken and the Chairman of the Company, Mr. Tian Qixiang. Mr. Yue is the chairman of the Nomination Committee.

During the year under review, the Nomination Committee performed the following duties:

- Assessed the independence of the independent non-executive Directors
- Made recommendations on the re-election of retiring Directors to the Board
- Reviewed the background and suitability of a proposed independent non-executive Director
- Evaluated the structure and composition of the Board
- Reviewed the Company's Board Diversity Policy
- Reviewed the term of reference of the Nomination Committee

Nomination Policy

The Company sets out below the nomination procedures and the process and criteria contained in the Nomination Policy adopted by the Board.

Nomination Procedures and Process

The factors listed below would be used principally by the Nomination Committee in assessing the suitability of a proposed candidate.

The secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from members of the Board if any, for consideration by the Nomination Committee before its meeting. The Nomination Committee may also put forward candidates who are not nominated by members of the Board.

- For filling a casual vacancy or appointing an additional member to the Board, the Nomination Committee shall make recommendations for the Board's consideration and approval.
- For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.
- A circular will be sent to the shareholders of the Company to provide them with the name, brief biography, proposed remuneration, (where an independent non-executive Director is to be nominated) independence and other information of the proposing candidate in accordance with the requirements of the applicable laws, rules and regulations including those of the Listing Rules.

董事會採納董事會成員多元化政策，在正式提名董事會成員人選時，董事會須評估建議候選人的合適性，考慮因素包括（但不限於）性別、年齡、文化、種族、教育背景、專業經驗、技能、知識及獨立性。本集團的多元化政策概要載於上文第40頁。

目前，提名委員會成員包括全體獨立非執行董事，即花強教授、孫明導先生及余季華先生，以及本公司主席田其祥先生。余先生為提名委員會主席。

於回顧年度，提名委員會已履行下列職責：

- 評估獨立非執行董事的獨立性
- 就重選退任董事向董事會作出推薦建議
- 審閱候任獨立非執行董事的背景資料及合適性
- 評估董事會架構及組成
- 檢討本公司董事會成員多元化政策
- 檢討提名委員會的職權範圍

提名政策

本公司於下文載列董事會採納之提名政策內所載提名程序及過程以及標準。

提名程序及過程

下文所列因素將主要供提名委員會評估建議候選人合適性時作為參考。

提名委員會秘書須召開提名委員會會議，並於其會議召開前邀請董事會成員提名候選人（如有）供提名委員會考慮。提名委員會亦可建議並非由董事會成員提名的候選人。

- 就為董事會填補臨時空缺或委任額外成員而言，提名委員會須提出建議以供董事會考慮及批准。
- 就推薦候選人參加股東大會選舉而言，提名委員會須向董事會作出提名以供其考慮及建議。
- 根據適用法例、規則及法規（包括上市規則）的規定，載有建議候選人名字、簡歷、建議薪酬、（就提名獨立非執行董事而言）獨立性及其他資料的通函將寄發予本公司股東。

Corporate Governance Report

企業管治報告

- A shareholder can serve a written notice to the Company for the attention of the Company Secretary of his or her intention to propose a certain person for election as a Director. This written notice, together with (i) the information of the candidate as required to be disclosed under Rule 13.51(2) of the Listing Rules and such other information as may be considered relevant to his or her proposed election; and (ii) the written consent by that person to the publication of his or her personal data provided pursuant to (i) immediately above, for publication by the Company in its corporation communication documents in compliance with the Listing Rules or as may be required by the Stock Exchange must be served at the principal place of business in Hong Kong of the Company for a period of no earlier than the day after the despatch of the notice of the general meeting and ending no later than 7 days prior to the date of such meeting.
- The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.
- 股東可向本公司發出書面通知（註明收件人為公司秘書），表述其有意推舉指定人士參選董事。該書面通知連同(i)根據上市規則第13.51(2)條須予披露的候選人資料及該等可能被認為與候選人的建議選舉有關的其他資料；及(ii)該人士就本公司遵照上市規則或聯交所規定於其企業通訊文件中刊發根據上述第(i)項提供的個人資料發出的同意書，須於不早於有關股東大會通告寄發後翌日起至不遲於有關大會日期前七日結束之期限內寄往本公司於香港的主要營業地點。
- 董事會就有關其推薦候選人參加任何股東大會選舉的一切事宜擁有最終決定權。

Criteria adopted by the Nomination Committee

- **Business experience:** The candidate should have significant experience from a senior role in an area of business, public affairs or academia, relevant to the Company. Awareness of the corn deep-processing industry would be an advantage but not a requirement in all cases.
- **Public board experience:** The candidate should have relevant expertise and experience earned as a Board member of a reputable listed company or from a senior position in his or her industry, public affairs or academia.
- **Diversity:** The candidate should contribute to the Board being a diverse body, with diversity reflecting gender, age, cultural and educational background, ethnicity, professional experience, qualifications, skills and length of service. Given the current composition of the Board, a female candidate would be an advantage.
- **Standing:** The candidate should be of the highest ethical character and have a strong reputation and standing, both personally and professionally, in his or her fields.
- **Time commitment:** Each Board member must have sufficient time available for the proper performance of his or her duties. Directors should be sufficiently free of other commitments to be able to devote the time needed to prepare for meetings and participate in induction, training, appraisal and other Board associated activities.
- **Independence:** For the candidate who is proposed as an independent non-executive Director, he or she must satisfy all the independence requirements as set out in Rule 3.13 of the Listing Rules. He or she must always be aware of threats to his or her independency and avoid any conflict of interest with the Company. He or she must be able to represent and act in the best interest of the Company and its shareholders as a whole.
- **提名委員會採納的標準**
- **業務經驗：**候選人須擁有大量擔任與本公司相關業務、公共事務或學術界高級職位的經驗。對玉米深加工行業有認識者將獲優先考慮，但並非必要條件。
- **公眾公司董事會經驗：**候選人應擁有擔任知名上市公司董事會成員或於其所屬行業、公共事務或學術界出任高級職位所獲得的相關專業知識及經驗。
- **多元性：**候選人需要為董事會作為一個多元組織作出貢獻，使其在性別、年齡、文化及教育背景、種族、專業經驗、資格、技能及服務年期上具備多元性。鑒於董事會現時的組成，女性候選人將獲優先考慮。
- **名聲：**候選人應擁有最高道德標準，且在其所處領域擁有卓著聲譽及名聲（個人及專業）。
- **時間投入：**各董事會成員必須擁有足夠時間妥為履行其職務。董事應預留足夠時間投放於會議準備，以及參與入職介紹、培訓、評估及其他與董事會有關的活動。
- **獨立性：**就獲提名出任獨立非執行董事的候選人而言，彼必須符合上市規則第3.13條所載的全部獨立性規定。彼必須時常留意對其獨立性有威脅的事宜，以及避免與本公司有任何利益衝突。彼必須能代表及以本公司及其股東整體的最佳利益行事。

Corporate Governance Report

企業管治報告

These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee may also consider such other factors as it may see fit which are in the best interest of the Company and its shareholders as a whole. The Nomination Committee and the Board may set specific requirements, depending on the development needs of the Company, for the candidates.

Communications with Shareholders

The objective of Shareholders' communication is to provide our Shareholders with detailed information about the Company so that they can engage actively with the Company and exercise their rights as shareholders in an informed manner. The Company uses various communication tools to promote effective communication with its Shareholders and to provide them with balanced and understandable information about the Company, including general meetings, annual and interim reports, notices, announcements, circulars and electronic means of communication via the Company's website. The Board welcomes enquiries from Shareholders and will review Shareholders' enquiries on a regular basis. Shareholders and the investment community may at any time make a request for the Company's information to the extent such information is publicly available. Specific enquiries and suggestions by Shareholders can be sent by post to the Company's office at Room 1101-4, 11/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong or by email to ir@chinastarch.com.hk.

In case of shareholding enquires, Shareholders should direct their enquiries to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, via its website at www.tricoris.com, or by email to is-enquiries@hk.tricorglobal.com, or dial its hotline at (852) 2980 1333 or go in person at its public counter at 17/F, Far East Finance Centre, 18 Harcourt Road, Hong Kong.

A Shareholder's Communication Policy was adopted by the Board in order to promote effective communication between the Shareholders and the Company. This policy is available on our website. The Board reviewed the communication activities with the Shareholders during the year and based on such review was satisfied with the implementation and effectiveness of the Shareholder's Communication Policy.

Shareholder(s) holding not less than one-tenth (10%) of the paid-up capital of the Company can convene an extraordinary general meeting by depositing the requisition in writing to the Company. The procedures for Shareholder(s) to convene and present proposals at general meetings, including proposing a person for election as a Director, are available on our website.

Constitutional Documents

The Company did not make any changes to its constitutional documents during the year under review.

該等因素僅供參考，並不旨在涵蓋所有因素，也不具決定性作用。提名委員會亦可考慮其認為符合本公司及其股東整體最佳利益的其他因素。提名委員會與董事會可視乎本公司的發展需要對候選人設立特別要求。

與股東的溝通

股東通訊的目的為向股東提供有關本公司的詳盡資料，以便股東在知情情況下可積極與本公司交流及行使股東權利。本公司採用各種溝通工具促進與其股東的有效溝通及向彼等提供有關本公司公正及易於理解的資料，包括股東大會、年報及中報、通告、公告、通函及透過本公司網站提供電子通訊途徑。董事會歡迎股東垂詢，並將定期審閱股東的查詢。股東及投資界可在任何時間向本公司索取本公司可公開查詢的資料。股東如有任何具體查詢及意見，可以郵遞方式寄送至本公司辦事處香港灣仔告士打道39號夏愨大廈11樓1101-4室或以電郵(ir@chinastarch.com.hk)方式提出。

有關股權方面的查詢，股東應透過本公司香港股份過戶登記分處卓佳證券登記有限公司的網站www.tricoris.com、電郵至is-enquiries@hk.tricorglobal.com、致電熱線(852) 2980 1333，或親臨其設於香港夏愨道18號遠東金融中心17樓的公眾櫃台向過戶登記分處提出。

董事會已採納股東溝通政策促進股東與本公司的有效溝通。有關政策可於本公司網站閱覽。年內，董事會已審閱與股東的溝通活動及基於有關審閱對股東溝通政策的實施及有效性表示滿意。

於本公司繳足股本中持有不少於十分一(10%)權益的股東可透過向本公司發出書面要求召開股東特別大會。股東召開股東大會及於會上提呈建議(包括建議一名人士參選董事)的程序可於本公司網站查閱。

章程文件

於回顧年度內，本公司的章程文件並無任何變動。

Directors and Senior Management Profiles

董事及高級管理人員簡介

Executive Directors

Mr. Tian Qixiang, aged 60, joined the Group in 2003. Mr. Tian is the chairman of the Board and a member of each of the Nomination Committee and Remuneration Committee of the Board since 2007. Mr. Tian is principally responsible for the Group's strategic positioning. He is also responsible for formulating the Group's business development objectives and ensuring that such objectives are implemented by the Board accordingly. Mr. Tian is also a director of Shandong Shouguang Juneng Golden Corn Development Co., Ltd. ("Golden Corn"), an indirect wholly owned subsidiary of the Company, and Shouguang Golden Corn Biotechnology Limited ("Golden Corn Biotech"), an indirect non-wholly owned subsidiary of the Company, respectively.

Mr. Tian completed his study of Electricity and Water Irrigation from Water and Electricity Machinery School in 1981 and graduated from The Shandong Province Party Committee School of the People's Republic of China with a diploma in Economics Management in 1996. Mr. Tian obtained the qualification as a senior economist in December 2002.

Mr. Tian is beneficially interested in approximately 54.58% of the issued share capital of Merry Boom Group Limited ("Merry Boom"), a controlling Shareholder of the Company, and he is also a director of Merry Boom.

Mr. Gao Shijun, aged 56, joined the Group in 1998 and is currently the chief executive officer of the Company. Mr. Gao is principally responsible for overseeing the Group's operations and business management. Mr. Gao is also a director of the following subsidiaries of the Company:

- Golden Corn
- Golden Corn Biotech
- Linqing Deneng Golden Corn Bio Limited
- Shouguang Golden Far East Modified Starch Co., Ltd
- Shouguang Juneng Musashino Biotechnology Co., Ltd

Mr. Gao obtained an undergraduate degree in Physics in 1989 and a Master of Business Administration degree in 2012 from Shandong University. He was also awarded the qualification of senior engineer in 2010. Mr. Gao is a council member of China Starch Industry Association.

執行董事

田其祥先生，60歲，於二零零三年加入本集團。自二零零七年起，田先生為董事會主席，並為董事會提名委員會及薪酬委員會各自的成員。田先生主要負責本集團的戰略部署。彼同時亦負責本集團業務發展目標的規劃並確保這些目標會由董事會相應執行。田先生亦分別為本公司間接全資附屬公司山東壽光巨能金玉米開發有限公司（「金玉米」）及本公司間接非全資附屬公司壽光金玉米生物科技有限公司（「金玉米生物科技」）的董事。

田先生於一九八一年在山東省水利機電學校完成電力排灌專業課程，一九九六年畢業於中國共產黨山東省委員會黨校，持有經濟管理專業文憑。田先生於二零零二年十二月取得高級經濟師資格。

田先生實益擁有本公司控股股東怡興集團有限公司（「怡興」）已發行股本約54.58%，彼同時為怡興的董事。

高世軍先生，56歲，於一九九八年加入本集團，現任本公司行政總裁。高先生主要負責監督本集團的經營和業務管理。高先生亦為本公司以下附屬公司的董事：

- 金玉米
- 金玉米生物科技
- 臨清德能金玉米生物有限公司
- 壽光金遠東變性澱粉有限公司
- 壽光巨能武藏野生物科技有限公司

高先生於一九八九年自山東大學畢業，並獲得物理學士學位，隨後於二零一二年取得山東大學工商管理碩士學位。彼亦於二零一零年獲授高級工程師資格。高先生為中國澱粉工業協會常務理事。

Directors and Senior Management Profiles

董事及高級管理人員簡介

Mr. Liu Xianggang, aged 55, joined the Group in 1998. Mr. Liu is also a director of Golden Corn and Golden Corn Biotech respectively. He is responsible for the Group's production technology developments and cornstarch production.

Mr. Liu graduated from Shandong Industrial University (subsequently amalgamated into Shandong University in 2000) in 1990 with an undergraduate degree in Industrial Management, and obtained a postgraduate diploma in Industrial Economics from the Economics School of Shandong University in 2003. Mr. Liu also obtained a Master of Business Administration degree from Shandong University in 2012. Mr. Liu obtained the qualification as senior engineer in 2002. Mr. Liu is a vice-chairman of the Cornstarch Professionals Committee of China Starch Industry Association.

Mr. Yu Yingquan, aged 55, joined the Group in 2003. Mr. Yu is principally responsible for the overall management in investment and corporate finance of the Group. Mr. Yu is also a director of Golden Corn and Golden Corn Biotech respectively.

Mr. Yu graduated from Shandong Hydro Institute in 1990 with a diploma in Hydro Economic and Financial Management, and obtained a diploma in Finance Management from Shandong Economics Management Institute in 1998. Mr. Yu obtained the Certificate of Accounting Professional of the People's Republic of China issued by Finance Bureau of Shouguang City in 1997.

Independent Non-executive Directors

Professor Hua Qiang, aged 52, has been appointed as independent non-executive Director on 17 May 2016. Professor Hua also serves as a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Board. Professor Hua has been a professor of the School of Biotechnology and the State Key Laboratory of Bioreactor Engineering of the East China University of Science and Technology since 2008. He obtained a bachelor and a master degree in chemical engineering (major in biochemical engineering) from the Zhejiang University in 1993 and 1996 respectively. He also obtained a doctoral degree in information engineering from the Kyushu Institute of Technology (Japan) in 2000. He was appointed as an assistant professor of Institute for Advanced Biosciences of the Keio University (Japan) from 2001 to 2004, and was appointed as a postdoctoral scholar of the Department of Bioengineering of the University of California, San Diego from 2004 to 2007. He had also been a medical research scientist for Sanford Burnham Prebys Medical Discovery Institute (formerly known as "Burnham Institute for Medical Research") (the United State of America) from 2007 to 2008.

Mr. Sun Mingdao, aged 75, has been appointed as an independent non-executive Director on 5 September 2013. Mr. Sun also serves as a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Board. Mr. Sun is an advisor to the China Starch Industry Association.

Mr. Sun had been a deputy director of the research centre and a vice general manager of Wuhan Huali Environmental Technology Co., Ltd. from 2001 to 2007. Mr. Sun had served as a standing committee member, and the Sixth and Seventh Sessions' chief secretary of China Starch Industry Association respectively.

劉象剛先生，55歲，於一九九八年加入本集團。劉先生亦分別為金玉米及金玉米生物科技的董事。彼負責本集團的生產技術開發及玉米澱粉的生產。

劉先生於一九九零年畢業於山東工業大學（隨後於二零零零年併入山東大學），持有工業管理工程學士學位，並於二零零三年獲山東大學經濟學院頒發產業經濟學研究生文憑。劉先生亦於二零一二年取得山東大學工商管理碩士學位。於二零零二年，劉先生獲取高級工程師的資格。劉先生是中國澱粉工業協會玉米澱粉專業委員會的副會長。

于英泉先生，55歲，於二零零三年加入本集團。于先生主要負責本集團的整體投資管理和企業融資。于先生亦分別為金玉米及金玉米生物科技的董事。

于先生於一九九零年畢業於山東水利專科學校，獲水利經濟與財務管理文憑，及於一九九八年由山東省經濟管理幹部學校院獲得財務管理文憑。于先生於一九九七年取得由壽光市財政局發出的中華人民共和國會計從業資格證書。

獨立非執行董事

花強教授，52歲，於二零一六年五月十七日獲委任為獨立非執行董事。花教授亦擔任董事會審核委員會、提名委員會及薪酬委員會各自的成員。花教授自二零零八年起一直出任華東理工大學生物工程學院生物反應器工程國家重點實驗室教授。彼於一九九三年及一九九六年分別取得浙江大學化工系學士及碩士學位（主修生物化學工程），並於二零零零年取得日本九州工業大學信息學博士學位。彼於二零零一年至二零零四年獲委任為日本慶應義塾大學先端生命科學研究所助理教授，於二零零四年至二零零七年獲委任為加州大學聖地牙哥分校生物工程系博士後學者。彼亦於二零零七年至二零零八年為美國Sanford Burnham Prebys Medical Discovery Institute（前稱「Burnham Institute for Medical Research」）醫藥科學研究員。

孫明導先生，75歲，於二零一三年九月五日獲委任為獨立非執行董事。孫先生亦為董事會審核委員會、提名委員會及薪酬委員會各自的成員。孫先生為中國澱粉工業協會顧問。

孫先生於二零零一年至二零零七年分別為武漢華麗環保科技有限公司研究所副所長及副總經理。孫先生曾分別擔任中國澱粉工業協會常務理事、第六及第七屆秘書長。

Directors and Senior Management Profiles

董事及高級管理人員簡介

Mr. Yue Kwai Wa, Ken, aged 58, has been appointed as an independent non-executive Director on 5 September 2007. Mr. Yue also serves as the chairman of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Board.

Mr. Yue is serving as an executive director, the chairman, the chief executive officer, the company secretary and the compliance officer of Roma (meta) Group Limited ("Roma"). He is also an independent non-executive director of Major Holdings Limited ("Major"). The shares of Roma and Major are listed on The Stock Exchange of Hong Kong Limited.

Mr. Yue is a certified public accountant with solid experience in accounting, auditing and corporate finance. Mr. Yue is also a member of the American Institute of Certified Public Accountants and the Colorado State Society of Certified Public Accountants. He is also holding a specialist certificate and a practicing certificate in corporate finance of the Hong Kong Securities Institute.

Senior Management

All the executive Directors are responsible for the various aspects of the business and operation of the Group. These executive Directors are regarded as members of the senior management team of the Group.

余季華先生，58歲，於二零零七年九月五日獲委任為獨立非執行董事。余先生亦為董事會審核委員會、提名委員會及薪酬委員會各自的主席。

余先生現時為羅馬(元宇宙)集團有限公司(「羅馬」)的執行董事、主席、行政總裁、公司秘書及監察主任。彼亦為美捷滙控股有限公司(「美捷滙」)的獨立非執行董事。羅馬及美捷滙的股份均於香港聯合交易所有限公司上市。

余先生是執業會計師，在會計、核數和企業融資方面經驗豐富，同時亦是美國會計師協會會員、科羅拉多州註冊會計師協會會員。彼亦持有香港證券專業學會的專業證書及企業融資執業證書。

高級管理層

所有執行董事負責本集團各方面的業務及營運。此等執行董事乃被視為本集團的高級管理隊伍成員。

Independent Auditor's Report

獨立核數師報告



SHINEWING (HK) CPA Limited
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信永中和(香港)會計師事務所有限公司
香港銅鑼灣告士打道311號
皇室大廈安達人壽大樓17樓

TO THE SHAREHOLDERS OF CHINA STARCH HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of China Starch Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 59 to 121, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

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

Key Audit Matters

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

致中國澱粉控股有限公司股東

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第59至121頁中國澱粉控股有限公司(「貴公司」)及其附屬公司(「貴集團」)的合併財務報表,此合併財務報表包括於二零二三年十二月三十一日的合併財務狀況表與截至該日止年度的合併損益及其他綜合收益表、合併權益變動表及合併現金流量表,以及合併財務報表附註(包括重大會計政策資料)。

我們認為,該等合併財務報表已根據香港會計師公會(「香港會計師公會」)所頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零二三年十二月三十一日的合併財務狀況,以及其於截至該日止年度的合併財務表現及合併現金流量,並已按照香港《公司條例》的披露規定妥為編製。

意見基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。我們在該等準則項下的責任在本報告「核數師對合併財務報表的審計責任」一節進一步闡述。根據香港會計師公會的職業會計師道德守則(「守則」),我們獨立於 貴集團,並已按照守則履行其他道德責任。我們相信,我們已獲得足夠及適當的審計憑證,為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們專業判斷所認為,對我們審計本期間合併財務報表最為重要的事項。該等事項已於我們審計整份合併財務報表及就其出具意見處理,而我們不會就該等事項獨立提供意見。

Independent Auditor's Report

獨立核數師報告

Valuation of property, plant and equipment and right-of-use assets

物業、廠房及設備以及使用權資產的估值

Refer to notes 16 and 17 to the consolidated financial statements and the accounting policies notes 2.6, 2.7 and 2.24 respectively.

請分別參閱合併財務報表附註16及17以及會計政策附註2.6、2.7及2.24。

The key audit matter 關鍵審計事項	How the matter was addressed in our audit 審計中處理有關事項的方法
<p>We identified the valuation of property, plant and equipment and right-of-use assets as a key audit matter because of its significance to the consolidated financial statements. 基於物業、廠房及設備以及使用權資產的估值對合併財務報表的重要性，我們已將其認為關鍵審計事項。</p> <p>As at 31 December 2023, carrying amount of property, plant and equipment and right-of-use assets are approximately RMB2,162,498,000 and RMB425,922,000 respectively, which represented approximately 48.4% of total assets of the Group. It involves a significant degree of judgement by the management in assessing whether there are any indicators of impairment for property, plant and equipment and right-of-use assets at the end of the reporting period which may affect the carrying amount of property, plant and equipment and right-of-use assets. Therefore, it comes to our concern that there is a risk of valuation of property, plant and equipment and right-of-use assets. 於二零二三年十二月三十一日，物業、廠房及設備以及使用權資產的賬面值分別約為人民幣2,162,498,000元及人民幣425,922,000元，佔貴集團資產總值約48.4%。管理層需要在評估物業、廠房及設備以及使用權資產於報告期末是否有任何可能會對物業、廠房及設備以及使用權資產的賬面值造成影響的減值跡象時作出重大判斷。因此，我們的憂慮為對物業、廠房及設備以及使用權資產進行估值的風險。</p> <p>No impairment loss was recognised during the year ended 31 December 2023. 於截至二零二三年十二月三十一日止年度，並無確認任何減值虧損。</p>	<p>Our audit procedures were designed to evaluate the management's assessment of the indicators of impairment and, where such indicators were identified, assessed the management's impairment testing and identify any valuation risk of property, plant and equipment and right-of-use assets. 我們的審計程序的設計乃為評核管理層就減值跡象所作出的評估，及在確定有關跡象的情況下，評估管理層所作出的減值測試，以及識別物業、廠房及設備以及使用權資產的任何估值風險。</p> <p>We have discussed with the management on the key assumptions used in the management's assessment of the indicators of impairment. We have also physically inspected whether the property, plant and equipment are kept in a good condition on sample basis. 我們已與管理層討論管理層在評估減值跡象時所使用的主要假設。我們亦抽樣對物業、廠房及設備進行實地視查，以確認彼等是否處於良好狀況。</p>

Independent Auditor's Report

獨立核數師報告

Impairment assessment of trade receivables

貿易應收款的減值評估

Refer to note 20 to the consolidated financial statements and the accounting policies notes 2.8 and 2.9 respectively.

請分別參閱合併財務報表附註20以及會計政策附註2.8及2.9。

The key audit matter 關鍵審計事項	How the matter was addressed in our audit 審計中處理有關事項的方法
<p>We have identified the impairment assessment of trade receivables as a key audit matter because the loss allowance involves significant degree of management estimation and may be subject to management bias. 由於虧損撥備涉及管理層的重大估計及可能受限於管理層的偏向，我們已認定貿易應收款的減值評估為關鍵審計事項。</p> <p>As at 31 December 2023, the Group had trade receivables of approximately RMB136,797,000. 於二零二三年十二月三十一日，貴集團有貿易應收款約人民幣136,797,000元。</p> <p>Expected credit loss (the “ECL”) impairment model has been adopted based on the provision matrix after considering ageing, repayment history and/or past due status of respective trade receivables. 預期信貸虧損（「預期信貸虧損」）減值模型乃於考慮相關貿易應收款項的賬齡、還款歷史及／或逾期狀況後，根據撥備矩陣而採納。</p> <p>Estimated loss rates are based on historical observed rates over the expected life of the debtors and are adjusted for forward looking information including both current and forecast general economic conditions. 估計虧損率乃基於債務人在預期使用年限內的歷史觀察率，並就前瞻性資料（包括目前及預測的整體經濟狀況）作出調整。</p> <p>No impairment loss was recognised during the year ended 31 December 2023. 於截至二零二三年十二月三十一日止年度，並無確認任何減值虧損。</p>	<p>Our audit procedures were designed to assess and challenge the assumptions, judgment and basis of the Group's ECL model on impairment assessment of trade receivables. 我們審計程序的設計乃為評估及質疑貴集團貿易應收款項減值評估的預期信貸虧損模型的假設、判斷及基礎。</p> <p>We have challenged and assessed the reasonableness of management's assumptions, judgment and basis in determining credit loss allowance on trade receivables by examining the information used by management, including testing accuracy of the historical default data, testing trade receivables past due ageing analysis as at 31 December 2023, on a sample basis, by comparing individual items in the analysis with the relevant supporting documents and evaluating whether the historical loss rates are appropriately adjusted for forward looking information including both current and forecast general economic conditions. 我們透過抽樣檢測管理層使用的資料（包括測試歷史違約數據的準確性、測試於二零二三年十二月三十一日的貿易應收款項逾期賬齡分析），比較分析中的個別項目及相關證明文件並評估歷史虧損率是否已就前瞻性資料（包括目前及預測的整體經濟狀況）作出適當調整，從而質疑及評估管理層於釐定貿易應收款項信貸虧損撥備作出的假設、判斷及基礎的合理性。</p> <p>We have also inspected cash received from debtors after year end relating to trade receivables balance as at 31 December 2023, with the relevant supporting documents, on a sample basis. 我們亦已抽查於二零二三年十二月三十一日自債務人收取有關於年末後貿易應收款項結餘的現金，連同相關證明文件。</p>

Independent Auditor's Report

獨立核數師報告

Information other than the consolidated financial statements and auditor's report thereon

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of directors of the company and audit committee for the consolidated financial statements

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

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

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

合併財務報表及就其發出的核數師報告以外的資料

貴公司董事對其他資料負責。其他資料包括年報內的所有資料，惟合併財務報表及就其發出的核數師報告除外。

我們就合併財務報表發出的意見並不涵蓋其他資料，我們亦不對該等資料發表任何形式的核證結論。

就合併財務報表的審計而言，我們的責任為閱讀其他資料，並在過程中考慮其他資料與合併財務報表或我們於審計過程中所了解的情況是否有重大抵觸，或是否可能有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們需要報告有關事實。就此而言，我們並無任何報告。

貴公司董事及審核委員會對合併財務報表的責任

貴公司董事負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露規定編製真實而公平的合併財務報表，以及落實其認為屬必要的內部監控，以使所編製的合併財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製合併財務報表時，貴公司董事負責評估貴集團繼續以持續基準經營的能力，並在適用情況下披露與以持續基準經營有關的事項，以及使用持續經營的會計基礎，惟董事有意將貴集團清盤或停止經營，或除此以外別無其他實際的替代方案則除外。

審核委員會負責監督貴集團的財務報告流程。

Independent Auditor's Report

獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

核數師對合併財務報表的審計責任

我們的目標為合理確定整體合併財務報表是否存在由於欺詐或錯誤而導致的重大錯誤陳述，並按照協定的委任條款僅向閣下（作為整體）發出載有我們意見的核數師報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理核證是高水平的核證，但並不保證按照香港審計準則進行的審計總能發現已存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期有關錯誤陳述（個別或共同）會影響使用者根據該等合併財務報表所作出的經濟決定，則有關錯誤陳述被視為重大錯誤陳述。

在根據香港審計準則進行審計的過程中，我們會作出專業判斷，並保持專業懷疑態度。我們亦：

- 識別和評估合併財務報表因欺詐或錯誤而存在重大錯誤陳述的風險，因應該等風險設計及執行審計程序，以及獲取充足和適當的審計憑證為我們的意見提供基礎。由於欺詐可能涉及串謀、偽造、故意遺漏、失實陳述，或凌駕內部監控，因此，與未能發現因錯誤而導致的重大錯誤陳述相比，未能發現因欺詐而導致的重大錯誤陳述的風險較高。
- 了解與審核有關的內部監控，以設計適用於有關情況的審核程序，但並非旨在對貴集團內部監控的成效發表意見。
- 評估貴公司董事所採用會計政策是否恰當，以及貴公司董事所作出的會計估計及相關披露是否合理。
- 就貴公司董事採用持續經營基礎的會計法是否恰當作出結論，並根據已獲取的審計憑證，就是否有對貴集團繼續以持續基準經營的能力構成重大疑問的事件或情況的相關重大不確定因素作出結論。倘我們的結論為存在重大不確定因素，則我們需要於核數師報告中提出須注意合併財務報表內的相關資料披露，或倘有關披露資料不足，則需要修訂我們的意見。我們的結論以截至核數師報告日期所獲得的審計憑證為基礎。然而，貴集團可能因未來事件或情況而不再持續經營。

Independent Auditor's Report

獨立核數師報告

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評估合併財務報表的整體呈列方式、架構及內容 (包括披露資料)，以及合併財務報表是否以達致公平呈列反映相關交易及事件。
- 就 貴集團內各實體或業務活動的財務資料獲得充足的合適審計憑證，以就合併財務報表發表意見。我們須負責指導、監督及執行集團的審計工作。我們須為我們的審計意見承擔全部責任。

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

我們與審核委員會就 (其中包括) 審計工作的計劃範圍及時間安排及重大審計發現 (包括我們於審計期間識別出的內部監控的任何重大缺陷) 進行溝通。

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

我們亦向審核委員會提交聲明，說明我們已遵守有關獨立性的道德要求，並就所有被合理認為可能影響我們獨立性的關係及其他事宜及 (如適用) 為消除威脅而採取的行動或相關防範措施，與負責管治的人員進行溝通。

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

從與審核委員會溝通的事項中，我們決定對本期合併財務報表的審計工作最為重要的事項，而有關事項因而為關鍵審計事項。除非法律或法規不容許公開披露此等事項，或於極罕見的情況下，我們認為由於可合理預期披露此等事項的不良後果將超越公眾知悉此等事項的利益，因而不應於報告中披露，否則我們會於核數師報告中說明此等事項。

The engagement partner on the audit resulting in this independent auditor's report is Mr. Pang Wai Hang.

本獨立核數師報告的審計項目合夥人是彭衛恒先生。

SHINEWING (HK) CPA Limited

Certified Public Accountants

Pang Wai Hang

Practising Certificate Number: P05044

Hong Kong

20 March 2024

信永中和(香港)會計師事務所有限公司

執業會計師

彭衛恒

執業證書號碼：P05044

香港

二零二四年三月二十日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

合併損益及其他綜合收益表

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

		Notes 附註	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Revenue	收入	5	11,797,534	11,948,852
Cost of sales	銷售成本		(11,240,962)	(10,758,377)
Gross profit	毛利		556,572	1,190,475
Distribution expenses	分銷費用		(157,175)	(171,044)
Administrative expenses	行政費用		(194,551)	(207,835)
Research expenses	研究費用		(160,490)	(324,108)
Other net income	其他淨收入	6	113,114	119,838
Operating profit	經營利潤		157,470	607,326
Finance income	融資收入	7	24,120	18,264
Finance expenses	融資費用	8	(4,757)	(4,474)
Profit before income tax	除所得稅前利潤	9	176,833	621,116
Income tax expense	所得稅支出	12	(19,437)	(125,684)
Profit and total comprehensive income for the year	本年度利潤及綜合收益總額		157,396	495,432
Attributable to:	以下各項應佔：			
Owners of the Company	本公司擁有人		107,959	352,009
Non-controlling interests	非控股股東權益		49,437	143,423
			157,396	495,432
Earnings per share attributable to owners of the Company	本公司擁有人應佔每股盈利			
Basic and diluted earnings per share (RMB)	每股基本及攤薄盈利 (人民幣元)	13	0.0180	0.0587

Consolidated Statement of Financial Position

合併財務狀況表

As at 31 December 2023 於二零二三年十二月三十一日

			2023	2022
		Notes	二零二三年	二零二二年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	2,162,498	1,892,095
Right-of-use assets	使用權資產	17	425,922	436,292
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備的保證金		29,909	38,946
Equity investment	股權投資	18	21,954	9,995
Deferred tax assets	遞延稅項資產	23	14,719	61,999
Total non-current assets	非流動資產總值		2,655,002	2,439,327
Current assets	流動資產			
Inventories	存貨	19	730,676	866,404
Trade and other receivables	貿易及其他應收款	20	563,697	589,550
Income tax recoverable	可收回所得稅		3,365	-
Pledged bank deposits	已抵押銀行存款	21	500,056	207,582
Cash and cash equivalents	現金及現金等價物	21	899,830	1,002,985
Total current assets	流動資產總值		2,697,624	2,666,521
Total assets	資產總值		5,352,626	5,105,848
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	22	530,230	532,500
Other reserves	其他儲備		473,149	481,536
Retained earnings	保留盈利		2,658,450	2,581,054
			3,661,829	3,595,090
Non-controlling interests	非控股股東權益		274,724	226,693
Total equity	權益總額		3,936,553	3,821,783

Consolidated Statement of Financial Position

合併財務狀況表

As at 31 December 2023 於二零二三年十二月三十一日

		Notes	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
		附註		
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred income	遞延收入	26	164,751	244,722
Deferred tax liabilities	遞延稅項負債	23	58,948	73,410
Total non-current liabilities	非流動負債總額		223,699	318,132
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款	27	433,655	369,149
Advances from customers	客戶墊款	28	175,490	205,166
Income tax payable	應付所得稅		–	54,522
Borrowings	借款	25	559,365	285,925
Dividends payable	應付股息		–	27,307
Employee housing deposits	員工房屋保證金	29	23,864	23,864
Total current liabilities	流動負債總額		1,192,374	965,933
Total liabilities	負債總額		1,416,073	1,284,065
Total equity and liabilities	權益及負債總額		5,352,626	5,105,848

Approved and authorised for issue by the board of directors on 20 March 2024.

董事會於二零二四年三月二十日批准及授權刊發。

Tian Qixiang
田其祥
Director
董事

Yu Yingquan
于英泉
Director
董事

The notes on pages 64 to 121 are an integral part of these consolidated financial statements.

第64至121頁的附註乃合併財務報表的其中部分。

Consolidated Statement of Changes In Equity

合併權益變動表

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

		Share capital	Special reserve	Capital reserve	Statutory reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Note	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Note) (附註)						
At 1 January 2022		532,500	27,080	56,196	324,998	2,337,189	3,277,963	214,059	3,492,022
Profit and total comprehensive income for the year		-	-	-	-	352,009	352,009	143,423	495,432
2021 final dividend	14	-	-	-	-	(34,882)	(34,882)	-	(34,882)
Dividend attributable to non-controlling interest		-	-	-	-	-	-	(130,789)	(130,789)
Transfer to statutory reserves		-	-	-	73,262	(73,262)	-	-	-
At 31 December 2022 and 1 January 2023		532,500	27,080	56,196	398,260	2,581,054	3,595,090	226,693	3,821,783
Profit and total comprehensive income for the year		-	-	-	-	107,959	107,959	49,437	157,396
2022 final dividend	14	-	-	-	-	(38,133)	(38,133)	-	(38,133)
Dividend attributable to non-controlling interest		-	-	-	-	-	-	(1,406)	(1,406)
Repurchase of shares	22	(2,270)	-	-	-	(817)	(3,087)	-	(3,087)
Transfer to statutory reserves		-	-	-	(8,387)	8,387	-	-	-
At 31 December 2023		530,230	27,080	56,196	389,873	2,668,450	3,661,829	274,724	3,936,553

Note:

Special reserve represents (a) the difference between the nominal value of the share capital and share premium issued by the Company and the aggregate of the share capital and share premium of the subsidiaries acquired upon the Group's reorganisation; and (b) the difference between the consideration paid by the direct subsidiary for the entire registered capital of the indirect subsidiary and the amount of registered capital of the indirect subsidiary.

附註：

特別儲備指：(a)本公司所發行股本的面值及股份溢價與本集團重組時所收購的附屬公司的股本及股份溢價總值之間的差額；及(b)直接附屬公司就間接附屬公司全部註冊資本支付的代價與間接附屬公司的註冊資本之間的差額。

Consolidated Statement of Cash Flows

合併現金流量表

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

		Notes	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Cash flows from operating activities	經營活動的現金流量			
Cash generated from operations	經營產生的現金	21(b)	438,516	458,037
Income tax paid	已繳納所得稅		(44,506)	(155,004)
Interest paid	已付利息		(4,757)	(4,470)
Interest received	已收利息		24,120	18,264
Net cash generated from operating activities	經營活動產生的現金淨額		413,373	316,827
Cash flows from investing activities	投資活動的現金流量			
Payments for property, plant and equipment	物業、廠房及設備的付款		(408,951)	(180,009)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備的已付保證金		(12,683)	(31,116)
Government grant received	已收政府補助		400	67,077
Proceeds from disposals of property, plant and equipment	來自出售物業、廠房及設備的所得款		4,952	10,161
Increase in pledged bank deposits	已抵押銀行存款增加		(292,474)	(207,582)
Purchase of equity investments	購買股權投資		(11,280)	(8,000)
Dividend income from equity investments	股權投資的股息收入		94	-
Net cash used in investing activities	投資活動使用的現金淨額		(719,942)	(349,469)
Cash flows from financing activities	融資活動的現金流量			
Proceeds from borrowings	來自借款的所得款		536,047	309,188
Repayment of borrowings	償還借款		(262,700)	(135,855)
Dividends paid	已付股息		(66,846)	(138,364)
Repurchase of shares	購回股份		(3,087)	-
Lease payments	租賃付款			
- Capital elements	- 本金部分		-	(438)
- Interest elements	- 利息部分		-	(4)
Increase in employee housing deposits	員工房屋保證金增加		-	123
Net cash generated from financing activities	融資活動所得現金淨額		203,414	34,650
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少) / 增加淨額		(103,155)	2,008
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物		1,002,985	1,000,977
Cash and cash equivalents at 31 December	於十二月三十一日的現金及現金等價物	21(a)	899,830	1,002,985

Notes to the Consolidated Financial Statements

合併財務報表附註

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

1 General information

China Starch Holdings Limited (the “Company”) was incorporated in the Cayman Islands under the Cayman Islands Companies Law as an exempted company with limited liability on 29 November 2006. Its ultimate holding company is Merry Boom Group Limited (“Merry Boom”), a company incorporated in the British Virgin Islands (the “BVI”). The address of its registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report. The principal activities of the Company and its subsidiaries (collectively, the “Group”) are the manufacture and sale of cornstarch, lysine, starch-based sweetener, modified starch and its related products.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated.

2 Summary of material accounting policies information

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost convention, as modified by the revaluation of certain financial assets and liabilities measured at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

1 一般資料

中國澱粉控股有限公司（「本公司」）為於二零零六年十一月二十九日根據開曼群島公司法在開曼群島註冊成立的獲豁免有限公司，其最終控股公司為怡興集團有限公司（「怡興」）（一間於英屬維爾京群島（「英屬維爾京群島」）註冊成立之公司）。本公司註冊辦事處及主要營業地點的地址於年報「公司資料」一節中披露。本公司及其附屬公司（統稱「本集團」）的主要業務為製造及銷售玉米澱粉、賴氨酸、澱粉糖、變性澱粉及其相關產品。

本公司以香港聯合交易所有限公司（「聯交所」）主板為第一上市地。

除另有說明者外，此等合併財務報表乃以人民幣（「人民幣」）計值。

2 重大會計政策資料概要

編製此等合併財務報表所應用的主要會計政策載列如下。除另有說明者外，該等政策已於所有呈列年度貫徹應用。

2.1 編製基準

本公司的合併財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的所有適用香港財務報告準則（「香港財務報告準則」）（包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）編製。此外，合併財務報表包括聯交所證券上市規則及香港公司條例規定的適用披露資料。

合併財務報表乃按歷史成本法編製，並已就若干按公平值計量的金融資產及負債之重估作出修訂。

編製符合香港財務報告準則要求的財務報表需要使用若干關鍵的會計估計。管理層在運用本集團會計政策過程中亦須行使其判斷。涉及較高程度判斷或複雜性的範圍或如假設及估計對合併財務報表而言屬重大的範圍於附註4中披露。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policy and disclosures

(a) *New and amended standards adopted by the Company*

The following new amendments to standards have been effective for the accounting periods beginning on or after 1 January 2023:

Amendments to HKAS 1 and HKFRS Practice Statement 2, Disclosure of accounting policies

香港會計準則第1號及香港財務報告準則實務報告第2號之修訂，會計政策披露

Amendments to HKAS 8, Definition of accounting estimates

香港會計準則第8號之修訂，會計估計之定義

Amendments to HKAS 12, Deferred tax related to assets and liabilities arising from a single transaction

香港會計準則第12號之修訂，與單一交易產生的資產及負債有關之遞延稅項

Amendments to HKAS 12, International tax reform-pillar two model rules

香港會計準則第12號之修訂，國際稅務改革—支柱二示範規則

The adoption of these new and amended standards and interpretation does not have any significant impact to the results and financial position of the Group.

2 重大會計政策資料概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策及披露之變動

(a) *本公司所採納的新訂及經修訂準則*

以下新修訂準則已於二零二三年一月一日或其後開始的會計期間生效：

採納該等新訂及經修訂準則及詮釋不會對本集團的業績及財務狀況造成任何重大影響。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Changes in accounting policy and disclosures

(Continued)

(b) *New and amendments to HKFRSs issued but not yet effective*

The Group has not applied the following amendments to HKFRSs which were issued before 31 December 2023 and are pertinent to its operations but not yet effective:

Amendments to HKAS 1, Classification of liabilities as current or non-current and the related amendments to Hong Kong Interpretation 5 (2020)	1 January 2024
香港會計準則第1號之修訂，將負債分類為流動或非流動及香港詮釋第5號(2020年)之相關修訂	二零二四年一月一日
Amendments to HKAS 1, Non-current liabilities with covenants	1 January 2024
香港會計準則第1號之修訂，附帶契諾的非流動負債	二零二四年一月一日
Amendments to HKAS 7 and HKFRS 7, Supplier finance arrangements	1 January 2024
香港會計準則第7號及香港財務報告準則第7號之修訂，供應商融資安排	二零二四年一月一日
Amendments to HKAS 21, Lack of exchangeability	1 January 2025
香港會計準則第21號之修訂，缺乏可兌換性	二零二五年一月一日
Amendments to HKFRS 10 and HKAS 28, Sale or contribution of assets between an investor and its associate or joint venture	To be determined
香港財務報告準則第10號及香港會計準則第28號之修訂，投資者與其聯營公司或合營企業之間的資產出售或注資	待定
Amendments to HKFRS 16, Lease liabilities in a sales and leaseback	1 January 2024
香港財務報告準則第16號之修訂，售後租回中的租賃負債	二零二四年一月一日

The directors of the Company anticipate that the application of amendments to HKFRSs will have no material impact on the results and the financial position of the Group.

**Effective for
accounting
periods on or
after
於以下日期或之後的
會計期間生效**

本公司董事預計應用香港財務報告準則之修訂將不會對本集團的業績及財務狀況產生重大影響。

2 重大會計政策資料概要 (續)

2.1 編製基準 (續)

2.1.1 會計政策及披露之變動 (續)

(b) *已頒佈而尚未生效的新訂及經修訂香港財務報告準則*

本集團並未應用以下於二零二三年十二月三十一日前頒佈而與其業務有關但尚未生效的香港財務報告準則之修訂：

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.2 Subsidiaries

A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.4 Segment reporting

The chief operating decision-maker is comprised of the executive directors of the Company and the senior executive management of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments. Information relating to segment assets and liabilities is not disclosed as such information is not regularly reported to the chief operating decision-maker.

2 重大會計政策資料概要 (續)

2.2 附屬公司

附屬公司為本集團對其存有控制權的實體。倘本集團須承擔或享有參與實體之可變回報風險及權利，以及可運用其對該實體之權力以影響有關回報時，則對實體存有控制權。附屬公司於控制權轉移至本集團日期起合併入賬，並於控制權終止日期起不再合併入賬。

集團內公司間交易、結餘及集團內公司間交易的未變現收益均予對銷。未變現虧損亦會對銷，惟有證據顯示交易所轉移資產出現減值除外。如有需要，附屬公司呈報的金額已經進行調整，以與本集團的會計政策保持一致。

附屬公司的損益及其他綜合收益內的各個部份由本公司擁有人及非控股股東權益應佔。即使會令非控股股東權益產生虧絀結餘，附屬公司的綜合收益總額仍歸屬於本公司擁有人及非控股股東權益。

2.3 獨立財務報表

於附屬公司的投資按成本扣除減值列賬。成本包括投資直接應佔的成本。本公司基於已收及應收股息呈列附屬公司業績。

倘股息超逾附屬公司宣派股息期間的綜合收益總額或倘獨立財務報表內投資賬面值超逾被投資方合併財務報表資產淨值(包括商譽)的賬面值，則收取該等投資的股息後須對附屬公司投資進行減值測試。

2.4 分部報告

主要營運決策人包括本公司執行董事及本集團高級管理層。經營分部的呈報方式與給予主要營運決策人的內部報告一致。主要營運決策人負責分配資源及評估經營分部表現。有關分部資產及負債的資料並無披露，此乃由於該等資料並非定期向主要營運決策人呈報。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.5 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the Group's functional and presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(c) *Group companies*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period; and
- (ii) income and expenses for each profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on sale.

2 重大會計政策資料概要 (續)

2.5 外幣換算

(a) *功能及呈報貨幣*

計入本集團各實體財務報表的項目均以該實體業務所在的主要經濟環境的貨幣(「功能貨幣」)計量。合併財務報表乃以人民幣呈列，人民幣為本集團的功能貨幣及呈報貨幣。

(b) *交易及結餘*

外幣交易按交易日期或重新計量項目估值日期當時的匯率換算為功能貨幣。因結算此等交易及按年終匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益及虧損於損益內確認。

(c) *集團公司*

本集團旗下所有實體(全部均非採用高通脹經濟體系的貨幣)的功能貨幣倘有別於呈報貨幣，其業績及財務狀況須按如下方式兌換為呈報貨幣：

- (i) 各財務狀況表所列資產及負債按其報告期末的收市匯率換算；及
- (ii) 各項損益所列收入及開支按平均匯率換算，除非此平均匯率不足以合理地概括反映於交易日期適用匯率的累計影響，則在此情況下，收入及開支則按交易日期的匯率換算。

在合併賬目時，換算海外業務淨投資產生的匯兌差額，均列入其他綜合收益內。當處置或出售部分海外業務時，計入權益的匯兌差額於損益內確認為出售收益或虧損的一部分。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.6 Property, plant and equipment

Property, plant and equipment, other than those under construction, are stated at historical cost less depreciation and impairment loss. Property, plant and equipment under construction for production or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Property, plant and equipment under construction is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over the estimated useful lives, as follows:

Buildings	15 – 35 years
Plant and machinery	5 – 12 years
Motor vehicles	6 years
Other machinery	4 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other net income' in profit or loss.

2 重大會計政策資料概要 (續)

2.6 物業、廠房及設備

除在建項目之外，物業、廠房及設備均會按歷史成本減折舊及減值虧損列賬。作生產或行政用途或尚未決定用途的在建物業、廠房及設備會按成本減任何已確認減值虧損入賬。在建物業、廠房及設備乃當完成並可作擬定用途時分類為物業、廠房及設備的適當類別。該等資產的折舊於資產可供用作擬定用途時開始，採用的基準與其他物業資產的基準相同。

歷史成本包括收購該等項目直接應佔的開支。

只有在與項目相關的未來經濟利益可能流入本集團，而項目成本能可靠地計量時，項目的其後成本才會計入資產賬面值，或在適當情況下確認為獨立資產。已取代部分的賬面值會被終止確認。其他所有維修保養費用於產生的財務期間內在損益內扣除。

物業、廠房及設備的折舊採用直線法按以下的估計可使用年期將成本分配至其殘值計算：

樓宇	15至35年
廠房及機器	5至12年
汽車	6年
其他機器	4至10年

資產的殘值及可使用年期於各報告期末進行檢討，並於適當時作出調整。

倘資產賬面值高於其估計可收回金額，則資產賬面值會即時撇減至其可收回金額(附註2.7)。

出售收益及虧損以比較所得款與賬面值而釐定，並於損益內的「其他淨收入」中確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.7 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised immediately in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 Financial instruments

Financial assets are classified into three principal categories: measured at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVPL").

An investment in equity securities, including listed and unlisted, is measured at FVPL unless the equity investment is not held for trading purpose and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out note 2.22.

Trade receivables arising from contracts with customers are initially measured in accordance with revenue recognition policy (note 2.21). Derivative financial instrument is measured at FVPL (note 2.10). All other recognised financial assets (including trade and other receivables excluding prepayment and other tax receivables, cash and cash equivalents, pledged bank deposits) of the Group are subsequently measured at amortised cost.

Financial liabilities, such as trade and other payables (note 2.15), excluding other tax payables, dividends payable, borrowings (note 2.16), lease liabilities (note 2.24) and employee housing deposits, are measured at amortised cost.

2 重大會計政策資料概要 (續)

2.7 非金融資產的減值

當有事件出現或情況改變顯示賬面值可能無法收回時，會就資產減值進行檢討。減值虧損按資產的賬面值超出其可收回金額的差額即時於損益確認。可收回金額以資產的公平值扣除銷售成本與使用價值兩者中的較高者為準。於評估減值時，資產按可分開識別現金流量（現金產生單位）的最低層次分組。商譽以外的非金融資產如出現減值，會於各報告日期檢討其減值撥回的可能性。

2.8 金融工具

金融資產分為三個主要類別：按攤銷成本計量、按公平值計入其他綜合收益（「按公平值計入其他綜合收益」）及按公平值計入損益（「按公平值計入損益」）。

股本證券投資（包括上市及非上市）按公平值計入損益計量，除非股本投資並非持作買賣用途，且於初步確認投資時，本集團不可撤回的選擇指定投資為按公平值計入其他綜合收益（不可劃轉），以於其他綜合收益確認公平值的後續變動。來自股本證券（不論分類為按公平值計入損益或按公平值計入其他綜合收益）投資的股息，均根據附註2.22所載政策於損益確認為其他收入。

客戶合約所產生的貿易應收款初始根據收入確認政策計量（附註2.21）。衍生金融工具按公平值計入損益計量（附註2.10）。本集團所有其他已確認金融資產（包括貿易及其他應收款（預付款項及其他應收稅款除外）、現金及現金等價物及已抵押銀行存款）其後按攤銷成本計量。

金融負債（例如貿易及其他應付款（附註2.15）（其他應付稅款除外）、應付股息、借款（附註2.16）、租賃負債（附註2.24）及員工房屋保證金）按攤銷成本計量。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.9 Credit risk and impairment of financial assets

The Group's financial assets measured at amortised cost, such as trade and other receivables, are subject to the Group's expected credit loss (the "ECL") model. While cash and cash equivalents, pledged deposits and fixed deposits are also subject to the impairment review, the identified loss allowance was immaterial. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3.1(b) set out the details how the Group determines whether there has been a significant increase in credit risk.

Financial assets measured at fair value, such as futures contracts, are not subject to ECL assessment.

For trade receivables, the Group applies the simplified approach to provide loss allowance at an amount equal to lifetime ECLs for its financial assets at initial recognition and through its life of the asset. A provision matrix is determined based on historical overdue pattern, shared risk characteristics, probability-weighted estimate of credit losses and is adjusted for forward-looking estimates. At each reporting date the above parameters are updated.

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The following information is taken into account when assessing whether credit risk has increased significantly:

- failure to make payments on their contractually due dates;
- an actual or expected significant deterioration in a financial asset's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast adverse changes in business, financial, market or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.

2 重大會計政策資料概要 (續)

2.9 金融資產的信貸風險及減值

本集團按攤銷成本計量的金融資產(例如貿易及其他應收款)須遵循本集團的預期信貸虧損(「預期信貸虧損」)模型。雖然現金及現金等價物及已抵押存款及固定存款均須接受減值審閱,但所識別的虧損撥備並不重大。所應用的減值方法視乎信貸風險是否已經顯著增加而定。附註3.1(b)載列本集團釐定信貸風險是否顯著增加的方法。

按公平值計量的金融資產(例如期貨合約)毋須接受預期信貸虧損評估。

就貿易應收款而言,本集團應用簡單方法,於首次確認金融資產及在資產整段生命年內按相當於生命年期預期信貸虧損的金額作出虧損撥備。撥備矩陣乃根據過往逾期模式、共有風險特質及機率加權估計信貸風險釐定,並就前瞻估計作出調整。上述參數於各報告日期更新。

評估信貸風險自初步確認以來是否顯著上升時,本集團會比較金融工具於報告日期發生違約的風險與於初步確認日期發生的違約風險。作出評估時,本集團會考慮合理及具支持性的定量及定性資料,包括毋須付出不必要之成本或努力即可獲得的過往經驗及前瞻性資料。

評估信貸風險是否顯著上升時會考慮以下資料:

- 未能於合約到期日支付;
- 金融資產外部或內部信貸評級(如有)的實際或預期顯著惡化;
- 債務人經營業績實際或預期顯著惡化;及
- 債務人的業務、財務、市場或經濟狀況有實際或預計的不利變動,預計將導致債務人償還債項的能力顯著下降。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.9 Credit risk and impairment of financial assets (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial assets are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

Any change in the expected credit loss amount is recognised as an impairment loss or reversal of impairment loss in profit or loss.

The gross carrying amount of financial assets (and the related impairment allowances) is normally written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the asset becomes 365 days past due or when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

For other receivables, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk since initial recognition, in which case the loss allowance measured at an amount equal to lifetime ECLs.

2.10 Derivative financial instruments

Derivative financial instruments, such as futures, are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for hedging accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

2 重大會計政策資料概要 (續)

2.9 金融資產的信貸風險及減值 (續)

無論上述評估結果如何，本集團假設當合約款項已逾期逾30日時，信貸風險自初步確認後顯著上升，除非本集團有合理及支持性的資料證實其他情況，則另作別論。

視乎金融工具的性質，評估信貸風險顯著上升按單獨基準或集體基準進行。當按集體基準評估時，金融資產基於共享信貸風險特徵分組，例如逾期狀態及信貸風險評級。

預期信貸虧損金額的任何變動均於損益中確認為減值虧損或減值虧損撥回。

倘金融資產（及相關減值撥備）的賬面總值並無實際收回的可能，一般會部分或全數撇銷。有關情況通常出現在資產已逾期365日或本集團確定債務人並無資產或收入來源可產生足夠現金流量以償還應予撇銷的金額。

其後收回先前撇銷的資產於收回期間於損益確認為減值撥回。

就其他應收款而言，本集團確認相當於十二個月預期信貸虧損的虧損撥備，除非自初始確認後信貸風險顯著上升，在該情況下則按相當於整個存續期預期信貸虧損的金額計量虧損撥備。

2.10 衍生金融工具

衍生金融工具（例如期貨）乃按公平值確認。於各報告期末，其公平值會重新計量。重新計量至公平值的收益或虧損即時於損益確認，惟符合對沖會計處理資格的衍生工具除外，於該情況下則視乎所對沖項目的性質確認所產生的任何收益或虧損。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

2.12 Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Receivables are stated at amortised cost using the effective interest method less loss allowance (note 2.9).

2.13 Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible into known amount of cash which are subject to an insignificant risk of changes in value, with original maturity of three months or less.

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs, directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method.

2 重大會計政策資料概要 (續)

2.11 存貨

存貨以成本及可變現淨值兩者的較低者入賬，而成本按加權平均法釐定。製成品及在製品的成本包括原材料、直接勞工、其他直接成本及相關生產間接成本（基於正常營運能力）。存貨之可變現淨值乃於日常業務過程中的估計售價，減去估計銷售所需成本。

2.12 貿易及其他應收款

本集團於有權無條件取得代價時確認應收款。倘代價到期支付前的條件僅為待時間過去，則收取有關代價的權利即為無條件。

應收款使用實際利率法按攤銷成本減虧損撥備列賬（附註2.9）。

2.13 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、活期存款以及原到期日為三個月或以下、可隨時轉換為已知現金金額且價值變動風險極微的短期高流動性投資。

2.14 股本

普通股分類為權益。與發行新股或購股權直接有關的增量成本於權益內列為所得款項扣減（扣除稅項）。

2.15 貿易及其他應付款

貿易應付款為於日常業務過程中就向供應商購買貨品或服務而付款的責任。倘貿易及其他應付款於一年或之內或於業務的正常營運週期內（倘時間更長）到期，則被分類為流動負債，否則以非流動負債呈列。

貿易及其他應付款按公平值初步確認，其後採用實際利率法按攤銷成本計量。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.16 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Certain borrowings are classified as current liability unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.18 Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company's subsidiaries operate and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重大會計政策資料概要 (續)

2.16 借款

借款按公平值初步確認，並扣除已產生的交易成本。借款隨後按攤銷成本列賬；所得款（扣除交易成本）與贖回值之間的任何差額，使用實際利率法於借款期內在損益中確認。

倘可能會提取部分或全部融資，設立貸款融資時支付的費用確認為貸款的交易成本。在此情況下，費用遞延至貸款提取為止。如沒有證據證明可能會提取部分或全部融資，則該費用撥作資本列為流動資金服務的預付款，於有關融資期間攤銷。

除非本集團有權無條件將債務結算日期延遲至報告期結束後至少十二個月，否則若干借款歸類為流動負債。

2.17 借款成本

收購、建造或生產須長時間方能作擬定用途或出售的合資格資產所直接應佔的借款成本，會加入該等資產的成本內，直至該等資產已大致可作擬定用途或出售為止。

所有其他借款成本在產生期間於損益中確認。

2.18 當期及遞延稅項

本期的稅項支出包括當期和遞延稅項。稅項在損益確認，但與在其他綜合收益或直接在權益確認的項目有關者則除外。在此情況下，稅項亦分別在其他綜合收益或直接在權益確認。

(a) 當期所得稅

當期所得稅支出根據本公司的附屬公司經營業務及產生應課稅收入所在的國家於報告期末已頒佈或實質上已頒佈的稅務法例計算。對於有待詮釋的適用稅務規則，管理層定期評估報稅表所採取的立場。管理層基於預期須向稅務機關支付的稅款計提適當的撥備。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.18 Current and deferred tax (Continued)

(b) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is also provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(c) Offsetting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 重大會計政策資料概要 (續)

2.18 當期及遞延稅項 (續)

(b) 遞延稅項

遞延稅項採用負債方式就暫時差額(於合併財務報表中資產及負債之稅基與其賬面值之間產生)作出全額撥備。然而,若遞延稅項源於交易(非業務合併)的資產或負債的初步確認,而在交易時不影響會計損益及稅務損益,則不記賬。遞延稅項採用在報告期末已頒佈或實質上已頒佈並預期在有關遞延稅項資產變現或遞延稅項負債結算時將會使用的稅率(及法例)釐定。遞延稅項資產在未來可能有應課稅利潤而就此可使用暫時差額的情況下確認入賬。於附屬公司的投資所產生之暫時差額亦作遞延稅項撥備,惟本集團可以控制暫時差額的撥回時間,且暫時差額在可預見將來可能不會撥回除外。

(c) 抵銷

當有法定可執行權力將當期稅項資產與當期稅項負債抵銷,且遞延稅項資產和負債涉及由同一稅務機關對應課稅實體或有意以淨額基準結算所得稅結餘的不同應課稅實體徵收的所得稅,則可將遞延稅項資產與負債互相抵銷。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information

(Continued)

2.19 Employee benefits

(a) Short-term employee benefits and pension obligations

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group sponsors various defined contribution plans for its employees in the People's Republic of China (the "PRC"). These plans are organised by the relevant municipal and provincial governments based on certain percentage of the relevant employees' monthly salaries. The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further constructive obligation for post-retirement benefits beyond the contributions made.

The Group has also sponsored a defined contribution scheme which is managed by an approved trustee registered under Mandatory Provident Fund Schemes Ordinance (the "MPF Ordinance") for its employees in Hong Kong. Both the Group and its employees in Hong Kong are required to contribute a maximum of 5% of each individual's relevant income or a limited amount as prescribed by the MPF Ordinance. The assets of the scheme are held separately from those of the Group and independently administered.

Contributions made to the above respective defined contribution pension plans are expenses as incurred. Prepaid contributions are recognised as asset to the extent that a cash refund or a reduction in future payment is available.

There is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

2 重大會計政策資料概要 (續)

2.19 僱員福利

(a) 短期僱員福利及退休金責任

薪金、年度花紅、有薪年假、界定供款退休計劃供款以及非貨幣性福利成本均在僱員提供相關服務的年度內計算。倘付款或結算遭遞延，且影響重大，則該等金額按其現值列賬。

本集團為其於中華人民共和國（「中國」）的僱員設立多個界定供款計劃。該等計劃由相關省市級政府管理，按相關僱員月收入之若干百分比作出供款。市級及省級政府承諾根據這些計劃為所有現有及未來退休僱員承擔退休福利責任。除作出供款外，本集團就退休後福利無進一步的推定責任。

本集團亦為其於香港的僱員設立界定供款計劃，有關計劃由根據強制性公積金計劃條例（「強積金條例」）註冊的核准受託人管理。本集團及其香港僱員均須按強積金條例所訂明按每名僱員相關收入最多5%或上限金額作出供款。計劃的資產與本集團的資產分開持有，並獨立管理。

向以上各界定供款退休金計劃作出之供款於作出時支銷。預付供款於有現金可退回時或可扣減未來付款時確認為資產。

概無已沒收供款可由本集團用以減低現有供款水平。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.19 Employee benefits (Continued)

(b) Bonus entitlements

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities of bonus plan are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

(c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets) and including that of non-vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At the reporting date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2 重大會計政策資料概要 (續)

2.19 僱員福利 (續)

(b) 花紅

預期支付的花紅乃於本集團須承擔因僱員所提供服務而產生的現有法定或推定性責任，並在可合理估計有關責任的金額時確認為負債。花紅計劃的負債預期將於十二個月內償還，並根據在償付時預期會支付的金額計量。

(c) 以股份支付的報酬

本集團設立一項按股權計算、以股份為基礎的報酬計劃。本集團就授出購股權而取得之僱員服務的公平值乃確認為費用。購股權歸屬期間支銷之總額乃參考已授出購股權之公平值而釐定，惟不計及任何非市場歸屬條件之影響（例如盈利能力及銷售增長目標），但包括非歸屬條件之影響。非市場歸屬條件包括於有關預期可予歸屬之購股權數目之假設內。於報告日期，實體會修改其估計預期可予歸屬之購股權之數目。修改原來估計數字如有影響，則於損益內確認，並對權益作相應調整。

當購股權獲行使時，收取之所得款項於扣除任何直接應佔之交易成本後計入股本（面值）及股份溢價。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 重大會計政策資料概要 (續)

2.20 撥備

當本集團因過往事件而須負上現有的法定或推定責任，並且可能須流失資源以履行責任，而金額亦能夠可靠估計時，會確認撥備。未來經營虧損不會確認撥備。

倘有多項類似責任出現，則會整體考慮責任所屬類別以釐定履行責任會否導致資源流失。即使同一類別責任內任何一項造成資源流失的可能性不高，仍會確認撥備。

撥備按為履行責任預計所需開支的現值計量，計算此等現值使用的稅前貼現率能夠反映對貨幣時間價值及該責任特有的風險的市場評估。時間流逝導致撥備金額的增加會確認為利息開支。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information

(Continued)

2.21 Revenue recognition

Revenue from sale of upstream products and fermented and downstream products is recognised when goods are delivered to the customers, which is taken to be the point in time when the Group transfers control over the products to the customers. Revenue excludes value added taxes or other sales taxes and is after deduction of sales return, if any. The Group does not expect to have any contract where the period between the transfer of goods to the customer and the payment by the customer exceeds one year. As a result, the Group does not adjust any of the transaction prices for the time value of money.

The Group does not expect to have any contract asset which represents the Group's rights to consideration in exchange of goods that delivered to the customer is not yet unconditional. In contrast, a receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

Advances from customers are contract liabilities which represent the Group's obligation to render goods to customer for which the Group has received consideration from the customers.

The Group also does not expect to have any incremental cost to obtain a contract with a customer. Costs that will be incurred regardless of whether the contract is obtained are expensed as they incurred.

2.22 Dividend income

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

2 重大會計政策資料概要 (續)

2.21 收入確認

銷售上游產品以及發酵及下游產品的收入於向客戶交付貨品時確認，即是本集團將貨品的控制權轉移予客戶的時間點。收入不包括增值稅或其他銷售稅，並須扣除銷售退回(如有)。倘貨品轉移予客戶與客戶就此付款的時間超過一年，本集團預期不會於該期間有任何合約。因此，本集團並不就貨幣時間價值調整任何交易價格。

倘本集團就已交付予客戶的貨品而收取代價的權利並未成為無條件，本集團預期不就此持有任何合約資產。相反，應收款於貨品交付時確認，因為於該時間點只需要在到期付款前經過一段時間，代價即為無條件。

客戶墊款為合約負債，代表本集團就已自客戶取得代價而向其提供貨品的責任。

本集團預期亦不會為取得一名客戶的合約而產生任何增量成本。不論是否取得合約，成本將會於產生時支銷。

2.22 股息收入

非上市投資的股息收入在股東收取款項的權利確立時確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information

(Continued)

2.23 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

2.24 Leases

A lessee is required to recognise almost all leases on the statement of financial position which will reflect their “right-of-use” for a period of time and their associated liability for payments.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities are measured at the present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivables
- variable lease payments that are based on an index or a rate
- amounts expected to be payable under residual value guarantees
- the exercise price of purchase option if it is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease reflecting the lessee exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Group's incremental borrowing rate.

2 重大會計政策資料概要 (續)

2.23 利息收入

利息收入採用實際利息法確認。倘貸款及應收款項出現減值，本集團會將其賬面值減至可收回金額，即按工具的原實際利率折現的估計未來現金流，並繼續將折現金額作為利息收入入賬。減值貸款及應收款項的利息收入使用原實際利率確認。

2.24 租賃

承租人須於財務狀況表上確認絕大多數租賃，其將反映彼等於特定時間段內的「使用權」及其相關的付款責任。

租賃產生的資產及負債初始按現值基準計量。租賃負債按下列租賃付款的現值計量：

- 固定付款（包括實質固定付款）減任何應收租賃優惠
- 以指數或比率為基準的可變租賃付款
- 預期於餘值擔保項下應付的款項
- 倘行使該購買選擇權屬合理地可肯定，則為該選擇權的行使價；及
- 反映承租人於行使終止租賃的選擇權時所需支付的終止租賃罰款。

租賃付款按租賃所隱含的利率（倘該利率可輕鬆釐定）或本集團的增量借款率貼現。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information (Continued)

2.24 Leases (Continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liabilities
- any lease payment made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

There are recognition exemptions for short-term leases and leases of low-value items. Short-term leases are leases with a lease term of 12 months or less at the commencement date. Low-value items included IT-equipment and small items of office furniture. Payments associated with short-term leases and leases of low value items are recognised on a straight-line basis as an expense in profit or loss.

2.25 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

2 重大會計政策資料概要 (續)

2.24 租賃 (續)

使用權資產的成本計量包括以下各項：

- 租賃負債的初步計量金額
- 於開始日期或之前所作的任何租賃付款，減去已收取的任何租賃優惠
- 任何初始直接成本，及
- 修復成本。

各項租賃付款於負債及融資成本間分配。融資成本於租賃期間在損益中扣除，以制定出各期間負債剩餘結餘的固定定期利率。使用權資產於資產可用年期與租約年期的較短者中按直線法折舊。

就短期租賃及低價值項目租賃設有確認豁免。短期租賃指於開始日期租約年期為12個月或少於12個月的租賃。低價值項目包括資訊科技器材及小型辦公傢俬。與短期租賃及低價值項目租賃有關的付款按直線法於損益中確認為開支。

2.25 政府補助

政府補助於可合理保證將會收到補助及本集團將符合所有附帶條件時，按其公平值確認。

與成本有關的政府補助會作遞延，並在將該補助與該補助擬補償之成本配對所需的期間，於損益中確認。

與物業、廠房及設備有關的政府補助計入非流動負債作為遞延收入，並於相關資產的預計年期內按直線法計入損益。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

2 Summary of material accounting policies information

(Continued)

2.26 Research and development expenditure

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when all of the following criteria are fulfilled:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (b) management intends to complete the intangible asset and use or sell it;
- (c) there is an ability to use or sell the intangible asset;
- (d) it can be demonstrated how the intangible asset will generate probable future economic benefits;
- (e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (f) the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding five years.

2.27 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2 重大會計政策資料概要 (續)

2.26 研究及開發開支

研究開支於產生期間確認為開支。開發項目(涉及新產品或改良產品的設計及測試)產生的成本於符合以下所有條件時確認為無形資產：

- (a) 完成無形資產在技術上可行，致使該無形資產可供使用或銷售；
- (b) 管理層有意完成及使用或銷售該無形資產；
- (c) 能夠使用或銷售該無形資產；
- (d) 能呈現該無形資產如何產生可能的未來經濟利益；
- (e) 具備充裕的技術、財務及其他資源，以完成開發工作及使用或銷售該無形資產；及
- (f) 能夠可靠計量該無形資產於開發時應佔的開支。

其他不符合上述條件的開發開支於產生期間確認為開支。之前確認為開支的開發成本於之後的期間不會被確認為資產。資本化開發成本被列為無形資產，並於該資產可供使用時按直線法於不超過五年的可使用年期攤銷。

2.27 股息分派

向本公司股東分派的股息在股息獲本公司股東或董事(如合適)批准當期於本集團及本公司的財務報表確認為負債。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

3 Financial instruments

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign exchange risk

The Group undertakes certain transactions denominated in foreign currencies, hence, exposures to exchange rate fluctuations arise. Approximately 6.3% (2022: 3.5%) of the Group's sales are denominated in currencies other than the functional currency of the entities of the Group.

The operating subsidiaries of the Group mainly operate in the PRC with most of the transactions denominated in RMB. In addition, most of the Group's liabilities are denominated in RMB. Therefore, the management considers the Group is not exposed to significant foreign exchange risk.

The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rate.

3 金融工具

3.1 財務風險因素

本集團的業務使其面對多種財務風險：市場風險、信貸風險及流動資金風險。本集團的整體風險管理計劃著重金融市場的不可預見性，並力求盡量降低對本集團財務表現的潛在不利影響。

(a) 市場風險

(i) 外匯風險

本集團進行的若干交易以外幣計值，因此須承擔匯率波動的風險。本集團約6.3%（二零二二年：3.5%）的銷售額乃以本集團實體的功能貨幣以外的貨幣計值。

本集團的營運附屬公司主要於中國經營業務，其大部分交易均以人民幣計值。此外，本集團的大部分負債均以人民幣計值。因此，管理層認為本集團並無面臨重大外匯風險。

本集團透過密切監測外幣匯率的變動管理其外匯風險。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

3 Financial instruments (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Corn kernel price risk

Corn kernels are the major raw materials of the Group and they are subject to price changes in the commodity market. During the year, the Group did not use any commodity futures to control the exposure of the Group to price fluctuations of corn kernel. The Group will consider the production schedule and make bulk purchases from spot market when the market price of corn kernel is considered as low.

(iii) Cornstarch price risk

Cornstarch is one of the major products of the Group and it is subject to price changes in the commodity market. A cornstarch manufacturer, as a seller, holding a put position of cornstarch futures contract would not make any profit if the cornstarch market is prosperity. In other words, short-selling cornstarch futures during the price-up period would unnecessarily increase the exposure of price risk. The management would use futures to control the exposure of price risk when the market is extreme volatile or in recession.

3 金融工具 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(ii) 玉米粒價格風險

玉米粒為本集團的主要原材料，須面對商品市場的價格變動。本年度內，本集團並無使用任何商品期貨控制本集團因玉米粒價格波動而承受的風險。本集團將根據生產計劃並於玉米粒市價被認定為低時在現貨市場進行大量採購。

(iii) 玉米澱粉價格風險

玉米澱粉為本集團的主要產品之一，須面對商品市場的價格變動。在玉米澱粉市場暢旺時，持有玉米澱粉期貨的認沽倉位的玉米澱粉製造商（作為賣方）將不會獲得任何利潤。換言之，沽空玉米澱粉期貨在玉米澱粉價格上升期間將不必要地增加所面對的價格風險。管理層會在市場極為波動或衰退時利用期貨合約控制價格風險。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

3 Financial instruments (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(iv) Interest rate risk

The Group's interest rate risk arises primarily from ad hoc short term borrowings or discount on bank acceptance bills carried at variable rates, which exposes the Group to cash flow interest rate risk. The Group's fixed rate borrowings expose the Group to fair value interest rate risk. The management considers the fair value interest rate risk is insignificant as most of the fixed rate borrowings is less than 12 months.

(b) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables and pledged bank deposits included in the consolidated statement of financial position which represent the Group's maximum exposure to credit risk in relation to its financial assets. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

To manage the risk arising from bank deposits, which included pledged bank deposits, the Group only transacts with reputable banks which are high-credit-quality financial institutions. There has no recent history of default in relation to these financial institutions. The credit risk on bank acceptance bills is monitored closely by the management who will assess the reputation of the customer's issuing bank and the risk of recoverability. The ECL on all bank deposits and bank acceptance bills is close to zero.

3 金融工具 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(iv) 利率風險

本集團之利率風險主要來自按浮動利率計息的臨時短期借款或銀行承兌票據的貼現，其令本集團面臨現金流利率風險。本集團之固定利率借款令本集團面臨公平值利率風險。管理層認為公平值利率風險並不重大，因為為多數固定利率借款少於十二個月。

(b) 信貸風險

本集團的信貸風險主要來自合併財務狀況表中包括的貿易及其他應收款以及已抵押銀行存款，該等貿易及其他應收款以及已抵押銀行存款代表本集團就其金融資產承擔的最高信貸風險。管理層已制訂信貸政策，並不斷監察所承擔的信貸風險。

為管理銀行存款產生的風險，本集團僅與信譽良好而且屬高信貸質素金融機構的銀行交易。該等金融機構近期並無違約紀錄。銀行承兌票據的信貸風險由管理層密切監察，管理層亦會評估客戶的發行銀行的信譽以及可收回程度的風險。所有銀行存款及銀行承兌票據的預期信貸虧損近乎零。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

3 Financial instruments (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

For trade receivables, the Group has credit policy to monitor the credit risk. In general, the credit record and credit period for each customer are regularly assessed, based on the customer's financial condition, historical payment record and other factors such as current market condition and forward-looking information.

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The Group has assessed whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECL. The management believes that there is no material credit risk inherent in the Group's outstanding balances of other receivables and the ECL is close to zero.

The Group applies the simplified approach, which permits the use of the lifetime ECL provision for all trade receivables from third parties and related parties.

The Group categories trade or other receivables for write off when a customer or debtor fails to make contractual payments. Where trade or other receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

3 金融工具 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

就貿易應收款而言，本集團已制訂政策監察信貸風險。一般而言，每一名客戶的信貸紀錄及信貸期限獲定期評估，評估乃基於客戶的財務狀況、過往支付紀錄及其他因素如現行市況及前瞻性資料考慮。

就其他應收款而言，管理層會基於過往結算紀錄及過往經驗對其他應收款是否可回收定期作出整體評估及個別評估。本集團已評估自初步確認以來信貸風險有否顯著增加。倘信貸風險顯著增加，本集團將按整個存續年期的預期信貸虧損而非十二個月的預期信貸虧損計量虧損撥備。管理層認為本集團的其他應收款未償還餘額概無內在的重大信貸風險，而其預期信貸虧損近乎零。

本集團採用簡化法，允許對來自第三方及關連方的所有貿易應收款使用整個存續年期預期信貸虧損撥備。

本集團於一名客戶或債務人無法支付合約款項時，會將貿易或其他應收款分類為撇銷。當貿易或其他應收款獲撇銷時，本集團會繼續採取強制行動以嘗試回收到期的應收款。倘成功回收，回收款將於損益中確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

3 Financial instruments (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

The following tables provide information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2023 and 2022:

		Expected loss rate 預期虧損比率	Gross carrying amount 賬面總值	Loss allowance 虧損撥備
			RMB'000 人民幣千元	RMB'000 人民幣千元
2023	二零二三年			
Current (not past due)	即期 (未逾期)	~ 0%	136,789	-
1 – 60 days past due	逾期一至六十日	0.50%	3	-
61 – 90 days past due	逾期六十一至九十日	1.50%	-	-
More than 365 days past due	逾期超過三百六十五日	100.00%	5	-
			136,797	-

		Expected loss rate 預期虧損比率	Gross carrying amount 賬面總值	Loss allowance 虧損撥備
			RMB'000 人民幣千元	RMB'000 人民幣千元
2022	二零二二年			
Current (not past due)	即期 (未逾期)	~ 0%	145,594	-
1 – 60 days past due	逾期一至六十日	0.50%	-	-
61 – 90 days past due	逾期六十一至九十日	1.50%	-	-
More than 365 days past due	逾期超過三百六十五日	100.00%	-	-
			145,594	-

Expected loss rates are based on actual loss experience over the past two years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The Group has no significant concentration of credit risk in respect of the trade and other receivables, with exposures spread over a number of debtors and customers.

3 金融工具 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

下表提供有關本集團於二零二三年及二零二二年十二月三十一日就貿易應收款面對的信貸風險及預期信貸虧損資料：

預期虧損比率乃根據過往兩年的實際虧損經驗計算得出。該等比率已作出調整，以反映收集過往數據期間的經濟狀況、目前狀況與本集團所認為應收款預計存續期內的經濟狀況當中的差異。

就貿易及其他應收款而言，本集團並無高度集中的信貸風險，風險均分散於多名債務人及客戶。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

3 Financial instruments (Continued)

3.1 Financial risk factors (Continued) (c) Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, the Group also maintains sufficient banking facilities to meet its future payment requirements.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting dates to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows (including interest payment computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

		Within 1 year	Between 1 – 2 years	Between 2 – 5 years	Total	Carrying amount liabilities
		一年以內	一年至兩年	兩年至五年	總計	賬面值負債
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
2023	二零二三年					
Trade and other payables	貿易及其他應付款	419,368	-	-	419,368	419,368
Borrowings	借款	564,344	-	-	564,344	559,365
Employee housing deposits	員工房屋保證金	23,864	-	-	23,864	23,864
		1,007,576	-	-	1,007,576	1,002,597
		Within 1 year	Between 1 – 2 years	Between 2 – 5 years	Total	Carrying amount liabilities
		一年以內	一年至兩年	兩年至五年	總計	賬面值負債
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
2022	二零二二年					
Trade and other payables	貿易及其他應付款	356,685	-	-	356,685	356,685
Borrowings	借款	286,419	-	-	286,419	285,925
Dividends payable	應付股息	27,307	-	-	27,307	27,307
Employee housing deposits	員工房屋保證金	23,864	-	-	23,864	23,864
		694,275	-	-	694,275	693,781

3 金融工具 (續)

3.1 財務風險因素 (續) (c) 流動資金風險

本集團會作出監督，將現金及現金等價物保持在管理層認為充足的水平，以為本集團的經營撥資及減低現金流量波動的影響。此外，本集團亦維持足夠的銀行信貸應付其未來付款所需。

下表為本集團金融負債按其相關到期日分類的分析，分析乃基於報告日期至合約到期日的剩餘期間。下表披露的金額為合約未貼現現金流量(包括透過合約利率或(如為浮動利率)於報告期末的即期利率計算的利息付款)及本集團可能被要求還款的最早日期：

Notes to the Consolidated Financial Statements

合併財務報表附註

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

3 Financial instruments (Continued)

3.2 Capital management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce the cost of capital. The Group monitors its capital structure on the basis of gearing ratio. The gearing ratio is determined by total borrowings to total assets of the Group. During 2023, the Group's capital management strategy, which was unchanged from prior year, was to maintain a healthy gearing ratio in order to cope with working capital requirement and unexpected change in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirement.

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Total borrowings	借款總額	559,365	285,925
Total assets	資產總值	5,352,626	5,105,848
Gearing ratio	槓桿比率	10.5%	5.6%

3.3 Financial value measurement

Fair value measurements are categorised into three different levels based on the degree to which the inputs used to arrive at the fair value of the assets and liabilities are observable and unobservable and the significance of the inputs to the fair value measurement in its entirety, as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets (for example: the Stock Exchange or other recognised commodity market) for identical assets or liabilities at the measurement date. The prices of futures quoted in a recognised commodity market are example of Level 1 inputs.
- Level 2 inputs are those, other than quoted prices included in Level 1 that are observable either directly or indirectly.

3 金融工具 (續)

3.2 資本管理

本集團管理資本的目標為保障本集團可持續經營的能力，以為股東提供回報並為其他權益持有人提供利益。為了維持或調整資本架構，本集團可能調整向股東支付的股息金額、向股東退回資本、發行新股或出售資產，藉以減低資金成本。本集團根據槓桿比率監察資本結構。槓桿比率按本集團的借款總額除以資產總值釐定。於二零二三年，本集團之資本管理策略為維持健康的槓桿比率，以應對營運資金需求及經濟狀況的突發變動，有關策略與去年相同。

本公司或其任何附屬公司均毋須遵守任何外部實施的資本要求。

3.3 財務價值計量

公平值計量根據導致資產及負債公平值所用的輸入數據是否可觀察及其可觀察程度及公平值計量的輸入數據對其整體的重要性分類為三個不同級別，描述如下：

- 第一級輸入數據為相同資產或負債於計量日期於活躍市場(如：聯交所或其他公認商品市場)的報價(未經調整)。於公認商品市場的期貨報價屬第一級輸入數據。
- 第二級輸入數據為不包括計入第一級的報價的可直接或間接觀察的輸入數據。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

3 Financial instruments (Continued)

3.3 Financial value measurement (Continued)

- Level 3 inputs are not observable market data including the latest financial information and estimates based on assumptions.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of the reporting period.

There is no transfers between Level 1, 2 and 3 during the year.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Valuation on inventories

The Group carries out an inventory review on a product-by-product basis at the end of the reporting period and makes allowance for obsolete and slow-moving items. The management estimates the net realisable value for such finished goods, work-in-progress and raw materials primarily on the estimated future selling price and market conditions. Where the estimates of the net realisable value are less than expected, a material allowance may arise. The Group reassesses these estimates regularly. At 31 December 2023, the carrying amount of inventories were RMB730,676,000, net of impairment loss of RMB15,506,000 which is recognised in profit or loss.

3 金融工具 (續)

3.3 財務價值計量 (續)

- 第三級輸入數據為包括最新財務資料及基於假設的估計的不可觀察市場數據。

就按經常性基準於財務報表以公平值確認的資產及負債而言，本集團透過於報告期末重新評估分類（基於對公平值計量整體而言屬重大的最低級別的輸入數據）確定不同等級之間是否發生轉移。

於本年度內，第一級、第二級及第三級之間並未發生轉移。

4 重大會計估計及判斷

估計及判斷會持續進行評估，且基於過往經驗及其他因素，包括在有關情況下對未來事件的合理預期。

本集團對未來作出若干估計及假設。所得的會計估計如其定義，極少與相關的實際結果相同。下文討論導致下一個財政年度內對資產及負債賬面值作出重大調整之巨大風險的估計及假設。

(a) 存貨估值

本集團會於各報告期末檢討每類產品的存貨，為陳舊及滯銷項目作出備抵。管理層主要根據估計的未來售價和市場情況估計該等製成品、在製品及原材料的可變現淨值。如可變現淨值估計少於預期，可能需作出重大備抵。本集團定期重新評估該等估計。於二零二三年十二月三十一日，存貨賬面值為人民幣730,676,000元，扣除減值虧損人民幣15,506,000元，其於損益內確認。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

4 Critical accounting estimates and judgements (Continued)

(b) Useful lives and estimated impairment of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will adjust the depreciation charge where useful lives are different to that of previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

The Group assesses whether there are any indicators of impairment for property, plant and equipment at the end of each reporting period. If such an indication exists, the recoverable amount of property, plant and equipment is estimated using the higher of its fair value less costs of disposals and its value-in-use. If the carrying amount of property, plant and equipment exceeds its recoverable amount, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in profit or loss.

(c) Impairment of trade receivables

The Group estimates the loss allowances for trade receivables by assessing the ECLs. This requires the use of estimates and judgements. ECLs are based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, and an assessment of both the current and forecast general economic conditions at the end of reporting period. Where the estimation is different from the original estimate, such difference will affect the carrying amounts of trade receivables and thus the impairment loss in the period in which such estimate is changed. The Group keeps assessing the expected credit loss of trade receivables during their expected lives.

4 重大會計估計及判斷 (續)

(b) 物業、廠房及設備的可使用年期及估計減值

本集團的管理層決定其物業、廠房及設備的估計可使用年期及有關折舊開支。該估計乃根據性質及功能相近的物業、廠房及設備過往的實際可使用年期而作出。該估計可能因科技進步及競爭者對嚴重行業週期的行動而出現重大變動。管理層將於可使用年期與先前估計年期不同時調整折舊開支，或撇銷或撇減經已廢棄或出售的技術上已過時或非策略性資產。

本集團在各報告期末評估物業、廠房及設備是否有任何減值跡象。倘存在有關跡象，則以公平值減出售成本與使用價值之較高者估計物業、廠房及設備之可收回金額。倘物業、廠房及設備的賬面值高於其可收回金額，則會確認減值虧損將資產之賬面值降至其可收回金額。有關減值虧損於損益中確認。

(c) 貿易應收款減值

本集團透過評估預期信貸虧損估計貿易應收款的虧損撥備，過程需要使用估計及判斷。預期信貸虧損乃根據本集團的過往信貸虧損經驗，並就債務人的特定因素及對目前與預計的整體經濟狀況評估於報告期末作出調整。倘估計與原先估計不同，該等差異將影響貿易應收款的賬面值，並因有關估計的變動以致期內減值虧損亦受影響。本集團會繼續評估貿易應收款於彼等預期存續期內的預期信貸虧損。

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合併財務報表附註

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

5 Revenue and segment information

The Group's operating segments are as follows:

- | | |
|-----------------------------------|--|
| Upstream products | - the manufacture and sale of cornstarch and ancillary corn-refined products |
| Fermented and downstream products | - the manufacture and sale of lysine, starch-based sweetener, modified starch and other products |

The operating segments are identified in accordance with the economic similarity and distinction of our products. For the purpose of assessing segment performance and allocating resources between segments, the chief operating decision-maker assesses and monitors the segment revenues, margins and results attributable to each reportable segment. Inter-segment sales or provision of materials to other segments is not measured.

Interest income and expense are not included in the result for each operating segment as these are managed on a group basis and are not allocated to reportable segments.

Unallocated income and expenses mainly consist of certain government grants and corporate costs respectively which cannot be allocated to individual segments.

Sales between segments are charged at cost or with reference to the selling prices used for sales made to third parties at the then prevailing market prices. The revenue from external parties reported to the management is measured in a manner consistent with that in the consolidated statement of profit or loss and other comprehensive income.

5 收入及分部資料

本集團的經營分部如下：

- | | |
|---------|--------------------------|
| 上游產品 | - 生產及銷售玉米澱粉及玉米深加工副產品 |
| 發酵及下游產品 | - 生產及銷售賴氨酸、澱粉糖、變性澱粉及其他產品 |

經營分部乃根據產品在經濟上的相似及不同之處識別。為評估分部表現及於分部間分配資源，主要營運決策人會評估及監察各可呈報分部應佔的分部收入、利潤及業績。分部間銷售或向其他分部提供物料並無計算在內。

利息收入及開支由於以集團基準管理，並未分配至可報告分部，故不會計入各經營分部業績內。

未分配收入及開支分別主要包括未能分配至個別分部的若干政府補助及企業成本。

分部間銷售乃按成本或參考向第三方銷售所採用的售價按當時的當前市價收費。向管理層報告的外部收入的計量基準與合併損益及其他綜合收益表所採用者一致。

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合併財務報表附註

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

5 Revenue and segment information (Continued)

5 收入及分部資料 (續)

		Upstream products 上游產品 RMB'000 人民幣千元	Fermented and downstream products 發酵及 下游產品 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
2023	二零二三年				
Sales to external customers	向外來客戶銷售	8,596,863	3,200,671	-	11,797,534
Inter-segment sales	分部間銷售	1,603,673	-	-	1,603,673
Reportable segment profit/(loss)	可報告分部利潤／(虧損)	(85,406)	263,393	-	177,987
Unallocated income	未分配收入				39,452
Unallocated expenses	未分配開支				(59,969)
Finance income	融資收入				24,120
Finance expenses	融資費用				(4,757)
Profit before income tax	除所得稅前利潤				176,833
Other segment information:	其他分部資料：				
Depreciation	折舊	93,717	106,277	77,358	277,352
Write-down of inventories	存貨撇減	15,506	-	-	15,506

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合併財務報表附註

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

5 Revenue and segment information (Continued)

5 收入及分部資料 (續)

		Upstream products 上游產品 RMB'000 人民幣千元	Fermented and downstream products 發酵及 下游產品 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
2022	二零二二年				
Sales to external customers	向外來客戶銷售	8,705,998	3,242,854	-	11,948,852
Inter-segment sales	分部間銷售	1,485,860	-	-	1,485,860
Reportable segment profit	可報告分部利潤	230,169	396,677	-	626,846
Unallocated income	未分配收入				45,065
Unallocated expenses	未分配開支				(64,585)
Finance income	融資收入				18,264
Finance expenses	融資費用				(4,474)
Profit before income tax	除所得稅前利潤				621,116
Other segment information:	其他分部資料：				
Depreciation	折舊	106,948	99,072	78,784	284,804

During the years ended 31 December 2023 and 2022, all sources of revenue are recognised at a point in time.

於截至二零二三年及二零二二年十二月三十一日止年度，所有收入來源於一個時間點確認。

The Group has applied practical expedient in paragraph 121(a) of HKFRS 15 to exempt the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the end of reporting period as the performance obligation is part of a contract that has an original expected duration of one year or less.

本集團已應用香港財務報告準則第15號第121(a)段所提供的可行權宜方法，豁免披露來自於報告期末已存在的與客戶訂立之合約所產生且預期將於未來確認的收入，原因為該履約責任為原預期年期為一年或以下的合約的一部分。

Based on the place of the operation of external customers, revenue attributed to the PRC and other countries is RMB10,856,939,000 and RMB940,595,000 (2022: RMB11,493,571,000 and RMB455,281,000) respectively.

根據外來客戶營運所在地，中國及其他國家應佔的收入分別為人民幣10,856,939,000元及人民幣940,595,000元(二零二二年：人民幣11,493,571,000元及人民幣455,281,000元)。

The Group's assets, liabilities and capital expenditures are predominately attributable to a single geographical region, which is the PRC. Therefore, no analysis by geographical regions is presented.

本集團的資產、負債及資本開支絕大部分來自一個單一地區，即中國。因此，概無呈列地區分析。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

6 Other net income

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Amortisation of government grants (note 26)	政府補助的攤銷(附註26)	80,371	81,766
Gain on sale of scrap material	銷售廢料之收益	20,506	21,841
Gain on disposals of property, plant and equipment	出售物業、廠房及設備的收益	1,644	9,403
Written off of property, plant and equipment	撇銷物業、廠房及設備	(3,300)	(208)
Net foreign exchange gain	匯兌收益淨額	7,532	1,538
Government grants (note)	政府補助(附註)	534	1,185
Gain on futures	期貨收益	12	601
Sewage treatment	污水處理	1,993	2,875
Others	其他	3,822	837
		113,114	119,838

Note:

For the years ended 31 December 2023 and 2022, the government grants mainly represented subsidies from the local governments for supporting businesses. The government grants were granted at the discretion of the government and were not recurring in nature. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

附註：

截至二零二三年及二零二二年十二月三十一日止年度，政府補助主要指地方政府為支持企業而提供的資助。政府補助乃由政府酌情授出，並屬非經常性質。領取該等補助並無附有未履行條件及其他或然事項。

7 Finance income

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest income on	以下項目的利息收入		
– Bank deposits	– 銀行存款	23,703	18,095
– Undue bank acceptance bills	– 未到期銀行承兌票據	417	169
		24,120	18,264

7 融資收入

Notes to the Consolidated Financial Statements

合併財務報表附註

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

8 Finance expenses

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on	以下項目的利息		
– Borrowings	– 借款	4,480	3,395
– Discounted bills receivables	– 應收貼現票據	277	1,075
– Lease liabilities (note 24)	– 租賃負債(附註24)	–	4
		4,757	4,474

9 Profit before income tax

The major expenses of the Group are as follows:

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of inventories (note 19)	存貨成本(附註19)	10,044,812	10,555,375
Salaries, wages and other benefits	薪金、工資及其他福利	250,463	251,116
Pension scheme contributions	退休金計劃供款	16,658	15,063
Depreciation of property, plant and equipment (note 16)	物業、廠房及設備折舊(附註16)	266,982	273,929
Depreciation of right-of-use assets (note 17)	使用權資產折舊(附註17)	10,370	10,875
Research expenses (note)	研究費用(附註)	160,490	324,108
Auditor's remuneration	核數師薪酬		
– Audit service	– 審核服務	1,069	1,054
– Non-audit service	– 非審核服務	212	195

Note:

Research expenses include cost of inventories, staff costs and depreciation, which are included in the above respective expenses, in the Research and Development Department of the Group.

8 融資費用

9 除所得稅前利潤

本集團的主要開支如下：

附註：

研究費用包括本集團研發部之存貨成本、員工成本及折舊(已計入上述各項開支內)。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

10 Benefits and interests of directors

Details of directors' emoluments of the Company are set out below:

		Fees 袍金 RMB'000 人民幣千元	Salaries 薪金 RMB'000 人民幣千元	Pension scheme contributions 退休金計劃供款 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
2023	二零二三年				
Executive directors:	執行董事：				
Mr. Tian Qixiang	田其祥先生	-	480	-	480
Mr. Gao Shijun	高世軍先生	-	450	97	547
Mr. Liu Xianggang	劉象剛先生	-	410	-	410
Mr. Yu Yingquan	于英泉先生	-	410	-	410
Independent non-executive directors:	獨立非執行董事：				
Professor Hua Qiang	花強教授	50	-	-	50
Mr. Sun Mingdao	孫明導先生	50	-	-	50
Mr. Yue Kwai Wa, Ken	余季華先生	99	-	-	99
Total	合計	199	1,750	97	2,046
2022	二零二二年				
Executive directors:	執行董事：				
Mr. Tian Qixiang	田其祥先生	-	480	-	480
Mr. Gao Shijun	高世軍先生	-	450	92	542
Mr. Liu Xianggang	劉象剛先生	-	410	23	433
Mr. Yu Yingquan	于英泉先生	-	410	-	410
Independent non-executive directors:	獨立非執行董事：				
Professor Hua Qiang	花強教授	50	-	-	50
Mr. Sun Mingdao	孫明導先生	50	-	-	50
Mr. Yue Kwai Wa, Ken	余季華先生	94	-	-	94
Total	合計	194	1,750	115	2,059

For the year ended 31 December 2023, the retirement benefits paid to Mr. Gao Shijun are related to his service as a director of the Company and its subsidiaries. For the year ended 31 December 2022, the retirement benefits paid to Mr. Gao Shijun and Mr. Liu Xianggang were related to their services as a director of the Company and its subsidiaries.

10 董事的福利及權益

本公司董事的薪酬詳情載列如下：

截至二零二三年十二月三十一日止年度，向高世軍先生支付的退休福利乃與彼擔任本公司及其附屬公司董事相關。截至二零二二年十二月三十一日止年度，向高世軍先生及劉象剛先生支付的退休福利乃與彼等擔任本公司及其附屬公司董事相關。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

11 Individuals with highest emoluments

Of the five individuals with the highest emoluments in the Group, four (2022: three) were directors of the Company whose emoluments are reflected in the analysis in note 10. The emoluments of the remaining one (2022: two) individual was as follows:

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Salaries	薪金	960	1,477
Pension scheme contributions	退休金計劃供款	16	27
		976	1,504

The emoluments paid to the above individuals fell within the following bands:

		Number of individuals	
		人士數目	
		2023	2022
		二零二三年	二零二二年
Nil – HK\$1,000,000	零至1,000,000港元	-	1
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	1	1

向於以下界別內之上述人士支付之酬金：

12 Income tax expense

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current income tax	即期所得稅		
– PRC Enterprises Income Tax (“EIT”)	– 中國企業所得稅 (「企業所得稅」)	-	139,076
– Over-provision in prior years	– 過往年度超額撥備	(13,381)	(5,156)
Deferred tax (note 23)	遞延稅項 (附註23)	32,818	(8,236)
		19,437	125,684

12 所得稅支出

Notes to the Consolidated Financial Statements

合併財務報表附註

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

12 Income tax expense (Continued)

The Group's major business is in the PRC. Under the law of the PRC on EIT and its Implementation Regulation, the tax rate of the PRC subsidiaries is 25% for both years, except for one subsidiary of the Group which is recognised as high technology enterprise is entitled to enjoy a preferential EIT rate of 15% (2022:15%).

No provision for Hong Kong Profits Tax has been made as the Group entities' profit neither arose in nor was derived from Hong Kong during both years.

Pursuant to the law of the PRC on EIT and its Implementation Regulation, non-PRC resident enterprises are levied withholding tax at 10% (unless reduced by tax treaties/arrangements) on dividends receivable from PRC enterprises for profits earned since 1 January 2008. The Group adopted the 10% withholding tax rate for PRC withholding tax purposes during the years ended 31 December 2023 and 2022.

The income tax expense for the year can be reconciled to the profit before income tax as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	176,833	621,116
Notional tax on profit before income tax at applicable rates	按除所得稅前利潤以適用稅率計算之假定稅項	40,763	154,237
Tax effects of	下列各項的稅務影響		
– Expenses not deductible for tax purposes	– 不可扣稅開支	1,975	752
– Income not subject to tax	– 毋須課稅收入	(5)	(192)
– Over-provision in prior years	– 過往年度超額撥備	(13,381)	(5,156)
– Tax deduction in the PRC	– 中國稅項減免	(10,204)	(26,588)
– PRC dividend withholding tax (note 23(a))	– 中國股息預扣稅 (附註23(a))	289	2,631
		19,437	125,684

12 所得稅支出 (續)

本集團之主要業務於中國進行。根據中國企業所得稅法及其實施細則，中國附屬公司於兩個年度之稅率均為25%。惟本集團一間獲認可為高技術企業的附屬公司除外，該公司可享有15%（二零二二年：15%）的優惠企業所得稅率。

由於本集團的實體於兩個年度內並無在香港產生或賺取利潤，故並無就香港利得稅作出撥備。

根據中國企業所得稅法及其實施細則，對非中國居民企業應收中國企業自二零零八年一月一日起所賺取利潤作出的股息，按10%的稅率徵收預扣稅（除非稅收協定／安排訂明較低的稅率）。於截至二零二三年及二零二二年十二月三十一日止年度，本集團已就中國預扣稅採納10%的預扣稅稅率。

本年度所得稅支出可與除所得稅前利潤對賬如下：

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合併財務報表附註

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

13 Earnings per share

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

Profit attributable to owners of the Company (RMB'000)	本公司擁有人應佔利潤 (人民幣千元)
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數 (千股)

The basic and diluted earnings per share for the years ended 31 December 2023 and 2022 were the same because there was no dilutive potential ordinary share.

14 Dividends

Dividends payable to shareholders attributable to the previous financial year, approved and paid during the year:

2022 final dividend of HK0.69 cents per share (2021: HK0.69 cents)	二零二二年末期股息每股0.69港仙 (二零二一年：0.69港仙)
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Subsequent to 31 December 2023, the directors of Company proposed a final dividend of HK0.69 cents (2022: HK0.69 cents) per share, amounting to HK\$41,183,000 (2022: HK\$41,360,000). The final dividend proposed after the end of the reporting period is subject to approval by shareholders in the forthcoming general meeting of the Company and has not been recognised as a liability as at 31 December 2023.

13 每股盈利

本公司擁有人應佔每股基本盈利乃按以下數據計算：

2023 二零二三年	2022 二零二二年
107,959	352,009
5,990,605	5,994,132

由於截至二零二三年及二零二二年十二月三十一日止年度均無具攤薄效用的潛在普通股，故每股基本及攤薄盈利相同。

14 股息

過往財政年度應佔、於本年度內批准並支付的應付股東股息：

2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
38,133	34,882

於二零二三年十二月三十一日後，本公司董事建議派發末期股息每股0.69港仙 (二零二二年：0.69港仙)，金額達41,183,000港元 (二零二二年：41,360,000港元)。於二零二三年十二月三十一日，於報告期末後建議派發的末期股息須待股東於本公司應屆股東大會上批准後，方告作實，且並未確認為負債。

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合併財務報表附註

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

15 Subsidiaries

As at 31 December 2023 and 2022, the Company has the following interests in its subsidiaries. The kind of legal entity of these subsidiaries is limited liability company. The class of shares held is ordinary unless otherwise stated:

Name of company 公司名稱	Place of incorporation and business 註冊成立及經營地點	Principal activities 主要業務	Issued share capital/registered capital 已發行股本/註冊資本	Interest held by the Group 本集團所持權益
Directly held: 直接持有：				
Sourcestar Worldwide Inc.	BVI, Hong Kong 英屬維爾京群島、香港	Investment holding 投資控股	US\$240 240美元	100%
China Starch Group Limited 中國澱粉集團有限公司	Hong Kong 香港	Investment holding 投資控股	HK\$1 1港元	100%
Indirectly held: 間接持有：				
Shandong Shouguang Juneng Golden Corn Development Co., Ltd* ("Golden Corn") 山東壽光巨能金玉米開發有限公司 ("金玉米")	PRC 中國	Manufacturing and sale of cornstarch, lysine and related products 生產及銷售玉米澱粉、賴氨酸及相關產品	RMB700,000,000 人民幣700,000,000元	100%
Shouguang Golden Far East Modified Starch Company Limited* 壽光金遠東變性澱粉有限公司	PRC 中國	Research, development, manufacture, and sales of modified starch, cornstarch, glucose, maltose, dextrin, animal feed additives, food-grade enzymes, biobased materials, and related products 研發、生產及銷售變性澱粉、玉米澱粉、葡萄糖、麥芽糖、糊精、動物飼料添加劑、食品級酶、生物基準材料及相關產品	US\$13,850,000 13,850,000美元	100%
Linqing Deneng Golden Corn Bio Limited 臨清德能金玉米生物有限公司	PRC 中國	Manufacturing and sale of cornstarch, starch-based sweetener and related products 生產及銷售玉米澱粉、澱粉糖及相關產品	RMB200,000,000 人民幣200,000,000元	91%
Shouguang Golden Corn Biotechnology Limited* ("Golden Corn Biotech") 壽光金玉米生物科技有限公司 ("金玉米生物科技")	PRC 中國	Research, development, manufacture and sales of starch, food additives, feeds, amino acids and related products 研發、生產及銷售澱粉、食物添加劑、飼料、氨基酸及相關產品	RMB200,000,000 人民幣200,000,000元	55%
Shouguang Juneng Musashino Biotechnology Co., Ltd* ("Juneng Musashino") 壽光巨能武藏野生物科技有限公司 ("巨能武藏野")	PRC 中國	Research, development, production and sale of lactate and other related products. 研發、生產及銷售乳酸酯及其他相關產品	Note 附註	75%

* English transliteration is for identification only.

Note:

The registered capital of Juneng Musashino is RMB10,000,000 and is not paid up at the end of the reporting period. The contribution of the registered capital to Juneng Musashino is subject to the successful selection and auction of the appropriate production site.

15 附屬公司

於二零二三年及二零二二年十二月三十一日，本公司於下列於其附屬公司中擁有權益。該等附屬公司的合法實體類別為有限公司。除另有列明外，所持有之股份類別為普通股：

Name of company 公司名稱	Place of incorporation and business 註冊成立及經營地點	Principal activities 主要業務	Issued share capital/registered capital 已發行股本/註冊資本	Interest held by the Group 本集團所持權益
Directly held: 直接持有：				
Sourcestar Worldwide Inc.	BVI, Hong Kong 英屬維爾京群島、香港	Investment holding 投資控股	US\$240 240美元	100%
China Starch Group Limited 中國澱粉集團有限公司	Hong Kong 香港	Investment holding 投資控股	HK\$1 1港元	100%
Indirectly held: 間接持有：				
Shandong Shouguang Juneng Golden Corn Development Co., Ltd* ("Golden Corn") 山東壽光巨能金玉米開發有限公司 ("金玉米")	PRC 中國	Manufacturing and sale of cornstarch, lysine and related products 生產及銷售玉米澱粉、賴氨酸及相關產品	RMB700,000,000 人民幣700,000,000元	100%
Shouguang Golden Far East Modified Starch Company Limited* 壽光金遠東變性澱粉有限公司	PRC 中國	Research, development, manufacture, and sales of modified starch, cornstarch, glucose, maltose, dextrin, animal feed additives, food-grade enzymes, biobased materials, and related products 研發、生產及銷售變性澱粉、玉米澱粉、葡萄糖、麥芽糖、糊精、動物飼料添加劑、食品級酶、生物基準材料及相關產品	US\$13,850,000 13,850,000美元	100%
Linqing Deneng Golden Corn Bio Limited 臨清德能金玉米生物有限公司	PRC 中國	Manufacturing and sale of cornstarch, starch-based sweetener and related products 生產及銷售玉米澱粉、澱粉糖及相關產品	RMB200,000,000 人民幣200,000,000元	91%
Shouguang Golden Corn Biotechnology Limited* ("Golden Corn Biotech") 壽光金玉米生物科技有限公司 ("金玉米生物科技")	PRC 中國	Research, development, manufacture and sales of starch, food additives, feeds, amino acids and related products 研發、生產及銷售澱粉、食物添加劑、飼料、氨基酸及相關產品	RMB200,000,000 人民幣200,000,000元	55%
Shouguang Juneng Musashino Biotechnology Co., Ltd* ("Juneng Musashino") 壽光巨能武藏野生物科技有限公司 ("巨能武藏野")	PRC 中國	Research, development, production and sale of lactate and other related products. 研發、生產及銷售乳酸酯及其他相關產品	Note 附註	75%

* 英文譯名僅供識別。

附註：

巨能武藏野註冊資本為人民幣100,000,000元，於報告期末尚未繳足。成功挑選及拍賣合適生產場地後，方會對巨能武藏野之註冊資本出資。

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合併財務報表附註

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

15 Subsidiaries (Continued)

The following table lists out the information relating to Golden Corn Biotech, the only subsidiary of the Group which has material non-controlling interest ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

15 附屬公司 (續)

下表載列有關本集團唯一擁有重大非控股股東權益(「非控股股東權益」)的附屬公司金玉米生物科技的資料。以下呈列的財務資料概要指未計入任何公司間抵銷前的金額。

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
NCI percentage	非控股股東權益百分比	45%	45%
Current assets	流動資產	826,107	406,375
Non-current assets	非流動資產	1,427,882	1,163,969
Current liabilities	流動負債	(1,665,012)	(1,116,544)
Non-current liabilities	非流動負債	(56,595)	(32,555)
Net assets	資產淨值	532,382	421,245
Carrying amount of NCI	非控股股東權益賬面值	239,572	189,560
Revenue	收入	2,345,527	2,526,085
Profit for the year	本年度利潤	114,262	300,487
Total comprehensive income	綜合收益總額	114,262	300,487
Profit allocated to NCI	分配至非控股股東權益的利潤	51,418	135,219
Dividend declared to NCI	宣派予非控股股東權益的股息	(1,406)	(96,206)
Cash flows from operating activities	來自經營活動的現金流量	482,735	159,768
Cash flows from investing activities	來自投資活動的現金流量	(693,172)	(237,727)
Cash flows from financing activities	來自融資活動的現金流量	286,528	57,240

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16 Property, plant and equipment

16 物業、廠房及設備

		Buildings	Plant and machinery	Motor vehicles	Other machinery	Plant and equipment under construction	Total
		樓宇	廠房及機器	汽車	其他機器	在建廠房及設備	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2022	於二零二二年一月一日						
Cost	成本	886,767	2,324,307	33,046	44,683	180,181	3,468,984
Accumulated depreciation and impairment	累計折舊及減值	(221,272)	(1,183,604)	(25,344)	(34,446)	-	(1,464,666)
Net book value	賬面淨值	665,495	1,140,703	7,702	10,237	180,181	2,004,318
Year ended 31 December 2022	截至二零二二年十二月三十一日止年度						
Net book value at 1 January 2022	於二零二二年一月一日的賬面淨值	665,495	1,140,703	7,702	10,237	180,181	2,004,318
Additions	添置	-	2,929	3,803	1,893	153,566	162,191
Transfers upon completion	完成時轉撥	58,565	184,814	-	438	(243,817)	-
Disposals/written-off	出售/撇銷	(261)	(224)	-	-	-	(485)
Depreciation charge for the year	年度折舊費用	(47,940)	(216,802)	(4,088)	(5,099)	-	(273,929)
Net book value at 31 December 2022	於二零二二年十二月三十一日的賬面淨值	675,859	1,111,420	7,417	7,469	89,930	1,892,095
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日						
Cost	成本	944,655	2,499,488	33,767	45,843	89,930	3,613,683
Accumulated depreciation and impairment	累計折舊及減值	(268,796)	(1,388,068)	(26,350)	(38,374)	-	(1,721,588)
Net book value	賬面淨值	675,859	1,111,420	7,417	7,469	89,930	1,892,095
Year ended 31 December 2023	截至二零二三年十二月三十一日止年度						
Net book value at 1 January 2023	於二零二三年一月一日的賬面淨值	675,859	1,111,420	7,417	7,469	89,930	1,892,095
Additions	添置	4,729	6,955	8,930	2,114	521,265	543,993
Transfers upon completion	完成時轉撥	73,945	434,172	-	150	(508,267)	-
Disposals/written-off	出售/撇銷	(7)	(3,301)	-	-	(3,300)	(6,608)
Depreciation charge for the year	年度折舊費用	(41,280)	(216,744)	(4,225)	(4,733)	-	(266,982)
Net book value at 31 December 2023	於二零二三年十二月三十一日的賬面淨值	713,246	1,332,502	12,122	5,000	99,628	2,162,498
At 31 December 2023	於二零二三年十二月三十一日						
Cost	成本	1,023,279	2,918,784	36,499	46,891	99,628	4,125,081
Accumulated depreciation and impairment	累計折舊及減值	(310,033)	(1,586,282)	(24,377)	(41,891)	-	(1,962,583)
Net book value	賬面淨值	713,246	1,332,502	12,122	5,000	99,628	2,162,498

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合併財務報表附註

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

17 Right-of-use assets

The amount in respect of leases are as follows:

		Land use right	Properties	Total
		土地使用權	物業	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Net book value at 1 January 2022	於二零二二年一月一日的賬面淨值	446,660	507	447,167
Depreciation charge for the year	年度折舊費用	(10,368)	(507)	(10,875)
Net book value at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日的賬面淨值	436,292	-	436,292
Depreciation charge for the year	年度折舊費用	(10,370)	-	(10,370)
Net book value at 31 December 2023	於二零二三年十二月三十一日的賬面淨值	425,922	-	425,922

The interests of land use right are located in the PRC.

租賃金額如下：

土地使用權的權益位於中國。

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合併財務報表附註

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

18 Equity investment

18 股權投資

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Financial asset at FVPL	按公平值計入損益之金融資產		
– Unlisted equities	–非上市股權	21,954	9,995

In January 2022, the Group has provided the remaining capital contribution of RMB8,000,000 to Tiangong Biotechnology (Tianjin) Limited (天工生物科技(天津)有限公司) (“Tiangong”). Tiangong has registered capital of RMB100,000,000, of which 10% is held by the Group. The principal activities of Tiangong are to carry out research and development of corn derivatives and transfer its research outcomes to market. The Group has neither control nor significant influence over Tiangong.

於二零二二年一月，本集團已向天工生物科技(天津)有限公司(「天工」)提供剩餘出資人民幣8,000,000元。天工註冊資本人民幣100,000,000元，其中10%由本集團持有。天工的主要業務為進行玉米衍生物的研發並將其研究成果推向市場。本集團對天工並無控制權亦無重大影響力。

In December 2022, the Group entered into an equity transfer agreement with a seller for the acquisition of registered capital of RMB6,000,000, representing 2% of the paid-up registered capital, in JN Power for a consideration of RMB11,280,000. The acquisition was completed in January 2023. The interest in JN Power was subsequently reduced to 1.79% as a result of additional registered capital contributed by another investors. JN Power is engaged into the generation, transmission and supply of electricity and heat. JN Power is a supplier of electricity and steam to the production facilities of the Group in Shouguang. The seller is an independent third party not connected with the Group or a connected person (as defined under the Listing Rules) of the Company. The Group has neither control nor significant influence over JN power.

於二零二二年十二月，本集團與賣方簽訂股權轉讓協議，收購巨能熱電註冊資本人民幣6,000,000元(佔實收註冊資本的2%)，代價為人民幣11,280,000元。收購於二零二三年一月完成。於巨能熱電的權益隨後因其他投資者額外出資註冊資本而削減至1.79%。巨能熱電從事電力及熱力的生產、輸送及供應。巨能熱電為本集團壽光生產設施的電力及蒸汽供應商。賣方為獨立第三方，與本集團或本公司關連人士(定義見上市規則)概無關連。本集團對巨能熱電並無控制權亦無重大影響力。

For fair value measurement of investments using level 3 value inputs, fair value is determined using valuation techniques with reference to the investment's financial position, operating results and prospects, and by reference to market multiples of other comparable companies. Movement of investments using level 3 value inputs is as follows:

就按第三級估值元素計量公平值的投資，其公平值以估值技術釐定並經參考投資的財務狀況、經營業績及前景以及其他可資比較公司的市場倍數。以第三級估值元素計量的投資變動如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
At 1 January	於一月一日	9,995	1,564
Purchases	購置	11,280	8,000
Fair value gain on equity investment	股本投資之公平值收益	679	431
At 31 December	於十二月三十一日	21,954	9,995

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19 Inventories

19 存貨

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	413,078	613,025
Work in progress	在製品	24,242	21,059
Finished goods	製成品	293,356	232,320
		730,676	866,404

The amount of inventories recognised as an expense and included in profit or loss is set out below:

確認為開支並計入損益的存貨金額載列如下：

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of sales	銷售成本	9,918,807	10,292,223
Materials used in research activities	研究活動所用材料	110,499	263,152
Write-down of inventories	存貨撇減	15,506	-
		10,044,812	10,555,375

20 Trade and other receivables

20 貿易及其他應收款

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables	貿易應收款	136,797	145,594
Bank acceptance bills	銀行承兌票據	266,487	239,531
Prepayments and other tax receivables	預付款及其他應收稅項	149,336	195,490
Others	其他	11,077	8,935
		563,697	589,550

The carrying amounts of trade and other receivables are mainly denominated in RMB.

貿易及其他應收款的賬面值主要以人民幣計值。

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

20 Trade and other receivables (Continued)

The provision of loss allowance for trade receivables for both years 2023 and 2022 was nil.

The Group normally grants credit period ranging from 0 to 150 days (2022: 0 to 150 days) to customers.

At the end of the reporting period, the ageing analysis of trade receivables based on the invoice date and net of loss allowance is as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
0 – 30 days	零至三十日	127,923	134,162
31 – 60 days	三十一至六十日	7,479	5,391
61 – 90 days	六十一至九十日	123	1,022
Over 90 days	九十日以上	1,272	5,019
		136,797	145,594

At the end of the reporting period, the bank acceptance bills consist of:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Bills on hand	手頭票據	177,221	131,039
Endorsed bills	背書票據	70,681	48,792
Discounted bills	貼現票據	18,585	59,700
		266,487	239,531

The bank acceptance bills are normally with maturity period of 180 days (2022: 180 days). There is no recent history of default on bank acceptance bills.

As at 31 December 2023, bank acceptance bills of RMB4,000,000 (2022: RMB7,530,000) and discounted bills of RMB18,585,000 (2022: RMB59,700,000) were pledged to banks for securing bank borrowings.

20 貿易及其他應收款 (續)

並無就二零二三年及二零二二年計提貿易應收款虧損撥備。

本集團一般給予客戶的信貸期介乎零至一百五十日 (二零二二年：零至一百五十日)。

於報告期末，貿易應收款根據發票日期及扣除虧損撥備後的賬齡分析如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
0 – 30 days	零至三十日	127,923	134,162
31 – 60 days	三十一至六十日	7,479	5,391
61 – 90 days	六十一至九十日	123	1,022
Over 90 days	九十日以上	1,272	5,019
		136,797	145,594

於報告期末，銀行承兌票據包括：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Bills on hand	手頭票據	177,221	131,039
Endorsed bills	背書票據	70,681	48,792
Discounted bills	貼現票據	18,585	59,700
		266,487	239,531

銀行承兌票據一般到期限為一百八十日 (二零二二年：一百八十日)。銀行承兌票據近期並無違約記錄。

於二零二三年十二月三十一日，人民幣4,000,000元 (二零二二年：人民幣7,530,000元) 的銀行承兌票據及人民幣18,585,000元 (二零二二年：人民幣59,700,000元) 的貼現票據已抵押予銀行，作為銀行借款的抵押。

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21 Pledged bank deposits, cash and cash equivalents and other cash flow information

(a) Pledged bank deposits and cash and cash equivalents

Pledged bank deposits	已抵押銀行存款
Cash and cash equivalents	現金及現金等價物
– Cash at bank and on hand	– 銀行及手頭現金

Total 總計

21 已抵押銀行存款、現金及現金等價物及其他現金流資料

(a) 已抵押銀行存款及現金及現金等價物

2023	2022
二零二三年	二零二二年
RMB'000	RMB'000
人民幣千元	人民幣千元

500,056 207,582

899,830 1,002,985

1,399,886 1,210,567

As at 31 December 2023, pledged bank deposits were provided to banks for securing banking facilities. The interest rate of the pledged bank deposit was 1.7%. As at 31 December 2022, pledged bank deposits were provided to banks for securing banking facilities and bills payables. The interest rate of the pledged bank deposit was 1.9%.

As at 31 December 2023, deposits of RMB1,397,227,000 (2022: RMB1,203,386,000) were placed with banks in the PRC. Remittance of these funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

於二零二三年十二月三十一日，已向銀行提供抵押銀行存款，作為銀行信貸的抵押。已抵押銀行存款的利率為1.7%。於二零二二年十二月三十一日，已向銀行提供抵押銀行存款，作為取得銀行信貸及應付票據的抵押。已抵押銀行存款的利率為1.9%。

於二零二三年十二月三十一日，人民幣1,397,227,000元（二零二二年：人民幣1,203,386,000元）的存款乃存放於中國的銀行。將該等資金匯出中國須受限於中國政府頒佈的外匯管制規則及規例。

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合併財務報表附註

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

21 Pledged bank deposits, cash and cash equivalents and other cash flow information (Continued)	21	已抵押銀行存款、現金及現金等價物及其他現金流資料 (續)	
(b) Reconciliation of profit before tax to cash generated from operations	(b)	除稅前利潤與經營產生的現金的對賬	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Profit before income tax	除所得稅前利潤	176,833	621,116
Adjustments for:	經調整以下項目：		
Finance income	融資收入	(24,120)	(18,264)
Finance expenses	融資費用	4,757	4,474
Depreciation of property, plant and equipment	物業、廠房及設備折舊	266,982	273,929
Depreciation of right-of-use assets	使用權資產折舊	10,370	10,875
Gain on disposals of property, plant and equipment	出售物業、廠房及設備的收益	(1,644)	(9,403)
Loss on written off of property, plant and equipment	撇銷物業、廠房及設備的虧損	3,300	208
Write-down of inventories	存貨撇減	15,506	-
Amortisation of government grants	政府補助的攤銷	(80,371)	(81,766)
Fair value gain on equity investment	股本投資的公平值收益	(679)	(431)
Foreign exchange gain on financing activities	融資活動產生的匯兌收益	93	1,416
Dividend income from equity investments	股權投資的股息收入	(94)	-
Changes in working capital:	營運資金變動：		
Decrease/(increase) in inventories	存貨減少／(增加)	120,222	(264,090)
Decrease in trade and other receivables	貿易及其他應收款減少	25,853	4,807
Decrease in trade and other payables	貿易及其他應付款減少	(48,816)	(20,091)
Decrease in advances from customers	客戶墊款減少	(29,676)	(64,743)
Cash generated from operations	經營產生的現金	438,516	458,037

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

21 Pledged bank deposits, cash and cash equivalents and other cash flow information (Continued)

21 已抵押銀行存款、現金及現金等價物及其他現金流資料 (續)

(c) Reconciliation of liabilities from financing activities

The reconciliation of liabilities arising from financing activities is as follows:

(c) 融資活動所產生負債的對賬

融資活動所產生負債的對賬如下：

		Borrowings	Lease liabilities	Employee housing deposits
		借款	租賃負債	員工房屋保證金
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
At 1 January 2022	於二零二二年一月一日	111,176	438	23,741
Cash flows:	現金流量：			
Payment of lease liabilities	租賃負債付款	-	(438)	-
Payment of interest on lease liabilities	租賃負債利息付款	-	(4)	-
Proceeds of borrowings	借款所得款	309,188	-	-
Repayment of borrowings	償還借款	(135,855)	-	-
Increase in employee housing deposits	員工房屋保證金增加	-	-	123
Other changes:	其他變動：			
Interest on lease liabilities	租賃負債利息	-	4	-
Exchange adjustments	匯兌調整	1,416	-	-
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及 二零二三年一月一日	285,925	-	23,864
Cash flows:	現金流量：			
Proceeds of borrowings	借款所得款	536,047	-	-
Repayment of borrowings	償還借款	(262,700)	-	-
Other changes:	其他變動：			
Exchange adjustments	匯兌調整	93	-	-
At 31 December 2023	於二零二三年十二月三十一日	559,365	-	23,864

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合併財務報表附註

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

21 Pledged bank deposits, cash and cash equivalents and other cash flow information (Continued) 21 已抵押銀行存款、現金及現金等價物及其他現金流資料 (續)

(d) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within operating cash flows	於經營現金流量內	1,286	990
Within financing cash flows	於融資現金流量內	-	442
		1,286	1,432

These amounts related to the following:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Expenses relating to short-term leases	有關短期租賃的開支	1,286	1,432
		1,286	1,432

(d) 租賃現金流出總額

就租賃計入現金流量表的金額如下：

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
	1,286	990
	-	442
	1,286	1,432

該等金額與以下項目有關：

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
	1,286	1,432
	1,286	1,432

22 Share capital

22 股本

		2023 二零二三年	2022 二零二二年
Authorised:	法定：		
Number of shares	股份數目		
At 31 December	於十二月三十一日	10,000,000,000	10,000,000,000

The number of authorised share capital of the Company is comprised of 10,000,000,000 ordinary shares with a par value of HK\$0.10 each.

本公司的法定股本數目包括 10,000,000,000 股每股面值 0.10 港元的普通股。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

22 Share capital (Continued)

22 股本 (續)

		2023 二零二三年	2022 二零二二年
Issued and fully paid:	已發行及繳足：		
Number of shares	股份數目		
At 1 January	於一月一日	5,994,132,043	5,994,132,043
Repurchase of shares	購回股份	(25,565,000)	-
At 31 December	於十二月三十一日	5,968,567,043	5,994,132,043
Equivalent nominal value of ordinary shares (RMB'000)	普通股等同面值 (人民幣千元)	530,230	532,500

During the year ended 31 December 2023, the Company repurchased 25,565,000 shares of the Company on the Stock Exchange at an aggregate consideration of HK\$3,375,000. All of these shares repurchased by the Company were cancelled prior to 31 December 2023 and the total number of shares of the Company in issue has been reduced accordingly. Details of the share repurchases are set out as follows:

於截至二零二三年十二月三十一日止年度，本公司於聯交所購回25,565,000股本公司股份，總代價為3,375,000港元。本公司購回的所有該等股份已於二零二三年十二月三十一日前註銷，本公司已發行股份總數相應減少。股份回購詳情如下：

2023 二零二三年		Number of shares 股份數目	Price per share 每股價格		Aggregate price paid 已付總價 HK\$'000 千港元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
August	八月	700,000	0.145	0.142	101
September	九月	1,500,000	0.135	0.131	201
October	十月	6,785,000	0.130	0.128	875
November	十一月	8,570,000	0.139	0.130	1,148
December	十二月	8,010,000	0.134	0.127	1,050
		25,565,000			3,375

Notes to the Consolidated Financial Statements

合併財務報表附註

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

23 Deferred taxation

(a) Deferred tax assets and liabilities recognised

The components and movement of deferred tax assets and liabilities are as follows:

	Impairment of property, plant and equipment	Government grants	Depreciation allowances in excess of the related depreciation	Write-down of inventories	Tax losses	PRC dividend withholding tax	Total
	物業、廠房及設備減值	政府補助	超出相關折舊的折舊撥備	存貨撇減	稅項虧損	中國股息預扣稅	合計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Deferred tax arising from:	來自以下各項的遞延稅項：						
At 1 January 2022	1,837	49,070	(56,554)	-	-	(14,000)	(19,647)
Credited/(charged) to profit or loss (note 12)	747	10,345	(225)	-	-	(2,631)	8,236
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日						
Credited/(charged) to profit or loss (note 12)	779	(21,040)	(46,020)	3,876	29,876	(289)	(32,818)
At 31 December 2023	於二零二三年十二月三十一日						
	3,363	38,375	(102,799)	3,876	29,876	(16,920)	(44,229)

Deferred tax assets and liabilities are netted off when the taxes relate to the same tax authority and where offsetting is legally enforceable. The following amounts, determined after appropriate offsetting, are shown separately on the consolidated statement of financial position:

倘稅項涉及同一稅務機關，且於法律上可強制抵銷時，則遞延稅項資產與負債可互相抵銷。經適當抵銷後確定的下列金額在合併財務狀況表中單獨列賬：

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Deferred tax assets	遞延稅項資產	14,719	61,999
Deferred tax liabilities	遞延稅項負債	(58,948)	(73,410)
		(44,229)	(11,411)

Notes to the Consolidated Financial Statements

合併財務報表附註

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

23 Deferred taxation (Continued)

(b) Deferred tax liabilities not recognised

Deferred tax liabilities in respect of the PRC dividend withholding tax relating to certain undistributed profits of the Company's PRC subsidiaries were not recognised as the Company controls the dividend policy of these subsidiaries. Based on the assessment made by the management as at the end of the reporting period, it was determined that the undistributed profits of RMB2,259,000,000 (2022: RMB2,166,000,000) of the Company's PRC subsidiaries would not be distributed in the foreseeable future.

24 Lease liabilities

As at 31 December 2023 and 2022, the Group does not have any material lease liabilities.

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

Interest on lease liabilities (note 8)	租賃負債利息 (附註8)
Expense relating to short-term leases	有關短期租賃的開支
Expense relating to leases of low-value assets	有關低價值資產租賃的開支

23 遞延稅項 (續)

(b) 未確認的遞延稅項負債

由於本公司控制其中國附屬公司的股息政策，故並無就與該等附屬公司若干未分派利潤相關的中國股息預扣稅確認遞延稅項負債。根據管理層於報告期末所作出的評估，其認為本公司中國附屬公司的未分派利潤人民幣2,259,000,000元(二零二二年：人民幣2,166,000,000元)不會於可見將來作出分派。

24 租賃負債

於二零二三年及二零二二年十二月三十一日，本集團並無任何重大租賃負債。

於損益內所確認租賃相關的開支項目分析如下：

2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
-----------------------------------	-----------------------------------

		-	4
		1,286	976
		-	14

25 Borrowings

The Group's borrowings were repayable as follows:

(a) By year of repayment

Bank borrowings	銀行借款
- Within one year	- 一年內
Other borrowings	其他借款
- Within one year	- 一年內

25 借款

本集團借款於下列期間償還：

(a) 按還款年限劃分

2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
-----------------------------------	-----------------------------------

		518,585	259,700
		40,780	26,225
		559,365	285,925

Notes to the Consolidated Financial Statements

合併財務報表附註

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

25 Borrowings (Continued)

(b) By secured and unsecured borrowings

Secured	有抵押
Unsecured	無抵押

25 借款 (續)

(b) 按有抵押及無抵押借款劃分

2023	2022
二零二三年	二零二二年
RMB'000	RMB'000
人民幣千元	人民幣千元

518,585	259,700
----------------	---------

40,780	26,225
---------------	--------

559,365	285,925
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The loan of RMB40,780,000 (2022: RMB23,225,000) (denominated in HK\$) was provided by Merry Boom Group Limited (the "Merry Boom"), a controlling shareholder of the Company, and bore a one-month Hong Kong Interbank Offered Rate. During the years ended 31 December 2023, interest expense of approximately RMB1,340,000 (2022: RMB293,000) was paid to Merry Boom.

人民幣40,780,000元(二零二二年：人民幣23,225,000元)的貸款(以港元計值)由怡興集團有限公司(「怡興」)(本公司控股股東)提供，按一個月之香港銀行同業拆息計息。於截至二零二三年十二月三十一日止年度，向怡興支付的利息開支約為人民幣1,340,000元(二零二二年：人民幣293,000元)。

The effective interest rates of secured bank borrowings at the end of reporting period ranged from 1.10% to 2.16% (2022: 1.15% to 2.2%).

於報告期末的有抵押銀行借款實際利率介乎1.10%至2.16%(二零二二年：1.15%至2.2%)。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

26 Deferred income

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	244,722	259,411
Additions for the year	年度增加	400	67,077
Amortisation for the year (note 6)	年度攤銷 (附註6)	(80,371)	(81,766)
		<hr/>	<hr/>
At 31 December	於十二月三十一日	164,751	244,722

Deferred income mainly represents government grants or subsidies received for the development of the production complex and storage facilities as well as research projects.

遞延收入主要指就建設綜合生產基地及存儲設施以及研究項目而取得的政府補助或補貼。

27 Trade and other payables

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade payables	貿易應付款	132,443	188,973
Bills payables	應付票據	4,000	7,530
		<hr/>	<hr/>
Total trade and bills payables	貿易應付款及應付票據總額	136,443	196,503
Payable for construction and equipment	建築及設備應付款	177,975	64,653
Payroll and welfare payables	應付工資及福利	40,258	33,843
Accrued expenses	應計開支	27,307	31,949
Tender deposits	投標保證金	18,659	19,636
Other tax payables	其他應付稅項	14,287	12,464
Sales commission	銷售佣金	2,995	3,140
Others	其他	15,731	6,961
		<hr/>	<hr/>
		433,655	369,149

Notes to the Consolidated Financial Statements

合併財務報表附註

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

27 Trade and other payables (Continued)

As at 31 December 2023, bills payables are secured by bank acceptance bills of RMB4,000,000 (2022:RMB7,530,000) (note 20).

The following is the ageing analysis for the trade and bills payables based on invoice date at the end of the reporting period:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
0 – 60 days	零至六十日	107,164	163,355
61 – 90 days	六十一至九十日	1,051	2,558
Over 90 days	九十日以上	28,228	30,590
		136,443	196,503

The average credit period on purchases is 80 days (2022: 80 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

The carrying amounts of trade and other payables are mainly denominated in RMB.

27 貿易及其他應付款 (續)

於二零二三年十二月三十一日，應付票據以人民幣4,000,000元(二零二二年：人民幣7,530,000元)的銀行承兌票據(附註20)作抵押。

以下為報告期末貿易應付款及應付票據根據發票日期的賬齡分析：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
0 – 60 days	零至六十日	107,164	163,355
61 – 90 days	六十一至九十日	1,051	2,558
Over 90 days	九十日以上	28,228	30,590
		136,443	196,503

採購的平均信貸期為80日(二零二二年：80日)。本集團已制定財務風險管理政策，以確保所有應付款於有關信貸期內獲得支付。

貿易及其他應付款的賬面值主要以人民幣計值。

Notes to the Consolidated Financial Statements

合併財務報表附註

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

28 Advances from customers

Revenue recognised during the year ended 31 December 2023 that was included in advances from customers at the beginning of the year was RMB204,010,000 (2022: RMB268,866,000).

29 Employee housing deposits

Employee housing deposits are carried at amortised cost.

The Group offers residential accommodation to the staff with the aim of promoting long service with the Group. Staff are required to place housing deposits to the Group for the use of such accommodation. The employee housing deposits are interest-free, unsecured and repayable upon the return of the staff quarters by the employee or termination of employment.

30 Commitments

Significant capital expenditure contracted for at the end of the year but not recognised as liabilities is as follows:

Capital contribution	出資
Property, plant and equipment	物業、廠房及設備

28 客戶墊款

於截至二零二三年十二月三十一日止年度計入客戶墊款的已確認收益於年初為人民幣204,010,000元(二零二二年：人民幣268,866,000元)。

29 員工房屋保證金

員工房屋保證金按攤銷成本列賬。

本集團向員工提供住屋，旨在令員工樂於長期服務本集團。員工使用有關住屋設施須向本集團繳付房屋保證金。員工房屋保證金乃免息、無抵押及於員工交回員工宿舍或終止僱傭時退還。

30 承擔

於本年度結束時已訂約但未確認為負債的重大資本開支如下：

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Capital contribution	62,956	71,430
Property, plant and equipment	23,936	132,814

Notes to the Consolidated Financial Statements

合併財務報表附註

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

31 Share-based payment transactions

The Company's share option scheme (the "Share Option Scheme") was adopted on 19 May 2017 for the purpose of providing incentives or rewards to directors, employees and other eligible persons. The Share Option Scheme will remain in force for a period of ten years commencing on the date on which the Share Option Scheme is adopted. The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Company must not in aggregate exceed 30% of the issued capital of the Company from time to time.

As at 31 December 2023 and 2022, no options have been granted under the Share Option Scheme.

32 Related party transactions

Save for the disclosure in note 25, the related party transactions including remuneration for key management personnel of the Group are as follows:

Short-term benefits	短期福利
Pension scheme contributions	退休金計劃供款

31 以股份支付款項的交易

本公司於二零一七年五月十九日採納購股權計劃（「購股權計劃」），目的為向董事、僱員及其他合資格人士提供激勵或獎勵。購股權計劃將於購股權計劃採納之日起計十年內有效。因行使根據購股權計劃及本公司採納的任何其他購股權計劃的所有已授出但尚未行使購股權而可能發行的股份數目上限，合共不得超過本公司不時已發行股本的30%。

於二零二三年及二零二二年十二月三十一日，概無根據購股權計劃授出任何購股權。

32 關連方交易

除於附註25所披露者外，包括本集團主要管理層人員薪酬的關連方交易如下：

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Short-term benefits	短期福利	1,750	1,750
Pension scheme contributions	退休金計劃供款	97	115
		1,847	1,865

Notes to the Consolidated Financial Statements

合併財務報表附註

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

33 Statement of financial position of the Company

33 本公司的財務狀況表

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
ASSETS	資產		
Non-current asset	非流動資產		
Investments in subsidiaries	於附屬公司的投資	159,378	159,378
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	534,723	518,097
Prepayments	預付款	383	383
Cash and cash equivalents	現金及現金等價物	2,265	6,198
		537,371	524,678
Total assets	資產總值	696,749	684,056
EQUITY	權益		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	530,230	532,500
Reserves (note)	儲備 (附註)	125,739	128,331
Total equity	權益總額	655,969	660,831
LIABILITY	負債		
Current and total liability	流動及負債總額		
Borrowings	借款	40,780	23,225
Total equity and liability	權益及負債總額	696,749	684,056

Notes to the Consolidated Financial Statements

合併財務報表附註

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

33 Statement of financial position of the Company (Continued)

33 本公司的財務狀況表 (續)

Note Movement of the reserves of the Company

附註 本公司儲備變動

		Special reserve	Capital reserve	Retained profit	Total
		特別儲備	資本儲備	保留利潤	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2022	於二零二二年一月一日	108,651	16,730	7,188	132,569
Profit for the year	本年度利潤	-	-	30,644	30,644
2021 final dividend	二零二一年末期股息	-	-	(34,882)	(34,882)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日 及二零二三年一月一日	108,651	16,730	2,950	128,331
Repurchase of shares	股份回購	-	-	(817)	(817)
Profit for the year	本年度利潤	-	-	36,358	36,358
2022 final dividend	二零二二年末期股息	-	-	(38,133)	(38,133)
At 31 December 2023	於二零二三年十二月三十一日	108,651	16,730	358	125,739

Five-Year Financial Summary

五年財務概要

		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
Operating results	經營業績					
(RMB'000)	(人民幣千元)					
Revenue	收入	11,797,534	11,948,852	11,639,315	8,892,261	6,750,401
Gross profit	毛利	556,572	1,190,475	952,211	559,775	353,004
Operating profits	經營利潤	157,470	607,326	510,539	261,500	105,392
Profit for the year	本年度利潤	157,396	495,432	402,830	207,039	98,096
Profit attributable to shareholders	股東應佔利潤	107,959	352,009	345,597	190,120	96,847
Assets and Liabilities	資產及負債					
(RMB'000)	(人民幣千元)					
Total assets	總資產	5,352,626	5,105,848	4,719,159	4,567,492	4,424,974
Total liabilities	總負債	1,416,073	1,284,065	1,227,137	1,433,359	1,463,827
Non-controlling interests	非控股股東權益	274,724	226,693	214,059	156,826	139,907
Shareholder's equity	股東權益	3,661,829	3,595,090	3,277,963	2,977,307	2,821,240
Per share data	每股數據					
Net assets per share (RMB)	每股淨資產 (人民幣元)	0.66	0.64	0.58	0.52	0.49
Earnings per share (RMB cents)	每股盈利 (人民幣分)	1.80	5.87	5.77	3.17	1.62
Dividends per share (HK\$ cents)	每股股息 (港仙)	0.69	0.69	0.69	0.90	0.62
Dividend payout ratio	派息比率	34.7%	10.5%	9.8%	23.9%	34.3%
Share price as at the year ended (HK\$)	年末股價 (港元)	0.136	0.225	0.212	0.156	0.143

Note:

附註：

The above summary does not form part of the audited consolidated financial statements.

上述概要不構成經審核合併財務報表之一部分。

Corporate Information 公司資料

Executive Directors

Mr. Tian Qixiang (*Chairman*)
Mr. Gao Shijun (*Chief Executive Officer*)
Mr. Liu Xianggang
Mr. Yu Yingquan

Independent Non-executive Directors

Professor Hua Qiang
Mr. Sun Mingdao
Mr. Yue Kwai Wa, Ken

Company Secretary

Mr. Leung Siu Hong *FCCA, FCPA, HKFCG, FCG*

Authorised Representatives

Mr. Leung Siu Hong
Mr. Yu Yingquan

Registered Office

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

Head Office and Principal Place of Business in Hong Kong

Room 1101-1104, 11/F,
Harcourt House,
39 Gloucester Road,
Wanchai, Hong Kong

Auditor

SHINEWING (HK) CPA Limited
Registered Public Interest Entity Auditor

執行董事

田其祥先生 (*主席*)
高世軍先生 (*行政總裁*)
劉象剛先生
于英泉先生

獨立非執行董事

花強教授
孫明導先生
余季華先生

公司秘書

梁兆康先生 *FCCA, FCPA, HKFCG, FCG*

授權代表

梁兆康先生
于英泉先生

註冊辦事處

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Grand Cayman KY1-1111
Cayman Islands

總辦事處及香港主要營業地點

香港灣仔
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夏慤大廈
11樓1101-1104室

核數師

信永中和 (香港) 會計師事務所有限公司
註冊公眾利益實體核數師

Corporate Information

公司資料

Legal Advisers

As to Hong Kong Law:
Kwok Yih & Chan

As to Cayman Islands Law:
Conyers Dill & Pearman

Principal Bankers

Bank of China
China Construction Bank
Industrial and Commercial Bank of China
Industrial Bank Company Limited

Cayman Islands Share Registrar and Transfer Office

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586
Gardenia Court
Camana Bay
Grand Cayman
KY1-1100
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

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

Website

www.chinastarch.com.hk

法律顧問

香港法律：
郭葉陳律師事務所

開曼群島法律：
康德明律師事務所

主要往來銀行

中國銀行
中國建設銀行
中國工商銀行
興業銀行股份有限公司

開曼群島股份過戶登記處

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Grand Cayman
KY1-1100
Cayman Islands

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