



慶鈴汽車股份有限公司 Qingling Motors Co.Ltd

(A Sino-foreign joint-venture joint stock limited company
incorporated in the People's Republic of China with limited liability)
(在中華人民共和國註冊成立之中外合資股份有限公司)

股份代號 Stock Code: 1122



2016 年報

ANNUAL REPORT

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公司簡介

OVERVIEW OF THE COMPANY

主要業務

慶鈴汽車股份有限公司(「本公司」)及其附屬公司(「本集團」)主要從事生產及銷售五十鈴輕型、中型、重型商用車、皮卡車、多功能車，以及柴油和汽油發動機。所有本集團生產設備均座落在中華人民共和國(「中國」)。本集團之絕大部份銷售亦在中國發生。本年度內，本集團亦有向日本出口銷售，其金額佔本集團全年營業額約0.04%。

公司職工人數

於二零一六年十二月三十一日，本集團職工人數為2,857人。

PRINCIPAL ACTIVITIES

Qingling Motors Co. Ltd (the “Company”) and its subsidiaries (the “Group”) is principally engaged in the production and sale of Isuzu light, medium and heavy-duty trucks, pick-up trucks, multi-purpose vehicles and diesel and petrol engines. All of the production facilities of the Group are located in the People’s Republic of China (the “PRC”) and substantially all the sales of the Group are also made in the PRC. The Group had export sales to Japan during the year, which accounted for approximately 0.04% of the Group’s turnover for the year.

NUMBER OF EMPLOYEES

The Group had 2,857 employees as at 31 December 2016.

致各位股東：

本人欣然提呈慶鈴汽車股份有限公司(「本公司」)及其附屬公司(「本集團」)截止二零一六年十二月三十一日的年度報告，敬請各位股東審覽。

二零一六年業績

本公司截止二零一六年十二月三十一日止年度的卡車及汽車銷量為48,166台，較上年57,744台減少16.6%。收益為人民幣46億元，較上年人民幣55億元減少15.8%；除稅後盈利為人民幣4.86億元，較上年人民幣4.85億元增加0.2%。

一、業績回顧

二零一六年，面對宏觀經濟增速持續放緩，商用車市場總需求持續疲軟，市場競爭日趨激烈的嚴峻形勢，公司一手抓當期生產經營的止滑、增利，一手抓關係企業可持續發展的重大項目推進及機制改革，工作取得新的成效。

Dear shareholders,

I am pleased to present the annual report of Qingling Motors Co. Ltd (the "Company") and its subsidiaries (together, the "Group") for the year ended 31 December 2016 for your review.

2016 RESULTS

For the year ended 31 December 2016, the Company sold 48,166 trucks and vehicles, a decrease of 16.6% over 57,744 trucks and vehicles sold last year. Revenue was RMB4.6 billion, a decrease of 15.8% over RMB5.5 billion as recorded last year. Profit after tax was RMB486 million, an increase of 0.2% million over RMB485 million as recorded last year.

I. REVIEW OF RESULTS

In 2016, facing the ongoing slowdown of macroeconomic growth, the continued slump of the total market demand for commercial vehicles and the increasingly fierce market competition, the Company, on one hand, arrested the fall in, while enhancing, the profit of production and operation of the period, and on the other hand, promoted the process of the significant projects and system reform on the sustainable development of enterprise, and the work achieved new results.

1、堅持市場導向，強化營銷。一是根據不同區域及業態的經濟特徵，瞄準重點客戶、重要商機，集中資源實現快速成交，成功開發京東商城、遠程物流、跨越物流、唯品會等一批優質客戶；二是開展慶鈴特約維修站星級達標評價，對維修站進行分級優化管理，強化售後服務對營銷的支撐作用；三是加大網絡覆蓋率，全年新建營銷網點71個，在客戶集中的區域實現了營銷網絡全覆蓋；四是系統開展企業形象及品牌宣傳，通過參加國際汽車展、組織新產品區域巡展、運用新媒體傳播手段等方式進行精準、深度宣傳。

i. **Adhere to market orientation and strengthen marketing.** The Company 1) according to the economic characteristics of different regions and industrial development and targeting at key customers and important business opportunities, focused its resources to achieve rapid turnover, and successfully developed a high-quality customer base with top-notch customers such as Jingdong Mall, Yuan Cheng Logistics, Kua Yue Logistics and Vipshop; 2) launched a starrating evaluation on Qingling special maintenance stations and carried out grading optimization management on the maintenance stations, in order to strengthen the supporting role of aftersales service to marketing; 3) expanded network coverage, with 71 newly established sales positions for the whole year and have achieved an overall coverage of marketing network in those areas centralized by customers; 4) systematically carried out promotion on corporate image and the brand through participating in international auto shows, organizing regional exhibitions of new products, operating new mode of media communication, etc., to engage in accurate and in-depth publicity.



五十鈴最新一代國六發動機項目簽約儀式
Signing Ceremony of Isuzu's New Generation
Phase 6 Engines



五十鈴全球技能大赛中國總決賽
Isuzu World Technical Competition China Finals

2、堅持創新驅動，強化開發。一是組織開發隊伍，與五十鈴、博世、德爾福等幾條合作戰線超常規密集展開國五車輛及發動機開發工作，至二零一七年一季度已實現全系列產品國五提升；二是借助五十鈴、科研院所、社會配套廠家的資源，完成了輕、中、重卡車，皮卡車及新能源汽車的中長期產品規劃，現已轉入實施；三是根據市場發展和客戶需要，繼續豐滿現有車型規格及配置，完成加長皮卡、連體皮卡等20種新車型開發；四是隨消防車法規、制動整改、車輛號牌等一批強制性法規的實施，共完成749項法規對應。

ii. **Adhere to innovation drive and strengthen development.** The Company 1) organized a development team and intensively commenced the development of phase 5 vehicles and engines with cooperation partners such as Isuzu, Bosch and Delphi, and achieved phase 5 enhancement on the complete series as of the first quarter of 2017; 2) drawing support from the resources of Isuzu, scientific research institutes and social ancillary manufacturers, completed the medium-long-term product planning of light, medium and heavy-duty trucks, pick-up trucks and new energy vehicles, and has moved to the implementation stage; 3) based on market development and customer needs, continued to enhance the existing model specifications and configurations, and completed the development of 20 new models such as extended pick-ups and conjoined pick-ups; 4) with the implementation of a number of mandatory regulations such as fire truck regulations, adjustments and changes in brakes and vehicle license plates, completed the corresponding measures against a total of 749 regulations.

3、堅持深化改革，強化管理。一是強化生產及設備管理，以抓全過程、全環節交貨期為切入點，提升綜合製造能力；二是剛性抓質量管理，導入五十鈴B.OP品質管理活動，建立和完善不良品不流出機制；三是推進降本增效專項行動，包括推進新一輪零部件國產化合攏、提高資金管理效益、全員開展「小改小革」等；四是積極穩妥推進薪酬改革，構建全員薪酬與職級、崗位、績效關聯的職業發展通道，實現崗位能上能下、薪酬能增能減、員工能進能出；五是按統一規劃、分步實施、由易到難，循序漸進的原則，起步建設全公司信息管理平台。

iii. **Adhere to in-depth reform and strengthen management.** The Company 1) strengthened the management of production and equipment to enhance the comprehensive manufacturing capacity with the overall process and overall segment delivery period as the entry point; 2) rigidly carried out quality management through introducing Isuzu's B.OP quality management activity and establishing and improving the system for disallowing outflow of defective products; 3) promoted special actions, including the promotion of a new round of domestic components merging, the improvement of the effectiveness of capital management and the launch of "small change and small reform" for all employees, to lower cost and increase effectiveness; 4) actively and steadily promoted remuneration reform and built a career development path that allows the remuneration of all employees be commensurated with their ranks, positions and performance, in order to achieve the flexibility in duties allocation, remuneration and staff deployment; 5) according to the unified planning, implemented, step by-step and from ease to difficulty, a progressive principle to start the construction of an information management platform in the whole Company.

二、前景展望

公司在研判內、外環境，評估自身優勢和不足的基礎上，編製了「十三五」發展規劃，總體發展思路：構建「商、乘、專、發、零」五大產業，夯實商用車核心業務，做深專用車、發動機、零部件戰略業務，拓展乘用車、新能源汽車及後市場新興業務。為實現上述規劃，推動慶鈴發展上檔升位，公司提出了近三年(2017-2019年)的中期發展目標、工作方針及主要課題：

- 1、**發展目標：**企業創新能力和技術隊伍培育初見成效，每年研發投入佔營業收入比重不斷增加，中期產品規劃按期達成推向市場，全系列車型實現國六；改裝車和新能源汽車規模化、批量投放市場；全系列發動機實現國六，同步完成二次開發，降低成本，發動機規模化外銷成為第二經營支柱。
- 2、**工作方針：**提升營銷，拉動經營全域；強化創新，驅動企業發展；推進改革，激發全員活力。營銷是龍頭，創新是動力，機制是保障，三者缺一不可。

II. OUTLOOK AND PROSPECTS

On the basis of evaluating the inner and outer environment and assessing the Company's edges and shortcomings, the Company has compiled the "13th Five-Year Plan" development plan with the overall development idea as: Constructing the five major industries of "commercial, transport, professional, development, and retail", broadening the core business of commercial vehicles, intensely carrying out strategic business on specialized vehicles, engines and components, and expanding passenger vehicles, new energy vehicles and post-market emerging business. In order to achieve the above plan and promote the upgrade of Qingling, the Company has put forward the medium-term development targets, working policy and main tasks in the past three years (2017-2019):

- i. **Development targets:** The enterprise innovation ability and technical team training produce initial results; the proportion of annual investment in research and development over the operating income is increasing; medium-term products planned reach the market on schedule; all series of models achieve phase 6; the scale of modified vehicles and new energy vehicles extends and such vehicles are released to the market in batch; all series of engines achieve phase 6 and simultaneously complete the second phase of development to reduce costs, and large-scale engine exports become the second pillar of operation.
- ii. **Working policy:** To enhance marketing and drive the overall development of operation; to strengthen innovation and boost enterprise development; to promote reform and stimulate the vitality of employees. With marketing being the leader, innovation being the driving force, and mechanism being the guarantee, the three are indispensable.

3、 主要課題：一是制定並實施中期產品規劃；二是引進五十鈴新一代國六發動機；三是大力培育技術創新能力；四是大力推動市場化機制改革；五是積極穩妥推進薪酬體系改革；六是加強資本運作；七是加強信息化建設；八是改善和提升員工福利及後勤服務；九是強化法律事務及風險管控；十是壯大改裝車產業。

展望二零一七年，公司改革創新發展的任務光榮而艱巨，只要慶鈴全體員工團結一致、攜手奮進，就一定能夠攻堅克難、砥礪前行，為投資者帶來更滿意的回報。

中國 • 重慶
二零一七年三月二十四日

iii. Main tasks: 1) To develop and implement medium-term product planning; 2) to introduce Isuzu's new generation phase 6 engines; 3) to vigorously nurture technological innovation ability; 4) to vigorously promote market mechanism reform; 5) to actively and steadily promote remuneration system reform; 6) to strengthen capital operation; 7) to strengthen information construction; 8) to improve and enhance employee benefits and logistic services; 9) to strengthen legal affairs and risk control; 10) to invigorate the modified vehicle industry.

Looking to 2017, the Company's task of reform on innovation and development is going to be honorable yet arduous. As long as all employees of Qingling work in solidarity and going ahead together hand-in-hand, the Company will be able to tackle difficulties and overcome obstacles, move forward with fortitude, and bring more satisfactory returns to investors.

Chongqing, PRC
24 March 2017

董事、監事及高級 管理人員之簡短個 人資料

BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

董事

羅宇光先生，47歲，自二零一六年十二月二十二日起已為本公司執行董事、董事長、薪酬委員會成員及提名委員會主席及成員。彼於一九九二年於北京農業工程大學畢業，建築與環境工程專業，為工學學士，羅先生亦於二零零八年於重慶師範大學會計專業本科學習畢業。彼於大學畢業後進廠迄今，擁有在汽車行業連續從業24年之經驗。羅先生早期在本公司一總裝車間、機修車間、基建部及採購部實習，後歷任規劃建設部副部長、二衝壓車間副主任、財務部副部長及綜合計劃部副部長。彼於二零零九年進入本公司經營班子，先後出任副總經濟師兼採購部部長、本公司主要股東慶鈴汽車(集團)有限公司(「慶鈴集團」)副總經理，主管過生產、物流、國內配套、進口等；於二零一六年九月出任慶鈴集團董事及總經理。羅先生曾多次赴境外研修，包括香港特許秘書公會組織的企業規管高級研修班學習、日本五十鈴公司組織的生產、品質、開發、營銷等專題研修。羅先生由二零一五年四月至二零一六年十一月三十日為慶鈴五十鈴(重慶)發動機有限公司董事長。

DIRECTORS

Mr. LUO Yuguang, aged 47, has been an executive director, the Chairman, a member of the remuneration committee and the chairman and a member of the nomination committee of the Company since 22 December 2016. He graduated from Beijing Agricultural Engineering University (北京農業工程大學) in 1992, specialized in Construction and Environmental Engineering (建築與環境工程) with a Bachelor's degree in engineering. Mr. LUO also completed and graduated from an undergraduate program in Chongqing Normal University (重慶師範大學) in 2008, majoring in Accounting. He joined the Company after obtaining his Bachelor's degree and has a consecutive 24-year experience in the car industry. At the early stage, Mr. LUO underwent an internship at the Assemble Workshop (總裝車間), Repair Workshop (機修車間), Infrastructure Department (基建部) and Procurement Department (採購部) of the Company. Later he was the Deputy Head of the Planning and Construction Department (規劃建設部副部長), Deputy Head of Secondary Pressing Vehicles Workshop (二衝壓車間副主任), Deputy Head of the Finance Department (財務部副部長) and Deputy Head of the Integrated Planning Department (綜合計劃部副部長). In 2009, he joined the Management team of the Company and was the Deputy Chief Economist and the Head of Procurement Department (副總經濟師兼採購部部長), and the Deputy General Manager of Qingling Motors (Group) Company Limited ("Qingling Group"), the substantial Shareholder of the Company, responsible for the production, logistics, domestic support and import, etc.. He took up the post of the Director and the General Manager of Qingling Group in September 2016. Mr. LUO studied abroad for several times, including the Advanced Course in Corporate Governance organized by the Hong Kong Institute of Chartered Secretaries and Studies on Special Topics such as production, quality, development and sales organized by Japan Isuzu. Mr. LUO has been the Chairman of the Qingling Isuzu (Chongqing) Engine Co., Ltd. from April 2015 to 30 November 2016.

董事、監事及高級 管理人員之簡短個 人資料

前垣圭一郎先生，59歲，自二零一五年五月二十八日起已為本公司執行董事及副董事長，及自二零一五年十一月十六日起已為本公司總經理。彼畢業於日本慶應義塾大學法律系。彼於一九八一年四月加入五十鈴汽車有限公司（「五十鈴」），於五十鈴任職逾三十年，曾擔任包括國內服務推進室擔當部長，國內管理室擔當部長，國內企劃室擔當部長，營業企劃部長，MKT室及CV企劃・商品部長，項目經營部長，項目經營部及成本企劃部執行擔當，海外營業第八及第九部執行擔當，及PT事業部門統括輔佐等數個職位。前垣先生現時擔任五十鈴之常務執行役員以及五十鈴海外第四營業部統括輔佐，並曾於二零一零年至二零一四年擔任慶鈴五十鈴（重慶）發動機有限公司之副董事長。

太田正紀先生，61歲，自二零一六年六月十五日起已為本公司執行董事。彼在一九七九年畢業於名古屋工業大學工學部。太田先生於一九七九年四月加入五十鈴；於一九九三年至二零零零年期間先後出任粗型材工場技術部FO技術組課長及五十鈴泰國I.T.鍛造部要員。太田先生於二零零零年回到五十鈴出任PT生產技術室課長，其後擔任PT製造第三部部長及PT工務部部長。彼於二零一三年起出任技術本部、生產部門、PT製造部及PT品質管理部執行役員。

BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Keiichiro MAEGAKI, aged 59, has been an executive director of the Company and the vice chairman since 28 May 2015 and has been the general manager of the Company since 16 November 2015. He graduated from the Faculty of Law of Keio University, Japan. He joined Isuzu in April 1981 and has been working at Isuzu Motors Limited ("Isuzu") for over 30 years. He served in a number of positions, including the manager in charge of the domestic service improvement office, the manager in charge of the domestic management office, the manager in charge of the domestic planning office, the head of the business planning department, the merchandise manager of MKT office and CV project, the head of the project management department, the executive officer in charge of the project management department and cost planning department, the executive officer in charge of the eighth and ninth divisions of the overseas business and the assistant to the head of the PT business department. Mr. MAEGAKI is currently the managing executive officer of Isuzu and the assistant to the fourth division of oversea business department of Isuzu and has been the vice chairman of Qingling Isuzu (Chongqing) Engine Co., Ltd. from 2010 to 2014.

Mr. Masanori OTA, aged 61, has been an executive director of the Company since 15 June 2016. He graduated from the Faculty of Engineering of Nagoya Institute of Technology in 1979. Mr. OTA joined Isuzu in April 1979, and successively served as the Section Chief of FO Technology Division of Raw Material Factory Technology Department (粗型材工場技術部FO技術組課長) and the key member of I.T. Forging Department of Isuzu (Thailand)(五十鈴泰國 I.T. 鍛造部要員) from 1993 until 2000. Mr. OTA was re-designated back to Isuzu in 2000 to serve as the Section Chief of PT Production Technology Department (PT生產技術室課長) and later held the position as the Head of the Third Department of PT Manufacturing (PT製造第三部部長) and the Head of the PT Public Works Department (PT工務部部長). He had served as the Executive Officer (執行役員) of Main Department of Technology (技術本部), Production Department (生產部門), PT Manufacturing Department (PT製造部) and PT Quality Management Department (PT品質管理部) since 2013.

董事、監事及高級 管理人員之簡短個 人資料

BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

小村嘉文先生，62歲，自二零一六年六月十五日起已為本公司執行董事。彼畢業於早稻田大學部政治經濟學部。小村先生於一九七八年四月加入五十鈴。彼曾出任北美事業管理部課長、海外第二營業室北美營業組次長、海外第六營業室海外營業第十部部長、PT事業管理室室長及五十鈴菲律賓公司社長。小村先生於二零零七年四月回到五十鈴出任執行役員(海外營業部門)。由二零一一年二月至二零一五年四月期間，彼先後出任常務執行役員美洲當地事業統括及ISUZU LINEX公司的代表取締役社長。於二零一五年四月，小村先生再次回到五十鈴出任專務執行役員。彼現任為取締役專務執行役員。

Mr. Yoshifumi KOMURA, aged 62, has been an executive director of the Company since 15 June 2016. He graduated from the Faculty of Political Science and Economics of Waseda University. Mr. KOMURA joined Isuzu in April 1978. He served as the Section Chief of North America Operations Management Department (北美事業管理部課長), Deputy Director of North America Operations Division of the Overseas Sales Division No.2 (海外第二營業室北美營業組次長), Director of the Overseas Operations Division No. 10 of the Overseas Sales Division No.6 (海外第六營業室海外營業第十部部長), Manager of PT Operations Management Department (PT 事業管理室室長) and the President of Isuzu Philippines Corporation (五十鈴菲律賓公司社長). Mr. KOMURA was re-designated back to Isuzu in April 2007 to serve as the Executive Officer (Overseas Operations Department) (執行役員(海外營業部門)). He successively served as the Managing Executive Officer of America Operations Department (美洲當地事務統括) and the Chief Executive Officer of ISUZU LINEX CO., LTD. from February 2011 until April 2015. Mr. KOMURA was re-designated back to Isuzu in April 2015 to serve as the Managing Executive Officer (專務執行役員). He currently serves as the Managing Executive Officer (取締役專務執行役員).

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BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

徐松先生，49歲，自二零一六年六月十五日起已為本公司執行董事。彼為高級工程師。徐先生於一九八八年六月加入中國共產黨。彼於一九八九年七月畢業於吉林工業大學工程機械系起重運輸與工程機械專業大學。徐先生為工學學士及工商管理碩士。彼曾於一九八九年進入重慶汽車製造廠設備處實習，先後擔任助理工程師及車間副主任。自一九九五年至二零零四年，彼任職於本公司，先後擔任過車間副主任、車間主任及產品開發部部長。二零零四年起，徐先生出任慶鈴集團總經理助理及本公司總經理助理，並先後兼任慶鈴集團及本公司事業計劃部部長及本公司總工程師辦公室主任。二零零五年起，彼出任慶鈴集團總經理助理及本公司副總經理，並兼任慶鈴集團及本公司事業計劃部部長。彼於二零零五年十一月兼任慶鈴集團採購部部長。自二零零九年至二零一二年期間，彼出任慶鈴集團副總經理及黨委委員、重慶慶鈴鑄造有限公司總經理、黨委書記及黨委委員。從二零一二年至今，徐先生為慶鈴集團副總經理及黨委委員。

李巨星先生，51歲，自二零一五年五月二十八日起已為本公司執行董事。彼畢業於哈爾濱工業大學鑄造專業。彼為工學學士及高級工程師。李先生於一九九零年七月起先後擔任重慶汽車製造總廠鑄造廠技術員、重慶慶鈴鑄造有限公司生技部部長、品質部部長、副總工程師、副總經理；二零零五年起任慶鈴集團副總工程

Mr. XU Song, aged 49, has been an executive director of the Company since 15 June 2016. He is a senior engineer. Mr. XU joined the Chinese Communist Party in June 1988. He graduated from the Faculty of Engineering Machinery of Jilin University of Technology in July 1989, majoring in crane transport and engineering machinery. Mr. XU was awarded a bachelor degree in Engineering and a master degree in Business Administration. He worked in the equipment department of Chongqing Automobile Manufacturing Plant as an internship in 1989 and successively served as an assistant engineer and the deputy head of manufacturing factory. From 1995 to 2004, he worked at the Company and successively served as the deputy head, the head of manufacturing factory and the head of the product development department. Since 2004, Mr. XU served as an assistant to general manager of Qingling Group and the Company, and successively served as the head of the business planning department of Qingling Group and the Company and the director of chief engineer office of the Company. Since 2005, he served as an assistant to general manager of Qingling Group and the vice general manager of the Company, and also served as the head of the business planning department of Qingling Group and the Company. He also served as the head of the procurement department of Qingling Group in November 2005. From 2009 to 2012, he successively served as the deputy general manager and a member of the party committee of Qingling Group, the general manager, the secretary and a member of the Party Committee of Chongqing Qingling Casting Company Limited. From 2012 till now, Mr. XU served as the deputy general manager and a member of the Party Committee of Qingling Group.

Mr. LI Juxing, aged 51, has been an executive director of the Company since 28 May 2015. He graduated from Harbin Institute of Technology, majoring in casting. He holds a bachelor degree of engineering and is a senior engineer. Mr. LI successively served as a technician of a foundry of Chongqing Automobile Manufacturing Plant (重慶汽車製造總廠), a head of the biotechnology department, a head of the quality department, a deputy chief engineer and a deputy general manager of Chongqing Qingling Casting Company Limited (重慶慶鈴鑄造有限公司) since July 1990. He became a deputy chief engineer of Qingling Group since 2005 and

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師，兼任重慶慶鈴鑄鋁有限公司總經理、重慶慶鈴鍛造有限公司總經理；二零一零年至今任慶鈴集團副總經理，並擔任五十鈴慶鈴(重慶)汽車零部件有限公司副董事長、重慶慶鈴鍛造有限公司董事長及慶鈴五十鈴(重慶)發動機有限公司董事。由二零一六年九月二十六日至二零一六年十二月二十二日期間，李先生出任本公司代行董事長。

龍濤先生，65歲，自一九九四年四月二十八日起已為本公司獨立非執行董事。彼亦為本公司審核委員會、薪酬委員會及提名委員會成員。龍先生畢業於財政部財政科學研究所西方會計專業及經濟學碩士。彼先後任職於中央財經大學會計系、畢馬威會計公司紐約分部。龍先生曾任中國證券監督管理委員會股票發行審查委員會委員及中港證券小組中方會計專家組成員。龍先生現任中央財經大學會計系副教授及北京海問投資諮詢有限責任公司任董事長。龍先生在公司財務、會計、審計、資產評估及企業改制及上市等方面具有豐富的理論及實踐經驗。龍先生同時擔任皇冠環球集團有限公司(其股份於香港聯合交易所有限公司(「聯交所」)上市，股份代號：727)的獨立非執行董事。龍先生分別於二零一二年及二零一五年辭任華夏基金管理有限公司及北京北辰實業股份有限公司(其H股股份於聯交所上市，股份代號：588)的獨立非執行董事。

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concurrently served as the general managers of Chongqing Qingling Aluminium Casting Co. Ltd. (重慶慶鈴鑄鋁有限公司) and Chongqing Qingling Forging Co. Ltd. (重慶慶鈴鍛造有限公司). Since 2010, he has been working as a deputy general manager of Qingling Group and he also serves as the vice chairman of Isuzu Qingling (Chongqing) Autoparts Co., Ltd, the chairman of Chongqing Qingling Forging Co. Ltd. and a director of Qingling Isuzu (Chongqing) Engine Co., Ltd.. During the period from 26 September 2016 to 22 December 2016, Mr. LI served as the acting Chairman of the Company.

Mr. LONG Tao, aged 65, has been an independent non-executive director of the Company since 28 April 1994. He is also a member of the audit committee, the remuneration committee and the nomination committee of the Company. Mr. LONG graduated from Research Institute for Fiscal Science, Ministry of Finance, majoring in accounting. Mr. LONG holds a master's degree in economics. He had served at Accountancy Division of Central University of Finance and Economics, and New York office of KPMG Peat Marwick. Mr. LONG had acted as a member of Securities Issue and Approval Committee of China Securities Regulatory Commission and member of Chinese accounting expert panel for China-Hong Kong Securities Team. Mr. LONG is currently an associate professor of the Accountancy Division of Central University of Finance and Economics and the Chairman of Beijing Haiwen Investment Consultants Inc.. Mr. LONG has extensive knowledge and experience in corporate finance, accounting, audit, assets appraisal, restructuring of enterprise and listing. Mr. LONG also serves as the independent non-executive director of Crown International Corporation Limited (the shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), Stock Code: 727). Mr. LONG resigned as the independent non-executive director of China Asset Management Co., Ltd and Beijing North Star Company Limited (the H shares of which are listed on the Stock Exchange, Stock Code: 588) respectively in 2012 and 2015.

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宋小江先生，66歲，自一九九四年四月二十八日起已為本公司獨立非執行董事。彼亦為本公司審核委員會及薪酬委員會主席及成員，以及提名委員會成員。宋先生為重慶平正律師事務所主任、中國經濟法學會會員、中國律師協會會員、重慶市律師協會理事、重慶市律師協會涉外法律事務委員會副主任及重慶市法學會會員。宋先生從事公證及律師工作二十九年。宋先生畢業於西南政法學院，曾在中國政法大學進修國際法及深圳大學進修涉外經濟法律。彼曾任重慶市公證處副主任及重慶市涉外律師事務所副主任。

劉天倪先生，53歲，自二零一一年五月三十一日起已為本公司獨立非執行董事。彼亦為本公司審核委員會、薪酬委員會及提名委員會成員。劉先生亦為皓天財經集團控股有限公司(其股份於聯交所上市，股份代號：1260)之執行董事、主席及行政總裁、銀建國際實業有限公司(其股份於聯交所上市，股份代號：171)之執行董事及副董事總經理及洛陽玻璃股份有限公司(其股份於聯交所上市，股份代號：1108)之獨立非執行董事。劉先生於北京師範大學畢業，持有理學碩士學位。彼於行政管理及貿易方面有逾十五年經驗。劉先生憑藉其卓越的公司管理及出色的經營策略，於二零零八年十月榮獲《亞洲周刊》頒發之「世界傑出青年華商」大獎。

Mr. SONG Xiaojiang, aged 66, has been an independent non-executive director of the Company since 28 April 1994. He is also the chairman and a member of the audit committee and the remuneration committee and a member of the nomination committee of the Company. Mr. SONG is general manager of Chongqing Ping Zheng Law Office, a member of the China Economic Law Association and the China Lawyers Association, and a council member of the Chongqing Lawyers Association, a vice chairman of the Foreign Affairs Committee of Chongqing Lawyers Association and a member of the Chongqing Legal Academy. Mr. SONG has been a lawyer and notary for 29 years. Mr. SONG graduated from South West Institute of Political Science and Law and also studied international law in the China University of Political Science and Law and foreign economic law at Shenzhen University. He was formerly vice chairman of Chongqing Notary Office and vice chairman of Chongqing Foreign Law Office.

Mr. LIU Tianni, aged 53, has been an independent non-executive director of the Company since 31 May 2011. He is also a member of the audit committee, the remuneration committee and the nomination committee of the Company. Mr. LIU is also the executive director, the chairman and the chief executive officer of Wonderful Sky Financial Group Holdings Limited (the shares of which are listed on the Stock Exchange, Stock Code: 1260), an executive director and deputy managing director of Silver Grant International Industries Limited (the shares of which are listed on the Stock Exchange, Stock Code: 171) and an independent non-executive director of Luoyang Glass Company Limited (the shares of which are listed on the Stock Exchange, Stock Code: 1108). Mr. LIU graduated from Beijing Normal University with a master degree in science. He has over 15 years of experience in corporate administration and trade business. In October 2008, Mr. LIU was awarded "Outstanding Young Chinese Entrepreneur of the World" by Asiaweek, as an acknowledgement of his excellent corporate management and prominent business strategies.

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劉二飛先生，58歲，自二零一五年五月二十八日起已為本公司獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員。彼畢業於哈佛大學商學院並獲工商管理碩士學位。彼於一九八四年畢業於布蘭戴斯大學並獲經濟及國際關係學學士學位及於一九八一年畢業於北京外國語大學英文系。劉先生自一九八七年至二零一二年分別出任高盛集團中國區主管、摩根士丹利集團泰國及中國區主管、美國斯密巴尼投資銀行亞太區主管、法國東方滙理銀行投行部亞太區主管及美林集團中國區主席及亞太區投行部聯合主管。彼現任信泰基金管理公司(該基金管理公司的第一大股東是信達集團)副董事長及華寶金融(寶鋼金融板塊)及於招商銀行股份有限公司(其股份於香港聯交所上市，股份代號：3968)之全資附屬公司永隆銀行有限公司的獨立董事。

監事

關晉明先生，59歲，自二零一五年五月二十八日起已為由股東代表出任的監事及監事會監事長。彼畢業於重慶市職工大學財會專業大專學習及於西南大學獲農業推廣碩士學位。彼為高級會計師。由一九七六年十一月至二零一五年二月期間，關先生出任重慶涂山煤礦工人、工會幹事、重慶無線電二廠財務科會計員、重慶電子器材公司財務科會計員、四川省重慶市電子局財務處會計員、四川省重慶市物資局審計處副主任科員、四川省重慶市經濟

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Mr. LIU Erh Fei, aged 58, has been an independent non-executive director of the Company and a member of the audit committee, remuneration committee and nomination committee since 28 May 2015. He graduated from Harvard Business School with a master degree in Business Administration. He graduated from Brandeis University with a bachelor degree in Economics and International Relations in 1984 and from Beijing Foreign Studies University, majoring in English, in 1981. From 1987 to 2012, Mr. LIU served as the head of China region for Goldman Sachs Group, the head of Thailand and China regions for Morgan Stanley Group, the head of Asia Pacific region for the Smith Barney investment bank of the US, the head of Asia Pacific region for the investment banking department of Crédit Agricole Corporate and Investment Bank and the chairman of China region and the co-head of the Asia Pacific region for the investment banking department of Merrill Lynch Group. He is now working as the vice-chairman of Xin Tai Fund Management Company (信泰基金管理公司) (the largest shareholder of which is Cinda Group) and Hwabao Financial (financial segment of Baosteel) and the independent director of Wing Lung Bank Limited (a wholly-owned subsidiary of China Merchants Bank Company Limited (the shares of which are listed on the Hong Kong Stock Exchange, Stock Code: 3968)).

SUPERVISORS

Mr. GUAN Jinming, aged 59, has been the supervisor representing the Shareholders and the Chairman of the Supervisory Committee since 28 May 2015. He graduated from Chongqing Workers and Staff Members College (重慶市職工大學), majoring in finance and accounting and from Southwest University with a master degree of Agricultural Promotion. He is a senior accountant. During the period from November 1976 to February 2015, Mr. GUAN served in a number of positions including a mine worker at Tushan, Chongqing, an officer of labour union, an accounting officer of the finance section of a radio second plant in Chongqing, an accounting officer of the finance section of an electronic equipment company in Chongqing, an accounting officer of the finance section of Electronic Bureau in Chongqing City, Sichuan Province, a deputy section officer of the audit section of Resources Bureau in Chongqing City,

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委員會信息處副主任科員及主任科員、四川省重慶市經濟委員會生產調度局主任科員、四川省重慶市經濟委員會生產調度局副局長、重慶市經濟委員會生產調度局副局長、重慶市經濟委員會食品處處長、重慶市經濟委員會企業改革處處長、重慶機電控股(集團)公司副總裁及黨委委員、重慶聯合產權交易所股份有限公司總裁、黨支部書記及董事、中國四聯儀器儀錶集團有限公司副總經理、黨委常委、監事長及黨委委員及重慶川儀自動化股份有限公司監事會主席等職務。關先生自二零一五年二月起出任慶鈴集團監事會主席及黨委委員。

閔慶女士，49歲，自二零零六年六月十五日起已為由股東代表出席的監事。閔女士於二零一五年五月二十八日不再擔任監事會監事長。閔女士現任慶鈴集團黨委副書記和工會主席，在企業管理等方面有二十五年之經驗。閔女士於一九八八年畢業於重慶交通學院機械系，大學本科學歷，曾赴日研修企業管理。

雷斌先生，42歲，自二零一二年六月六日起已為由本公司職工代表出席的監事。雷先生畢業於湖南大學國際金融專業，獲經濟學學士學位。彼於一九九七年七月進入本公司工作至今。雷先生曾任綜合計劃部副部長，現任慶鈴集團財務部部長。

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Sichuan Province, a deputy section officer and a section officer of the information section of Economic Committee in Chongqing City, Sichuan Province, a section officer of the Production Administration Bureau of Economic Committee in Chongqing City, Sichuan Province, a deputy director of the Production Administration Bureau of Economic Committee in Chongqing City, Sichuan Province, a deputy director of the Production Administration Bureau of Economic Committee in Chongqing City, a section chief of the food products section of Economic Committee in Chongqing City, a director of the enterprise reformation section of Economic Committee in Chongqing City, a vice-president and a member of the party committee of Chongqing Machinery and Electronic Holding (Group) Co., Ltd. (重慶機電控股(集團)公司), a president, a secretary of the party branch and a director of Chongqing United Assets and Equity Exchange Company Limited, a deputy general manager, a party committee standing member, a chairman of supervisory committee and a party committee member of the China Silian Instrument Group Co., Ltd and a chairman of supervisory committee of Chongqing Chuanyi Automation Co.,Ltd.. Mr. GUAN has been a chairman of supervisory committee and a party committee member of Qingling Group since February 2015.

Ms. MIN Qing, aged 49, has been the supervisor representing the Shareholders since 15 June 2006. Ms. MIN ceased to be the Chairman of the Supervisory Committee on 28 May 2015. Ms. MIN is the deputy secretary of the Party Committee and the Chairman of the Workers Union of Qingling Group, and has 25 years of experience in corporate management. Ms. MIN graduated from Chongqing Communication College in Mechanical Engineering in 1988 and had undergraduate education. She also studied corporate management in Japan.

Mr. LEI Bin, aged 42, has been a supervisor representing the staff and workers of the Company since 6 June 2012. Mr. LEI graduated from Hunan University, specializing in international finance, and obtained the bachelor degree in economics. He joined the Company from July 1997 until the present. Mr. LEI was served as a vice minister of comprehensive plan. He is the minister of the financial department of Qingling Group.

監事會報告

SUPERVISORY COMMITTEE'S REPORT

各位股東：

本監事會自成立以來，全體成員本著維護股東權益的原則，真誠為本公司利益著想，遵循公司章程規定開展工作，列席董事會會議，並對本公司的發展規劃、市場開拓、技術改造、基礎管理及隊伍建設等積極提出參考意見，對決策的指導思想及作出的具體決定是否符合國家法律法規和本公司的發展前景，以及符合本公司股東（「股東」）的利益也進行有效的監督。

本監事會行使職權，按時審閱本公司的會計憑證、賬簿、報表和其他會計資料。本監事會認為財務報表編製妥當，會計原則和財務管理方式符合各有關規定，未發現任何疑問。

本監事會詳細核對了本公司董事會（「董事會」）擬提交股東周年大會的財務報表及董事會報告和利潤分配方案，未發現本公司董事長、董事、經理及高級管理人員存在濫用職權侵犯股東及本公司員工權益行為。

本監事會對本公司的全面工作及所取得的經濟效益等表示滿意，對本公司的發展前景充滿信心。

監事會主席
關晉明

中國•重慶
二零一七年三月二十四日

Dear Shareholders:

Since the establishment of the Supervisory Committee, each member has been performing his duty in accordance with the Company's Articles of Association with a view of protecting the interests of shareholders and the Company. We have attended the board meetings and have given our opinions regarding the business development, market expansion, technological reform, basic management and team building of the Company. We have also monitored the guiding ideology of the management and considered whether the decisions made by the management were in compliance with state laws and whether they were appropriate for the development of the Company and were in the interests of shareholders of the Company (the "Shareholders").

According to its power, the Supervisory Committee has reviewed evidence of the Company's accounts, books, reports and other accounting information from time to time. In our opinion, the financial statements have been properly prepared while the accounting principles and the method of financial management adopted are in compliance with relevant rules and regulations.

The Supervisory Committee have carefully examined the financial statements, the Directors' Report and the proposal for appropriation of profit to be presented before the annual general meeting by the board of directors of the Company ("the Board"). In our opinion, the chairman of the Board, Directors, managers and senior management of the Company have not engaged in any malpractices which would be prejudicial to the interests of Shareholders and employees of the Company.

The Supervisory Committee is satisfied with the performance as well as the economic results of the Company, and we are confident about the future development of the Company.

Chairman of the Supervisory Committee
GUAN Jinming

Chongqing, PRC
24 March 2017

董事會報告

董事會欣然提呈本集團截至二零一六年十二月三十一日止年度之年度報告及經審核綜合財務報表。

主要業務

本集團主要從事生產及銷售五十鈴輕型、中型、重型商用車、皮卡車、多功能車，以及柴油和汽油發動機。有關本公司的主要附屬公司、聯營公司及合營企業之業務分別載於綜合財務報表附註35、19和20。

業務審視

就香港公司條例附表5指定活動而進行之討論和分析，包括對本集團業務之中肯審視、對集團面對之主要風險及不明朗因素的討論、在二零一六年財政年度終結後發生並對本集團有影響的重大事件之詳情，以及本集團業務相當可能進行之未來發展的揭示，已載於本年報「董事長報告」、「董事會報告」、「企業管治報告」及「財務報表附註」幾節內。另外，對本公司的環境政策及表現的探討、對本公司遵守對本公司有重大影響的有關法律及規例的情況及本公司與主要持份者的關係已載於本年報「董事會報告」及「企業管治報告」幾節內。載於上述幾節內的業務審視項目乃本報告之一部分。

DIRECTORS' REPORT

The Board is pleased to present its annual report and audited consolidated financial statements of the Group for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The Group is principally engaged in the production and sale of Isuzu light, medium and heavy-duty trucks, pick-up trucks, multi-purpose vehicles and diesel and petrol engines. The activities of its principal subsidiaries, an associate and joint ventures are set out in notes 35, 19 and 20 respectively to the consolidated financial statements.

BUSINESS REVIEW

Further discussion and analysis of the business review as required by Schedule 5 to the Hong Kong Companies Ordinance, including a fair view of the business and a discussion of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year 2016 and an indication of likely future development in the Group's business are set out in the "Chairman's Statement", "Directors' Report", "Corporate Governance Report" and "Notes to the Consolidated Financial Statements" sections of this annual report. In addition, a discussion of the Company's environmental policies and performance, the Company's compliance with relevant laws and regulations that have a significant impact on the Company and the relationship between the Company and significant stakeholders is set out in "Directors' Report" and "Corporate Governance Report" sections of this annual report. The business review in the above sections comprise part of this report.

業績及分配

有關本集團截至二零一六年十二月三十一日止年度之業績載於第98頁之綜合損益及其他全面收益表。本公司董事(「董事」)建議派發末期股息每股人民幣0.16元予於二零一七年六月二十三日名列本公司股東名冊之股東。建議末期股息總額約為人民幣397,163,000元。

環境政策及表現

本集團致力於環境保護、節能減排和資源綜合利用。秉承生產經營與生態環境和諧發展，通過減排、環保及資源保護體現保護環境、資源綜合利用的科學發展理念，將環境保護、節能減排和資源綜合利用貫注到生產經營活動中。

本集團一貫注重視環境保護問題，協調發展生產與保護環境的關係，做到發展生產方式與防止污染同步。陸續投入新擴建環保處理設施、現場作業環境改良改善，採取綜合措施防治污染，使本企業產生污染影響符合地區的環境要求。力爭做到保護和改善環境，提高員工的環境意識，保障員工健康，締造一個清潔、良好的生產和生活環境。在生產中採取資源回收利用及節能減排等多種措施，在保障生產人員的身體健康的同時，製造資源節約型、環保型產品。以上的一系列舉措，充分展現了本集團的可持續發展戰略及對環境保護的決心。

環境、社會及管治報告將於二零一七年六月末或之前刊載於本公司及聯交所網站。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2016 are set out in the consolidated statement of profit or loss and other comprehensive income on page 98. The directors of the Company ("the Directors") recommend the payment of a final dividend of RMB0.16 per share to the shareholders whose names appear on the register of members on 23 June 2017, amounting to approximately RMB397,163,000.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to environmental protection, energy-saving and emission reduction, and the integrated use of resources. Adhering to the principles of making production and operation harmony to the ecological environment, the Group has adopted the concept of environmental protection, energy-saving and emission reduction and the integrated use of resources in its production and operating activities through reducing emission, protecting the environment and saving of resources while putting into practice the scientific concepts of environmental protection and integrated use of resources.

The Group keeps placing strong emphasis on environmental protection issues and coordinates the relationship between production development and environmental protection, with the aim to develop pollution-free production modes. The successive operation of the newly-installed environmental protection facilities, the improvement of working environment and the integrated measures adopted to prevent and mitigate pollution have made the pollutants produced not exceeding the standards set by local environmental authorities. The Group strives to protect and improve the environment, enhance the environmental awareness of our staff, ensure the well-being of our staff and builds a clean and favorable production and working environment. With various measures such as resources recycling and reusing and energy-saving and emission reduction putting in place in the production process, the Group endeavors to produce energy-saving and environmentally-friendly products while keeping in mind the well-being of the production workers. The implementation of the above measures fully demonstrates the Group's sustainable development strategies and its determination on environmental protection.

The environmental, social and governance report will be published on the websites of the Company and the Stock Exchange on or before the month end of June 2017.

遵守相關法律和法規

關於知識產權的保護 — 本集團一直在《中華人民共和國商標法》及其《商標法實施條例》和《中華人民共和國專利法》及《專利法實施細則》的規定的條款下結合本市具體規定進行商標、專利的設計及申報工作，並積極採取措施保護其他利益相關方的商標、專利權。

關於產品品質和消費者權益 — 本集團在汽車產品及汽車零部件的生產銷售過程中嚴格踐行《中華人民共和國產品質量法》和《中華人民共和國消費者權益保護法》。在保證產品質量方面，本集團在汽車產品零部件採購中，強化源頭管理，制定嚴格的零部件供應商評價標準，確保零部件產品質量，禁止以次充好；生產過程中，實施嚴格的標準化管理，更加注重工藝質量管理，禁止殘次品和不合格品上線組裝，確保線上合格率；在產品入庫前，實行嚴格的產品質量檢查制度，禁止不合格品流出。在保護消費者權益方面遵守《中華人民共和國消費者權益保護法》，向消費者提供盡可能詳盡的產品說明書，展示能夠體現產品本身真實特性的廣告。

COMPLIANCE OF RELEVANT LAWS AND REGULATIONS

With regard to the protection of intellectual properties — The Group has complied with the terms stipulated under the Trademark Law of the People's Republic of China and its Regulation for the Implementation of the Trademark Law and the Patent Law of the People's Republic of China and Rules for the Implementation of the Patent Law and the specific requirements of the city to carry out the work in relation to the design and file registration of trademarks and patents and has actively taken measures to protect the trademarks and patents of other interested stakeholders.

With regard to the product quality and consumer rights — The Group has strictly complied with the Law of the People's Republic of China on Product Quality and the Law of the People's Republic of China on Protection of Consumer Rights and Interests in the manufacturing and selling procedures of automobile products and automobile parts. With respect to product quality, the Group strengthens source management and formulates stringent standard in evaluating parts suppliers to ensure the quality of parts products and prevent substandard goods being passed off as high-quality ones while purchasing automobile products and parts. During the production process, standardized management is strictly implemented with an emphasis on the management of craftsmanship quality, and defective and substandard parts are prohibited to be assembled at the production line in order to ensure the satisfactory rate at the production line. Before the products are transferred into the warehouses, product quality inspection system were strictly put in place to forbid defective products being launched. In terms of protection of consumers' rights, we have complied with the Law of the People's Republic of China on Protection of Consumer Rights, and product manuals with full details are provided to consumers while advertisements are tailored to truly reflect the authentic characteristics of products.

關於員工利益 — 本集團一直致力於遵守《中華人民共和國勞動法》、《中華人民共和國合同法》、《中華人民共和國社會保險法》，以保護勞動者合法權益。所有全職員工均享有國家規定的工傷保險、失業保險、醫療保險、養老保險、生育保險和住房公積金，本集團還為全體職工安排年度體檢，進一步保障員工合法權益。此外集團還積極致力於員工職業病防治和其他安全健康教育活動。

關於納稅 — 本集團遵守中華人民共和國各種不同稅種的具體規定，依法納稅。並保證本集團所有的納稅活動都處於法律法規的監督管理之下。

主要風險及不明朗因素的描述

市場環境惡化導致的銷量及利潤下滑的風險

中國經濟在「三期疊加」的交叉影響下步入新常態，整個商用車行業面臨著需求下滑的態勢，國內各商用汽車製造商銷量均有不同程度的下滑，隨著經濟的持續低迷，國內商用車行業的市場競爭環境可能會進一步惡化，這會對本集團的商用車銷售量造成一定的衝擊，進而會對集團的利潤造成一定的影響。

With regard to the interests of the employees — The Group strives to comply with the Labor Law of the People's Republic of China, the Contract Law of the People's Republic of China and the Social Insurance Law of the People's Republic of China, so as to safeguard the legitimate interests of workers. All full-time employees are entitled to work-related injury insurance, unemployment insurance, medical insurance, pension insurance, and maternity insurance and housing fund as required by the state regulations. The Group has also arranged annual body check for all of its staff, and this further protects the legitimate interests of the employees. Moreover, the Group also actively organizes activities for its employees with regard to the education of prevention of occupational disease and other safety and health related issues.

With regard to tax payment — The Group complies with specific regulations of the People's Republic of China on various taxes, and pays taxes according to the law for the purpose of ensuring that all tax payment made by the Group is in compliance with the laws and regulations.

DESCRIPTION OF THE PRINCIPAL RISKS AND UNCERTAINTIES

Risks relating to the decline in sales and profit as a result of weakened market environment

As China's economy is turning into 'new normal' amid the cross impact of the 'overlapping of the three phases', the sales of domestic commercial vehicles decline as a result of the overall decline in demand for commercial vehicles. With the protracted economic downturn, the competition in the domestic commercial vehicles market may further exacerbate, causing impact to the Group's sales for commercial vehicles and hence affecting the Group's profit.

為適應國家排放法規提升和消費者的需求而帶來的研發支撐不足和成本增加的風險

受環境因素的影響，國家排放法規趨嚴且切換時間不斷縮短，消費者需求的多樣化和競爭對手產品換代，這對集團研發能力提出了更高的要求。然而，更新換代產品從研發到投產有一個時間差，並且要滿足國家和消費者要求，同時又要優於競爭對手，這取決於本集團的研發基礎，然而由於資金、時間、能力的限制，並不能每次都能按時推出優於競爭對手的新產品。其次由於新產品的推出必然會帶來集團研發成本的增加，在不能合理降低集團內部成本的前提下，研發成本很可能會體現在產品價格上，這樣會削弱集團產品競爭力。

消費者對產品的知名度和美譽度降低的風險

近年來，由於市場環境的惡化，國內商用車企業競爭加劇，競爭企業也逐步推出部分中高檔商用卡車，對一貫在國內中高檔商用卡車市場佔優勢地位的本集團會產生一定的不利影響。

Risks relating to the insufficient research and development and the increase in costs in order to adapt to the tightened national regulations on emission and consumer demand

Taken into the consideration of environmental protection, the national regulations on emission tend to be tightened and the switching time tends to be shortened while the consumer demand tends to be more diversified and competitors tend to launch new products more frequently, this has put forward higher requirement for the Group's research and development capability. However, there exists lead time from research and development to commercial production of replacement products, the Group's capability in research and development is crucial in satisfying national and consumer requirements while outperforming the competitors. Nevertheless, it may not be possible to timely launch new products that can outperform competitors every time due to constraints on capital, time, and ability. Since the Group's costs on research and development will be driven up by the launching of new products, such research and development costs may have to transfer to the product price to the extent not offset by the reasonable reduction of the Group's internal costs, and this will inevitably weaken the Group's product competitiveness.

Risks relating to the fall of products' popularity and reputation arising from consumers' comment

In recent years, the competition among domestic commercial vehicles enterprises intensifies as the market environment deteriorates. Competitors keep launching mid-to-high end commercial trucks into the market, causing unfavorable impact to the Group's dominant position in the mid-to-high end commercial truck market.

董事會報告

DIRECTORS' REPORT

物業、廠房及設備

本集團於本年度內添置物業、廠房及設備約人民幣47,974,000元，以用作擴充生產設施。

本集團之物業、廠房及設備及投資物業於本年度該等及其他變動之詳情載於綜合財務報表附註15及附註17。

股本

本公司股本之詳情載於綜合財務報表附註28。

股票掛鈎協議

本公司於本年度內或年內任何時間概無訂立或於本年度終結日存在任何股票掛鈎協議。

公司可分配儲備

根據公司章程規定，可分配之溢利金額應視為按適用於在中國成立公司的相關會計政策及財務規則（「中國公認會計原則」）計算及根據香港財務報告準則釐定之溢利之較少者。於二零一六年十二月三十一日，本公司可供分配予股東之溢利為保留溢利約人民幣1,675,649,000元（二零一五年：約人民幣1,650,678,000元）（根據香港財務報告準則釐定）。

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred approximately RMB47,974,000 on acquisition of property, plant and equipment for expansion of its production facilities.

Details of these and other movements during the year in property, plant and equipment and investment properties of the Group are set out in note 15 and note 17 to the consolidated financial statements.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 28 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into during the year or at any time during the year or subsisted at the end of the year.

DISTRIBUTABLE RESERVES OF THE COMPANY

According to the Company's Articles of Association, the amount of profit available for distribution shall be deemed to be the lesser of the amount of profit determined in accordance with the relevant accounting principles and financial regulations applicable to companies established in the PRC ("PRC GAAP") and that determined in accordance with the Hong Kong Financial Reporting Standards. The Company's profit available for distribution to shareholders as at 31 December 2016 was the retained profit of approximately RMB1,675,649,000 (2015: approximately RMB1,650,678,000) (determined in accordance with Hong Kong Financial Reporting Standard).

董事會報告

DIRECTORS' REPORT

於財政年度之本公司溢利須按下列順序分配：

- (i) 彌補虧損；
- (ii) 提取法定公積金；
- (iii) 如有優先股，支付優先股股息；
- (iv) 提取任意公積金；及
- (v) 支付普通股股息。

以上(ii)至(v)項在任何財政年度的具體分配比例由董事會根據公司經營狀況及發展需要而擬定，並呈報股東大會審定。

董事及監事

於本年度內及直至本報告日期之本公司董事及監事之名單如下：

執行董事：

- 何勇先生(董事長)
(於二零一六年九月二十六日
辭任)
- 羅宇光先生(董事長)
(於二零一六年十二月二十二日
獲委任)
- 前垣圭一郎先生
(副董事長兼總經理)
- 高建民先生
(於二零一七年三月二十四日
辭任)
- 田中誠人先生
(於二零一六年六月十五日
辭任)

The profit of the Company for a financial year shall be applied in accordance with the following order:

- (i) making up losses;
- (ii) allocation to statutory surplus reserve fund;
- (iii) if there are preference shares, payment of dividends in respect of preference shares;
- (iv) allocation to discretionary surplus reserve fund; and
- (v) payment of dividends in respect of ordinary shares.

The detailed proportion of distribution in respect of items (ii) to (v) above for any financial year shall be formulated by the Board in accordance with the operational conditions of the Company and its development requirements and shall be submitted to shareholders' general meeting for approval.

DIRECTORS AND SUPERVISORS

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

Executive Directors:

- Mr. HE Yong (*Chairman*)
(*resigned on 26 September 2016*)
- Mr. LUO Yuguang (*Chairman*)
(*appointed on 22 December 2016*)
- Mr. Keiichiro MAEGAKI
(*Vice Chairman and General Manager*)
- Mr. GAO Jianmin
(*resigned on 24 March 2017*)
- Mr. Makoto TANAKA
(*resigned on 15 June 2016*)

董事會報告

DIRECTORS' REPORT

太田正紀先生

(於二零一六年六月十五日
獲委任)

袴田直人先生

(於二零一六年六月十五日
辭任)

小村嘉文先生

(於二零一六年六月十五日
獲委任)

曾建江先生

(於二零一六年五月二十七日
辭任)

徐松先生

(於二零一六年六月十五日
獲委任)

李巨星先生

(於二零一六年九月二十六日
獲委任為代行董事長，
並於二零一六年十二月
二十二日辭任代行董事長)

獨立非執行董事：

龍濤

宋小江

劉二飛

劉天倪

監事：

關晉明(監事長)

閔慶

雷斌

Mr. Masanori OTA

(appointed on 15 June 2016)

Mr. Naoto HAKAMATA

(resigned on 15 June 2016)

Mr. Yoshifumi KOMURA

(appointed on 15 June 2016)

Mr. ZENG Jianjiang

(resigned on 27 May 2016)

Mr. XU Song

(appointed on 15 June 2016)

Mr. LI Juxing

(appointed as the Acting Chairman on 26 September 2016 and
resigned as the Acting Chairman on 22 December 2016)

Independent Non-Executive Directors:

LONG Tao

SONG Xiaojiang

LIU Erh Fei

LIU Tianni

Supervisors:

GUAN Jinming (Chairman)

MIN Qing

LEI Bin

董事會報告

前垣圭一郎先生、高建民先生、李巨星先生、龍濤先生、宋小江先生、劉二飛先生及劉天倪先生已獲重選或委任為董事，任期由二零一五年股東周年大會之日起至二零一八年股東周年大會之日為止。

太田正紀先生、小村嘉文先生及徐松先生已委任為執行董事，任期由二零一六年六月十五日起至二零一八年股東周年大會之日為止。

羅宇光先生已委任為執行董事，任期由二零一六年十二月二十二日起至二零一八年股東周年大會之日為止。

所有現任本公司監事已獲重選及委任為監事，任期由二零一五年股東周年大會之日起至二零一八年股東周年大會之日為止。

董事服務合約

所有獲重選及委任之執行董事(羅宇光先生、太田正紀先生、小村嘉文先生及徐松先生除外)及獨立非執行董事均與本公司於二零一五年五月二十八日更新或訂立為期三年的服務合約或聘任書。

本公司與羅宇光先生、太田正紀先生、小村嘉文先生及徐松先生各自訂立服務合約，任期由彼獲委任為董事之日起至二零一八年股東周年大會之日為止。

DIRECTORS' REPORT

Mr. Keiichiro MAEGAKI, Mr. GAO Jianmin, Mr. LI Juxing, Mr. LONG Tao, Mr. SONG Xiaojiang, Mr. LIU Erh Fei and Mr. LIU Tianni were re-elected or appointed as directors to hold office from the date of the annual general meeting for 2015 to the date of the annual general meeting for 2018.

Mr. Masanori OTA, Mr. Yoshifumi KOMURA and Mr. XU Song were appointed as Directors to hold office from 15 June 2016 to the date of the annual general meeting for 2018.

Mr. LUO Yuguang was appointed as a Director to hold office from 22 December 2016 to the date of the annual general meeting for 2018.

All the existing supervisors of the Company were re-elected and appointed as supervisors to hold office from the date of the annual general meeting for 2015 to the date of the annual general meeting for 2018.

DIRECTORS' SERVICE CONTRACTS

All the executive Directors (other than Mr. LUO Yuguang, Mr. Masanori OTA, Mr. Yoshifumi KOMURA and Mr. XU Song) and independent non-executive Directors that had been re-elected had renewed or entered into service contracts or appointment letters with the Company for a term of three years commencing on 28 May 2015.

The Company has entered into the service contract with each of Mr. LUO Yuguang, Mr. Masanori OTA, Mr. Yoshifumi KOMURA and Mr. XU Song for a term commencing from the date of his appointment as Director to the date of the annual general meeting for 2018.

董事會報告

所有獲重選及委任之監事均與本公司於二零一五年五月二十八日更新或訂立為期三年的聘任書。

概無任何董事或監事與本公司或其附屬公司訂有不作出賠償(法定賠償外)而本集團不可於一年內終止之服務合約。

獨立性的確認

本公司已取得每一位獨立非執行董事發出的確認函確認其獨立性，認為所有獨立非執行董事均為獨立於本公司的人士。

董事、監事及最高行政人員之股份權益

於二零一六年十二月三十一日，本公司董事、監事及最高行政人員概無於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」))之任何股份、相關股份或債權證中擁有根據證券及期貨條例第352條規定須予備存之名冊所記錄或依據聯交所證券上市規則(「上市規則」)附錄十上市發行人董事進行證券交易的標準守則(「標準守則」)須通知本公司及聯交所的任何權益或淡倉。

購入股份或債權證安排

本公司、其控股公司或其任何附屬公司或同系附屬公司概無於本年度內任何時間訂立任何安排，使本公司董事及監事可藉此購入本公司或任何其他法人團體之股份或債權證而得益。

DIRECTORS' REPORT

All the supervisors that had been re-elected and appointed had renewed or entered into appointment letters with the Company for a term of three years commencing on 28 May 2015.

None of the Directors or supervisors has a service contract with the Company or its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

CONFIRMATION OF INDEPENDENCE

The Company has received annual confirmation from each of the independent non-executive Directors as regards to their independence to the Company and considers that each of the independent non-executive Directors is independent to the Company.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31 December 2016, none of the directors or the supervisors and chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as defined under the Securities and Futures Ordinance (the "SFO") as recorded in the register required to be kept under section 352 of 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") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors and supervisors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事及監事於交易、安排或合約的重大權益

本公司、其控股公司、附屬公司或同系附屬公司概無於本年度內任何時間簽訂或於本年度終結日存在任何本公司董事或監事或其有關連實體於其中擁有直接或間接重大權益之重要交易、安排或合約。

管理合約

除僱員合約外，本集團於本年度內概無就本公司的全部或任何大部分業務的管理及行政訂立或存在任何合約。

董事及監事於競爭性業務之利益

於本年度內，本公司董事及監事並無於與本公司業務有所競爭或可能競爭之業務中持有權益。

董事、監事及最高行政人員酬金及最高薪酬人士

董事、監事及最高行政人員酬金及最高薪酬人士之詳情載於綜合財務報表附註10。於兩年內，全部五名本公司最高薪酬人士均為董事。

DIRECTORS' AND SUPERVISORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transaction, arrangement or contract of significance in relation to which the Company, its holding company, subsidiaries or fellow subsidiaries was a party and in which any directors or supervisors of the Company or their connected entities had a material interest, whether directly or indirectly, subsisted at any time during the year or at the end of the year.

MANAGEMENT CONTRACT

No contracts other than employment contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into by the Group or existed during the year.

INTERESTS OF DIRECTORS AND SUPERVISORS IN COMPETING BUSINESS

During the year, none of the directors or supervisors of the Company had any interest in any business which compete or may compete with the business of the Company.

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' REMUNERATION AND THE HIGHEST PAID INDIVIDUALS

The details of directors', supervisors' and chief executives' remuneration and the highest paid individuals are set out in note 10 to the consolidated financial statements. All of the five highest paid individuals of the Company for both years were directors.

股東人數及主要股東

於二零一六年十二月三十一日，本公司股東名冊上的股東人數為122名，而本公司董事、監事或最高行政人員以外之股東擁有根據證券及期貨條例第336條規定須由本公司備存的股份權益及淡倉登記冊所記錄佔本公司有關類別已發行股本5%或以上的權益及淡倉如下：

本公司股份的好倉情況：

股東名稱 Name of Shareholders	股份類別 Class of Shares	所持有股份數目 Number of shares held	身份 Capacity	佔有關類別 股本百分比 Percentage of the relevant class of share capital	佔總股本 百分比 Percentage of entire share capital
慶鈴汽車（集團）有限公司 Qingling Motors (Group) Company Limited	內資股 Domestic shares	1,243,616,403股 1,243,616,403 shares	實益擁有人 Beneficial owner	100.00% 100.00%	50.10% 50.10%
五十鈴汽車有限公司 Isuzu Motors Limited	H股 H shares	496,453,654股 496,453,654 shares	實益擁有人 Beneficial owner	40.08% 40.08%	20.00% 20.00%
Allianz SE	H股 H shares	102,122,000股 (附註)	受控制法團權益	8.24%	4.11%
Allianz SE	H shares	102,122,000 shares (Note)	Interest of a controlled corporation	8.24%	4.11%
Edgbaston Investment Partners LLP	H股 H shares	68,655,000股	投資經理	5.54%	2.77%
Edgbaston Investment Partners LLP	H shares	68,655,000 shares	Investment Manager	5.54%	2.77%

NUMBER OF SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

As at 31 December 2016, there were 122 shareholders recorded in the register of shareholders of the Company and the shareholders other than a director, supervisor or chief executive of the Company, having an interest and short positions in 5% or more of the relevant class of the issued share capital of the Company as recorded in the register of interests in the shares and short positions required to be kept by the Company under Section 336 of SFO were as follows:

Long positions in the shares of the Company:

附註：

以下為Allianz SE所持有本公司之股份權益
細節：

Note:

The details of the interests held by Allianz SE in the Company are as follows:

受控法團名稱 Name of controlled corporation	控權股東名稱 Name of controlling shareholders	控制百分比 % controlled	股份權益總數 Total interests in shares	
			直接權益 Direct interests	間接權益 Indirect interests
Allianz Asset Management AG	Allianz SE	100%	—	102,122,000
Allianz Global Investors GmbH	Allianz Asset Management AG	100%	—	101,600,000
RCM Asia Pacific Ltd.	Allianz Global Investors GmbH	100%	98,240,000	—
Allianz Global Investors Taiwan Ltd.	Allianz Global Investors GmbH	100%	3,360,000	—
Allianz Asset Management of America Holdings Inc.	Allianz Asset Management AG	100%	—	522,000
Allianz Asset Management of America L.P.	Allianz Asset Management of America Holdings Inc.	100%	—	522,000
Allianz Global Investors U.S. Holdings LLC	Allianz Asset Management of America L.P.	100%	—	522,000
Allianz Global Investors Fund Management LLC	Allianz Global Investors U.S. Holdings LLC	100%	522,000	—

除上文所披露者外，本公司截至二零一六年十二月三十一日並無接獲任何有關本公司已發行股本中的任何其他相關權益或淡倉的通知。

薪酬政策

薪酬委員會(由一名執行董事及四名獨立非執行董事組成)根據僱員之貢獻、資格及能力制定本集團僱員之薪酬政策。

薪酬委員會根據本公司之營運業績、董事個別表現及可比較之市場數據決定本公司董事之薪酬。

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 December 2016.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee (composed of one executive Director and four independent non-executive Directors) on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

持續關連交易

於本年度內，本集團與(a)慶鈴集團及其附屬公司重慶慶鈴鑄造有限公司(「重慶慶鈴鑄造」)、重慶慶鈴鍛造有限公司(「重慶慶鈴鍛造」)、重慶慶鈴車橋有限公司(「重慶慶鈴車橋」)、重慶慶鈴日發座椅有限公司(「重慶慶鈴日發」)、重慶慶鈴塑料有限公司(「重慶慶鈴塑料」)、重慶慶鈴鑄鋁有限公司(「重慶慶鈴鑄鋁」)、重慶慶鈴汽車底盤部品有限公司(「慶鈴汽車底盤」)、重慶慶鈴機加部品有限公司(「慶鈴機加」)及重慶慶鈴專用汽車有限公司(「慶鈴專用」，前稱重慶慶鈴汽車上裝製造有限公司)、(b)一家由本公司與五十鈴分別擁有50.56%及49.44%股權的中外合資公司重慶慶鈴模具有限公司(「慶鈴模具」)，亦為本公司之附屬公司、(c)五十鈴、(d)一家由本公司與五十鈴組成並共同控制的實體慶鈴五十鈴(重慶)發動機有限公司(「慶鈴五十鈴發動機」)、(e)一家由本公司與五十鈴組成並共同控制的實體慶鈴五十鈴(重慶)汽車銷售服務有限公司(「慶鈴五十鈴銷售」)、(f)一家由五十鈴控股的聯營公司五十鈴慶鈴(重慶)汽車技術開發有限公司(「五十鈴慶鈴技術開發」)以及(g)一家由五十鈴控股、慶鈴集團參股的五十鈴慶鈴(重慶)汽車零部件有限公司(「五十鈴慶鈴汽車零部件」)均有持續關連交易。慶鈴集團及五十鈴分別於二零一六年十二月三十一日持有本公司已發行股本50.10%及20.00%。根據上市規則，以上各方為本集團的關連人士。與各方的持續關連交易詳情如下：

CONTINUING CONNECTED TRANSACTIONS

During the year, the Group had continuing connected transactions with (a) Qingling Group and its subsidiaries 重慶慶鈴鑄造有限公司 Chongqing Qingling Casting Company Limited ("CQCC"), 重慶慶鈴鍛造有限公司 Chongqing Qingling Forging Co. Ltd. ("CQFC"), 重慶慶鈴車橋有限公司 Chongqing Qingling Axle Co. Ltd. ("CQAC"), 重慶慶鈴日發座椅有限公司 Chongqing Qingling NHK Seat Co. Ltd. ("CQNHK"), 重慶慶鈴塑料有限公司 Chongqing Qingling Plastic Co. Ltd. ("CQPC"), 重慶慶鈴鑄鋁有限公司 Chongqing Qingling Aluminium Casting Co. Ltd. ("CQACL"), 重慶慶鈴汽車底盤部品有限公司 Chongqing Qingling Automobile Chassis Parts Co. Ltd. ("QAC"), 重慶慶鈴機加部品有限公司 Chongqing Qingling Machinery Parts Co. Ltd. ("QM") and 重慶慶鈴專用汽車有限公司 ("Qingling Zhuan Yong", formerly known as 重慶慶鈴汽車上裝製造有限公司) Chongqing Qingling Automobile Manufacture and Assembly Co. Ltd., (b) 重慶慶鈴模具有限公司 ("Qingling Moulds"), a sino-joint venture company which is owned as to 50.56% and 49.44% by the Company and Isuzu respectively and a subsidiary of the Company, (c) Isuzu, (d) Qingling Isuzu (Chongqing) Engine Co.,Ltd. ("Qingling Isuzu Engine"), an entity established and jointly controlled by the Company and Isuzu, (e) Qingling Isuzu (Chongqing) Automobile Sales and Service Co., Ltd ("Qingling Isuzu Sales"), an entity established and jointly controlled by the Company and Isuzu, (f) Isuzu Qingling (Chongqing) Engineering Co., Ltd ("Isuzu Qingling Engineering"), an associate controlled by Isuzu, and (g) Isuzu Qingling (Chongqing) Autoparts Co., Ltd ("Isuzu Qingling Autoparts"), a company controlled by Isuzu and invested by the Qingling Group. Qingling Group and Isuzu held 50.10% and 20.00% of the equity of the Company respectively as at 31 December 2016. Pursuant to the Listing Rules, the above parties are connected persons of the Group. Details of the continuing connected transactions with the parties are as follows:

持續關連交易(續)

(a) 與慶鈴集團及其附屬公司之重要持續關連交易：

- (i) 本公司於二零一三年十二月十七日與慶鈴集團、重慶慶鈴鑄造、重慶慶鈴鍛造、重慶慶鈴車橋、重慶慶鈴日發、重慶慶鈴塑料及重慶慶鈴鑄鋁分別簽訂了零部件供應協議書，內容關於慶鈴集團、重慶慶鈴鑄造、重慶慶鈴鍛造、重慶慶鈴車橋、重慶慶鈴日發、重慶慶鈴塑料及重慶慶鈴鑄鋁分別向本公司提供若干汽車零件。採購價格乃以實際成本或所產生之合理成本(以較低者為準)加不超過8%之利潤率，按以下順序釐定：按不高於市價之價格；或倘無可資比較市價，則按實際成本或所產生之合理成本(以較低者為準)加不超過8%之利潤率，及在任何情況下，按不遜於給予獨立第三方之價格，於交付後一個月內付款。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) Significant continuing connected transactions with Qingling Group and its subsidiaries:

- (i) On 17 December 2013, the Company entered into parts supply agreements with Qingling Group, CQCC, CQFC, CQAC, CQNHK, CQPC and CQACL, respectively, relating to the supply of certain automobile parts by Qingling Group, CQCC, CQFC, CQAC, CQNHK, CQPC and CQACL, respectively, to the Company. The price is based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% determined in the following order: at prices not higher than market prices; or if no comparable market price, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8%, and in any event, at prices no less favourable than those offered to independent third parties. The payment shall be made within one month after delivery.

持續關連交易(續)

(a) 與慶鈴集團及其附屬公司之重要持續關連交易：(續)

(i) (續)

本公司亦於二零一六年十二月二十二日與該等公司續簽了該等協議書，內容關於慶鈴集團、重慶慶鈴鑄鋁、重慶慶鈴鑄造、重慶慶鈴鍛造、重慶慶鈴車橋、重慶慶鈴日發及重慶慶鈴塑料分別向本公司提供若干汽車零件，以及本公司向重慶慶鈴鍛造提供若干綜合服務，以及本公司向重慶慶鈴車橋租用若干機械。關於向本公司提供汽車部件，採購價格乃以實際成本或所產生之合理成本(以較低者為準)加不超過8%之利潤率，按以下順序釐定：按不高於市價之價格；或倘無可資比較市價，則按實際成本或所產生之合理成本(以較低者為準)加不超過8%之利潤率，及在任何情況下，按不遜於給予獨立第三方之價格，於交付後一個月內付款。

關於本公司向重慶慶鈴鍛造提供之服務，定價按照實際產生的成本加上應交稅金計算。關於本公司向重慶慶鈴車橋提供之租賃機械，租賃機械之應付租金按有關年度有關機械的折舊費加上應付稅項釐定。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) Significant continuing connected transactions with Qingling Group and its subsidiaries: (Cont'd)

(i) (Cont'd)

The Company also renewed the agreements with such companies on 22 December 2016, relating to the supply of certain automobile parts respectively by Qingling Group, CQACL, CQCC, CQFC, CQAC, CQNHK and CQPC to the Company, and the supply of certain consolidated services by the Company to CQFC and the lease of certain machineries by the Company to CQAC. With respect to the automobile parts provided to the Company, the price is based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8% determined in the following order: at prices not higher than market prices; or if no comparable market price, at prices based on actual costs or reasonable costs (whichever is lower) incurred plus a profit margin of not more than 8%, and in any event, at prices no less favourable than those offered to independent third parties. The payment shall be made within one month after delivery.

With respect to the consolidated services provided by the Company to CQFC, the price is determined based on actual costs incurred plus taxes payable. With respect to the lease of machineries by the Company to CQAC, the rental payable is determined based on the depreciation charge of the relevant machineries for the relevant year plus taxes payable.

持續關連交易(續)

(a) 與慶鈴集團及其附屬公司之重要持續關連交易：(續)

(i) (續)

本公司亦於二零一四年八月二十一日與重慶慶鈴鑄造、重慶慶鈴鍛造、重慶慶鈴鑄鋁、重慶慶鈴車橋、重慶慶鈴塑料、重慶慶鈴日發、慶鈴汽車底盤、慶鈴機加及慶鈴專用簽訂了汽車零部件及輔料協議書，本公司向重慶慶鈴鑄造出售本公司生產過程中產生之廢金屬，其價格不遜於市場上同類廢金屬的價格及不得遜於本公司向獨立第三方銷售該等廢金屬的價格(若有)；向重慶慶鈴日發及慶鈴專用供應半成品汽車零部件，其價格將基於本公司所產生之成本加不超過8%之利潤率釐定；向所有慶鈴汽車零部件公司(指上述協議涉及之集團附屬公司)供應工藝輔料，其價格將等於自獨立第三方採購有關輔料之成本加相關應繳稅款。本公司亦於二零一六年十二月二十二日與該等公司續簽了該汽車零部件及輔料協議書，內容關於本公司向該等公司提供廢金屬、半成品汽車零部件及原材料及製造材料。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) Significant continuing connected transactions with Qingling Group and its subsidiaries: (Cont'd)

(i) (Cont'd)

On 21 August 2014, the Company also entered into auto parts and materials agreements with CQCC, CQFC, CQACL, CQAC, CQPC, CQNHK, QAC, QM and Qingling Zhuan Yong respectively. The Company will sell to CQCC the scrap metal left over from the Company's manufacturing process and the prices shall not be lower than the market price of scrap metal of same type and the price of such scrap metal sold by the Company to independent third parties (if any); the Company will supply to CQNHK and Qingling Zhuan Yong semi-finished auto parts and the prices of which will be determined based on costs incurred by the Company plus a profit margin of not exceeding 8%; and the Company will supply to all Qingling Autoparts Companies (refer to all subsidiaries of Qingling Group in the supply agreements) raw and crafting materials and the prices of which will be equivalent to the cost of sourcing such materials from independent third parties plus the relevant tax payable. The Company has renewed the auto parts and materials agreements with such companies on 22 December 2016, relating to the provision of scrap material, semi-finished auto parts and raw and crafting materials by the Company to the aforesaid companies.

持續關連交易(續)

(a) 與慶鈴集團及其附屬公司之重要持續關連交易：(續)

(i) (續)

於本年度內，以上持續關連交易的金額如下：

出售汽車零部件及其他：

與慶鈴集團(附註1)：約人民幣15,643,000元；

與重慶慶鈴鑄造：約人民幣33,479,000元；

與重慶慶鈴鍛造：約人民幣6,381,000元；

與重慶慶鈴車橋：約人民幣25,989,000元；

與重慶慶鈴日發：約人民幣9,446,000元；

與重慶慶鈴塑料：約人民幣949,000元；及

與重慶慶鈴鑄鋁：約人民幣1,239,000元。

購買汽車零部件：

與慶鈴集團(附註2)：約人民幣14,349,000元；

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) Significant continuing connected transactions with Qingling Group and its subsidiaries: (Cont'd)

(i) (Cont'd)

During the year, the amount for the above continuing connected transactions are as follows:

Sales of automobile parts and others:

with respect to Qingling Group (Note 1): approximately RMB15,643,000;

with respect to CQCC: approximately RMB33,479,000;

with respect to CQFC: approximately RMB6,381,000;

with respect to CQAC: approximately RMB25,989,000;

with respect to CQNHK: approximately RMB9,446,000;

with respect to CQPC: approximately RMB949,000; and

and with respect to CQACL: approximately RMB1,239,000.

Purchases of automobile parts:

with respect to Qingling Group (Note 2): approximately RMB14,349,000;

持續關連交易(續)

(a) 與慶鈴集團及其附屬公司之重要持續關連交易：(續)

(i) (續)

與重慶慶鈴鑄造：約人民幣20,391,000元；

與重慶慶鈴鍛造：約人民幣32,360,000元；

與重慶慶鈴車橋：約人民幣380,091,000元；

與重慶慶鈴日發：約人民幣49,808,000元；

與重慶慶鈴塑料：約人民幣55,038,000元；及

與重慶慶鈴鑄鋁：約人民幣8,125,000元。

附註1：計入約人民幣7,000元、約人民幣1,215,000元、約人民幣10,504,000元及約人民幣3,917,000元分別為本年內向慶鈴集團、慶鈴機加、慶鈴專用及慶鈴汽車底盤銷售部件及原材料之金額。

附註2：計入約人民幣25,000元、約人民幣4,644,000元、約人民幣6,323,000元及約人民幣3,357,000元分別為本年內向慶鈴集團、慶鈴機加、慶鈴專用及慶鈴汽車底盤購入汽車部件之金額。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) Significant continuing connected transactions with Qingling Group and its subsidiaries: (Cont'd)

(i) (Cont'd)

with respect to CQCC: approximately RMB20,391,000;

with respect to CQFC: approximately RMB32,360,000;

with respect to CQAC: approximately RMB380,091,000;

with respect to CQNHK: approximately RMB49,808,000;

with respect to CQPC: approximately RMB55,038,000; and

with respect to CQACL: approximately RMB8,125,000.

Note 1: Including approximately RMB7,000, approximately RMB1,215,000, approximately RMB10,504,000 and approximately RMB3,917,000 representing the sales of parts and raw materials to Qingling Group, QM, Qingling Zhuan Yong and QAC respectively during the year.

Note 2: Including approximately RMB25,000, approximately RMB4,644,000, approximately RMB6,323,000 and approximately RMB3,357,000 representing the purchases of automobile parts from Qingling Group, QM, Qingling Zhuan Yong and QAC respectively during the year.

持續關連交易(續)

(a) 與慶鈴集團及其附屬公司之重要持續關連交易：(續)

- (ii) 慶鈴模具於二零一三年十二月十七日與慶鈴集團及其附屬公司重慶慶鈴鑄造、重慶慶鈴鍛造、重慶慶鈴塑料及重慶慶鈴鑄鋁簽訂了模具供應協議書，而慶鈴模具亦於二零一六年十二月二十二日與該等公司續簽了該協議書，內容關於慶鈴模具向上述公司提供模具及相關產品及／或維修及加工服務，價格按正常商業條款釐定，或倘無充足可資比較交易判斷其是否屬正常商業條款，則按對慶鈴模具而言屬公平合理之條款並不遜於向獨立第三方提供之條款，於交付後一個月內付款。於本年度內，本項持續關連交易的金額為約人民幣55,000元。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) Significant continuing connected transactions with Qingling Group and its subsidiaries: (Cont'd)

- (ii) Qingling Moulds entered into moulds supply agreements with Qingling Group and its subsidiaries CQCC, CQFC, CQPC and CQACL on 17 December 2013, and Qingling Moulds also renewed the agreements with such companies on 22 December 2016, relating to the supply of moulds and related products and/or maintenance and processing services by Qingling Moulds to the aforesaid companies. And the price is determined on normal commercial terms. If there are no sufficient comparable transactions to judge whether they are on normal commercial terms, the price shall be on terms fair and reasonable to Qingling Moulds, which shall be no less favourable to Qingling Moulds than terms offered to independent third parties. The payment shall be made within one month after delivery. During the year, the amount of the continuing connected transaction was approximately RMB55,000.

持續關連交易(續)

(a) 與慶鈴集團及其附屬公司之重要持續關連交易：(續)

(iii) 本公司於二零一三年十二月十七日與慶鈴集團簽訂了底盤供應協定，而本公司亦於二零一六年十二月二十二日與該公司續簽了該協定，內容關於本公司向慶鈴集團銷售汽車底盤及相關零件，銷售價格參考底盤及相關零件的市價釐定，銷售後有三至六個月之付款期。於本年度內，本項持續關連交易的金額為約人民幣1,370,803,000元。

(iv) 本公司於二零一三年十二月十七日與慶鈴集團簽訂了倉庫租賃協議書，關於本公司向慶鈴集團租用倉庫，每年代價為人民幣6,040,000元，結算期不超過30日。上述定價由本公司董事會經參考慶鈴集團於年內就有關資產按直線折舊基準扣減之折舊金額而釐定，不高於市價或不遜於向獨立第三方提供之價格。於日期為二零一六年八月十二日的倉庫補充租賃協議書後，年內代價由人民幣6,040,000元調整為約人民幣6,328,000元。本年度內，本項持續關連交易的金額為約人民幣6,328,000元。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) Significant continuing connected transactions with Qingling Group and its subsidiaries: (Cont'd)

(iii) The Company entered into a chassis supply agreement with the Qingling Group on 17 December 2013 (renewed on 22 December 2016), relating to the sale of automobile chassis and related components by the Company to Qingling Group, the price is determined with reference to the market price of chassis and related components with a credit period of three to six months after the sale. During the year, the amount of the continuing connected transaction was approximately RMB1,370,803,000.

(iv) The Company entered into a warehouse leasing agreement on 17 December 2013 with Qingling Group, relating to the lease of warehouse by Qingling Group to the Company at a consideration of RMB6,040,000 per annum, and the settlement period shall not be more than 30 days. The aforesaid price is set by the Board of the Company with reference to the depreciation charged by Qingling Group, on straight-line depreciation basis, on the relevant assets during the year. It is set at prices not higher than market prices; or at prices no less favorable than those offered to independent third parties. Following the warehouse supplemental lease agreement dated 12 August 2016, the consideration for the year was adjusted from RMB6,040,000 to approximately RMB6,328,000. During the year, the amount of the continuing connected transaction was approximately RMB6,328,000.

持續關連交易(續)

(a) 與慶鈴集團及其附屬公司之重要持續關連交易：(續)

(v) 本公司與慶鈴集團於二零一四年十二月十二日訂立三份新租約。第一份租約有關慶鈴集團向本公司出租面積為約19,880.4平方米的土地，用於存儲汽車零部件及原材料，年租金為約人民幣950,000元；於日期為二零一六年八月十二日的首份補充租賃協議書後，年租金由約人民幣950,000元調整為約人民幣995,000元。第二份租約有關慶鈴集團向本公司出租面積為約20,697平方米的土地，用作汽車零部件的測試場地，年租金為約人民幣993,000元；於第二份補充租賃協議書後，年租金由約人民幣993,000元調整為約人民幣1,036,000元。第三份租約有關慶鈴集團向本公司出租面積分別為約12,191平方米及10,431平方米的土地及建於其上的物業，作營運用途，年租金為約人民幣1,627,000元。租金乃由訂約雙方參考現行市場租金及根據本公司與慶鈴集團於二零一三年十二月十七日訂立的現有倉庫租約應付的現時租金經公平磋商釐定。租金應由本公司按月支付並於每年最後一日前付清當年度的全部租金。本年度內，本公司沒有因第三份租約承擔任何租賃費用。因此，本年度內，根據三份租約項下進行之持續關連交易的金額為約人民幣2,031,000元。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(a) Significant continuing connected transactions with Qingling Group and its subsidiaries: (Cont'd)

(v) On 12 December 2014, the Company entered into three new lease agreements with Qingling Group. The first lease agreement relates to the leasing of land with an area of approximately 19,880.4 square meters by Qingling Group to the Company for storage of autoparts and raw materials with the annual rent of approximately RMB950,000. Following the first supplemental lease agreement dated 12 August 2016, the annual rent was adjusted from approximately RMB950,000 to approximately RMB995,000. The second lease agreement relates to the leasing of land with an area approximately 20,697 square meters by Qingling Group to the Company for use as a testing site for autoparts with the annual rent of approximately RMB993,000. Following the second supplemental lease agreement, the annual rent was adjusted from approximately RMB993,000 to approximately RMB1,036,000. The third lease agreement relates to the leasing of land and the premises erected thereon with an area of approximately 12,191 and 10,431 square meters respectively by Qingling Group to the Company for its operating uses with the annual rent of approximately RMB1,627,000. The rent payable by the Company under the new lease agreements was determined after arm's length negotiations between the parties thereto with reference to the prevailing market rent and existing rent payable under the existing warehouse leasing agreement entered into between the Company and Qingling Group on 17 December 2013. The rent shall be payable by the Company every month and the outstanding amount of the annual rent shall be settled by the Company before the last day of each year. During the year, the Company did not incur any rental expenses under the third lease agreement. Therefore, during the year, the amount of the continuing connected transaction under the three lease agreements was approximately RMB2,031,000.

持續關連交易(續)

- (a) 與慶鈴集團及其附屬公司之重要持續關連交易：(續)

為便於管理，本公司與慶鈴集團已決定於二零一六年十二月二十二日訂立新倉庫主租約(為主協議)以涵蓋上述所有有關本公司向慶鈴集團租賃土地／物業之租賃交易。於新倉庫主租約開始后，訂約方同意，第一份租約及第二份租約將自動終止，原因為新倉庫主租約已包含根據相關租約擬進行之相關交易。

- (vi) 本公司於二零一三年十二月十七日與重慶慶鈴鍛造簽訂了設備租用協議，而本公司亦於二零一六年十二月二十二日與該公司續簽了該協議書，內容關於本公司向慶鈴鍛造租用鑄造及鍛造零件進一步加工的設備。年租乃以本公司於有關年度按季以現金應付重慶慶鈴鍛造相關設備之折舊額為基準計算，倘折舊額出現重大變動，協議雙方可相互徵詢意見後調整。本年度內，本項持續關連交易的金額為約人民幣19,974,000元。

上述於本年度內與慶鈴集團及其附屬公司之關連交易詳情及金額亦載於綜合財務報表附註31(i)。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

- (a) Significant continuing connected transactions with Qingling Group and its subsidiaries: (Cont'd)

For ease of administration, the Company and Qingling Group have decided to enter into a new master warehouse leasing agreement on 22 December 2016, which serves as a master agreement to cover all of the aforesaid leasing transactions relating to the lease of land/premises by the Qingling Group to the Company. Upon the commencement of the new master warehouse leasing agreement, the parties agreed that the first lease agreement and the second lease agreement shall be terminated automatically as the relevant transactions contemplated thereunder will be covered under the new master warehouse leasing agreement.

- (vi) The Company entered into an equipment leasing agreement with CQFC, on 17 December 2013, (renewed on 22 December 2016), relating to the lease of machineries for further processing of casting and forging parts from CQFC by the Company. Annual rental was based on the depreciation charge of the relevant machineries for the relevant year payable by the Company to CQFC in cash on quarterly basis, subject to adjustment upon consultation with each other if there is a material change on the depreciation charge. During the year, the amount of the continuing connected transaction was approximately RMB19,974,000.

The details and amount of the above connected transactions with Qingling Group and its subsidiaries during the year are set out in note 31(i) to the consolidated financial statements.

持續關連交易(續)

- (b) 與慶鈴模具之重要持續關連交易：

本公司於二零一三年十二月十七日與慶鈴模具簽訂了供應協議，而本公司亦於二零一六年十二月二十二日與該公司續簽了該協議書，內容關於慶鈴模具向本公司提供模具及相關產品和維修及加工服務，而本公司向慶鈴模具提供原料及加工服務。定價按一般商業條款釐定，倘無充足可資比較交易判斷其是否按一般商業條款釐定，則按對本公司公平合理之條款釐定，而有關條款不遜於慶鈴模具向獨立第三方提供之條款，於交付後一個月內付款。於本年度內，本項持續關連交易的採購金額為約人民幣34,489,000元，銷售金額為約人民幣15,317,000元。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

- (b) Significant continuing connected transactions with Qingling Moulds:

The Company entered into a supply agreement with the Qingling Moulds on 17 December 2013 (renewed on 22 December 2016), relating to the supply of moulds and related products and maintenance and processing services by Qingling Moulds to the Company, and the supply of raw materials and processing services by the Company to Qingling Moulds. The price is determined on normal commercial terms, if there are no sufficient comparable transactions to judge whether they are on normal commercial terms, on terms fair and reasonable to the Company, and the terms are no less favorable than the terms available to independent third parties from Qingling Moulds. The payment shall be made within one month after delivery. During the year, the purchase amount of the continuing connected transaction was approximately RMB34,489,000 and the sales amount was approximately RMB15,317,000.

持續關連交易(續)

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(c) 與五十鈴之重要持續關連交易：

- (i) 於二零一三年十二月十七日，本公司與五十鈴簽訂一份有關五十鈴向本公司提供為生產所需之若干汽車零部件及配件之協議書，而本公司亦於二零一六年十二月二十二日與該公司續簽了該協議書。由於並無充足可資比較交易，本公司購買汽車零部件及配件之價格乃參考所產生之實際或合理成本（以較低者為準）另加不超過10%之利潤率而釐定，於交付時付款。於本年度內，本項持續關連交易的金額為約人民幣724,409,000元。

(c) Significant continuing connected transactions with Isuzu:

- (i) On 17 December 2013, the Company entered into an automobile parts and components supply agreement with Isuzu whereby Isuzu provides the Company with certain automobile parts and components produced by Isuzu and which are required in the production processes and the Company renewed the agreement with Isuzu on 22 December 2016. As there are no sufficient comparable transactions, the price of the Company's purchases of automobile parts and components is determined with reference to actual or reasonable costs incurred (whichever is lower) plus a profit margin of not more than 10%, and the payment shall be made at the time of delivery. During the year, the amount of the continuing connected transaction was approximately RMB724,409,000.

持續關連交易(續)

(c) 與五十鈴之重要持續關連交易：(續)

(ii) 於二零一三年十二月十七日，本公司亦與五十鈴簽訂一份有關本公司向五十鈴提供為五十鈴生產所需之若干套裝零部件及其他汽車零部件與配件之協議書，而本公司亦於二零一六年十二月二十二日與該公司續簽了該協議書。由於並無充足可資比較交易，該等零部件及配件之銷售價格參考所產生之實際或合理成本(以較低者為準)另加不超過10%之利潤率而釐定，於交付後40天內付款。於本年度內，本項持續關連交易的金額為約人民幣1,932,000元。

(iii) 於本年度內，本公司與五十鈴亦繼續進行分別於一九九六年五月二十七日、二零零二年二月二十日、二零零八年五月二十三日、二零一二年十二月二十一日、二零一三年一月十五日及二零一三年二月二十五日簽訂有關五十鈴就生產及銷售4Z發動機、F系列

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(c) Significant continuing connected transactions with Isuzu: (Cont'd)

(ii) On 17 December 2013, the Company entered into an accessory sets and other automobile parts and components supply agreement with Isuzu whereby the Company provides Isuzu with certain accessory sets and other automobile parts and components produced by the Company and which are required in the production processes of Isuzu and the Company renewed the agreement with Isuzu on 22 December 2016. As there are no sufficient comparable transactions, the sales price of those parts and components is determined with reference to actual or reasonable costs incurred (whichever is lower) plus a profit margin of not more than 10%, and the payment shall be made within 40 days after delivery. During the year, the amount of the continuing connected transaction was approximately RMB1,932,000.

(iii) During the year, the Company continued the transactions under the technology transfer agreements with Isuzu entered on 27 May 1996, 20 February 2000, 23 May 2008, 21 December 2012, 15 January 2013 and 25 February 2013 for the transfer of technology and provision of technical know-how and the permission to use the trademark of Isuzu and the emblem by Isuzu to the Company for the production and sales of 4Z Engines, F series Chassis and related parts and

持續關連交易(續)

(c) 與五十鈴之重要持續關連交易：(續)

(iii) (續)

底盤及相關零件及組件、700P3X系列汽車及相關零件及組件、GXR/GXZ汽車、FXZ汽車及FYH汽車向本公司轉讓技術及提供技術知識以及准許本公司使用五十鈴商標及五十鈴標誌之技術轉讓協議書項下之交易，定價為首次收費(其中4Z發動機、F系列底盤、700P3X系列汽車及相關零件及組件、GXR/GXZ汽車、FXZ汽車及FYH汽車之首次收費已由本公司向五十鈴全數繳付)，加上參考本公司根據該協議製造及出售零件及組件之價格釐定之專利費、員工培訓費用及技術支持費用，每半年支付一次。

另，由於100P-N系列以及140TF/UC系列技術授權合約已到期，本公司與五十鈴分別於二零一四年三月二十六日和二零一四年八月二十一日簽訂商標使用許可協議和商標使用確認協議，繼續授予本公司一項不可轉

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(c) Significant continuing connected transactions with Isuzu: (Cont'd)

(iii) (Cont'd)

components, 700P3X series vehicles and related parts and components, GXR/GXZ vehicles, FXZ vehicles and FYH vehicles. The price is set at an initial fee (among which, the initial fee for 4Z Engines, F series Chassis and 700P3X series vehicles and related parts and components, GXR/GXZ vehicles, FXZ vehicles and FYH vehicles has already been fully paid by the Company to Isuzu), plus royalties, which is determined with reference to the price of the parts and components manufactured and sold by the Company pursuant to the agreement, staff training fees and technical assistance fees. The amount shall be paid every half a year.

Also, as the technology licensing agreements for 100P-N series and 140TF/UC series were due and the Company and Isuzu made the Trademark Licensing Agreement and the Trademark Licence Confirmation Agreement on 26 March 2014 and 21 August 2014 respectively. Isuzu continues to grant the Company a non-transferrable right to use the trademarks and emblems of Isuzu, "ISUZU" and "五十鈴", in the sale of the 600P, 100P and TF/UC series vehicles produced by the Company. And the License fee for each series of vehicle is as

持續關連交易(續)

(c) 與五十鈴之重要持續關連交易：(續)

(iii) (續)

讓的權利以於銷售由本公司生產的600P、100P及TF/UC系列汽車時使用五十鈴商標及標誌(「ISUZU」及「五十鈴」)。並約定各系列汽車之商標使用費(600P系列：2,000日圓／輛，100P系列：1,500日圓／輛，TF/UC系列：1,500日圓／輛)。於本年度內，技術轉讓協議書及技術授權合約項下持續關連交易的產生金額為約人民幣18,658,000元。

上述於本年度內與五十鈴之關連交易詳情及金額亦載於綜合財務報表附註31(ii)。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(c) Significant continuing connected transactions with Isuzu: (Cont'd)

(iii) (Cont'd)

follows: JPY2,000 for each 600P series vehicle sold, JPY1,500 for each 100P series vehicle sold and JPY1,500 for each TF/UC series vehicle sold. During the year, the amount incurred for the continuing connected transaction under the technology transfer agreements and technology licensing agreements was approximately RMB18,658,000.

The details and amount of the above connected transactions with Isuzu during the year are set out in note 31(ii) to the consolidated financial statements.

持續關連交易(續)

- (d) 與慶鈴五十鈴發動機之重大持續關連交易：

於二零一三年十二月十七日，本公司與慶鈴五十鈴發動機訂立下列協議，而本公司亦於二零一六年十二月二十二日與該公司續簽並更新了該等協議：

- (i) 購銷協議，內容關於本公司向慶鈴五十鈴發動機提供發動機零部件及原材料以組裝發動機總成，而慶鈴五十鈴發動機向本公司提供發動機總成及零部件以組裝及維修汽車，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年三月三十一日（以較遲者為準）至二零一六年十二月三十一日，銷售／採購價格以實際成本加上不超過10%的溢價釐定，於交付後一個月內付款。於本年度內，本項持續關連交易的採購金額為約人民幣1,065,647,000元；銷售金額為約人民幣871,956,000元。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

- (d) Significant continuing connected transactions with Qingling Isuzu Engine:

On 17 December 2013, the Company and Qingling Isuzu Engine entered into the following agreements (renewed on 22 December 2016):

- (i) the supply agreement, relating to the provision of parts and raw materials of engines for assembling and composing engine assemblies by the Company to Qingling Isuzu Engine, whereas Qingling Isuzu Engine provides engine assemblies and their parts to the Company for assembling and maintenance of automobile. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 31 March 2014 (whichever is later) to 31 December 2016. The sales/purchase price is determined at actual costs plus a premium of not more than 10%. Payment will be made within one month after delivery. During the year, the purchase amount of the continuing connected transaction was approximately RMB1,065,647,000 and the selling amount was approximately RMB871,956,000;

持續關連交易(續)

(d) 與慶鈴五十鈴發動機之重大持續關連交易：(續)

(ii) 綜合服務協議，內容關於本公司向慶鈴五十鈴發動機提供若干服務(包括供水及煤氣、運輸、設備維修及保養、醫療及衛生、三項保證等服務)，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年一月二十一日(以較遲者為準)至二零一六年十二月三十一日，二零一三年十二月十七日之新協議定價基準為本公司的實際成本加上應繳稅費。結算期不超過30日。於本年度內，本項持續關連交易的金額為約人民幣1,161,000元；

(iii) 設備租賃協議書，內容關於本公司向慶鈴五十鈴發動機租出租賃設備，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年一月二十一日(以較遲者為準)至二零一六年十二月三十一日，月租額乃參考獨立國際資產評估公司之前估值時租賃設備價值的折舊價值以及租賃設備的市值，結算期不超過30日。於本年度內，本項持續關連交易的金額為約人民幣37,538,000元；及

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(d) Significant continuing connected transactions with Qingling Isuzu Engine: (Cont'd)

(ii) the consolidated services agreement, relating to the provision of certain services (including services such as water and gas supply, transportation, equipment repair and maintenance, medical and hygiene and three warranties) by the Company to Qingling Isuzu Engine. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 21 January 2014 (whichever is later) to 31 December 2016. The price is determined at actual costs plus tax payable according to the new consolidated services agreement made on 17 December 2013 and the settlement period shall not be more than 30 days. During the year, the amount of the continuing connected transaction was approximately RMB1,161,000;

(iii) the equipment lease agreement, relating to the lease of leased equipment by the Company to Qingling Isuzu Engine. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 21 January 2014 (whichever is later) to 31 December 2016. The monthly rent is determined with reference to the depreciated value of the leased equipment of the leased equipment at the time of valuation previously conducted by an independent international asset appraisal firm and the market value of the leased equipment, and the settlement period shall not be more than 30 days. During the year, the amount of the continuing connected transaction was approximately RMB37,538,000; and

持續關連交易(續)

(d) 與慶鈴五十鈴發動機之重大持續關連交易：(續)

- (iv) 工廠租賃協議書，內容關於本公司向慶鈴五十鈴發動機出租土地及工廠大樓，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年一月二十一日(以較遲者為準)至二零一六年十二月三十一日，月租為約人民幣304,000元，結算期不超過30日。該月租乃參考租賃土地及工廠大樓的年折舊額及出租應繳稅費後的價值釐定。於本年度內，本項持續關連交易的金額為約人民幣3,649,000元。

上述於本年度與慶鈴五十鈴發動機之關連交易詳情及金額亦載於綜合財務報表附註31(iii)。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(d) Significant continuing connected transactions with Qingling Isuzu Engine: (Cont'd)

- (iv) the factory lease agreement, relating to the lease of land and factory premises by the Company to Qingling Isuzu Engine. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 21 January 2014 (whichever is later) to 31 December 2016. The monthly rent was approximately RMB304,000, which is determined with reference to the annual depreciated value of the leased land and factory premises and the value of taxes payable for leasing, and the settlement period shall not be more than 30 days. During the year, the amount of the continuing connected transaction was approximately RMB3,649,000.

The details and amount of the above connected transactions with Qingling Isuzu Engine during the year are also set out in note 31(iii) to the consolidated financial statements.

持續關連交易(續)

- (e) 與慶鈴五十鈴銷售之重大持續關連交易：

於二零一三年十二月十七日，本公司與慶鈴五十鈴銷售訂立下列協議，而本公司亦於二零一六年十二月二十二日與該公司續簽並更新了該等協議：

- (i) 租賃協議書，內容關於本公司向慶鈴五十鈴銷售租出土地及樓宇，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年一月一日(以較遲者為準)至二零一六年十二月三十一日，月租金為參考本公司有關土地、樓宇折舊額加上相關稅費釐定，結算期不超過30日。月租為約人民幣129,000元。於本年度內，本項持續關連交易的金額為約人民幣1,547,000元；

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

- (e) Significant continuing connected transactions with Qingling Isuzu Sales:

On 17 December 2013, the Company and Qingling Isuzu Sales entered into the following agreements (renewed on 22 December 2016):

- (i) the lease agreement, relating to the lease of leased land and premises by the Company to Qingling Isuzu Sales. The lease agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 1 January 2014 (whichever is later) to 31 December 2016. The monthly rent is determined with reference to the depreciation charged to such land and premises of the Company plus relevant tax, and the settlement period shall not be more than 30 days. The monthly rent is approximately RMB129,000. During the year, the amount of the continuing connected transaction was approximately RMB1,547,000;

持續關連交易(續)

(e) 與慶鈴五十鈴銷售之重大持續關連交易：(續)

(ii) 綜合服務協議，內容關於本公司向慶鈴五十鈴銷售提供若干服務(包括運輸、設備維修及保養、醫療及衛生、三項保證等服務)，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年一月一日(以較遲者為準)至二零一六年十二月三十一日，二零一三年十二月十七日之協議定價基準為本公司的實際成本加上應繳稅費，結算期不超過30日。於本年度內，本項持續關連交易的金額為約人民幣481,000元；

(iii) 汽車及零件供應協議，內容關於本公司向慶鈴五十鈴銷售供應汽車及零件，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年一月一日(以較遲者為準)至二零一六年十二月三十一日，價格按汽車或零件的市價釐定，於交貨期前30日支付全額貨款。於本年度內，本項持續關連交易的金額為約人民幣32,482,000元。

上述於本年度與慶鈴五十鈴銷售之關連交易詳情及金額亦載於綜合財務報表附註31(iv)。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(e) Significant continuing connected transactions with Qingling Isuzu Sales: (Cont'd)

(ii) the consolidated services agreement, relating to the provision of certain services (including services such as transportation, equipment repair and maintenance, medical and hygiene and three warranties) by the Company to Qingling Isuzu Sales. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 1 January 2014 (whichever is later) to 31 December 2016. The price is determined at actual costs plus tax payable according to the new consolidated services agreement made on 17 December 2013 and the settlement period shall not be more than 30 days. During the year, the amount of the continuing connected transaction was approximately RMB481,000;

(iii) the automobile and parts supply agreement, relating to the provision of automobiles and parts by the Company to Qingling Isuzu Sales. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 1 January 2014 (whichever is later) to 31 December 2016. The price is determined at the market value of the automobiles or parts. The full payment shall be made 30 days before the date of delivery. During the year, the amount of the continuing connected transaction was approximately RMB32,482,000.

The details and amounts of the above connected transactions with Qingling Isuzu Sales during the year are set out in note 31(iv) to the consolidated financial statements.

持續關連交易(續)

- (f) 與五十鈴慶鈴技術開發之持續關連交易：

於二零一三年十二月十七日，本公司與五十鈴慶鈴技術開發訂立下列協議，而本公司亦於二零一六年十二月二十二日與該公司續簽並更新了該等協議：

- (i) 工廠租約，內容關於本公司向五十鈴慶鈴技術開發出租技術開發工廠，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年一月一日(以較遲者為準)至二零一六年十二月三十一日，月租為約人民幣73,000元，結算期不超過30日。於本年度內，本項持續關連交易的金額為約人民幣880,000元；及

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

- (f) Continuing connected transactions with Isuzu Qingling Engineering:

On 17 December 2013, the company and Isuzu Qingling Engineering entered into the following agreements (renewed 22 December 2016):

- (i) the factory lease, relating to the lease of the factory premises by the Company to Isuzu Qingling Engineering. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 1 January 2014 (whichever is later) to 31 December 2016. The monthly rent is approximately RMB73,000, and the settlement period shall not be more than 30 days. During the year, the amount of the continuing connected transaction was approximately RMB880,000; and

持續關連交易(續)

(f) 與五十鈴慶鈴技術開發之持續關連交易：(續)

- (ii) 綜合服務協議，內容關於本公司向五十鈴慶鈴技術開發提供若干服務(包括水電及煤氣、汽車租賃、電訊、醫療及衛生等服務)，有效期自取得所有相關批文及／或根據所有適用法律、法規及規例完成所有其他程序當日或二零一四年一月一日(以較遲者為準)至二零一六年十二月三十一日，代價為本公司的實際成本加上應繳稅費釐定，結算期不超過30日。於本年度內，本項持續關連交易的金額為約人民幣686,000元。

上述於本年度與五十鈴慶鈴技術開發之關連交易詳情及金額亦載於綜合財務報表附註31(v)。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(f) Continuing connected transactions with Isuzu Qingling Engineering: (Cont'd)

- (ii) the consolidated services agreement, relating to the provision of certain services (including services such as water, electricity and gas supply, vehicle rental, telecommunication and medical and hygiene) by the Company to Isuzu Qingling Engineering. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 1 January 2014 (whichever is later) to 31 December 2016. The consideration is determined at the actual costs of the Company plus taxes payable, and the settlement period shall not be more than 30 days. During the year, the amount of the continuing connected transaction was approximately RMB686,000.

The details and amount of the above connected transaction with Isuzu Qingling Engineering during the year are also set out in note 31(v) to the consolidated financial statements.

持續關連交易(續)

- (g) 與五十鈴慶鈴汽車零部件之持續關連交易：

於二零一三年十二月十七日，本公司與五十鈴慶鈴汽車零部件訂立下列協議，而本公司亦於二零一六年十二月二十二日與該公司續簽並更新了該等協議：

- (i) 購銷協議，內容關於五十鈴慶鈴汽車零部件向本公司提供發動機零件，而本公司向五十鈴慶鈴汽車零部件提供汽車、發動機零部件及原材料，有效期自取得所有相關批文及／或根據一切適用法律、法規及規例完成所有其他程序當日或二零一四年一月一日(以較遲者為準)至二零一六年十二月三十一日，所提供產品之價格不得高過市價，亦不得遜於向獨立第三方提供之價格，倘無可資比較市價，價格須按實際成本或所產生之合理成本(以較低者為準)加不超過8%之利潤率釐定，於交付後30日內付款。於本年度內，本項持續關聯交易的採購金額為約人民幣780,000元；銷售金額為約人民幣64,973,000元。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

- (g) Continuing connected transactions with Isuzu Qingling Autoparts:

On 17 December 2013, the company and Isuzu Qingling Autoparts entered into the following agreements (renewed 22 December 2016):

- (i) the supply agreement, relating to the provision of parts of engines by Isuzu Qingling Autoparts to the Company, and the provision of automobiles, parts of engines and raw materials by the Company to Isuzu Qingling Autoparts. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 1 January 2014 (whichever is later) to 31 December 2016. Prices for products provided shall not be higher than the market prices and shall not be less favourable than the prices offered to independent third parties. If there are no comparable market prices, prices shall be determined based on the actual or reasonable costs incurred (whichever is lower) plus a profit margin of not more than 8%. The payment shall be made within 30 days after delivery. During the year, the purchase amount of the continuing connected transaction was approximately RMB780,000 and the selling amount was approximately RMB64,973,000.

持續關連交易(續)

(g) 與五十鈴慶鈴汽車零部件之持續關連交易：(續)

- (ii) 綜合服務協議，內容關於本公司向五十鈴慶鈴汽車零部件提供若干服務(包括水電及煤氣、汽車租賃、電訊、醫療及衛生等服務)，有效期自取得所有相關批文及／或根據所有適用法律、法規及規例完成所有其他程序當日或二零一四年一月一日(以較遲者為準)至二零一六年十二月三十一日，代價為本公司的實際成本加上應繳稅費釐定，結算期不超過30日。於本年度內，本項持續關連交易的金額為約人民幣1,019,000元。

上述於本年度與五十鈴慶鈴汽車零部件之關連交易詳情及金額亦載於綜合財務報表附註31(vi)。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(g) Continuing connected transactions with Isuzu Qingling Autoparts: (Cont'd)

- (ii) the consolidated services agreement, relating to the provision of certain services (including services such as water, electricity and gas supply, vehicle rental, telecommunication and medical and hygiene) by the Company to Isuzu Qingling Autoparts. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 1 January 2014 (whichever is later) to 31 December 2016. The consideration is determined at the actual costs of the Company plus taxes payable, and the settlement period shall not be more than 30 days. During the year, the amount of the continuing connected transaction was approximately RMB1,019,000.

The details and amount of the above connected transactions with Isuzu Qingling Autoparts during the year are set out in note 31(vi) to the consolidated financial statements.

持續關連交易(續)

(h) 其他持續關連交易：

- (i) 本公司、慶鈴五十鈴發動機、五十鈴慶鈴技術開發及五十鈴慶鈴汽車零部件於二零一三年十二月十七日訂立一份測試協議，內容關於本公司向慶鈴五十鈴發動機、五十鈴慶鈴技術開發及五十鈴慶鈴汽車零部件提供若干測試服務(包括但不限於發動機全負荷穩定轉速煙度試驗、外特性試驗、燃燒分析試驗、車輛高低溫試驗、側傾試驗，以及零部件的疲勞耐久試驗、激振試驗等試驗檢測服務)，有效期自取得所有相關批文及／或根據所有有關法律、法規及規例完成所有其他程序當日起，或由二零一四年一月一日(以較遲者為準)至二零一六年十二月三十一日。本公司亦於二零一六年十二月二十二日與慶鈴五十鈴發動機、五十鈴慶鈴技術開發及五十鈴慶鈴汽車零部件續簽了該協議書。所提供服務之價格不得高過市價，亦不得遜於向獨立第三方提供之價格。倘無可資比較市價，價格須按實際成本或所產生之合理成本(以較低者為準)加不超過8%之利潤率釐定，於提供服務後30日內付款。於本年度內，本公司並沒有向五十鈴慶鈴技術開發、五十鈴慶鈴汽車零部件及慶鈴五十鈴發動機提供測試服務。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

(h) Other Continuing Connected Transactions:

- (i) The Company, Qingling Isuzu Engine, Isuzu Qingling Engineering and Isuzu Qingling Autoparts entered into a testing agreement on 17 December 2013, relating to the provision of certain testing services (including but not limited to smoking tests, external property tests and combustion analysis tests for full-loading and steady rolling engines; temperature resistance tests and heeling tests for vehicles; and endurance tests and vibration tests for parts) by the Company to Qingling Isuzu Engine, Isuzu Qingling Engineering and Isuzu Qingling Autoparts. The agreement shall be effective from the date upon obtaining all relevant approvals and/or completing all other procedures in accordance with all applicable laws, rules and regulations or 1 January 2014 (whichever is later) to 31 December 2016. The Company renewed the agreement with Qingling Isuzu Engine, Isuzu Qingling Engineering and Isuzu Qingling Autoparts on 22 December 2016. Prices for services provided shall not be higher than the market prices and shall not be less favourable than the prices offered to independent third parties. If there are no comparable market prices, prices shall be determined based on the actual or reasonable costs incurred (whichever is lower) plus a profit margin of not more than 8%. The payment shall be made within 30 days after services are provided. During the year, the Company did not provide the testing services to Isuzu Qingling Engineering, Isuzu Qingling Autoparts and Qingling Isuzu Engine.

持續關連交易(續)

本公司核數師已獲聘根據香港會計師公會發出的香港審驗服務準則第3000號「審核及審閱歷史財務數據以外的審驗服務」，及參考香港會計師公會的執行指引第740號「關於香港上市規則所述持續關連交易的核數師函件」執行審核工作，根據上市規則14A.56條，核數師已向本公司的董事會發出函件確認沒有注意到任何事項可使他們認為本集團披露的持續關連交易：

1. 並未獲上市發行人董事會批准；
2. 在各重大方面沒有按照本公司之定價政策而進行；
3. 在各重大方面沒有根據有關交易的協議進行；及
4. 超逾上限。

本公司獨立非執行董事確認，有關交易乃本公司於日常業務中訂立，按一般商業條款或更佳之條款，並根據有關交易之協議條款進行，條款屬公平合理，且符合本公司股東的整體利益。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

The Company's auditor was engaged to conduct audit work in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institute of Certified Public Accountants and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Pursuant to the rule 14A.56 of the Listing Rules, the auditor has issued a letter to the Board of the Company that nothing has come to their attention that causes them to believe that the continuing connected transactions disclosed by the Group:

1. have not been approved by the listed issuer's board of directors;
2. were not, in all material respects, in accordance with the pricing policies of the Company;
3. were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and
4. have exceeded the cap.

The independent non-executive directors of the Company confirm that the transactions have been entered into by the Company in the ordinary and usual course of its business, on normal commercial terms or better and in accordance with the agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

關連交易

- (i) 於二零一四年四月二日，本公司與五十鈴訂立600P排放技術開發協議，據此，本公司委託五十鈴對本公司現行生產的600P系列汽車及發動機進行技術改造及提升，以使其符合若干尾氣排放、功率及額定扭矩之特定標準，包括由中國政府頒佈之國五商用車排放標準。該合同有效期自二零一四年四月二日起至自相關中國機關取得生產及銷售經改良600P汽車之全部批准之日期止，代價為110,000,000日圓，乃經本公司參考五十鈴將投入的人力資源、進行的實驗及使用實驗設施所產生之費用之估算後，由各訂約方按公平原則磋商釐定。代價須由本公司向五十鈴以下列方式支付：代價的30%應於中國政府主管部門批准已簽立之600P排放技術開發協議之日期起20日內償付；代價的20%應於收到五十鈴根據600P排放技術開發協議進行的開發及設計結果之日期起20日內償付；及代價的50%應於取得經改良600P汽車之汽車質量及排放標準之認證及登記之日期起20日內償付。

CONNECTED TRANSACTIONS

- (i) On 2 April 2014, the Company and Isuzu entered into a 600P emission technology development agreement whereby the Company engages Isuzu for the technical transformation and enhancement of 600P series vehicles and engines which the Company currently produces so that they will meet certain specified standards for emissions, power rating and torque rating, including the phase 5 emission standards issued by the government of the PRC for commercial vehicles. The agreement shall be effective from 2 April 2014 to the date of obtaining all approval from the relevant PRC authorities for the manufacturing and sale of the modified 600P vehicles, and the consideration shall be JPY110,000,000, which was determined after arm's length negotiations between the parties by reference to the estimates of the costs for manpower involved, experiments to be conducted and use of experiment facilities to be incurred by Isuzu. The consideration shall be payable by the Company to Isuzu in the following manners: 30% of the consideration shall be payable within 20 days from the date of approval of the executed 600P emission technology development agreement by the competent authorities of the government of the PRC; 20% of the consideration shall be payable within 20 days after receiving the results of the development and design carried out by Isuzu pursuant to the 600P emission technology development agreement; and 50% of the consideration shall be payable within 20 days from the date of obtaining the certification of the vehicles' quality and emission standard for and the registration of the modified 600P vehicles.

關連交易(續)

- (ii) 於二零一四年八月二十一日，本公司與五十鈴訂立促銷費協議，內容關於五十鈴將向本公司支付總額 500,000,000 日圓，供本公司於二零一四年至二零一六年進行推廣活動。總額 500,000,000 日圓將在扣除本公司應向日本政府繳納的稅款(如有)後，由五十鈴以下列方式向本公司支付：(a)125,000,000 日圓將於二零一四年九月三十日前支付；(b)125,000,000 日圓將於二零一五年三月三十一日前支付；(c)125,000,000 日圓將於二零一五年九月三十日前支付；及(d)125,000,000 日圓將於二零一六年三月三十一日前支付。該促銷費代價參考了本公司截至二零一三年十二月三十一日止財政年度的推廣支出，而促銷費協議的代價總額約為該財政年度推廣支出的10%。本年度五十鈴已經支付第三期和第四期促銷費，合人民幣 14,353,000 元。

CONNECTED TRANSACTIONS (Cont'd)

- (ii) On 21 August 2014, the Company and Isuzu entered into a marketing fee agreement, pursuant to which Isuzu will pay a total sum of JPY500,000,000 to the Company for the marketing activities to be conducted by the Company in the years from 2014 to 2016. The total sum of JPY500,000,000, after deducting the tax payable by the Company to the Japanese government (if any), will be paid by Isuzu to the Company in the following manners: (a) JPY125,000,000 will be paid before 30 September 2014; (b) JPY125,000,000 will be paid before 31 March 2015; (c) JPY125,000,000 will be paid before 30 September 2015; and (d) JPY125,000,000 will be paid before 31 March 2016. In arriving at the consideration, the parties have taken into account the marketing expenses of the Company for the financial year ended 31 December 2013. The amount of the consideration under the marketing fee agreement is equivalent to approximately 10% of the marketing expenses of such financial year. During the year, Isuzu has settled the third and fourth tranche of the marketing fee, amounting to a total of RMB14,353,000.

關連交易(續)

- (iii) 本公司於二零一六年四月二十七日與五十鈴分別簽訂了(i)CYH技術許可協議；(ii)CYZ技術許可協議；及(iii)EXR/EXZ技術許可協議，內容關於五十鈴向本公司提供技術及技術信息、員工培訓及技術支持以及許可本公司使用五十鈴之商標及標誌以按非獨佔基準於中國生產及銷售(i)CYH；(ii)CYZ；及(iii)EXR/EXZ汽車。

關於CYH技術許可協議，首次費用700,000,000日圓應由本公司按以下方式支付予五十鈴：(i)首次費用之40%應自相關中國機關授出批准日期起30日內支付；(ii)就每種樣本車輛CYH①、CYH②、CYH③及CYH④，自本公司與五十鈴均書面確認提供各種CYH車輛完成之日期起30日內，每種支付首次費用之10%，合共首次費用之40%；及(iii)就每種樣本車輛CYH①、CYH②、CYH③及CYH④，自本公司與五十鈴均書面確認各種CYH車輛大量生產之日期起30日內，每種支付首次費用之5%，合共首次費用之20%。

CONNECTED TRANSACTIONS (Cont'd)

- (iii) On 27 April 2016, the Company and Isuzu entered into (i) the CYH Technology Licence Agreement; (ii) the CYZ Technology Licence Agreement; and (iii) the EXR/EXZ Technology Licence Agreement, respectively, in relation to the provision of technology and technical know-how, staff training and technical assistance and the licence to use the trademark and the emblem of Isuzu by Isuzu to the Company for the production and sale of (i) CYH; (ii) CYZ; and (iii) EXR/EXZ vehicles in the PRC on a non-exclusive basis.

For the CYH Technology Licence Agreement, an initial fee of ¥700,000,000 is payable by the Company to Isuzu in the following manner: (i) 40% of the initial fee shall be payable within 30 days from the date of approval granted by the relevant PRC authorities; (ii) 10% of the initial fee for each of the sample vehicles CYH①, CYH②, CYH③ and CYH④ and a total of 40% of the initial fee shall be payable within 30 days from the date of completion of the provision of each CYH vehicles confirmed in writing by both the Company and Isuzu; and (iii) 5% of the initial fee for each of the sample vehicles CYH①, CYH②, CYH③ and CYH④ and a total of 20% of the initial fee shall be payable within 30 days from the date of the bulk production of each CYH vehicles confirmed in writing by both the Company and Isuzu.

關連交易(續)

關於CYZ技術許可協議，首次費用700,000,000日圓應由本公司按以下方式支付予五十鈴：(i)首次費用之40%應自相關中國機關授出批准日期起30日內支付；(ii)首次費用之40%應自本公司與五十鈴均書面確認技術信息提供完成之日期起30日內支付；及(iii)首次費用之20%應自本公司與五十鈴均書面確認CYZ汽車大量生產之日期起30日內支付。

關於EXR/EXZ技術許可協議，首次費用700,000,000日圓應由本公司按以下方式支付予五十鈴：(i)首次費用之40%應自相關中國機關授出批准日期起30日內支付；(ii)首次費用之40%應自本公司與五十鈴均書面確認技術信息提供完成之日期起30日內支付；及(iii)首次費用之20%應自本公司與五十鈴均書面確認EXR/EXZ汽車大量生產之日期起30日內支付。

CONNECTED TRANSACTIONS (Cont'd)

For the CYZ Technology Licence Agreement, an initial fee of ¥700,000,000 is payable by the Company to Isuzu in the following manner: (i) 40% of the initial fee shall be payable within 30 days from the date of approval granted by the relevant PRC authorities; (ii) 40% of the initial fee shall be payable within 30 days from the date of completion of the provision of technical know-how confirmed in writing by both the Company and Isuzu; (iii) 20% of the initial fee shall be payable within 30 days from the date of the bulk production of the CYZ vehicles confirmed in writing by both the Company and Isuzu.

For the EXR/EXZ Technology Licence Agreement, an initial fee of ¥700,000,000 is payable by the Company to Isuzu in the following manner: (i) 40% of the initial fee shall be payable within 30 days from the date of approval granted by the relevant PRC authorities; (ii) 40% of the initial fee shall be payable within 30 days from the date of completion of the provision of technical know-how confirmed in writing by both the Company and Isuzu; (iii) 20% of the initial fee shall be payable within 30 days from the date of the bulk production of the EXR/EXZ vehicles confirmed in writing by both the Company and Isuzu.

關連交易(續)

本公司亦須就出售各輛CYH、CYZ及EXR/EXZ汽車支付予五十鈴之專利權費，按每輛汽車的現地附加值×3%計算。本年度內，由於本公司尚未開始銷售各CYH、CYZ及EXR/EXZ汽車，本公司未於本年度內支付任何專利權費。

- (iv) 本公司於二零一六年四月二十七日與五十鈴簽訂了CAN信號技術開發協議，內容關於本公司委託五十鈴，就滿足VC61系列汽車及6U國V對應及6W國V對應發動機之相關規格的CAN信號系統進行開發。在完成開發時，五十鈴須向本公司提交按照CAN信號技術開發協議規定及本公司的指示進行開發所製作的技術信息及記載、記錄其明細表的文件和電子數據各一份。本公司應按以下方式支付代價116,715,427日圓予五十鈴：(i)於CAN信號技術開發協議簽訂日起20天內，支付58,357,713日圓；及(ii)於開發業務完成日起20天內，支付58,357,713日圓。

本項於本年度與五十鈴之關連交易詳情及金額亦載於綜合財務報表附註31(ii)。

CONNECTED TRANSACTIONS (Cont'd)

The Company will also have to pay royalties to Isuzu in relation to the sale of each CYH, CYZ and EXR/EXZ vehicles, which are calculated at 3% of the on-site added value of each vehicle. During the year, as the Company has not commenced the sale of CYH, CYZ and EXR/EXZ vehicles, the Company has not paid any royalties during the year.

- (iv) On 27 April 2016, the Company and Isuzu entered into the CAN Signaling Technology Development Agreement, pursuant to which the Company engaged Isuzu to develop the CAN Signaling System with the corresponding specifications meeting the VC61 series vehicles and the corresponding engines for the 6U National V and the 6W National V standards. Upon the completion of the development, Isuzu shall submit the Company with the technical information and records, the documents with their details and electronic data during the development based on the provisions of the CAN Signaling Technology Development Agreement and the instructions of the Company. The Company shall pay a total consideration of ¥116,715,427 to Isuzu in the following manner: (i) ¥58,357,713 shall be payable within 20 days from the signing day of the CAN Signaling Technology Development Agreement; and (ii) ¥58,357,713 shall be payable within 20 days from the completion day of the business development.

The details and amounts of the connected transaction with Isuzu during the year and also set out in note 31(ii) to the consolidated financial statements.

有關本集團進行之關聯方交易的資料載於綜合財務報表附註31(i)至(vi)。該等關聯方交易亦構成上市規則第14A章定義的關連交易或持續關連交易，而董事會確認本公司已就該等交易遵守上市規則第14A章的規定。

五大供應商及客戶

截至二零一六年十二月三十一日止年度，本集團的五大供應商佔總採購額51.74%，最大的供應商佔總採購額21.23%。慶鈴集團及其附屬公司、本公司之一間合資公司及五十鈴透過其供應零件及部件予本集團之一間日本貿易公司均屬本集團之五大供應商。與慶鈴集團及其附屬公司，及與五十鈴之交易詳情載於上文「關連交易」一節內。除上述披露外，截至二零一六年十二月三十一日止年度，本公司董事及監事、其聯繫人或任何股東（據董事會所知擁有5%以上本公司之股本者），概無擁有本集團五大供應商任何權益。截至二零一六年十二月三十一日止年度，慶鈴集團為最大客戶，除慶鈴集團外，本集團五大客戶應佔總銷售額低於本集團總銷售額之30%。

The information of the related party transactions entered into by the Group is set out in Note 31(i) to (vi) to the consolidated financial statements. Those related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules, and the Board confirms that the Company has complied with the requirements in Chapter 14A of the Listing Rules for those transactions.

FIVE LARGEST SUPPLIERS AND CUSTOMERS

For the year ended 31 December 2016, the five largest suppliers accounted for 51.74% of the total purchases of the Group. The largest supplier accounted for 21.23% of the total purchases. Qingling Group and its subsidiaries, a joint venture of the Company and a Japanese trading company, through which Isuzu channels its supply of parts and components to the Group, are included in the five largest suppliers of the Group. Details of transactions with Qingling Group and its subsidiaries and with Isuzu are set out in the section "Connected Transactions" above. Other than disclosed above, the Company's directors and supervisors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company's share capital), did not have any interests in the Group's five largest suppliers for the year ended 31 December 2016. For the year ended 31 December 2016, Qingling Group was the largest customer. The aggregate sales attributable to the Group's five largest customers (except Qingling Group) were less than 30% of the Group's total sales.

董事會報告

可換股證券、購股權、認股權證或類似權利

本公司及其附屬公司於本年度並無發行或授出任何可換股證券、購股權、認股權證或類似權利。

本年度並無由本公司或其附屬公司及共同控制實體發行或授出而尚未行使或尚未轉換之換股權證券、購股權、認股權證或類似權利。

委託存款

於二零一六年十二月三十一日，本集團並無任何委託存款或已逾期但於到期未能取回之任何定期存款。

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其附屬公司並無購買、贖回或出售任何本公司之上市證券。

僱員

於二零一六年十二月三十一日，本集團僱員人數為2,857人(二零一五年:2,842人)。於本年度內，僱員人數及其薪酬政策並無發生重大變動。本集團積極為各階層員工制訂並實施各類培訓計劃。

DIRECTORS' REPORT

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company and its subsidiaries did not issue or grant any convertible securities, options, warrants or similar rights during the year.

There were no outstanding or conversion of convertible securities, options, warrants or similar rights issued or granted by the Company or its subsidiaries and jointly controlled entity during the year.

DESIGNATED DEPOSITS

As at 31 December 2016, the Group did not hold any designated deposits or any time deposits that were overdue but could not be collected upon maturity.

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

During the year, none of the Company or its subsidiaries had purchased, redeemed or sold any of the Company's listed securities.

EMPLOYEES

As at 31 December 2016, the Group had 2,857 employees (2015: 2,842 employees). During the year, no material change was noted for the number of employees or their remuneration policy. The Group actively formulated and implemented various training to its staff of all levels.

董事會報告

DIRECTORS' REPORT

僱員退休計劃

本集團之僱員退休福利計劃詳情載於綜合財務報表附註8。

董事及監事進行證券交易之標準守則

本公司已採納上市規則附錄十所載的標準守則。本公司向所有董事及監事作出特定查詢後，確認所有董事及監事於本年度內一直遵守標準守則之規定。

優先購股權

本公司之公司章程並無有關優先購股權之條款。

公司管治

本公司企業管治常規之資料載於第66至88頁「企業管治報告」內。

公眾持股量

在二零一六年期間，根據本公司取得的公開資料及就其董事所知悉，因公眾持有不少於本公司已發行股份之25%，故公眾持股量足夠。

審閱賬目

審核委員會已與本公司管理層及核數師審閱了本集團所採納之會計原則及實務並討論審核、風險管理及內部監控及財務匯報事宜，包括審閱截至二零一六年十二月三十一日止年度之經審核綜合財務報表。

STAFF RETIREMENT SCHEME

Details of the Group's staff retirement benefits scheme are set out in note 8 to the consolidated financial statements.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules. Based on specific enquires to all directors and supervisors, the Company confirms that all Directors and supervisors have complied with the requirements of the Model Code during the year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association.

CORPORATE GOVERNANCE

The information on the Company's corporate governance practices is set out in the "Corporate Governance Report" from pages 66 to 88.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its directors, there is sufficient public float as not less than 25% of the Company's issued shares are held by the public throughout the year 2016.

REVIEW OF ACCOUNTS

The audit committee has reviewed with the management and auditors of the Company the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal controls and financial reporting matters including the review of the audited consolidated financial statements for the year ended 31 December 2016.

董事會報告

DIRECTORS' REPORT

核數師

有關續聘德勤華永會計師事務所(特殊普通合伙)重慶分所及德勤•關黃陳方會計師行為本公司核數師之決議案將於二零一七年股東周年大會上提呈。

董事資料的變動

根據上市規則第13.51B(1)條，於二零一六年八月二十六日(為通過本公司二零一六年中期報告當日)至二零一七年三月二十四日(為通過本公司二零一六年年報當日)期間，董事按第13.51(2)條第(a)至(e)段及第(g)段規定披露資料的變動如下：

1. 李巨星先生已委任為本公司代行董事長、薪酬委員會成員及提名委員會成員及主席，由二零一六年九月二十六日生效。
2. 李巨星先生已辭任為本公司代行董事長、薪酬委員會成員及提名委員會成員及主席，由二零一六年十二月二十二日生效。

承董事會命
羅宇光
董事長

中國，重慶
二零一七年三月二十四日

AUDITORS

A resolution will be submitted to the annual general meeting for 2017 to re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP Chongqing Branch and Deloitte Touche Tohmatsu as auditors of the Company.

CHANGE IN DIRECTOR'S INFORMATION

In accordance with Rule 13.51B(1) of the Listing Rules, during the period from 26 August 2016 (as the date of approval of the 2016 Interim Report of the Company) to 24 March 2017 (as the date of approval of the 2016 Annual Report of the Company), changes in information required to be disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) are as follows:

1. Mr. LI Juxing has been appointed as the Acting Chairman, a member of the remuneration committee, and a member and the chairman of the nomination committee of the Company with effect from 26 September 2016.
2. Mr. LI Juxing resigned as the Acting Chairman, a member of the remuneration committee, and a member and the chairman of the nomination committee of the Company with effect from 22 December 2016.

By order of the Board
LUO Yuguang
CHAIRMAN

Chongqing, the PRC
24 March 2017

本公司高度重視並致力維持高標準的企業管治，董事會相信良好的企業管治操守對增加投資者信心及保障股東權益極為重要。本公司重視員工、紀律守則、公司政策及規定，並以此作為企業管治常規的基礎。董事會已經採取優良的管治與披露常規，並致力不斷改良該等常規，建立高度操守的企業文化。

截至二零一六年十二月三十一日止年度，本公司已遵守上市規則附錄十四所載之《企業管治守則》之守則條文，惟偏離《企業管治守則》的守則條文第A.1.8條（見下述）除外。

根據《企業管治守則》的守則條文第A.1.8條，發行人須就董事面臨的法律訴訟作出適當的投保安排。透過定期、適時及有效地與董事及本集團管理層溝通，本集團管理層深信，所有可能向本公司董事提出之申索及法律訴訟均能有效地處理，且本公司董事遭確切起訴之機會較微。本公司將於其認為必要時檢討及考慮作出相關安排。

董事會

董事會成員須為本公司創造良好業績及可持續的發展，並為此向股東負責。董事會負責管理本公司的所有重要事項，包括負責召集股東大會、執行股東大會決議、決定公司經營計劃和投資方案、制定公司的年度財務預算方案、制定及批准內部監控和風險管理系統，監察高級管理人員的表現。董事須就本公司的利益作客觀決定。

董事會多元化政策

董事會於二零一三年九月採納了成員多元化政策以符合於二零一三年九月起生效有關董事會多元化的新守則條文。

The Company puts high emphasis on and endeavors to maintain a high standard of corporate governance. The Board believes that good corporate governance practices are important to promote investors' confidence and protect the interest of our shareholders. The Company attach importance to our staff, our code of conduct and our corporate policies and standards, which together form the basis of our corporate governance practices. The Board has adopted sound corporate and disclosure practices, and is committed to continuously improving those practices and cultivating an ethical corporate culture.

For the year ended 31 December 2016, the Company has complied with the code provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules except for the deviation from code provision A.1.8 of the Corporate Governance Code as stated below.

Under code provision A.1.8 of the Corporate Governance Code, an issuer should arrange appropriate insurance cover in respect of legal action against its directors. With regular, timely and effective communications among the directors and the management of the Group, the management of the Group believes that all potential claims and legal actions against the directors of the Company can be handled effectively, and the possibility of actual litigation against the directors of the Company is relatively low. The Company will review and consider to make such arrangement as and when it thinks necessary.

THE BOARD

Members of the Board are accountable to the Shareholders for the success and sustainable development of the Company. The Board is responsible for the management of all the important issues of the Company, including the duties of convening general meetings, implementing the resolutions passed at the general meetings, determining the operating strategies and investment proposals of the Company, formulating the plans of the Company for annual financial budgets and final accounts, establishing and approving the internal control and risk management systems and monitoring the performance of the members of the senior management. The Directors shall make objective decisions for the interests of the Company.

BOARD DIVERSITY POLICY

The Board adopted board diversity policy in September 2013 to comply with the new code provisions in relation to board diversity effective from September 2013.

本公司在設定董事會成員組合時，董事會應根據本公司業務而具備適當所需技巧、經驗及多樣的觀點與角度。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會多元化的裨益。

甄選人選將按一系列多元化範疇為基準，包括不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，最終將按人選的長處及可為董事會提供的貢獻而作決定。

於二零一六年十二月三十一日，董事會由11名董事組成，包括7位執行董事及4位獨立非執行董事，獨立非執行董事佔董事會人數超過36%。

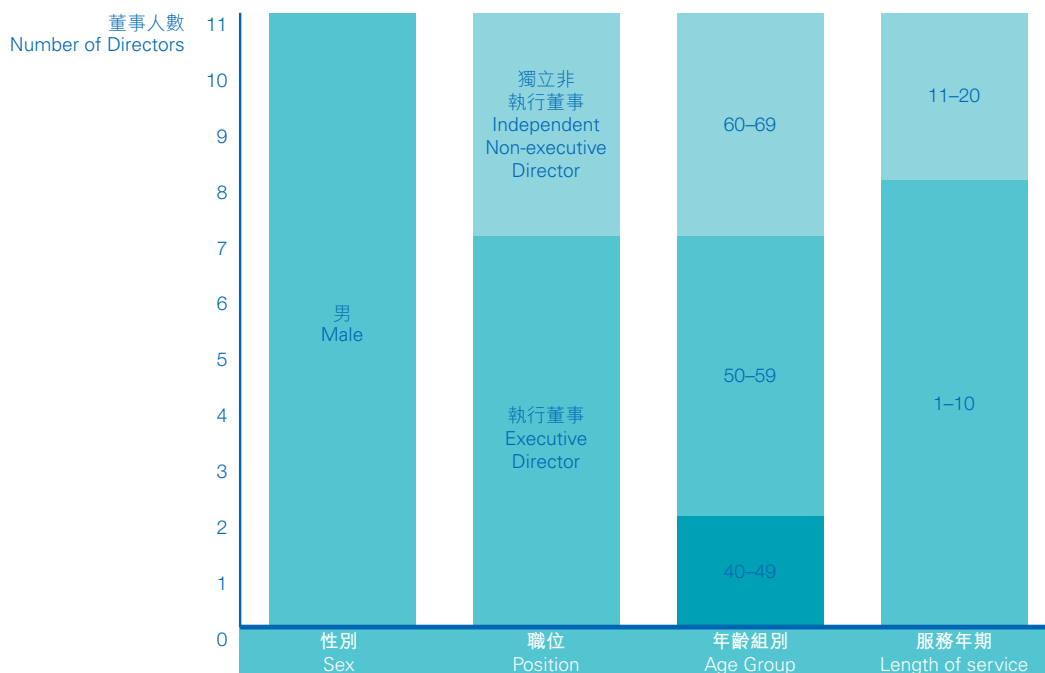
董事會的組成按系列多元化範疇為基準的分析載列如下：

When determining the composition of the Board, the Company shall take into account our business operations and select candidates with appropriate and necessary skills and experience and those who can express their views in a multi-angle perspective. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

As at 31 December 2016, the Board is comprised of 11 members, including 7 executive Directors and 4 independent non-executive Directors. Independent non-executive Directors account for over 36% of the number of Board members.

An analysis of the Board based on a scope of diversity perspective is set forth below:



田中誠人先生及袴田直人先生分別因主要股東五十鈴汽車有限公司人事變動及工作調整而辭任為執行董事，本公司已於二零一六年六月十五日舉行的股東周年大會上選舉太田正紀先生及小村嘉文先生為執行董事，分別接替田中誠人先生及袴田直人先生所辭任之執行董事職務；曾建江先生因工作調整之原因而辭任為執行董事，本公司於二零一六年六月十五日舉行的股東周年大會上選舉徐松先生為執行董事，接替曾建江先生所辭任之執行董事職務。何勇先生因工作變動而辭任為執行董事，本公司於二零一六年十二月二十二日舉行的臨時股東大會上選舉羅宇光先生為執行董事，接替何勇先生所辭任之執行董事職務。

截至二零一六年十二月三十一日止年度，董事會由11名董事組成：

執行董事

羅宇光先生(董事長)
前垣圭一郎先生
(副董事長兼總經理)
高建民先生
太田正紀先生
小村嘉文先生
李巨星先生
徐松先生

獨立非執行董事

龍濤先生
宋小江先生
劉天倪先生
劉二飛先生

Mr. Makoto TANAKA and Mr. Naoto HAKAMATA have resigned as executive Directors due to changes in personnel of Isuzu Motors Limited, a substantial Shareholder and the change of work allocation respectively. The Company elected Mr. Masanori OTA and Mr. Yoshifumi KOMURA as executive Directors to replace Mr. Makoto TANAKA and Mr. Naoto HAKAMATA who resigned as executive Directors at the annual general meeting held on 15 June 2016. Mr. ZENG Jianjiang has resigned as an executive Director due to the change of work allocation. The Company elected Mr. XU Song as an executive Director to replace Mr. ZENG Jianjiang who resigned as an executive Director at the annual general meeting held on 15 June 2016. Mr. HE Yong, has resigned as an executive Director due to the change of work allocation. The Company elected Mr. LUO Yuguang as an executive Director to replace Mr. HE Yong who resigned as an executive Director at the extraordinary general meeting held on 22 December 2016.

For the year ended 31 December 2016, the Board is comprised of 11 directors:

Executive Directors

Mr. LUO Yuguang (*Chairman*)
Mr. Keiichiro MAEGAKI (*Vice Chairman and General Manager*)
Mr. GAO Jianmin
Mr. Masanori OTA
Mr. Yoshifumi KOMURA
Mr. LI Juxing
Mr. XU Song

Independent Non-Executive Directors

Mr. LONG Tao
Mr. SONG Xiaojiang
Mr. LIU Tianni
Mr. LIU Erh Fei

各董事履歷詳情載於本年報「董事、監事及高級管理人員之簡短個人資料」一節中。

根據本公司章程，所有董事（包括獨立非執行董事）須每三年至少告退一次。彼等須獲得股東投票贊成重選方可連任。

本公司已收到現任的每位獨立非執行董事按上市規則第3.13條的規定發出有關其獨立性的周年確認函。本公司認為所有獨立非執行董事都按上市規則維持其獨立性。

董事會的責任及授權

董事會擬定本公司的整體策略，監察本公司高級管理層表現及相關風險和監控制度，以達到本公司發展規劃。有關本公司的日常管理則授權執行董事及高級管理人員處理，彼等之後須向董事會彙報。所有董事會成員有權個別及單獨接觸高級管理人員，並獲得有關本公司經營及業務發展的全面及適時的資料，包括關於重大事項的月度報告及建議。

董事會已將其若干職能授權董事會轄下各委員會，並就有關事宜向其尋求獨立的專業意見。

董事會會議及出席率

董事會定期舉行會議檢討本公司的財務及營運表現，並商討未來策略。於二零一六年，本公司召

Biographical particulars of the Directors are set out in the section headed “Biographical Details of Directors, Supervisors and Senior Management” in this annual report.

Pursuant to the articles of association of the Company, all the directors, including independent non-executive Directors, shall be subject to retirement by rotation at least once every three years, and their re-election is subject to a vote of the Shareholders.

The Company has received annual confirmations of independence from each of the existing independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive Directors are independent in accordance with the Listing Rules.

RESPONSIBILITIES AND DELEGATION OF THE BOARD

The Board determines the overall strategies of the Company, and monitors the performance of the senior management and the related risks and control systems so as to achieve the development objectives of the Company. Day-to-day management of the Company is delegated to the executive Directors and the senior management, who are required to report back to the Board. All the members of the Board have separate and independent access to the senior management, and are provided with full and timely information about the conduct of the business and development of the Company, including monthly reports and recommendations on significant matters.

The Board has delegated some of its functions to the committees under the Board, and will seek independent and professional advices from them in respect of related matters.

BOARD MEETINGS AND ATTENDANCE

The Board meets regularly to review the financial and operating performance of the Company and to discuss future strategy. During 2016, the Company held 10 board meetings, and the attendance

開了10次董事會會議，下列為各董事於二零一六年出席董事會會議的出席紀錄：

record of each director at the board meetings in 2016 is set out below:

董事 Directors	親身出席率/ 會議次數 Attendance in person/Number of Meetings	受委代表出席率/ 會議次數 (註1) Attendance by Proxy/Number of Meetings (Note 1)
執行董事 Executive Directors		
何勇先生 (董事長) (於二零一六年九月二十六日辭任) (註2)	6/7	0/0
Mr. HE Yong (Chairman) (resigned on 26 September 2016) (Note 2)	6/7	0/0
羅宇光先生 (董事長) (於二零一六年十二月二十二日獲委任) (註3)	1/1	0/0
Mr. LUO Yuguang (Chairman) (appointed on 22 December 2016) (Note 3)	1/1	0/0
前垣圭一郎先生	10/10	0/0
Mr. Keiichiro MAEGAKI	10/10	0/0
高建民先生	9/10	0/0
Mr. GAO Jianmin	9/10	0/0
田中誠人先生 (於二零一六年六月十五日辭任) (註4)	0/0	5/5
Mr. Makoto TANAKA (resigned on 15 June 2016) (Note 4)	0/0	5/5
太田正紀先生 (於二零一六年六月十五日獲委任) (註5)	0/0	5/5
Mr. Masanori OTA (appointed on 15 June 2016) (Note 5)	0/0	5/5
袴田直人先生 (於二零一六年六月十五日辭任) (註4)	0/0	5/5
Mr. Naoto HAKAMATA (resigned on 15 June 2016) (Note 4)	0/0	5/5
小村嘉文先生 (於二零一六年六月十五日獲委任) (註5)	1/1	4/4
Mr. Yoshifumi KOMURA (appointed on 15 June 2016) (Note 5)	1/1	4/4
曾建江先生 (於二零一六年五月二十七日辭任) (註4)	4/4	0/0
Mr. ZENG Jianjiang (resigned on 27 May 2016) (Note 4)	4/4	0/0
徐松先生 (於二零一六年六月十五日獲委任) (註5)	6/6	0/0
Mr. XU Song (appointed on 15 June 2016) (Note 5)	6/6	0/0
李巨星先生	10/10	0/0
Mr. LI Juxing	10/10	0/0
獨立執行董事 Independent Non-executive Directors		
龍濤先生	10/10	0/0
Mr. LONG Tao	10/10	0/0
宋小江先生	8/8	2/2
Mr. SONG Xiaojiang	8/8	2/2
劉二飛先生	9/9	1/1
Mr. LIU Erh Fei	9/9	1/1
劉天倪先生	10/10	0/0
Mr. LIU Tianni	10/10	0/0

註：

- (1) 根據本公司的公司章程第一百零三條，董事因故不能出席董事會會議，可以書面委託其他董事代為出席董事會會議。
- (2) 於何勇先生辭任前，本公司舉行了8次董事會會議。
- (3) 於羅宇光先生委任後，本公司舉行了1次董事會會議。
- (4) 於田中誠人先生、袴田直人先生及曾建江先生辭任前，本公司舉行了5次董事會會議。
- (5) 於太田正紀先生、小村嘉文先生及徐松先生委任後，本公司舉行了4次董事會會議。

在董事會會議上，董事會審閱的重大事項包括本公司的年度及半年度財務報告、年度預算、分派末期及中期股息的建議、年度報告及半年度報告。所有董事至少14天前獲知會所有定期舉行的董事會會議，並有機會將討論事項列入會議議程。每次定期舉行的董事會會議的議程及董事會文件均於至少3天前送交全體董事。董事會的所有會議記錄均由公司秘書保管，以供董事查詢。

董事會成員之間概無重大財務、業務、家族或其他重要／相關關係。

Notes:

- (1) Pursuant to Article 103 of the Articles of Association of the Company, where a Director is unable to attend the board meetings due to certain cause, he may in writing appoint other Director to attend the board meetings on his/her behalf.
- (2) Prior to the resignation of Mr. HE Yong, the Company held 8 board meetings.
- (3) After the appointment of Mr. LUO Yuguang, the Company held 1 board meeting.
- (4) Prior to the resignation of Mr. Makoto TANAKA, Mr. Naoto HAKAMATA and Mr. ZENG Jianjiang, the Company held 5 board meetings.
- (5) After the appointment of Mr. Masanori OTA, Mr. Yoshifumi KOMURA and Mr. XU Song, the Company held 4 board meetings.

At the board meetings, the Board reviewed significant matters including the Company's annual and interim financial statements, annual budget, proposals for final and interim dividends, annual report and interim report. At least 14 days' notice is given to all directors for all regular board meetings and all directors are given the opportunity to include matters for discussion in the agenda. The agenda and board papers for each meeting are sent to all directors at least 3 days in advance of every regular board meeting. All minutes of the board meetings are kept by the company secretary and are available to all directors for inspection.

There is no material financial, business, family, or other material/relevant relationship between any two members of the Board.

公司秘書

鄒光華先生及佟達釗先生自二零一六年五月二十七日及一九九四年四月二十八日分別獲委任為負責中國事務的公司秘書及負責香港事務的公司秘書。鄒光華先生為本公司全職僱員，出任本集團財務總監職務，並對本公司的日常事務有所認識。

佟達釗先生為香港執業律師及佟達釗律師行(本公司香港法律顧問)之資深合夥人，以及中國委託公證人。彼持有英國曼特斯特大學法律及會計學士學位，擁有二十多年香港執業律師經驗，佟先生亦為多家香港上市公司的秘書。雖然佟先生並非本公司僱員，彼負責向董事會提供法律及管治事宜方面意見。本公司內部主要的聯絡人是本公司中國事務公司秘書鄒光華先生。

根據上市規則第3.29條，於一九九四年十二月三十一日或之前為發行人公司秘書的人士，必須由二零一七年一月一日起的財政年度遵守上市規則第3.29條的相關專業培訓要求。然而，鄒光華先生及佟達釗先生各自確認於二零一六年度已接受不少於十五小時的相關專業培訓。

COMPANY SECRETARY

Mr. ZOU Guanghua and Mr. TUNG Tat Chiu Michael were appointed as company secretaries for PRC and Hong Kong affairs respectively on 27 May 2016 and 28 April 1994. Mr. ZOU Guanghua is a full time employee of the Company, and works as the Chief Financial Officer of the Group. He is familiar with the daily routine of the Company.

Mr. TUNG Tat Chiu Michael is a practicing solicitor in Hong Kong and the senior partner of Tung & Co., the Hong Kong legal adviser of the Company and a China Appointed Attesting Officer. He holds a B.A. degree in law and accounting from the University of Manchester, the United Kingdom. He has over 20 years of experience as a practicing solicitor in Hong Kong. Mr. TUNG is also the company secretary of a number of companies listed in Hong Kong. Although Mr. TUNG is not an employee of the Company, he has been appointed by the Board to advise on legal and governance related issues. The primary corporate contact person of the Company is Mr. ZOU Guanghua, the company secretary for PRC affairs.

According to Rule 3.29 of the Listing Rules, the persons who had been working as company secretaries for the issuers on or before 31 December 1994 shall comply with the requirements in relation to professional trainings set out in Rule 3.29 of the Listing Rules from the financial year beginning at 1 January 2017. However, as confirmed respectively by Mr. ZOU Guanghua and Mr. TUNG Tat Chiu Michael, they had taken the relevant professional trainings for no less than 15 hours during the year of 2016.

董事長與總經理

本公司董事會董事長與總經理分別由羅宇光先生和前垣圭一郎先生擔任，為兩個明確劃分的不同職位。

主席負責領導與監管董事會的運作，有效地規劃董事會會議，確保董事會以符合本公司最佳利益的方式行事。主席應積極鼓勵董事全面參與董事會的事務並對董事會的職能作出貢獻，在主席的領導下，本公司董事會已採取良好的企業管治實務和程序，並採取適當步驟與股東保持有效溝通。

總經理負責管理本公司的業務，以及制定與實施本公司政策，並就本公司整體管理向董事會負有責任。本公司總經理跟其他執行董事與各核心業務部門的行政管理隊伍通力合作，確保本公司業務的資金需求得到充足供應，同時根據計劃與預算密切監察本公司營運與財務業績，並就關於本公司發展的相關事宜向董事會提供意見。本公司總經理與主席和所有董事保持溝通，確保他們充分瞭解本公司所有重大的業務發展與事情，並負責建立與維持高效率的行政隊伍以支援其履行職責。

CHAIRMAN AND GENERAL MANAGER

Mr. LUO Yuguang and Mr. Keiichiro MAEGAKI hold the positions of Chairman of the Board and General Manager respectively, which are two clearly separate positions.

The Chairman is responsible for leading, and overseeing the operations of the Board, effectively planning the board meetings and ensuring that the Board is acting in the best interests of the Company. The Chairman shall proactively encourage directors to fully participate in the Board's affairs and make contribution to the functions of the Board. The Board, under the Chairman's leadership, has adopted good corporate governance practices and procedures and has taken appropriate steps to maintain effective communication with the shareholders.

The General Manager is responsible for managing the business of the Company, as well as formulating and implementing the Company's policies and is answerable to the Board in relation to the overall management of the Company. The General Manager of the Company works in close association with other executive directors and the administration team of each core business division, ensuring the funding requirements of the business of the Company are sufficiently met and at the same time closely monitor the operation and financial results of the Company according to business plans and budgets, and advise the Board on matters in relation to the Company's development. The General Manager of the Company is required to keep close communication with the Chairman and all directors to keep them fully informed of all substantive matters relating to the Company's business development, and is also responsible for building and maintaining a highly efficient administrative support team to support him to discharge the assigned duties in this position.

董事持續專業發展計劃

所有新委任的董事均獲提供必要的培訓及資料，確保其對本公司的營運及業務以及其餘相關條例、法例、規則及法規下的責任有適當程序的瞭解。

董事培訓屬持續過程。年內，董事獲提供本公司表現、狀況及前景的每月更新資料，以便董事會整理及各董事可履行其職務。此外，本公司鼓勵所有董事參與持續專業發展，以發展及重溫其知識及技能。本公司不時向董事提供上市規則以及其他適用監管規定的最新發展概況，以確保董事遵守良好的企業管治常規，並提升其對良好企業管治常規的意識。

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

Each newly appointed director is provided with necessary induction and information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under the relevant statutes, laws, rules and regulations.

Directors' training is an ongoing process. During the year, directors are provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each director to discharge their duties. In addition, all directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company updates directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

按董事提供的紀錄，董事截至二零一六年十二月三十一日止年度接受培訓的概要如下：

According to the records provided by the directors, a summary of the trainings received by the directors for the year ended 31 December 2016 is as follows:

董事 Directors	培訓類型 Type of Trainings
執行董事 Executive Directors	
何勇先生 (董事長) (於二零一六年九月二十六日辭任) Mr. HE Yong (Chairman) (resigned on 26 September 2016)	A,C
羅宇光先生 (董事長) (於二零一六年十二月二十二日獲委任) Mr. LUO Yuguang (Chairman) (appointed on 22 December 2016)	A,B,C
前垣圭一郎先生 Mr. Keiichiro MAEGAKI	B,C
高建民先生 Mr. GAO Jianmin	A,B,C
田中誠人先生 (於二零一六年六月十五日辭任) Mr. Makoto TANAKA (resigned on 15 June 2016)	B,C
太田正紀先生 (於二零一六年六月十五日獲委任) Mr. Masanori OTA (appointed on 15 June 2016)	B,C
袴田直人先生 (於二零一六年六月十五日辭任) Mr. Naoto HAKAMATA (resigned on 15 June 2016)	C
小村嘉文先生 (於二零一六年六月十五日獲委任) Mr. Yoshifumi KOMURA (appointed on 15 June 2016)	C
曾建江先生 (於二零一六年五月二十七日辭任) Mr. ZENG Jianjiang (resigned on 27 May 2016)	A,B,C
徐松先生 (於二零一六年六月十五日獲委任) Mr. XU Song (appointed on 15 June 2016)	A,B,C
李巨星先生 Mr. LI Juxing	B,C
	A,B,C
獨立非執行董事 Independent Non-executive Directors	
龍濤先生 Mr. LONG Tao	A,B
宋小江先生 Mr. SONG Xiaojiang	A,B
劉二飛先生 Mr. LIU Erh Fei	A,C
劉天倪先生 Mr. LIU Tianni	A,C

附註：

- A. 出席簡介會及／或研討會及／或論壇。
- B. 在簡介會及／或研討會及／或論壇上發表演講。
- C. 閱讀有關經濟、一般業務、董事職責、上市規則或其他適用監管規定最新發展的研討會材料或雜誌及更新資料。

Notes:

- A. Attending briefing sessions and/or seminars and/or forums.
- B. Making speeches at briefing sessions and/or seminars and/or forums.
- C. Reading seminar materials or magazines and updates relating to economy, general business, directors' responsibilities and the Listing Rules or the latest development of other applicable regulatory requirements

董事會轄下委員會

董事會已設有三個委員會(分別為提名委員會、薪酬委員會及審核委員會)。董事會負責履行企業管治守則所載之企業管治職責。董事會轄下各委員會均獲得足夠資源，以執行其具體任務。

提名委員會

本公司已於二零一二年三月二十六日成立提名委員會並訂明其職權範圍。提名委員會由四名獨立非執行董事(分別為龍濤先生、宋小江先生、劉天倪先生及劉二飛先生)及一名執行董事(羅宇光先生)組成。提名委員會主席由執行董事羅宇光先生出任，負責董事的提名，對董事會負責獲授權權利制定董事提名政策、訂立提名程序、甄選和推薦董事所採用的準則，亦負責檢討董事的架構、人數和組成，及評核獨立非執行董事的獨立性。董事由股東大會選舉產生，任期三年，董事任期屆滿，可以連選連任。故所有董事的委任均有指定任期。於二零一六年六月十五日舉行的股東周年大會上，田中誠人先生及袴田直人先生辭任為執行董事，太田正紀先生、小村嘉文先生及徐松先生獲委任為執行董事。於二零一六年十二月二十二日舉行的臨時股東大會上，羅宇光先生獲委任為執行董事。

BOARD COMMITTEES

Three committees have been set up by the Board, namely, the Nomination Committee, the Remuneration Committee and the Audit Committee. The Board is responsible for discharging corporate governance functions as set forth in the Corporate Governance Code. Sufficient resources are provided to enable the board committees to undertake their specific roles.

NOMINATION COMMITTEE

The Company established its nomination committee on 26 March 2012 with the terms of reference. The nomination committee is comprised of four independent non-executive Directors (namely Mr. LONG Tao, Mr. SONG Xiaojiang, Mr. LIU Tianni and Mr. LIU Erh Fei) and one executive director (namely Mr. LUO Yuguang). Mr. LUO Yuguang, an executive Director, serves as the chairman of the nomination committee, and is responsible for the nomination of the Directors. The committee is delegated by the Board to formulate the policies for the nomination of Directors and establish the procedures for the nomination of Directors and the standards for the selection and recommendation of Directors. It is also responsible for the review of the structure, size and composition of the Board and the assessment of the independence of the independent non-executive Directors. Directors shall be elected at the shareholders' general meeting for a term of three years. Upon expiry of the term, a Director shall be eligible for re-election. Accordingly, all Directors are appointed for a specific term. At the annual general meeting held on 15 June 2016, Mr. Makoto TANAKA and Mr. Naoto HAKAMATA resigned as executive Directors and Mr. Masanori OTA, Mr. Yoshifumi KOMURA and Mr. XU Song were appointed as executive Directors. At the extraordinary general meeting held on 22 December 2016, Mr. LUO Yuguang was appointed as an executive Director.

提名委員會於二零一六舉行了2次會議，檢討了董事的架構及評核獨立非執行董事的獨立性，亦就提名太田正紀先生、小村嘉文先生及徐松先生為董事候選人向董事會提出建議。

The nomination committee held two meetings in 2016. It reviewed the structure of the Board and assessed the independence of the independent non-executive Directors, and made recommendations to the Board on the nomination of Mr. Masanori OTA, Mr. Yoshifumi KOMURA and Mr. XU Song as the candidates to be elected as Directors.

下列為提名委員會成員於二零一六年出席會議的出席紀錄：

The attendance record of the members of the nomination committee at the meeting held in 2016 is set out below:

成員 Members	出席率／會議次數 Attendance/ Number of Meetings
執行董事 Executive Director	
何勇先生 (主席) (於二零一六年九月二十六日辭任) Mr. HE Yong (Chairman) (resigned on 26 September 2016)	2/2
羅宇光先生 (主席) (於二零一六年十二月二十二日獲委任) Mr. LUO Yuguang (Chairman) (appointed on 22 December 2016)	不適用 N/A
獨立非執行董事 Independent Non-executive Directors	
龍濤先生 Mr. LONG Tao	2/2
宋小江先生 Mr. SONG Xiaojiang	2/2
劉二飛先生 Mr. LIU Erh Fei	2/2
劉天倪先生 Mr. LIU Tianni	2/2

薪酬委員會

本公司已於二零零六年四月二十日設立了薪酬委員會。薪酬委員會由四名獨立非執行董事(分別為龍濤先生、宋小江先生、劉二飛先生及劉天倪先生)及一名執行董事(羅宇光先生)組成。薪酬委員會主席由宋小江先生出任。

薪酬委員會的職責主要包括：(a)就董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；(b)因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；(c)(i)獲董事會轉授釐定個別執行董事及高級管理人員的薪酬待遇；或(ii)向董事會建議個別執行董事及高級管理人員的薪酬待遇；(d)考慮同類公司支付的薪酬、須付出的時間及職責以及集團內其他職位的僱用條件；(e)檢討及批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多；(f)檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當；及(g)就非執行董事的薪酬向董事會提出建議。

本公司已採納一項向董事會建議個別執行董事及高級管理人員的薪酬待遇的模式。

REMUNERATION COMMITTEE

The Company established its remuneration committee on 20 April 2006. The remuneration committee is comprised of four independent non-executive Directors (namely Mr. LONG Tao, Mr. SONG Xiaojang, Mr. LIU Erh Fei and Mr. LIU Tianni) and one executive Director (namely Mr. LUO Yuguang). The remuneration committee is chaired by Mr. SONG Xiaojang.

The main duties of the remuneration committee shall be: (a) to make recommendations to the Board on the policy and structure for the remuneration of all directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy; (b) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; (c)(i) to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management; or (ii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management; (d) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the group; (e) to review and approve the compensation payable to executive Directors and senior management for any loss or termination of their office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive; (f) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and (g) to make recommendations to the board on the remuneration of non-executive Directors.

The Company has adopted a model to make recommendations to the Board on the remuneration package of individual executive Directors and senior management.

截至二零一六年十二月三十一日止年度，高級管理人員之薪酬組別如下：

The remuneration of the members of the senior management by band for the year ended 31 December 2016 is set out below:

薪酬組別 (人民幣) Remuneration Bands (RMB)	人數 Number of persons
0至250,000	5
250,001至350,000	1
超過350,000	0

註：上述所披露的高級管理人員乃指董事及監事以外的僱員。

Note: The members of the senior management disclosed above refer to those employees other than directors and supervisors.

薪酬委員會於二零一六年舉行了2次會議，就獨立非執行董事的薪酬向董事會提出建議及就個別執行董事及高級管理人員特定薪酬待遇向董事會提出建議，下列為薪酬委員會成員於二零一六年出席會議的出席紀錄：

The remuneration committee held two meetings in 2016. It made recommendations to the Board on the remunerations of the independent non-executive directors and the specific remuneration packages of individual executive directors and senior management. The attendance record of the members of the remuneration committee at the meeting held in 2016 is set out below:

成員 Members	出席率/會議次數 Attendance/ Number of Meetings
執行董事 Executive Director	
何勇先生 (於二零一六年九月二十六日辭任) Mr. HE Yong (resigned on 26 September 2016)	2/2
羅宇光先生 (於二零一六年十二月二十二日獲委任) Mr. LUO Yuguang (appointed on 22 December 2016)	不適用 N/A
獨立非執行董事 Independent Non-executive Directors	
龍濤先生 Mr. LONG Tao	2/2
宋小江先生 (主席) Mr. SONG Xiaojiang (Chairman)	2/2
劉二飛先生 Mr. LIU Erh Fei	2/2
劉天倪先生 Mr. LIU Tianni	2/2

審核委員會

本公司已按上市規則成立審核委員會並訂明其職權範圍，審核委員會由四位獨立非執行董事組成，他們均具備瞭解財務報表所需的商業與財務技巧及經驗。審核委員會由宋小江先生擔任主席，其他成員分別為龍濤先生、劉二飛先生和劉天倪先生。

審核委員會的職責範圍包括提議聘請或更換外部審計機構、監督本公司內部審計制度及實施、審核本公司的財務資訊及其披露、審查本公司內控制度、負責內部審計與外部審計之間的溝通。

審核委員會於二零一六年舉行了2次會議，審閱本公司二零一五年度業績報告及二零一六年度中期業績報告並連同董事會審閱本公司及附屬公司的內部監控系統的成效，並且認為就目前而言屬有效及足夠。下列為審核委員會成員於二零一六年出席會議的出席紀錄：

成員

Members

獨立非執行董事

Independent Non-executive Directors

龍濤先生

Mr. LONG Tao

宋小江先生 (主席)

Mr. SONG Xiaojiang (Chairman)

劉二飛先生

Mr. LIU Erh Fei

劉天倪先生

Mr. LIU Tianni

出席率/會議次數

Attendance/

Number of Meetings

2/2

2/2

2/2

2/2

2/2

2/2

2/2

2/2

企業管治職能

董事會於二零一二年三月二十六日採納企業管治守則的守則條文D.3.1條所載的有關企業管治職責的職權範圍作為董事會履行企業管治職責的董事職權範圍，該職權範圍包括制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；檢討及監察董事及高級管理人員的培訓及持續專業發展；檢討及監察本公司在遵守法律及監管規定方面的政策及常規；制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；及檢討本公司遵守《企業管治守則》的情況及在《企業管治報告》內的披露。

於二零一六年，董事會已履行上述企業管治職能。

風險管理及內部監控

董事會全權負責監察本公司旗下業務單位的運作，董事會委派適當人員加入所有經營重點業務的附屬公司董事會，以出席其董事會會議來監察該公司的運作，每項業務的管理層須為其業務運作與表現承擔問責。

本公司管理層已實施風險管理及內部監控制度合理地保證本集團之資產受到保證，會計記錄妥為保存，適當法律規定獲得遵守，可靠之財務資料已提供予本公司管理層及予以公開，及足以影響本集團之投資及業務風險獲得確認及妥為管理。

CORPORATE GOVERNANCE FUNCTION

The Board adopted the Terms of Reference for Corporate Governance set out in Code D.3.1 of the Corporate Governance Code as the terms of reference for the Board to perform their duties in relation to corporate governance on 26 March 2012, which include developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board; reviewing and monitoring the training and continuous professional development of directors and senior management; reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; developing, reviewing and monitoring the code of conduct and compliance manual (if any) for the Company's employees and directors; and reviewing the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

During 2016, the Board has performed the corporate governance function as mentioned above.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the ultimate responsibility in overseeing the operation of all business units under the Company's management. It shall appoint suitable qualified personnel to serve on the boards of all subsidiaries operating in key business areas, attending their board meetings to oversee the operations of these companies. The management in each business division is accountable for the operations and performance of the business within its area of responsibility.

The Company's management has implemented a system of risk management and internal control to provide reasonable assurance that the Group's assets are safeguarded, proper accounting records are maintained, applicable laws and regulations are complied with, reliable financial information are provided for the Company's management for publication purposes and investment and business risks affecting the Group are identified and properly managed.

董事會負責確保本集團的風險管理及內部監控系統妥善而且有效，以保障股東的投資及本集團的資產，以及為不會有重大的失實陳述或損失作出合理而非絕對的保證，並管理而非消除未能達到業務目標的風險。

董事會至少每年一次檢討本公司及其附屬公司的風險管理及內部監控系統是否有效，檢討涵蓋內容包括財務監控、運作監控、合規監控及風險管理功能。董事會亦考慮本公司在會計及財務彙報職能方面的資源、員工的資歷及經驗及彼等之培訓課程和預算等的充足性。於二零一七年三月二十四日董事會上已完成對二零一六年度的上述有關檢討，董事會認為本公司風險管理及內部監控系統能妥善有效保障股東的投資及本集團的資產。

內幕消息

有關處理及發放內幕消息之程序及內部監控，本公司知悉其根據《證券及期貨條例》第XIVA部及上市規則的責任，並因應證券及期貨事務監察委員會刊發之《內幕消息披露指引》而制定了內幕消息披露政策。

董事及監事證券交易

本公司已採納上市規則附錄十所載之上市公司董事進行證券交易的標準守則（「標準守則」）作為董事及監事進行證券交易的操守守則。經向全體董事及本公司監事作出特定查詢後，所有董事及本公司監事確認於二零一六年期間均已完全遵守標準守則所規定的標準。

The Board is responsible to ensure a sound and effective risk management and internal control systems to safeguard investments of Shareholders and assets of the Group and provide reasonable but not absolute assurance against the risks of material misstatement or loss, and to manage but not eliminate the risk of failure to achieve business objectives.

The Board review the effectiveness of the risk management and internal control systems of the Company and its subsidiaries at least once every year. The scope of a review includes financial control, operation control, compliance control and risks management functions. The Board will also consider the adequacy of resources, staff qualification and experience, training programmes and budget of the Company's accounting and financial reporting function. As at 24 March 2017, the Board has completed the aforementioned review for 2016 and the Board is of the view that the Company's risk management and internal control system can properly and effectively safeguard the investments of the Shareholders and the assets of the Group.

INSIDE INFORMATION

With respect to the procedures and internal controls for the handling and dissemination of inside information, the Company is aware of its obligations under Part XIVA of the Securities and Futures Ordinance and the Listing Rules and has established the inside information disclosure policy with close regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission.

DIRECTORS' AND SUPERVISORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by Directors and supervisors. After specific enquiry with all the Directors and supervisors of the Company, all Directors and supervisors of the Company confirmed that they have completely complied with the required standard set out in the Model Code throughout 2016.

監事會

本公司監事會由三名監事組成，其中由股東代表出任的監事兩名（即關晉明先生及閔慶女士），由職工代表出任的監事一名（即雷斌先生）。監事會主席為關晉明先生。於二零一六年內，本公司監事依法行使了監督權，保障了股東、本公司和員工的合法權益。有關監事會的工作詳情列於年報內之監事會報告。

監事會於二零一六年舉行了1次會議，下列為監事會於二零一六年出席會議的出席紀錄：

監事

Supervisors

股東代表出任的監事

Representatives of the Shareholders

關晉明先生 (監事長)

Mr. GUAN Jinming (Chairman)

閔慶女士

Ms. MIN Qing

職工代表出任的監事

Representatives of the staff and workers

雷斌先生

Mr. LEI Bin

出席率/會議次數

Attendance/

Number of Meetings

1/1

1/1

1/1

1/1

1/1

1/1

SUPERVISORY COMMITTEE

The supervisory committee is comprised of three members, two of whom are representatives of the Shareholders (namely Mr. GUAN Jinming and Ms. MIN Qing) and one of whom is the representative of the staff and workers (namely Mr. LEI Bin). Mr. GUAN Jinming serves as the chairman of the Supervisory Committee. During 2016, the supervisors of the Company exercised their right of supervision in accordance with the laws to protect the legal interests of the shareholders, the Company and the employees. The details of the work of the Supervisory Committee are set out in the Supervisory Committee's Report in this annual report.

The Supervisory Committee held one meeting in 2016. The attendance record of the members of the Supervisory Committee at the meetings in 2016 is set out below:

外聘核數師

本公司分別委任德勤華永會計師事務所(特殊普通合伙)重慶分所及德勤•關黃陳方會計師行為境內及境外核數師。該等會計師事務所不會受聘從事非審計工作，以保持其獨立性。外聘核數師受聘從事的工作必須為本公司帶來明確的效益和增值作用，而且不會對其審計工作的獨立性和獨立形象構成負面影響。核數師酬金披露於綜合財務報表內。

董事對財務報表之責任

董事會在會計部的協助下負責編製各財政年度的財務報表，並在編製財務報表時確保採納及應用適合的會計政策，及遵守中國會計準則及規例和國際財務報告準則。董事亦須確保財務報表真實公平反映本公司的財務狀況及經營業績。而核數師就本集團財務報表所作出之申報責任聲明列載於第89頁至97頁的獨立核數師報告內。

投資者關係及股東權益

本公司於中期與年度財務業績公佈後，主動為投資界人士安排定期簡報會，藉此促進投資者關係與雙向溝通，本公司並透過投資者關係經理回應索取資訊的要求與投資界人士的查詢，本公司亦按聯交所的有關要求，將本公司公告、通函等資料及時公佈於本公司網站(www.qingling.com.cn)上。

EXTERNAL AUDITOR

The external auditors currently appointed by the Company are the Messrs. Deloitte Touche Tohmatsu Certified Public Accountants LLP Chongqing Branch and Messrs. Deloitte Touche Tohmatsu as its PRC and international auditors respectively. In order to maintain their independence, these accountants do not take on non-audit work. The work the external auditors are engaged to perform must produce measurable efficiency and added value to the Company and should not cause adverse effect on the independence or independent standing of their audit function. The remuneration of the auditor is disclosed in the consolidated financial statements.

DIRECTOR'S RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

With the assistance of the accounting department, the Board is responsible for preparing the financial statements for each financial year and ensuring that, in preparing such financial statements, appropriate accounting policies are adopted and applied and the PRC accounting standards and systems and International Financial Reporting Standards are observed, to give a true and fair view of the financial position and operating results of the Company. The statement of the auditor about their responsibilities on the Group's financial statements is set out in the Independent Auditor's Report on pages 89 to 97.

INVESTOR RELATIONS AND SHAREHOLDERS' RIGHTS

After the announcement of the Company's interim and annual financial results, the Company has proactively arranged for briefing meetings for people from the investment community at regular intervals, using the opportunity to promote investor relations and two-way communication. The Company, through the investor relations manager, responds to the information requests and inquiries from the investment community. The Company also publishes information such as the Company's announcements and circulars on its website (www.qingling.com.cn) in a timely manner under the requirements of the Stock Exchange.

本公司鼓勵股東出席股東大會，
董事長與董事均出席大會，以解
答股東的提問。

The Company encourages Shareholders to attend the general
meeting in which the Chairman and Directors will answer questions
raised by Shareholders.

年內，本公司召開兩次股東大
會。董事出席股東大會的紀錄如
下：

During the year, the Company has convened two general meetings.
The attendance record of directors at the general meetings is set
out below:

董事 Directors	出席率／股東大會次數 Attendance in person/ Number of General Meetings
執行董事 Executive Directors	
何勇先生 (主席) (於二零一六年九月二十六日辭任) Mr. HE Yong (Chairman) (resigned on 26 September 2016)	1/1
羅宇光先生 (主席) (於二零一六年十二月二十二日獲委任) Mr. LUO Yuguang (Chairman) (appointed on 22 December 2016)	不適用 N/A
前垣圭一郎先生 Mr. Keiichiro MAEGAKI	2/2
高建民先生 Mr. GAO Jianmin	2/2
田中誠人先生 (於二零一六年六月十五日辭任) Mr. Makoto TANAKA (resigned on 15 June 2016)	0/1
太田正紀先生 (於二零一六年六月十五日獲委任) Mr. Masanori OTA (appointed on 15 June 2016)	0/1
袴田直人先生 (於二零一六年六月十五日辭任) Mr. Naoto HAKAMATA (resigned on 15 June 2016)	0/1
小村嘉文先生 (於二零一六年六月十五日獲委任) Mr. Yoshifumi KOMURA (appointed on 15 June 2016)	0/1
曾建江先生 (於二零一六年五月二十七日辭任) Mr. ZENG Jianjiang (resigned on 27 May 2016)	不適用 N/A
徐松先生 (於二零一六年六月十五日獲委任) Mr. XU Song (appointed on 15 June 2016)	1/1
李巨星先生 Mr. LI Juxing	2/2
獨立非執行董事 Independent Non-Executive Directors	
龍濤先生 Mr. LONG Tao	2/2
宋小江先生 Mr. SONG Xiaojiang	2/2
劉二飛先生 Mr. LIU Erh Fei	2/2
劉天倪先生 Mr. LIU Tianni	2/2

憲章文件

於本財政年度，概無任何本公司的憲章文件有所變動。

股東權利

下文為股東若干權利概要：

應股東的請求召開臨時股東大會

根據本公司的公司章程第八十條，合計持有在該擬舉行的會議上有表決權的股份10%以上(含10%)的兩個或兩個以上的股東，可以簽署一份或數份同樣格式內容的書面要求，提請董事會召集臨時股東大會或類別股東會議，並闡明會議的議題。董事會在收到前述書面要求後應盡快召集臨時股東大會或類別股東會議。前述持股數按股東提出書面要求日計算。

如果董事會在收到上述書面要求後30日內沒有發出召集會議的通告，提出該要求的股東可以在董事會收到該要求後四個月內自行召集會議，召集的程序應盡可能與董事會召集股東會議的程序相同。

CONSTITUTIONAL DOCUMENTS

During the financial year, the Company did not make any amendment to its constitutional documents.

SHAREHOLDERS' RIGHTS

Set out below is a summary of certain rights of the Shareholders:

Convening of extraordinary general meeting on requisition by shareholders

Pursuant to Article 80 of the Articles of Association of the Company, two or more shareholders who hold an aggregate of 10% or more of the shares carrying voting rights at the meeting proposed to be held may, sign one or several written requisition in the same form requesting the Board to convene an extraordinary general meeting of shareholders or a class meeting of shareholders, specifying the objects of the meeting. Upon the receipt of the aforesaid written request(s), the Board shall convene an extraordinary general meeting or a class meeting of Shareholders as soon as possible. The number of the shares held as aforesaid shall be calculated based on these shares held by the Shareholders as at the date of the written requisition.

Where the Board fails to give a notice convening the meeting within thirty days upon the receipt of the aforesaid written requisition, the requisitionists may themselves convene a meeting, within four months upon the receipt of the said requisition by the Board. A meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Board.

股東因董事會未應前述要求舉行會議而自行召集並舉行會議的，其所發生的合理費用，應當由公司承擔，並從公司欠付失職董事的款項中扣除。

將股東的建議提呈予股東大會的程序

提案的內容應當屬於股東大會職權範圍，有明確議題和具體決議事項，並且符合法律和行政法規的有關規定。

單獨或者合計持有公司3%或以上股份的股東，可以在股東大會召開前10日提出臨時提案並書面提交召集人。召集人應當在收到提案後2日內發出股東大會補充通知，公告臨時提案的內容。

除前款規定外，召集人在發出股東大會通知後，不得修改股東大會通知中已列明的提案或增加新的提案。

有關股東提名人士參選董事的程序可於本公司網站查閱。

Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly convene a meeting, shall be born by the Company and be deducted from the amounts payable by the Company to such directors who were in default.

Procedures for putting forward proposals at shareholders' general meetings by shareholders

The content of a proposal shall be a matter that should be determined by shareholders' general meeting, which shall have definite topics to be discussed and specific matters for resolution and shall be in line with the laws and administrative regulations.

Shareholders that independently or collectively hold 3% or more of shares in the Company may make a temporary proposal and submit it to the convener(s) in written form ten days prior to a shareholders' general meeting. The convener(s) shall give a supplementary notice of shareholders' general meeting to announce the content of the temporary proposal within two days upon receipt of the proposal.

Except as provided in the preceding paragraph, after sending out a notice of shareholders' general meeting, the convener(s) shall not make any amendments to the proposals included in the notice or add any new proposals.

The procedures for shareholders to propose a person for election as a director is made available in the website of the Company.

將股東的查詢送達董事會的程序

股東可隨時以書面形式經公司秘書轉交彼等的查詢及關注事項予董事會，公司秘書鄒光華先生的聯絡詳情如下：

鄒光華先生
慶鈴汽車股份有限公司
中華人民共和國重慶市九龍坡區
中梁山協興村一號
電郵：hk1122@qingling.com.cn
電話：(86) 23-65264125
傳真：(86) 23-68830397

公司秘書將轉交股東的查詢及關注事項予本公司的董事會及／或有關的董事會委員會（若適當），以便回覆股東的提問。

二零一七年，本公司按持續規管變更，本公司發展趨勢，及股東的回饋意見，繼續致力於提高公司管治水平，以確保公司的穩健發展及增加股東價值。

董事會
鄒光華
公司秘書

中國•重慶
二零一七年三月二十四日

Procedures for directing shareholders' enquiries to the board

Shareholders may at any time send their enquiries and concerns to the Board in writing through Mr. ZOU Guanghua, the company secretary, whose contact details are as follows:

Mr. ZOU Guanghua
Qingling Motors Co. Ltd
1 Xiexing Cun, Zhongliangshan,
Jiulongpo District, Chongqing, the People's Republic of China
E-mail: hk1122@qingling.com.cn
TEL: (86) 23-65264125
Fax: (86) 23-68830397

The Company Secretary shall forward the shareholders' enquiries and concerns to the Board and/or relevant board committees of the Company, where appropriate, to answer the shareholders' questions.

In 2017, the Company will continue to dedicate efforts into enhancing the standard of its corporate governance according to the ongoing regulatory changes, development trend of the Company, and feedback opinions from shareholders, ensuring a stable and healthy growth for the Company while adding value to shareholders.

By Order of the Board
ZOU Guanghua
Company Secretary

Chongqing, the PRC
24 March 2017

Deloitte.

德勤

致慶鈴汽車股份有限公司股東
(於中華人民共和國註冊成立的中
外合資股份有限公司)

TO THE SHAREHOLDERS OF QINGLING MOTORS CO., LTD.
(a Sino-foreign joint venture joint stock limited company
incorporated in the People's Republic of China with limited liability)

意見

Opinion

本核數師(以下簡稱「我們」)已審計列載於第98頁至第210頁的慶鈴汽車股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一六年十二月三十一日的綜合財務狀況表，及截至該日止年度的綜合全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

We have audited the consolidated financial statements of Qingling Motors Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 98 to 210, which comprise the consolidated statement of financial position as at 31 December 2016, 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 a summary of significant accounting policies.

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為擬備。

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 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

意見基準

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。我們在該等準則下承擔的責任已在本報告核數師就審計綜合財務報表承擔的責任部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) 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.

估計存貨減值

我們將估計存貨減值確定為關鍵審核事項，原因為估計可變現淨值（即日常業務過程中的估計售價減完成及出售將產生的估計成本）需要管理層的判斷。

貴集團於二零一六年十二月三十一日擁有存貨約人民幣587,156,000元（扣除存貨撇減），見綜合財務報表附註22所披露。於釐定可變現淨值時，貴公司管理層已考慮了類似產品的過往售價、當前市況、類似產品的預測使用及銷量。

與存貨減值有關的程序包括：

- 瞭解管理層估計可變現淨值時使用的貴集團存貨預測使用、售價及銷量；
- 考慮截至二零一六年十二月三十一日止年度及年結後的存貨售價及銷量，將此資料與貴集團於年結日存貨的預計售價及銷量進行對比；
- 參考類似產品的當前市況、過往售價及銷量，以質疑釐定預測銷售的估計售價及銷量的假設；及
- 於年結日比較存貨成本與估計可變現淨值及查驗是否已計提足夠存貨減值。

Estimated impairment of inventories

We identified the estimated impairment of inventories as a key audit matter due to the management judgement required in the estimation of the net realisable value, which is the estimated selling price in the ordinary course of business, less estimated cost to be incurred to completion and disposal.

As at 31 December 2016, the Group had inventories of approximately RMB587,156,000 (net of write-down of inventories), as disclosed in note 22 to the consolidated financial statements. In determining the net realisable value, the management of the Company considers the historical selling prices of similar products, the current market conditions, forecast usage and sale volume of similar products.

Our procedures in relation to the impairment of inventories included:

- Obtaining an understanding of the Group's forecast usage, selling prices and sale volume of inventories which are used by the management in the estimation of the net realisable value;
- Considering the selling prices and sale volume of inventories during the year ended 31 December 2016 and subsequent to the year end and comparing this information with the Group's expected selling prices and sale volume of inventories at year-end date;
- Challenging the assumptions of determining the estimated selling prices and sale volume of forecast sales with reference to the current market conditions and historical selling prices and sale volume of similar products; and
- Comparing the cost of inventories at year-end date with the estimated net realisable value and checking if adequate impairment of inventories has been made.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

訴訟

我們將訴訟確定為關鍵審核事項是因釐定虧損撥備是否被認為屬必要時涉及不確定性及判斷。

於二零一六年十二月三十一日，貴公司捲入兩件重大法律訴訟，即銀行A及銀行B就負責向該等銀行作出賠償提起分別的二零一五年訴訟及二零一六年訴訟（定義及詳情見綜合財務報表附註34）。該等銀行聲稱就貴公司若干客戶與該等銀行訂立的信貸協議蒙受損失。

於二零一五年訴訟中，銀行A聲明應收貴公司客戶的未結清信貸餘額合共為人民幣8,000萬元及根據中華人民共和國（「中國」）法院的民事裁定，貴公司的銀行結餘人民幣79,999,000元自二零一五年八月十六日起已被凍結，見綜合財務報表附註26及34。

於二零一六年訴訟中，銀行B要求貴公司負責償還貴公司客戶的到期未償還銀行貸款合共約人民幣48,300,000元，見綜合財務報表附註34所披露。

雖然二零一五年訴訟及二零一六年訴訟尚未由中國法院舉行正式聽證，針對貴公司提起的索償（倘實現）可能導致重大損失及凍結的銀行結餘亦佔貴集團資產重大部分。

Litigations

We identified litigations as a key audit matter due to the uncertainty and judgement involved in determining whether a provision for loss is considered necessary.

As at 31 December 2016, the Company has involved in two material legal proceedings, the 2015 Litigation and the 2016 Litigation initiated by Bank A and Bank B (as defined and detailed in note 34 to the consolidated financial statements), respectively, for liable for compensation to these banks which claimed to have suffered losses in respect of credit agreements entered into between certain customers of the Company and these banks.

In the 2015 Litigation, Bank A stated that the outstanding credit balance due from the Company's customer was RMB80 million in aggregate and the Company's bank balances of RMB79,999,000 have been frozen since 16 August 2015 according to a civil ruling issued by a court in the People's Republic of China (the "PRC"), as disclosed in notes 26 and 34 to the consolidated financial statements.

In the 2016 Litigation, Bank B demanded the Company to be liable for the repayment of the outstanding bank loans of the Company's customer falling due in an aggregate amount of approximately RMB48,300,000, as disclosed in note 34 to the consolidated financial statements.

While the 2015 Litigation and the 2016 Litigation have not yet been formally heard by the courts in the PRC, the claims against the Company, if materialised, could result in a significant loss and the frozen bank balances are also significant to the Group's assets.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

根據 貴公司外部中國法律顧問的意見， 貴公司董事認為 貴公司毋須負責二零一五年訴訟及二零一六年訴訟的任何賠償。因此，概無就凍結銀行結餘及索償計提撥備。

與二零一五年訴訟及二零一六年訴訟有關的程序包括：

- 透過審閱所有相關文件瞭解二零一五年訴訟及二零一六年訴訟；
- 與 貴公司管理層及外部中國法律顧問討論二零一五年訴訟及二零一六年訴訟，以瞭解最新狀態及自彼等取得二零一五年訴訟及二零一六年訴訟可能結果的最新評估；及
- 考慮綜合財務報表披露的充足性及適當性。

其他資料

貴公司董事需對其他資料負責。其他資料包括刊載於年報內的資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的鑒證結論。

Based on the opinion of the Company's external PRC legal adviser, the directors of the Company are of the view that the Company shall not be liable for any compensation under the 2015 Litigation and the 2016 Litigation. Accordingly, no provision for losses in respect of the frozen bank balances and claims have been made.

Our procedures in relation to the 2015 Litigation and the 2016 Litigation included:

- Obtaining an understanding of the 2015 Litigation and the 2016 Litigation by reviewing all relevant documents;
- Discussing the 2015 Litigation and the 2016 Litigation with the Company's management and external PRC legal adviser to understand the latest status and obtaining from them the updated assessments of the possible outcome of the 2015 Litigation and the 2016 Litigation; and
- Considering the adequacy and appropriateness of disclosures in the consolidated financial statements.

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include 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.

獨立核數師報告

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表承擔的責任

貴公司董事須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擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監察貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

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

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照我們協定之委聘條款僅向閣下(作為整體)出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就此報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

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 contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional 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.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

- 瞭解與審計相關的內部控制，以設計適當的審計程式，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂我們的意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計專案合夥人是嚴家偉先生。

德勤•關黃陳方會計師行
執業會計師
香港

二零一七年三月二十四日

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partner on the audit resulting in the independent auditor's report is Mr. K.W. Yim.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

24 March 2017

綜合損益及其他 全面收益表

截至二零一六年十二月三十一日止年度

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

			截至 二零一六年 十二月三十 一 止年度 Year ended 31 December 2016	截至 二零一五年 十二月三十 一 止年度 Year ended 31 December 2015
		附註 NOTES	人民幣千元 RMB'000	人民幣千元 RMB'000
收益	Revenue	5, 6	4,633,785	5,504,296
銷售成本	Cost of sales		(3,769,839)	(4,476,437)
毛利	Gross profit		863,946	1,027,859
其他收入	Other income		164,984	157,734
其他利得及損失淨額	Other gains and losses, net		(4,017)	(6,186)
分銷及銷售成本	Distribution and selling expenses		(202,093)	(374,248)
管理費用	Administrative expenses		(218,647)	(215,831)
研究費用	Research expenses		(57,324)	(36,414)
分佔聯營公司溢利	Share of profit of an associate		208	278
分佔合營公司業績	Share of results of joint ventures		19,569	12,257
除稅前溢利	Profit before tax	9	566,626	565,449
所得稅支出	Income tax expense	7	(80,577)	(80,310)
年內溢利及綜合總收益	Profit and total comprehensive income for the year		486,049	485,139
下列人士應佔年內溢利及綜合總收益：	Profit and total comprehensive income for the year attributable to:			
本公司權益擁有人	Owners of the Company		481,287	479,887
非控股權益	Non-controlling interests		4,762	5,252
			486,049	485,139
每股基本盈利	Basic earnings per share	14	RMB0.19	RMB0.19

綜合財務狀況表

於二零一六年十二月三十一日

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2016

		於二零一六年 十二月三十一日 At 31 December 2016	於二零一五年 十二月三十一日 At 31 December 2015
	附註 NOTES	人民幣千元 RMB'000	人民幣千元 RMB'000
非流動資產			
物業、廠房及設備	15	732,984	749,086
預付土地租金	16	39,443	40,795
投資物業	17	32,932	34,917
無形資產	18	241,762	137,030
於聯營公司之權益	19	7,052	6,844
於合營公司之權益	20	480,170	470,860
原到期日超過三個月之銀行存款	25	—	376,308
遞延稅項資產	21	27,672	13,744
		<u>1,562,015</u>	<u>1,829,584</u>
流動資產			
存貨	22	587,156	766,102
應收賬款及其他應收款項及預付款項	23	898,980	872,992
應收票據	24	1,582,547	2,060,348
預付土地租金	16	1,383	1,413
原到期日超過三個月之銀行存款	25	3,050,884	2,416,985
受限制銀行結餘	26	79,999	79,999
銀行結餘及現金	26	2,434,886	2,182,750
		<u>8,635,835</u>	<u>8,380,589</u>
流動負債			
應付賬款、應付票據及其他應付款項	27	2,229,961	2,317,771
應付稅項		8,000	19,614
		<u>2,237,961</u>	<u>2,337,385</u>
流動資產淨額		<u>6,397,874</u>	<u>6,043,204</u>
總資產減流動負債		<u>7,959,889</u>	<u>7,872,788</u>
股本及儲備			
股本	28	2,482,268	2,482,268
股本溢價及儲備		5,176,272	5,092,148
本公司權益擁有人應佔權益		<u>7,658,540</u>	<u>7,574,416</u>
非控股權益		301,349	298,372
權益總額		<u>7,959,889</u>	<u>7,872,788</u>

第98頁至第210頁之綜合財務報表於二零一七年三月二十四日獲董事會批准及授權發行，並由下列董事代表簽署

李巨星 董事
徐松 董事

The consolidated financial statements on pages 98 to 210 were approved and authorised for issue by the Board of Directors on 24 March 2017 and are signed on its behalf by:

Li Juxing DIRECTOR
Xu Song DIRECTOR

綜合權益變動表

截至二零一六年十二月三十一日止年度

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

		本公司權益擁有人應佔權益 Equity attributable to owners of the Company						非控股權益		
		股本	股本溢價	資本公積金	法定公積金	任意公積金	保留溢利	總計	Non-controlling interests	權益總額
		Share Capital	Share premium	Capital reserve	Statutory surplus reserve fund	Discretionary surplus reserve fund	Retained profits	Total	interests	Total equity
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000 (附註(a)) (Note (a))	人民幣千元 RMB'000 (附註11) (Note 11)	人民幣千元 RMB'000 (附註12) (Note 12)	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
於二零一五年一月一日	At 1 January 2015	2,482,268	1,764,905	572,239	953,501	2,347	1,716,432	7,491,692	296,380	7,788,072
年度溢利及綜合總收益	Profit and total comprehensive income for the year	—	—	—	—	—	479,887	479,887	5,252	485,139
年度分配	Appropriation for the year	—	—	—	47,583	—	(47,583)	—	—	—
支付二零一四年末期股息 (附註13)	2014 final dividend paid (Note 13)	—	—	—	—	—	(397,163)	(397,163)	—	(397,163)
一間附屬公司向其非控股股東支付股息	Dividend paid by a subsidiary to its non-controlling shareholder	—	—	—	—	—	—	—	(3,260)	(3,260)
於二零一五年十二月三十一日	At 31 December 2015	2,482,268	1,764,905	572,239	1,001,084	2,347	1,751,573	7,574,416	298,372	7,872,788
年度溢利及綜合總收益	Profit and total comprehensive income for the year	—	—	—	—	—	481,287	481,287	4,762	486,049
年度分配	Appropriation for the year	—	—	—	47,951	—	(47,951)	—	—	—
支付二零一五年末期股息 (附註13)	2015 final dividend paid (Note 13)	—	—	—	—	—	(397,163)	(397,163)	—	(397,163)
一間附屬公司向其非控股股東支付股息	Dividend paid by a subsidiary to its non-controlling shareholder	—	—	—	—	—	—	—	(1,785)	(1,785)
於二零一六年十二月三十一日	At 31 December 2016	2,482,268	1,764,905	572,239	1,049,035	2,347	1,787,746	7,658,540	301,349	7,959,889

附註：

Note:

(a) 資本公積金主要指一筆約人民幣572,206,000元(二零一五年：人民幣572,206,000元)款項，乃國有資產管理局批准於緊接本公司在成立前由慶鈴汽車(集團)有限公司(「慶鈴集團」，即本集團最終控股公司)及慶鈴汽車有限公司投入本公司的資產淨值以作為一九九四年重組的一部份，比較本公司成立時所發行1,500,000,000股的面值人民幣1,500,000,000元之超出部分。

(a) The capital reserve mainly includes an amount of approximately RMB572,206,000 (2015: RMB572,206,000) which represents the excess of the value of the net assets immediately before the establishment of the Company injected into the Company by 慶鈴汽車(集團)有限公司(“Qingling Group” — ultimate holding company of the Group) and 慶鈴汽車有限公司 as part of the reorganisation in 1994 which was approved by the State Administration of State-owned Assets, over the nominal value of the 1,500,000,000 shares issued upon establishment of the Company of RMB1,500,000,000.

綜合現金流量表

截至二零一六年十二月三十一日止年度

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
經營業務		
除稅前溢利	566,626	565,449
已作調整：		
利息收入	(118,621)	(102,928)
分佔聯營公司溢利	(208)	(278)
分佔合營公司溢利	(19,569)	(12,257)
應收款項已確認減值虧損 (減值虧損撥回)	391	(769)
存貨撇減至可變現淨值	79,036	34,146
物業、廠房及設備折舊	63,071	201,571
無形資產攤銷	25,278	13,435
預付土地租金攤銷	1,383	1,411
投資物業折舊	1,985	2,209
出售物業、廠房及設備之虧損淨額	292	1,990
匯兌收益淨額	(1,303)	(994)
營運資金調整前之經營業務現金流	598,361	702,985
存貨減少	99,910	237,239
應收賬款及其他應收款項及預付款項(增加)減少	(26,379)	5,312
應收票據減少	477,801	688,312
受限制銀行結餘增加	—	(79,999)
應付賬款、應付票據及其他應付款項(減少)增加	(182,340)	22,149
經營業務所得現金	967,353	1,575,998
繳付所得稅款項	(106,119)	(93,480)
經營業務所得現金淨額	861,234	1,482,518
OPERATING ACTIVITIES		
Profit before tax	566,626	565,449
Adjustments for:		
Interest income	(118,621)	(102,928)
Share of profit of an associate	(208)	(278)
Share of results of joint ventures	(19,569)	(12,257)
Impairment loss recognised (reversal of impairment loss) on trade receivables	391	(769)
Write-down of inventories to net realisable value	79,036	34,146
Depreciation of property, plant and equipment	63,071	201,571
Amortisation of intangible assets	25,278	13,435
Release of prepaid lease payments	1,383	1,411
Depreciation of investment properties	1,985	2,209
Loss on disposal of property, plant and equipment, net	292	1,990
Net foreign exchange gain	(1,303)	(994)
Operating cash flows before movements in working capital	598,361	702,985
Decrease in inventories	99,910	237,239
(Increase) decrease in trade and other receivables and prepayments	(26,379)	5,312
Decrease in bills receivable	477,801	688,312
Increase in restricted bank balances	—	(79,999)
(Decrease) increase in trade, bills and other payables	(182,340)	22,149
Cash generated from operations	967,353	1,575,998
Income taxes paid	(106,119)	(93,480)
NET CASH FROM OPERATING ACTIVITIES	861,234	1,482,518

綜合現金流量表

截至二零一六年十二月三十一日止年度

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
投資業務		
存入原到期日超過三個月之銀行存款	(5,919,365)	(2,865,017)
提取原到期日超過三個月之銀行存款	5,673,988	2,866,999
收購物業、廠房及設備、無形資產及預付土地租金	(83,455)	(97,842)
利息收入	106,407	105,439
出售物業、廠房及設備所得款項	713	393
自合營公司收取股息	10,353	8,748
向合營公司額外注資	(94)	(52,771)
投資業務所用現金淨額	(211,453)	(34,051)
融資業務		
已付股息	(397,163)	(397,163)
已付一間附屬公司的非控股股東股息	(1,785)	(3,260)
融資業務所用現金淨額	(398,948)	(400,423)
現金及現金等價物增加淨額	250,833	1,048,044
於一月一日之現金及現金等價物	2,182,750	1,133,712
以外幣持作現金之結餘之匯兌變動的影響	1,303	994
於十二月三十一日之現金及現金等價物， 即銀行結餘及現金	2,434,886	2,182,750
	NET INCREASE IN CASH AND CASH EQUIVALENTS	NET INCREASE IN CASH AND CASH EQUIVALENTS
	CASH AND CASH EQUIVALENTS AT 1 JANUARY	CASH AND CASH EQUIVALENTS AT 1 JANUARY
	Effects of exchange rate changes on the balances of cash held in foreign currencies	Effects of exchange rate changes on the balances of cash held in foreign currencies
	CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash	CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1. 概況

本公司為於中華人民共和國(「中國」)註冊成立的中外合資股份有限公司且其股份於香港聯合交易所有限公司上市。本公司之註冊辦事處地址及主要營業地點為中國重慶市九龍坡區中梁山協興村一號。本公司及其附屬公司(「本集團」)的主要業務為生產及銷售五十鈴輕型商用車、多功能車、皮卡車、中型及重型商用車以及汽車零件及部件。

本公司之母公司及最終控股公司為慶鈴集團(一間於中國重慶成立之國有企業)。

綜合財務報表以本公司及其附屬公司之功能貨幣人民幣(「人民幣」)呈列。

1. GENERAL

The Company is a Sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China (the "PRC") with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The address of the registered office and principal place of business of the Company is 1 Xiexing Cun, Zhong Liang Shan, Jiu Long Po District, Chongqing, the PRC. The principal activities of the Company and its subsidiaries (the "Group") are the production and sale of Isuzu light-duty trucks, multi-purposes vehicles, pick-up trucks, medium and heavy-duty trucks and automobile parts and accessories.

The parent and ultimate holding company of the Company is Qingling Group (a state-owned enterprise established in Chongqing, the PRC).

The consolidated financial statements are presented in Renminbi ("RMB") which is also the functional currency of the Company and its subsidiaries.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本

對本年度強制生效之香港財務報告準則之修訂本

本年度，本集團已首次採納下列由香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則之修訂本：

香港財務報告準則第11號(修訂本)	收購合資經營權益的會計處理
香港會計準則第1號(修訂本)	披露計劃
香港財務報告準則(修訂本)	對香港財務報告準則二零一二年至二零一四年週期之年度改進
香港會計準則第16號及香港會計準則第38號(修訂本)	澄清折舊及攤銷的可接受方式
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(修訂本)	投資實體：應用合併的例外規定

於本年度應用上述香港財務報告準則之修訂本對本集團本年及以前年度之財務表現及狀況及／或該等綜合財務報表所載披露並無構成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effect for the current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interest in Joint Operations</i>
Amendments to HKAS 1	<i>Disclosure Initiative</i>
Amendments to HKFRS	<i>Annual Improvements to HKFRSs 2012–2014 Cycle</i>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	<i>Investment Entities: Applying the Consolidation Exception</i>

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

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本

本集團並無提前應用下列已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	來自客戶合約的收益及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第2號(修訂本)	以股份付款交易的分類及計量 ¹
香港財務報告準則第4號(修訂本)	對香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具 ¹
香港會計準則第7號(修訂本)	披露計劃 ⁴
香港會計準則第12號(修訂本)	就未實現虧損確認遞延稅項資產 ⁴
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者及其聯營公司或合營企業出售或注入資產 ³
香港財務報告準則(修訂本)	對香港財務報告準則二零一四年至二零一六年週期之年度改進

- 1 於2018年1月1日或之後開始之年度期間生效。
- 2 於2019年1月1日或之後開始之年度期間生效。
- 3 於將予釐定日期或之後開始之年度期間生效。
- 4 於2017年1月1日或之後開始之年度期間生效。
- 5 於2017年1月1日(或2018年1月1日)或之後開始之年度期間適用，若適當。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 9	<i>Financial Instruments</i> ¹
HKFRS 15	<i>Revenue from Contracts with Customers and the related Amendments</i> ¹
HKFRS 16	<i>Leases</i> ²
Amendments to HKFRS 2	<i>Clarification and Measurement of Share-based Payment Transactions</i> ¹
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ¹
Amendments to HKAS 7	<i>Disclosure Initiative</i> ⁴
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ⁴
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2014–2016 Cycle</i> ⁵

- 1 Effective for annual periods beginning on or after 1 January 2018.
- 2 Effective for annual periods beginning on or after 1 January 2019.
- 3 Effective for annual periods beginning on or after a date to be determined.
- 4 Effective for annual periods beginning on or after 1 January 2017.
- 5 Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本(續)

香港財務報告準則第9號金融工具

香港財務報告準則第9號引入了有關金融資產、負債、一般對沖會計的分類和計量新要求及金融資產的減值要求。

香港財務報告準則第9號之主要規定載述如下：

- 屬香港財務報告準則第9號範圍內之所有已確認金融資產其後均須按攤銷成本或公允價值計量。特別是目的為收集合約現金流量之業務模式內所持有，及合約現金流量僅為償還本金及尚未償還本金所生利息之債項投資，一般於其後會計期間結算日按攤銷成本計量。於目的為同時收集合約現金及出售金融資產的業務模式內所持有的債務工具，以及條款令於特定日期產生的現金流純為支付本金及未償還本金的利息的債務工具，通常按公允價值計入其他全面收益內計量。所有其他債項投資及股本投資均於其後會計期間結算日按公允價值計量。此外，根據香港財務報告準則第9號，實體可能不可撤銷地選擇在其他全面收益中呈列股權投資之公允價值變動(持作買賣用途除外)，且一般只在損益中確認股息收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

HKFRS 9 Financial Instruments

HKFRS 9 introduced new requirements for the classification and measurement of financial assets, liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本(續)

香港財務報告準則第9號金融工具(續)

- 就指定為按公允價值計入損益之金融負債而言，香港財務報告準則第9號規定，因信貸風險變動應佔之金融負債公允價值變動金額於其他全面收益呈列，除非在其他全面收益確認負債之信貸風險變動影響會導致或擴大損益上之會計錯配。金融負債信貸風險變動應佔之金融負債公允價值變動其後不會重新分類至損益。根據香港會計準則第39號金融工具：確認及計量，指定為按公允價值計入損益之金融負債公允價值變動全部金額於損益呈列。
- 就金融資產的減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式需要實體於每結算日將預期信貸虧損及該等信貸虧損的預期變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

HKFRS 9 Financial Instruments (Cont’d)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39 *Financial Instruments: Recognition and Measurement*, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本(續)

香港財務報告準則第9號金融工具(續)

- 新訂一般對沖會計規定保留根據香港會計準則第39號目前可運用之三類對沖會計機制。根據香港財務報告準則第9號，已為合資格作對沖會計處理之各類交易提供更大的靈活性，特別是擴闊合資格作為對沖工具之工具類別以及合資格作對沖會計處理的非金融項目之風險成分類別。此外，追溯性定量成效測試已經剔除。新規定同時引入增加披露有關實體風險管理活動之規定。

除與本集團以攤銷成本計量的金融資產有關的按預期信貸虧損模式計算的潛在提早確認信貸虧損外，基於本集團於二零一六年十二月三十一日之金融資產及負債分析，本公司董事預期，日後採納香港財務報告準則第9號不會對本集團之金融資產及金融負債之金額產生其他重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

HKFRS 9 Financial Instruments (Cont’d)

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

Except for the potential early recognition of credit losses based on the expected loss model in relation to the Group’s financial assets measured at amortised cost, the directors of the Company anticipate that the adoption of HKFRS 9 in the future may not have other significant impact on amounts reported in respect of the Group’s financial assets and financial liabilities based on an analysis of the Group’s financial instruments as at 31 December 2016.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本(續)

香港財務報告準則第15號來自客戶合約的收益

香港財務報告準則第15號已頒佈，其制定一項單一全面模式供實體用作將自客戶合約所產生的收益入賬。於香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋的收益確認指引。

香港財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價格
- 第四步：將交易價格分配至合約中的履約責任
- 第五步：於實體完成履約責任時(或就此)確認收益

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本(續)

香港財務報告準則第15號來自客戶合約的收益(續)

根據香港財務報告準則第15號，實體於完成履約責任時(或就此)確認收益，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求更詳盡的披露。

本公司董事預計，日後應用香港財務報告準則第15號可能會對本集團綜合財務報表中所已呈報的金額及披露的資料構成影響。然而，於本集團完成詳細審閱前合理估算有關香港財務報告準則第15號的影響並不可行。

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號於生效日期起將取代香港會計準則第17號租賃及有關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產情況外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

HKFRS 15 Revenue from Contracts with Customers (Cont’d)

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have an impact on the amounts reported and disclosures made in the Group’s consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretation when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本(續)

香港財務報告準則第16號租賃(續)

使用權資產初步按成本計量，隨後按成本(若干例外情況除外)減累計折舊及減值虧損計量，經租賃負債任何重新計量調整。租賃負債初步按當時未支付租賃付款現值計量。隨後，租賃負債經(其中包括)利息及租賃付款以及租賃修改影響予以調整。就現金流分類而言，本集團現時呈列先期預付租賃款項作為有關自用租賃土地及該等分類為投資物業的投資現金流，而其他經營租賃付款呈列為經營現金流。根據香港財務報告準則第16號，有關租賃負債的租賃付款將分配到本金及利息部分，此將呈列為融資現金流。

根據香港會計準則第17號，本集團已就租賃土地(本集團作為承租人)確認預付租賃款項。應用香港財務報告準則第16號可能導致該等資產分類的潛在變動，視乎是否本集團分開呈列使用權資產或按將呈列相應有關資產(如擁有)相同項目呈列。

相比承租人會計法而言，香港財務報告準則第16號大致上轉承香港會計準則第17號之出租人會計規定，並繼續要求出租人將租賃分類為經營租賃或融資租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

HKFRS 16 Leases (Cont’d)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

2. 應用新訂及香港財務報告準則(「香港財務報告準則」)修訂本(續)

已頒佈但尚未生效之新增香港財務報告準則及香港財務報告準則修訂本(續)

香港財務報告準則第16號租賃(續)

此外，香港財務報告準則第16號要求廣泛披露。

於二零一六年十二月三十一日，本集團擁有不可撤銷經營租賃承擔人民幣102,422,000元。初步評估表示該等安排將符合香港財務報告準則第16號項下租賃界定，因此，本集團將確認使用權資產及有關所有該等租賃的相應負債，除非於應用香港財務報告準則第16號後符合低價值或短期租賃。此外，應用新規定可能導致如上文所示計量、呈列及披露變動。然而，於本公司董事完成詳細審核前，提供財務影響合理估計並不切實可行。

除上文所述者外，本公司董事預計，應用新香港財務報告準則及香港財務報告準則修訂本不會對本集團的該等綜合財務報表造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

HKFRS 16 Leases (Cont’d)

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2016, the Group has non-cancellable operating lease commitments of RMB102,422,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

Other than the above, the directors of the Company anticipate that the application of the new HKFRSs and amendments to HKFRSs will have no material impact on the consolidated financial statements of the Group.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策

綜合財務報表乃按照香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港《公司條例》規定的適用披露。

綜合財務報表乃以歷史成本慣例編製。歷史成本一般以交換貨品及服務之代價之公允價值為基礎。

公允價值是指市場參與者之間在計量日進行的有序交易中出售資產所收取的價格或轉移負債所支付的價格，無論該價格是直接觀察到的結果還是採用其他估值技術作出的估計。估計資產或負債的公允價值時，本集團考慮市場參與者在計量日為該資產或負債進行定價時將會考慮的有關特徵。在本綜合財務報表中計量及／或披露的公允價值均在此基礎上予以確定，但香港財務報告準則第2號以股份為基礎之付款範圍內的以股份為基礎的支付交易、香港會計準則第17號租賃範圍內的租賃交易、以及與公允價值類似但並非公允價值的計量（例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值）除外。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

此外，就財務報告而言，公允價值計量根據公允價值計量的輸入數據可觀察程度及公允價值計量的輸入數據對其整體的重要程度分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司及其控制之實體及附屬公司之財務報表。倘屬以下情況，則本公司獲得控制權：

- 可對投資對象行使權力；
- 因參與投資對象之業務而可獲得或有權獲得可變回報；及
- 有能力藉行使其權力而影響該等回報。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out as below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

綜合賬目基準(續)

倘有事實或情況顯示上述三項控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制投資對象。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止入賬。具體而言，於本年度內購入或出售之附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收入報表內。

損益及其他全面收益之各個項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額乃歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

附屬公司之財務報表於有需要情況下作出調整，以使其會計政策與本集團會計政策一致。

所有集團內公司間資產及負債、權益、收入、支出及現金流(與本集團成員公司間之交易有關)均於綜合賬目時予以全數對銷。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of consolidation (Cont'd)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income 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.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

3. 主要會計政策(續)

於聯營公司及合營企業之投資

聯營公司為本集團對其擁有重大影響力之實體。重大影響力指有權參與投資對象之財務及營運政策決定，而非對該等政策擁有控制權或共同控制權。

合營企業為對安排擁有共同控制權之各方對共同安排之資產淨值擁有權利之共同安排。共同控制權為合約約定對安排所共有之控制權，其僅在相關業務決策須取得共有控制權各方之一致同意時存在。

聯營公司及合營企業之業績及資產與負債應用會計權益法列入綜合財務報表。聯營公司及合營企業編製財務報表所採用權益會計政策與本集團於類似情況下就同類交易及事件所採用者一致。

根據權益法，於聯營公司或合營企業的投資最初以成本於綜合財務狀況表內確認，並經本集團確認分佔聯營公司或合營企業盈虧及其他全面收益後調整。倘本集團分佔一間聯營公司或合營企業之虧損超出其於該聯營公司或合營企業之權益(包括任何本質上構成本集團於該聯營公司或合營企業之淨投資一部分之任何長期權益)，則本集團會終止確認其分佔進一步虧損。本集團就額外虧損撥備，惟僅以本集團已產生法定或推定責任或代表該聯營公司或合營企業付款為限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances.

Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

於聯營公司及合營企業之投資 (續)

於聯營公司或合營企業之投資自投資對象成為聯營公司或合營企業當日起採用權益法入賬。在收購於聯營公司或合營企業之投資時，投資成本超出本集團應佔投資對象可識別資產及負債公允淨值之任何部分確認為商譽，計入投資賬面值內。本集團應佔可識別資產及負債公平淨值超出投資成本之任何部分，經重新評估後，即時於收購投資期間在損益確認。

香港會計準則第39號的規定被應用以釐定是否需要就本集團於聯營公司或合營企業的投資確認任何減值虧損。於需要時，該項投資的全部賬面值(包括商譽)會根據香港會計準則第36號以單一資產的方式進行減值測試，方法是比較其可收回金額(即使用價值與公允價值減出售成本的較高者)與其賬面值。任何已確認的減值虧損構成該項投資的賬面值的一部份，有關減值虧損的任何撥回乃於該項投資的可收回金額其後增加的情況下根據香港會計準則第36號確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments in associates and joint ventures (Cont'd)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

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3. 主要會計政策(續)

於聯營公司及合營企業之投資(續)

倘本集團對聯營公司不再有重大影響，則入賬列為出售該被投資公司之全數權益，產生之收益或虧損於損益中確認。倘本集團保留於前聯營公司或合營企業之權益且該保留權益為一項香港會計準則第39號範圍內之財務資產，則本集團會於該日按公允價值計量保留權益，而該公允價值會視為於初步確認時之公允價值。聯營公司或合營企業之賬面值與任何保留權益及出售聯營公司或合營企業之相關權益所得款項公允價值間之差額，會於釐定出售該聯營公司或合營企業之收益或虧損時入賬。此外，本集團會將先前在其他全面收益就該聯營公司或合營企業確認之所有金額入賬，基準與該聯營公司或合營企業直接出售相關資產或負債所需基準相同。因此，倘該聯營公司或合營企業先前已於其他全面收益確認之收益或虧損，會於出售相關資產或負債時重新分類至損益，本集團會於終止採用權益法時將收益或虧損由權益重新分類至損益(作為重新分類調整)。

於聯營公司之投資成為於合營企業之投資或於合營企業之投資成為於聯營公司之投資時，本集團繼續採用權益法。於擁有權權益有變時，概不會重新計量公允價值。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments in associates and joint ventures (Cont'd)

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture, and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

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3. 主要會計政策(續)

於聯營公司及合營企業之投資 (續)

倘本集團削減其於聯營公司或合營企業之所有權權益而本集團繼續採用權益法，若有關損益會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他全面收益確認與削減所有權權益有關之收益或虧損部分重新分類至損益。

倘集團旗下實體與本集團聯營公司或合營企業交易，本集團之綜合財務報表確認與該聯營公司或合營企業交易所產生之損益時僅限於該聯營公司或合營企業與本集團以外之權益。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments in associates and joint ventures (Cont'd)

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

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3. 主要會計政策(續)

收益確認

收益乃根據已收或應收代價的公允價值計量，並指於一般業務過程中出售貨品產生的應收賬款，扣除折扣及銷售相關稅項。

產品銷售收益乃於產品付運及所有權轉移時確認，且於該時點所有以下條件已滿足：

- 本集團已將產品的重大風險及所有權回報轉移至買方；
- 本集團並無保留一般與所有權相關的持續管理事項，亦無有效控制所售產品；
- 收益金額可被可靠計量；
- 交易相關經濟利益可能流入本集團；及
- 有關交易產生或將予產生的成本可被可靠計量。

服務收入於提供服務時確認。

利息收入按時間基準進行累計，並參考未償付本金額及實際適用利率(為透過金融資產的預期年期將估計未來現金收入準確貼現至該項資產首次確認賬面淨值的利率)計算。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Revenue from sales of goods is recognised when goods are delivered and title have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group, and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Service income is recognised when services are provided.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備(包括持作用於生產或供應貨品或服務或管理用途之樓宇)(在建工程除外)按成本減日後累計折舊及累計減值虧損於綜合財務狀況表列賬(如有)。

除在建工程、專用生產設施及模具以外的資產，乃在考慮估計殘值後按其估計可使用年期以直線法確認折舊以撇銷成本。

可按個別生產程式識別的專用生產設施及模具乃計及其估計殘值後參考此等設施及模具的預計生產量後予以折舊。

估計可使用年期、殘值、預期生產量及折舊方法於各報告期末檢討，以使任何估計變動可按預期基準列賬。

在建工程包括正在興建以作生產或自用用途之物業、廠房及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程於竣工及可作擬定用途時乃按物業、廠房及設備之適當類別分類。當該等資產可供用作擬定用途時，乃按其他物業資產之相同基準開始折舊。

物業、廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。出售或報銷物業、機器及設備產生之任何收益或虧損乃按出售所得款項與該資產之賬面值之間的差額釐定，並於損益賬確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets other than construction in progress and specialised production facilities and moulds, over their estimated useful lives after taking into account of their estimated residual values, using the straight-line method.

Specialised production facilities and moulds which can be identified in relation to specific production processes are depreciated by reference to the expected production volume of these facilities and moulds after taking into account of their estimated residual values.

The estimated useful lives, residual values, the expected production volume and the depreciation method are reviewed at the end of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress 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.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

3. 主要會計政策(續)

投資物業

投資物業指持作賺取租金之物業。

投資物業於初始時以成本計量，包括直接應佔開支。於初始確認後，投資物業按成本減其後累計折舊及任何累計減值虧損列賬，並確認折舊以於其估計可使用年期及計及其估計殘值後按直線法撇銷投資物業成本。

當出售或永久停止使用投資物業或預期不會從出售該項物業中獲得未來經濟收益時，該項投資物業不再獲確認。不再確認該資產所產生之任何收益或虧損(按出售所得款項淨額與該資產之賬面值之差額計算)已計入不再確認該項目期間內損益。

租賃

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人的租賃，均列作融資租賃的類別。所有其他租賃則列作經營租賃的類別。

本集團作為出租人

經營租賃的租金收入乃按有關租賃的租期以直線法於損益表中確認。於協商及安排一項經營租賃時產生之初始直接成本乃計入租賃資產之賬面值，並按租賃期以直線法基準確認為開支。

本集團作為承租人

經營租賃款項(包括收購經營租賃項下持有的土地的成本)於有關租賃的租期以直線法確認為開支。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investment properties

Investment properties are properties held to earn rentals.

Investment properties are initially measured at costs, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the item is derecognised.

Leasing

Leases are classified as finance lease whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

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3. 主要會計政策(續)

租賃(續)

租賃土地及樓宇

倘租約包括土地及樓宇部份，則本集團根據對各部份的擁有權所附帶的絕大部份風險及回報是否已轉讓予本集團的評估，獨立將各部份分類評估為融資或經營租賃，除非明確知悉該兩項因素均為經營租賃，在此情況下，整項租賃被分類為經營租賃。具體而言，最低租賃付款(包括任何一次過預付款項)乃按租賃土地部份及樓宇部份於租約開始時的租賃權益相對公允價值比例於土地及樓宇部份之間分配。

倘能可靠分配租賃款項，作為經營租賃入賬的租賃土地權益於綜合財務狀況表內呈列為「預付租賃款項」並按直線法於租賃期內攤銷。

外幣

編製個別實體的財務報表時，以該實體之功能貨幣以外貨幣(外幣)所進行的交易乃按交易日期當日的匯率確認。於報告期期末，以外幣計值的貨幣項目均按當日的匯率重新換算。根據歷史成本計量得出以外幣計值的非貨幣項目則毋須重新換算。

結算貨幣項目及重新兌換貨幣項目產生的匯兌差額均於產生的期間內於損益中確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Leasing (Cont'd)

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is released over the lease term on a straight-line basis.

Foreign currencies

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

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3. 主要會計政策(續)

政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

政府補助乃於本集團確認相關成本(補助用以補償該成本)為開支期間內以系統基準於損益中確認。特別是以要求本集團購買、建造或以其他方式獲取非流動資產為主要條件的政府補助乃於綜合財務狀況表確認為遞延收入(如有)並於相關資產的可使用年期內轉撥至損益中。用作補償本集團已產生支出或虧損或旨在為本集團提供即時財務資助(而無未來相關成本)的應收政府補助，乃於應收期間於損益內確認。

退休福利成本

向定額供款退休福利計劃所作的供款於僱員提供服務使其有權享有有關供款時列作開支入賬。

至於向國家管理的退休福利計劃所作的供款，倘本集團在此等計劃下的責任與定額供款退休福利計劃所產生的責任相同，則列作向定額供款計劃作出供款處理。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income, if any, in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Payments to state-managed retirement benefit schemes are dealt with as payments to defined contribution retirement benefit plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

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3. 主要會計政策(續)

稅項

所得稅支出乃當期所得稅及遞延稅項之總和。

當期所得稅是按本年度之應稅溢利繳納。應稅溢利不同於綜合損益及其他全面收益表內所列「除稅前溢利」，此乃由於在其他年度應稅或可減稅額的收入或支出項目及無須課稅或不獲扣除稅額之損益表項目所致。本集團的當期稅項負債乃採用報告期期末時已確立或實際確立的稅率計算。

遞延稅項按綜合財務報表內資產與負債賬面值與計算應稅溢利時採用的相應稅基之間的暫時差額予以確認。一般而言，所有應課稅的暫時差額均確認為遞延稅項負債。倘若可能出現可用於扣減暫時性差額的應課稅溢利，則所有扣減暫時差額確認為遞延稅項資產。若在一項交易(業務合併除外)中初步確認其他資產與負債而產生暫時差額，而該差額並無影響應稅溢利或會計溢利，則不會確認該等遞延稅項資產與負債。

與於附屬公司、聯營公司及合營企業之投資有關之應課稅臨時差異確認為遞延稅項負債，除本集團能夠控制暫時差異之轉回並且暫時差異有可能於可預見之將來不會撥回。與該等投資及利益相關之可扣減暫時性差異產生之遞延稅項資產僅於可能將有足夠應課稅溢利以抵減暫時性差異且預期可於將來轉回時方可確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, associate and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

3. 主要會計政策(續)

稅項(續)

遞延稅項資產的賬面值於報告期末予以審閱，並削減至不可能再有足夠應稅溢利來收回全部或部分資產為止。

遞延稅項資產及負債是根據預期負債償還或資產變現期間所適用之稅率(以報告期期末已生效或實質上已生效之稅率(及稅法)為基準)計算。

遞延稅項負債及資產之計算，反映了本集團於報告期末所預期對收回或償還其資產及負債之賬面值之方式所產生之稅務結果。

即期及遞延稅項於損益中確認，惟遞延稅項與於其他綜合收益或直接於權益內確認之項目相關之情況下，即期及遞延稅項亦會分別於其他綜合收益或直接於權益內確認。

無形資產

獨立收購之無形資產

具有限可使用年期之獨立收購之無形資產按成本減累計攤銷及任何累計減值虧損列賬。有限可使用年期之無形資產於估計可使用年期以直線法攤銷。估計可用年期及攤銷方法在每個報告期末與預期估計有效變動一併審閱。

於初步確認後，內部產生之無形資產按與分開收購之無形資產所採用之相同基準，以成本減累計攤銷及累計減值虧損(如有)入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Taxation (Cont'd)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when they relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

無形資產(續)

研究及開發支出

研究開支於發生期間確認為支出。

因開發活動(或內部項目開發階段)而內部產生之無形資產僅於符合以下條件時確認：

- 在技術上能夠完成無形資產以能供使用或出售；
- 打算完成無形資產並能夠加以使用或將之出售；
- 有能力使用或出售無形資產；
- 無形資產如何產生可能的未來經濟利益；
- 有足夠技術、財政及其他資源以完成開發並使用或出售無形資產；及
- 有能力可靠地計算無形資產發展期間的開支。

就內部產生之無形資產確認之金額即按無形資產首次符合上述確認準則當日起所累計的開支總額。倘無內部產生之無形資產可予確認，則開發費用於產生期間在損益表確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Intangible assets (Cont'd)

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

3. 主要會計政策(續)

無形資產(續)

研究及開發支出(續)

無形資產於出售後或當預期使用或出售該資產將不會產生未來經濟利益時終止確認。終止確認無形資產所產生的收益及虧損(以該資產的出售所得款項淨額與其賬面值的差額計量)於該資產終止確認時於損益中確認。

有形及無形資產減值

於報告期期末，本集團均會對具有限可使用年期之有形及無形資產的賬面值進行審查，以確定是否有跡象顯示該等資產已發生減值虧損。倘出現該等跡象，則須估計資產之可收回金額，以釐定減值虧損(如有)之程度。倘無法估計個別資產之可收回金額，則本集團須估計該資產所屬現金產生單位之可收回金額。倘可識別合理及一致之分配基準，亦將企業資產分配至個別現金產生單位，或分配至可識別合理及一致之分配基準之現金產生單位最小組別。

可收回金額為公允價值減出售成本與使用價值兩者之較高者。於評估使用價值時，估計未來現金流量乃使用除稅前折現率折減至其現值，以反映市場對貨幣時間值之評估及該資產(其估計未來現金流未予調整)特有之風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Intangible assets (Cont'd)

Research and development expenditure (Cont'd)

An intangible asset is derecognised on disposal, or when no future economic benefits are expensed from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

有形及無形資產減值(續)

如果估計資產(或現金產生單位)的可收回金額低於其賬面值,則將該資產(或現金產生單位)的賬面值削減至其可收回金額。於分配減值虧損時,減值虧損會先獲分配以減少任何商譽之賬面值(倘適用)及隨後根據單位內各項資產之賬面值按比例分配至其他資產。資產之賬面值並無減至低於其公允價值減出售成本(倘可計量)、使用價值(倘可釐定)及零(以最高者為準)。因其他原因分配至資產之減值虧損金額按比例分配至單位之其他資產。減值虧損即時確認為支出。

如果減值虧損隨後撥回,則該資產(或現金產生單位)的賬面值會增加至其可收回金額的重新估計值;但增加後的賬面值不得超過該資產(或現金產生單位)於過往年度如無確認減值虧損時應確定的賬面值。減值虧損撥回即時確認為收入。

存貨

存貨按成本與可變現淨值兩者之較低值列賬。成本採用加權平均數基準計算。可變現淨值乃指存貨的估計售價減所有估計完成成本及完成銷售所需成本後所得之數額。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment on tangible and intangible assets (Cont'd)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro-rata to the other assets of the unit. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

金融工具

金融資產及金融負債於集團實體成為該工具合約條文的訂約方時確認。

金融資產及金融負債初步以公允價值計量。收購或發行金融資產及金融負債直接應佔之交易成本(除按公允值計入損益之金融資產及金融負債外)於初始確認時加入金融資產或金融負債之公允價值，或從金融資產或金融負債之公允價值(如適用)扣除。

金融資產

金融資產分類為以下特定類別：透過損益表按公允價值計量之金融資產，以及貸款及應收款項。分類乃依據金融資產的性質及目的，並於初始確認時釐定。

實際利息法

實際利息法乃計算債項工具之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃按債項工具預計年期，或(如適用)較短期間精確折現估計日後現金收入(包括所有構成實際利率、交易成本及其他溢價或折讓之已付或已收費用或點子)至初步確認時之賬面淨值之比率。

就債項工具而言(按公允值計入損益之金融資產除外)，利息收入乃按實際利息基準確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees, points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

綜合財務報表附註

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

按公允值計入損益之金融資產

當金融資產為(i)持有作買賣；或(ii)其獲指定為按公允值計入損益時，金融資產分類為按公允值計入損益。

倘出現下列情況，金融資產被歸類為持作買賣：

- 購入金融資產主要是為於短期內出售；或
- 於初步確認時，其構成本集團合併管理之金融工具之確定組合之一部份及具有最近實際短期獲利模式；或
- 為未被指定及可有效作為對沖工具之衍生工具。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Financial assets at FVTPL

Financial assets are classified as at FVTPL, when the financial asset is (i) held for trading or (ii) it is designated as at FTVPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

綜合財務報表附註

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

按公允值計入損益之金融資產(續)

金融資產(持作買賣按公允值計入損益之金融資產除外)可於下列情況下於初步確認時指定為按公平值計入損益：

- 該指定消除或大幅減少可能會出現的計量或確認方面的一致性；或
- 該金融資產構成一組金融資產或金融負債或金融資產及金融負債組合之一部分，而根據本集團制定的風險管理或投資策略，該項資產乃以公平值為基礎進行管理及評估績效，且有關分組之資料乃按此基準向內部提供；或
- 其構成包含一項或多項嵌入衍生工具的合約之一部分，而香港會計準則第39號允許將整個組合合約(資產或負債)指定為按公允值計入損益。

按公允值計入損益之金融資產按公允值計量，而重新計量產生之任何收益或虧損將在損益內確認。於損益確認之收益或虧損淨額不包括金融資產所賺取的任何股息或利息，並計入「其他利得及損失淨額」項目內。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Financial assets at FVTPL (Cont'd)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL, are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in "other gains and losses, net" line item.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

借款及應收款項

借款及應收款項指於活躍市場並無報價但具有固定或可釐定付款的非衍生金融資產。於初步確認後，借款及應收款項(包括應收賬款及其他應收款項、應收票據、銀行存款、受限制銀行結餘以及銀行結餘及現金)於扣除任何已識別減值虧損後以實際利息法按攤銷成本列賬(請看下文金融資產減值虧損之會計政策)。

除利息確認影響甚微之短期應收款項外，利息收入按實際利率確認。

借款及應收款項減值

本集團在每個報告期末對其借款及應收款項評估有否任何減值跡象。倘有客觀證據顯示借款及應收款項的預計未來現金流量受到一項或多項於初步確認借款及應收款項後發生的事宜的不利影響，則借款及應收款項被視作減值。減值的客觀證據可包括：

- 發行方或金融交易方具有重大財務困難；或
- 違反合約，如拖欠利息或本金；或
- 借款方破產或財政整頓極可能發生。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, bills receivables, bank deposits, restricted bank balances and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of loans and receivables

Loans and receivables of the Group are assessed for indicators of impairment at the end of the reporting period. Loans and receivables are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the loans and receivables, the estimated future cash flows of the loans and receivables have been affected. The objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

借款及應收款項減值(續)

對於應收賬款來說，本集團以往收款經驗，平均信貸期外延遲付款的次數增加以及國家或地區經濟環境的變化均可能導致應收款項的拖欠。

就按攤銷成本列賬的借款及應收款項而言，確認為減值虧損之金額乃為該資產的賬面值與按原先實際利率折現的估計未來現金流量的現值間的差額。

借款及應收款項的賬面值直接按減值虧損減少，惟應收賬款及其他應收款項除外，其賬面值乃透過使用撥備賬目而減少。撥備賬目的賬面值變動於損益內確認。倘應收賬款及其他應收款項被視為無法收回，則於撥備賬目核銷。其後收回過往核銷的應收款項計入撥備賬目內。

對於按攤銷成本計量之借款及應收款項，倘於往後期間，減值虧損金額減少，而該減少可客觀地與確認減值虧損後發生之事項相關，則先前確認之減值虧損透過損益賬撥回，惟該投資於撥回減值日期之賬面值不得超過在並無確認減值之情況下應有之攤銷成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of loans and receivables (Cont'd)

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For loans and receivables carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the loans and receivables is reduced by the impairment loss directly with the exception of trade receivables and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For loans and receivables measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

綜合財務報表附註

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

金融工具(續)

金融負債及權益工具

債務及本集團發行的權益工具乃根據已訂立的合約安排內容以及金融負債及權益工具的定義分類為金融負債或權益工具。

權益工具為證明實體資產剩餘權益(經扣除其所有負債)之任何合約。本公司發行的權益工具乃按應收所得款項，扣除發行直接成本價列賬。

金融負債包括其後採用實際利息法按攤銷成本計算的應付賬款、應付票據及其他應付款項。

實際利息法

實際利息法乃計算金融負債之攤銷成本以及分配相關期間之利息開支之方法。實際利率乃按金融負債之預計年期或(如適用)較短期間內準確折現估計未來現金付款(包括所有作為實際利率、交易成本及其他溢價或折讓一部分之所有已付或已收費用或點子)至初始確認時之賬面值之利率。利息開支按實際利率基準確認，而非按透過損益表按公允價值計量之金融資產分類的該等金融負債，該等金融負債的利率開支計入損益淨值。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Financial liabilities including trade, bills and other payables are subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis other than those financial liabilities classified as at FVTPL, of which the interest expense is included in net gains or losses.

綜合財務報表附註

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

金融工具(續)

取消確認

倘自資產收取現金流量的合約權利已屆滿，或本集團已轉讓金融資產及與該等資產擁有權的絕大部分風險及回報，則取消確認金融資產。倘本集團並未轉讓亦未保留所有權之絕大部分風險及回報，並繼續控制已轉讓資產，則本集團確認其於資產之保留權益及可能需要支付之相關負債款項。倘本集團仍保留已轉讓金融資產之所有權之絕大部分風險及回報，本集團將繼續確認該金融資產以及確認已收所得款項之有抵押借款。

於取消確認整體金融資產時，該項資產之賬面值與已收及應收代價以及已於其他全面收益確認並已權益累計之累積損益綜合於損益內確認。

當及只有在本集團之責任獲解除、註銷或到期時，本集團即取消確認金融負債。被取消確認之金融負債賬面值與已付或應付代價之差額於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. 主要會計政策(續)

金融工具(續)

撥備

如本集團因過往事件而須承擔現時責任(不論屬法律或推定責任)，且本集團可能須清償該責任，並可就該責任金額作出可靠估計，則撥備將予確認。

計及有關責任的風險及不明朗因素後，確認為撥備的金額為清償各報告期末的現時責任所需代價的最佳估計。如使用估計用以清償現時責任的現金流量計算撥備，則該撥備賬面值為該等現金流量現值(如金錢時間值的影響屬重大)。

4. 估計不確定因素之主要來源

在應用附註3所述之本集團會計政策時，本公司之董事必須就未能從其他資料來源確定之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃按過往經驗及其他被視為有關之因素而作出。實際業績可能有別於此等估計數字。

估計及相關假設按持續經營基準予以審閱。倘修訂僅影響該修訂期間，會計估計之修訂於修訂估計期間確認，或倘修訂影響現時及日後期間，則於修訂之期間及日後期間確認。

於報告期期末有重大風險導致下個財政年度資產及負債之賬面值須作重大調整而與未來有關的主要假設及估計不確定性之其他主要來源如下。

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

4. 估計不確定因素之主要來源(續)

存貨減值

存貨減值須估計可變現淨值，即日常業務過程中的估計售價，減完成及出售將產生的估計成本。該等估計乃基於類似產品的當前市況、預測使用、過往售價經驗及銷量。其可能因客戶需求變動或競爭對手回應若干客戶產品行業週期的行動而大幅變動。管理層於報告期末重新評估該等估計。於二零一六年十二月三十一日，存貨賬面值為人民幣587,156,000元(二零一五年：人民幣766,102,000元)(扣除存貨撇減)。

訴訟撥備

於二零一六年十二月三十一日，本公司捲入由銀行提起的兩件重大法律訴訟，負責向該等銀行因本公司若干客戶與該等銀行訂立的信貸協議蒙受損失。根據本公司外部中國法律顧問的意見，本公司董事認為本公司毋須負責該等法律訴訟的任何賠償。因此，概無就索償計提撥備。該等法律訴訟詳情載於附註34。該等估計及各法律訴訟的特殊情形及相關外部建議屬固有判斷及可能因新事實出現及各法律訴訟進展而隨時間大幅變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Impairment of inventories

Impairment of inventories require the estimation of the net realisable value, which is the estimated selling price in the ordinary course of business, less estimated cost to be incurred to completion and disposal. These estimates are based on the current market conditions, forecast usage, historical experience of selling prices and sale volume of similar products. It could change significantly as a result of changes in customer taste or competitor actions in response to severe customer product industry cycles. Management reassesses these estimates at the end of the reporting period. As at 31 December 2016, the carrying amount of inventories is RMB587,156,000 (2015: RMB766,102,000) (net of write-down of inventories).

Provision for litigations

As at 31 December 2016, the Company is involved in two material legal proceedings initiated by banks for liable for compensation to these banks which claimed to have suffered losses in respect of credit agreements entered into between certain customers of the Company and these banks. Based on the opinion of the Company's external PRC legal adviser, the directors of the Company are of the view that the Company shall not be liable for any compensation under these legal proceedings. Accordingly, no provision for losses in respect of the claims have been made. Details of these legal proceedings are set out in note 34. These estimates take into account the specific circumstances of each legal proceeding and the relevant external advice are inherently judgemental and could change substantially over time as new facts emerge and each legal proceeding progresses.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

4. 估計不確定因素之主要來源(續)

應收賬款及其他應收款項的估計減值

當有減值虧損的客觀證據時，本集團會考慮未來現金流量的估計。減值虧損金額按該項資產賬面值與按該金融資產的原實際利率(即於初步確認時計算的實際利率)貼現的估計未來現金流量的現值(不包括並未產生的未來信貸虧損)的差額計量。倘實際未來現金流量低於預期，則可能產生重大減值虧損。減值或因債務人的財務狀況發生變動而引致。於二零一六年十二月三十一日，應收賬款及其他應收款項的賬面值為人民幣854,797,000元(扣除呆賬準備人民幣2,594,000元)(二零一五年：賬面值人民幣833,745,000元，扣除呆賬準備人民幣2,203,000元)。

物業、廠房及設備折舊基準

物業、廠房及設備(專用生產設施及模具除外)乃按直線基準於其估計可使用年期內，計及其估計剩餘價值後折舊。本集團的物業、廠房及設備的預計使用年期由其管理層釐定。使用年期乃根據以往具相似性質及功能的物業、廠房及設備的實際使用年期而進行估計。當使用年期短於過往的估計年期時，管理層會增加折舊費用，並撇銷遭棄或已售的過時或無戰略意義的資產。專用生產設施及模具乃經計及估計剩餘價值並參考其預期產量予以折舊。本集團按年評估其預期產量，並計及產品的生命週期及技術優勢。倘預期有別於初始估計，則初始估計的差額會影響估計變動的年度及未來期間的折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Estimated impairment of trade and other receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. The impairment may arise as a result of changes in debtors' financial position. As at 31 December 2016, the carrying amount of trade and other receivables is RMB854,797,000 (net of allowance for doubtful debts of RMB2,594,000) (2015: carrying amount of RMB833,745,000, net of allowance for doubtful debts of RMB2,203,000).

Depreciation basis of property, plant and equipment

Property, plant and equipment (other than specialised production facilities and moulds) are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual values. The Group's management determines the estimated useful lives of its property, plant and equipment. The estimates of useful lives are based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. Management will increase the depreciation charge in the year where the useful lives are less than the previously estimated lives and will write off technically obsolete or non-strategic assets that have been abandoned or sold. Specialised production facilities and moulds are depreciated by reference to the expected production volume of these facilities and moulds, after taking into account the estimated residual values. The Group assesses annually the expected production volume of these facilities and moulds, taking into account the lifecycle and technical advantage of products. If the expectation differs from the original estimates, such differences from the original estimates will impact the depreciation charges in the current year in which the estimates change and in future periods.

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FOR THE YEAR ENDED 31 DECEMBER 2016

5. 收益

收益指本集團向外部客戶銷售貨品產生之收益，並扣除折扣及銷售相關稅項。本集團從其主要產品獲取收益分析如下：

銷售卡車及汽車
銷售汽車零件及部件

6. 分部資料

本集團生產及銷售之產品共分為五個類型——輕型商用車、多功能汽車、皮卡車、中型及重型車及汽車零件及部件，而主要經營決策者（例如本公司執行董事）亦審閱以該等類別編製之分部資料，以分配分部資源及評估其業績。

主要業務分部如下：

輕型商用車	— 生產及銷售輕型商用車
多功能汽車	— 生產及銷售多功能汽車
皮卡車	— 生產及銷售皮卡車
中型及重型車	— 生產及銷售中型及重型車
汽車零件及部件	— 生產及銷售汽車零件及部件

5. REVENUE

Revenue represents revenue arising on goods sold by the Group to external customers, net of discounts and sales related tax. The following is an analysis of the Group's revenue from its major products:

	截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
Sales of trucks and vehicles	4,413,261	5,257,493
Sales of automobile parts and accessories	220,524	246,803
	<u>4,633,785</u>	<u>5,504,296</u>

6. SEGMENT INFORMATION

The Group is engaged in the manufacture and sales of five categories of products — light-duty trucks, multi-purposes vehicles, pick-up trucks, medium and heavy-duty trucks and automobile parts and accessories and the chief operating decision makers (i.e. the Company's executive directors) also review the segment information by these categories to allocate resources to segments and to assess their performance.

Principal business segments are as follows:

Light-duty trucks	— manufacture and sales of light-duty trucks
Multi-purposes vehicles	— manufacture and sales of multi-purposes vehicles
Pick-up trucks	— manufacture and sales of pick-up trucks
Medium and heavy-duty trucks	— manufacture and sales of medium and heavy-duty trucks
Automobile parts and accessories	— manufacture and sales of automobile parts and accessories

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

6. 分部資料(續)

(i) 分部收益及業績

本集團收益及業績按營運分部分析如下：

截至二零一六年十二月三十一日止年度

6. SEGMENT INFORMATION (Cont'd)

(i) Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segment:

For the year ended 31 December 2016

		汽車					綜合
		輕型商用車	多功能汽車	皮卡車	中型及重型車	零件及部件	
		Light-duty trucks	Multi-purposes vehicles	Pick-up trucks	Medium and heavy-duty trucks	Automobile parts and accessories	Consolidated
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
分部收益	Segment revenue	2,333,580	4,532	1,108,661	966,488	220,524	4,633,785
業績	Result						
分部利潤	Segment profit	283,314	589	162,490	16,020	25,628	488,041
集中管理費用	Central administration costs						(102,159)
利息收入	Interest income						118,621
其他收入	Other income						46,363
其他利得及損失淨額	Other gains and losses, net						(4,017)
分佔聯營公司溢利	Share of profit of an associate						208
分佔合營公司業績	Share of results of joint ventures						19,569
本集團除稅前溢利	Group's profit before tax						566,626

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6. 分部資料(續)

(i) 分部收益及業績(續)

截至二零一五年十二月三十一日止年度

		汽車					綜合
		輕型商用車	多功能汽車	皮卡車	中型及重型車	零件及部件	
		Light-duty trucks	Multi-purposes vehicles	Pick-up trucks	Medium and heavy-duty trucks	Automobile parts and accessories	Consolidated
		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
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
分部收益	Segment revenue	2,874,341	32,746	1,344,418	1,005,988	246,803	5,504,296
業績	Result						
分部利潤	Segment profit	282,579	4,048	145,211	29,999	36,135	497,972
集中管理費用	Central administration costs						(96,606)
利息收入	Interest income						102,928
其他收入	Other income						54,806
其他利得及損失淨額	Other gains and losses, net						(6,186)
分佔聯營公司溢利	Share of profit of an associate						278
分佔合營公司業績	Share of results of joint ventures						12,257
本集團除稅前溢利	Group's profit before tax						565,449

截至二零一六年十二月三十一日止年度概無分部間銷售(二零一五年：無)。

營運分部之會計政策與載於附註3本集團的會計政策相同。分部利潤指各分部所賺取之利潤，而並無分配集中管理費用、利息收入、其他收入、其他利得及損失淨額、分佔聯營公司溢利及分佔合營公司業績。此乃向主要經營決策者報告以分配資源及評估業績之計算方式。

6. SEGMENT INFORMATION (Cont'd)

(i) Segment revenue and results (Cont'd)

For the year ended 31 December 2015

		Automobile					Consolidated
		Light-duty trucks	Multi-purposes vehicles	Pick-up trucks	Medium and heavy-duty trucks	Automobile parts and accessories	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue		2,874,341	32,746	1,344,418	1,005,988	246,803	5,504,296
Result							
Segment profit		282,579	4,048	145,211	29,999	36,135	497,972
Central administration costs							(96,606)
Interest income							102,928
Other income							54,806
Other gains and losses, net							(6,186)
Share of profit of an associate							278
Share of results of joint ventures							12,257
Group's profit before tax							565,449

There have been no inter-segment sales during the year ended 31 December 2016 (2015: Nil).

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned from each segment without allocation of central administration costs, interest income, other income, other net gains and losses, share of profit of an associate and share of results of joint ventures. This is the measure reported to the chief operating decision makers for the purposes of resources allocation and performance assessment.

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截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

6. 分部資料(續)

(ii) 分部資產及負債

本集團資產及負債按經營分部分析如下：

於二零一六年十二月三十一日

6. SEGMENT INFORMATION (Cont'd)

(ii) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segment:

At 31 December 2016

		輕型商用車 Light-duty trucks	多功能汽車 Multi-purposes vehicles	皮卡車 Pick-up trucks	中型及重型車 Medium and heavy-duty trucks	汽車零件及部件 Automobile parts and accessories	綜合 Consolidated
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
資產	Assets						
分部資產	Segment assets	1,334,347	317,471	355,018	1,013,186	607,390	3,627,412
分部之間共用資產	Interchangeably used assets between segments						
— 物業、廠房及設備	— property, plant and equipment						173,496
— 預付土地租金	— prepaid lease payments						40,826
— 存貨	— inventories						122,981
投資物業	Investment properties						32,932
於聯營公司之權益	Interest in an associate						7,052
於合營公司之權益	Interests in joint ventures						480,170
受限制銀行結餘、銀行存款及銀行結餘	Restricted bank balances, bank deposits and bank balances						5,565,769
其他不可分配資產	Other unallocated assets						147,212
綜合總資產	Consolidated total assets						10,197,850
負債	Liabilities						
分部負債	Segment liabilities	354,782	733	171,479	115,603	—	642,597
不可分配之應付賬款、應付票據及其他應付款項	Unallocated trade, bills and other payables						1,587,364
其他不可分配之負債	Other unallocated liabilities						8,000
綜合總負債	Consolidated total liabilities						2,237,961

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FOR THE YEAR ENDED 31 DECEMBER 2016

6. 分部資料(續)

(ii) 分部資產及負債(續)

於二零一五年十二月三十一日

6. SEGMENT INFORMATION (Cont'd)

(ii) Segment assets and liabilities (Cont'd)

At 31 December 2015

		輕型商用車 Light-duty trucks 人民幣千元 RMB'000	多功能汽車 Multi- purposes vehicles 人民幣千元 RMB'000	皮卡車 Pick-up trucks 人民幣千元 RMB'000	中型及重型車 Medium and heavy-duty trucks 人民幣千元 RMB'000	汽車 零件及部件 Automobile parts and accessories 人民幣千元 RMB'000	綜合 Consolidated 人民幣千元 RMB'000
資產	Assets						
分部資產	Segment assets	1,844,338	435,330	324,924	911,923	553,980	4,070,495
分部之間共用資產	Interchangeably used assets between segments						
— 物業、廠房及設備	— property, plant and equipment						190,865
— 預付土地租金	— prepaid lease payments						42,208
— 存貨	— inventories						157,382
投資物業	Investment properties						34,917
於聯營公司之權益	Interest in an associate						6,844
於合營公司之權益	Interests in joint ventures						470,860
受限制銀行結餘、銀行存款及銀行結餘	Restricted bank balances, bank deposits and bank balances						5,056,042
其他不可分配資產	Other unallocated assets						180,560
綜合總資產	Consolidated total assets						10,210,173
負債	Liabilities						
分部負債	Segment liabilities	305,768	3,291	148,651	81,390	—	539,100
不可分配之應付賬款、應付票據及其他應付款項	Unallocated trade, bills and other payables						1,778,671
其他不可分配之負債	Other unallocated liabilities						19,614
綜合總負債	Consolidated total liabilities						2,337,385

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

6. 分部資料(續)

(ii) 分部資產及負債(續)

為監察分部業績及分配分部資源：

- 所有資產均分配至營運分部，惟分部之間共用資產、投資物業、於聯營公司之權益、於合營公司之權益、受限制銀行結餘、銀行存款及銀行結餘及其他由總公司持有之不可分配資產除外；及
- 所有負債均分配至營運分部，惟不可分配之應付賬款、應付票據及其他應付款項及總公司之其他不可分配負債除外。

6. SEGMENT INFORMATION (Cont'd)

(ii) Segment assets and liabilities (Cont'd)

For the purposes of monitoring segment performances and allocating resources between segments:

- All assets are allocated to operating segments other than interchangeably used assets between segments, investment properties, interest in an associate, interests in joint ventures, restricted bank balances, bank deposits and bank balances and other unallocated assets held by the head office; and
- All liabilities are allocated to operating segments other than unallocated trade, bills and other payables and other unallocated liabilities of the head office.

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FOR THE YEAR ENDED 31 DECEMBER 2016

6. 分部資料(續)

(iii) 其他分部資料

截至二零一六年十二月三十一日
止年度

6. SEGMENT INFORMATION (Cont'd)

(iii) Other segment information

For the year ended 31 December 2016

	輕型商用車 Light-duty trucks	多功能汽車 Multi-purposes vehicles	皮卡車 Pick-up trucks	中型及重型車 Medium and heavy-duty trucks	汽車 零件及部件 Automobile parts and accessories	不可分配 Unallocated	綜合 Consolidated
其他資料	OTHER INFORMATION						
計入分部損益或分部資產之金額：	Amount included in the measure of segment profit or loss or segment assets:						
添置物業、廠房及設備	10,369	—	12,956	23,892	—	757	47,974
預付土地租金增加	—	—	—	—	—	1	1
添置無形資產	—	—	—	130,010	—	—	130,010
無形資產攤銷	—	—	—	22,170	—	3,108	25,278
物業、廠房及設備折舊	23,322	316	14,857	7,222	—	17,354	63,071
投資物業折舊	—	—	—	—	—	1,985	1,985
預付土地租金攤銷	—	—	—	—	—	1,383	1,383

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止年度

For the year ended 31 December 2015

	輕型商用車 Light-duty trucks	多功能汽車 Multi-purposes vehicles	皮卡車 Pick-up trucks	中型及重型車 Medium and heavy-duty trucks	汽車 零件及部件 Automobile parts and accessories	不可分配 Unallocated	綜合 Consolidated
其他資料	OTHER INFORMATION						
計入分部損益或分部資產之金額：	Amount included in the measure of segment profit or loss or segment assets:						
添置物業、廠房及設備	2,997	45	2,138	16,295	—	11,773	33,248
預付土地租金增加	—	—	—	—	—	193	193
無形資產攤銷	—	—	—	10,325	—	3,110	13,435
物業、廠房及設備折舊	51,194	620	29,148	102,989	2,676	14,944	201,571
投資物業折舊	—	—	—	—	—	2,209	2,209
預付土地租金攤銷	—	—	—	—	—	1,411	1,411

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

6. 分部資料(續)

(iv) 地區分析

本集團價值人民幣1,534,343,000元(二零一五年：人民幣1,439,532,000元)之非流動資產(除銀行存款及遞延稅項資產以外)座落在中國，本集團之絕大部分銷售亦售予位於中國之客戶。本集團亦有向中國境外國家作出少量出口銷售，佔本集團收入約0.04%(二零一五年：0.39%)。

賬面上所有於兩個呈列年度之分部資產及添置之物業、廠房及設備、預付土地租金、投資物業以及無形資產均座落於中國。

(v) 有關主要客戶之資料

除慶鈴集團及其附屬公司及慶鈴五十鈴(重慶)發動機有限公司(「慶鈴五十鈴發動機」)外，概無單一外部客戶的收入佔本集團收入10%或以上。截至二零一六年十二月三十一日止年度，來自慶鈴集團及其附屬公司之收入為人民幣1,463,984,000元(二零一五年：人民幣1,643,508,000元)及來自慶鈴五十鈴發動機之收入為人民幣871,956,000元(二零一五年：人民幣890,576,000元)。

6. SEGMENT INFORMATION (Cont'd)

(iv) Geographical information

Non-current assets (excluding bank deposits and deferred tax assets) of the Group amounting to RMB1,534,343,000 (2015: RMB1,439,532,000) are located in the PRC and substantially all of the sales of the Group are also made to customers located in the PRC. The Group has made limited export sales to countries outside the PRC which accounted for approximately 0.04% (2015: 0.39%) of the Group's revenue.

All of the carrying amount of segment assets and additions to property, plant and equipment, prepaid lease payments, investment properties and intangible assets are located in the PRC for both years presented.

(v) Information about major customers

No revenue from a single external customer other than Qingling Group and its subsidiaries and 慶鈴五十鈴(重慶)發動機有限公司(“Qingling Isuzu Engine”) contributed 10% or more of the Group's revenue. For the year ended 31 December 2016, revenue from Qingling Group and its subsidiaries amounted to RMB1,463,984,000 (2015: RMB1,643,508,000) and revenue from Qingling Isuzu Engine amounted to RMB871,956,000 (2015: RMB890,576,000).

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截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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7. 所得稅支出

即期稅項
過往年度撥備少計
遞延稅項(附註21)

根據《關於深入實施西部大開發戰略有關企業所得稅的公告》(國家稅務總局公告2012年第12號)和《西部地區鼓勵類產業目錄》(國家發展和改革委員會令15號),位於中國西部地區並從事中國政府鼓勵類產業且當年鼓勵類產業經營收入佔收入總額比例超過70%的公司享有15%的優惠企業所得稅(「企業所得稅」)稅率。本公司及本公司之附屬公司重慶慶鈴模具有限公司(「慶鈴模具」)所屬產業屬於相關通知和目錄內所載的鼓勵性產業,並且本年度主營業務收入總額佔彼等各自收入總額比例達到70%,故繼續於本年度享有優惠企業所得稅稅率15%。

本公司之附屬公司重慶慶鈴技術中心(「慶鈴技術中心」)於截至二零一六年十二月三十一日止年度按25%(二零一五年:25%)的稅率繳納企業所得稅。

7. INCOME TAX EXPENSE

	截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
Current tax	92,272	81,822
Under provision in respect of prior years	2,233	—
Deferred tax (Note 21)	(13,928)	(1,512)
	<u>80,577</u>	<u>80,310</u>

According to the Notice of the Enterprise Income Tax for Implementation of Exploration and Development of Western Region (Notice of the State Administration of Taxation No. 12 [2012]) and the Catalogue of Industries Encouraged to Develop in the Western Region (Order of the National Development and Reform Commission No. 15), companies located in the western region of the PRC and engaged in the business encouraged by the PRC government are entitled to the preferential enterprise income tax ("EIT") rate of 15% if the operating revenue of the encouraged business in the current year accounted for more than 70% of the total income. The Company and 重慶慶鈴模具有限公司 ("Qingling Moulds"), a subsidiary of the Company, are engaged in the encouraged businesses included in the related notice and catalogue and the total revenue of their major businesses for the year accounted for 70% of their respective total revenue, and therefore continue to enjoy the preferential EIT rate of 15% for the year.

重慶慶鈴技術中心 ("Qingling Technical Center"), a subsidiary of the Company, is subject to EIT rate of 25% (2015: 25%) for the year ended 31 December 2016.

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截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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7. 所得稅支出(續)

本年度產生之稅項於綜合損益表及其他全面收益表之除稅前溢利中有以下之調整：

7. INCOME TAX EXPENSE (Cont'd)

The tax charge for the year can be reconciled to the profit before tax per consolidated statement of profit or loss and other comprehensive income as follows:

		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
除稅前溢利	Profit before tax	566,626	565,449
以適用所得稅稅率15%計算之稅項 (二零一五年：15%)	Tax at the applicable income tax rate of 15% (2015: 15%)	84,994	84,817
在稅務方面無法扣稅之費用之稅務影響	Tax effect of expenses not deductible for tax purpose	406	35
適用於本集團之額外稅務利益(附註)	Additional tax benefit applicable to the Group (note)	(4,299)	(2,731)
附屬公司不同稅率之影響	Effect of different tax rate of a subsidiary	209	69
分佔聯營公司溢利之影響	Effect of share of profit of an associate	(31)	(42)
分佔合營公司業績之影響	Effect of share of results of joint ventures	(2,935)	(1,838)
過往年度撥備不足	Under provision in respect of prior years	2,233	—
本年度之稅項	Tax charge for the year	80,577	80,310

附註：根據相關稅則及法規，研究性質的費用可按其額外發生成本50%扣稅，截至二零一六年十二月三十一日止年度，相關稅務利益金額為人民幣4,299,000元(二零一五年：人民幣2,731,000元)。

Note: Pursuant to the relevant tax rules and regulations, expenses in research nature are deductible at 50% of the cost incurred additionally. The related tax benefit is amounted to RMB4,299,000 (2015: RMB2,731,000) for the year ended 31 December 2016.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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8. 退休福利計劃

本集團與其最終控股公司慶鈴集團訂有一項服務協議，據此，本集團將向慶鈴集團報銷其替本集團員工向由市政府管理的界定供款養老金計劃所作出的供款。根據相關計劃，本公司每年須向由市政府管理的退休基金支付一筆佔員工全部工資一定比例之款項。於年內，根據相關安排已支付人民幣37,858,000元(二零一五年：人民幣31,329,000元)。

8. RETIREMENT BENEFITS PLANS

The Group has a service agreement with its ultimate holding company, Qingling Group, whereby the Group will reimburse the contributions made by Qingling Group to a defined contribution pension scheme administered by the municipal government in respect of the staff of the Group. According to such scheme, the Company shall pay an amount annually, calculated at a percentage of the total wages of the staff, to a retirement fund administered by the municipal government. The amount paid during the year under such arrangement amounted to RMB37,858,000 (2015: RMB31,329,000).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

9. 除稅前溢利

9. PROFIT BEFORE TAX

	截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
除稅前溢利已扣除：	Profit before tax has been arrived at after charging:	
薪金及其他福利支出	186,237	176,585
退休福利計劃供款	37,858	31,329
總員工成本(包括董事及監事酬金 (附註10))	224,095	207,914
出售物業、廠房及設備之淨虧損	292	1,990
無形資產攤銷(已計入銷售成本)	25,278	13,435
物業、廠房及設備折舊	63,071	201,571
投資物業折舊	1,985	2,209
預付土地租金攤銷	1,383	1,411
經營租賃物業及生產設施之最低租賃付款	36,574	40,668
核數師酬金	2,902	3,468
撇減存貨	79,036	34,146
匯兌虧損淨額	3,725	4,196
確認為支出之存貨成本	3,690,803	4,442,291
及已計入：	and after crediting:	
出售廢料收入	19	1,156
銀行存款及結餘之利息收入	118,621	102,928
出租投資物業之收入	6,076	6,269
扣除：年度內產生租賃收入之投資物業 直接營業費用	(2,056)	(1,913)
出租模具及工具設備之收入	38,402	39,077
政府補助	384	2,803

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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10. 董事、監事及行政總裁酬金

10. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

	截至二零一六年十二月三十一日止年度 Year ended 31 December 2016					截至二零一五年十二月三十一日止年度 Year ended 31 December 2015				
	袍金 Fee RMB'000	薪金及 其他福利 Salaries and other benefits RMB'000	功績獎金 (附註(a)) Performance related incentive payments (note (a)) RMB'000	退休福利 計劃供款 Retirement benefit scheme contributions RMB'000	總計 Total RMB'000	袍金 Fee RMB'000	薪金及 其他福利 Salaries and other benefits RMB'000	功績獎金 (附註(a)) Performance related incentive payments (note (a)) RMB'000	退休福利 計劃供款 Retirement benefit scheme contributions RMB'000	總計 Total RMB'000
執行董事 Executive directors										
羅宇光(於二零一六年十二月二十二日獲委任)	—	15	—	1	16	—	—	—	—	—
太田正紀(於二零一六年六月十五日獲委任)	—	—	—	4	4	—	—	—	—	—
小村真文(於二零一六年六月十五日獲委任)	—	—	—	4	4	—	—	—	—	—
徐松(於二零一六年六月十五日獲委任)	—	248	—	4	252	—	—	—	—	—
何勇(於二零一五年五月二十八日獲委任及 於二零一六年九月二十六日辭任)	—	399	—	6	405	—	277	—	9	286
前垣圭一郎(於二零一五年五月二十八日獲委任)	—	—	—	8	8	—	—	—	9	9
杜衛東(於二零一五年五月二十八日辭任)	—	—	—	—	—	—	180	—	7	187
高建民(附註(b))	—	457	—	8	465	—	392	—	16	408
潘勇(於二零一五年三月二十日辭任)	—	—	—	—	—	—	—	—	4	4
田中誠人(於二零一六年六月十五日辭任)	—	—	—	4	4	—	—	—	9	9
曾建江(於二零一六年五月二十七日辭任)	—	190	—	4	194	—	393	—	16	409
堤直敏(於二零一五年三月二十日辭任)	—	—	—	—	—	—	—	—	4	4
原田理志(於二零一五年五月二十八日辭任)	—	—	—	—	—	—	—	—	7	7
袴田直人(於二零一五年五月二十八日獲委任 及於二零一六年六月十五日辭任)	—	—	—	4	4	—	—	—	9	9
李巨星(於二零一五年五月二十八日獲委任)	—	457	—	8	465	—	238	—	9	247
	—	1,766	—	55	1,821	—	1,480	—	99	1,579
獨立非執行董事 Independent non-executive directors										
龍濤	120	—	—	—	120	120	—	—	—	120
宋小江	120	—	—	—	120	120	—	—	—	120
徐秉金(於二零一五年五月二十日辭任)	—	—	—	—	—	50	—	—	—	50
劉天倪	120	—	—	—	120	120	—	—	—	120
劉二飛(於二零一五年五月二十八日獲委任)	120	—	—	—	120	70	—	—	—	70
	480	—	—	—	480	480	—	—	—	480
監事酬金 Supervisors' remuneration										
閔慶	—	46	106	8	160	—	41	95	16	152
周虹(於二零一五年五月二十八日辭任)	—	—	—	—	—	—	—	—	7	7
雷斌	—	42	99	8	149	—	38	88	16	142
關晉明(於二零一五年五月二十八日獲委任)	—	46	107	5	158	—	24	56	9	89
	—	134	312	21	467	—	103	239	48	390
	480	1,900	312	76	2,768	480	1,583	239	147	2,449

附註：

- (a) 功績獎金乃參考監事的個別表現釐定，並由薪酬委員會(由一名執行董事及四名獨立非執行董事組成)批核。
- (b) 高建民先生於二零一七年三月二十四日辭任本公司董事。

Notes:

- (a) The performance related incentive payment is determined by reference to the individual performance of the supervisors and approved by the Remuneration Committee (composed of an executive director and four independent non-executive directors).
- (b) On 24 March 2017, Mr. Gao Jianmin was resigned as a director of the Company.

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10. 董事、監事及行政總裁酬金(續)

前垣圭一郎(於獲委任為本公司董事後)及田中誠人(於委任前垣圭一郎為本公司董事前)為本公司總經理及亦擔任本公司行政總裁，而上文披露之薪酬包括就其擔任行政總裁時所提供之服務而支付之報酬。

截至二零一六年十二月三十一日止年度，並無董事放棄任何酬金(二零一五年：零)。

本集團於兩個年度內的五位酬金最高人士全部為本公司董事。

11. 轉入法定公積金

法定公積金指本公司於年內除稅後溢利中提取10%之金額，乃根據相關中國企業會計準則(「中國企業會計準則」)以及本公司的組織章程而計算。倘法定公積金結餘已達到本公司註冊股本的50%時將不再提取。根據本公司的組織章程，法定公積金可用於彌補過往年度虧損或增加股本。本公司也可以發行紅利方式將法定公積金轉為資本，但分配後之法定公積金餘額不得低於本公司註冊股本的25%。分配金額將呈報股東大會審定。

10. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Cont'd)

Mr. Keiichiro MAEGAKI (upon appointment as a director of the Company) and Makoto TANAKA (before Keiichiro MAEGAKI's appointment as a director of the Company) are General Manager of the Company and also assume the role as the Chief Executive of the Company and their emoluments disclosed above include those for services rendered by them as the Chief Executive.

No directors waived any emoluments in the year ended 31 December 2016 (2015: Nil).

All the five highest paid individuals of the Group for both years were directors of the Company.

11. TRANSFER TO STATUTORY SURPLUS RESERVE FUND

The statutory surplus reserve fund represents the appropriation of 10% of profit after tax for the year of the Company, calculated in accordance with relevant Accounting Standards for Business Enterprises in the PRC ("PRC GAAP") and the Articles of Association of the Company. The appropriation may cease to apply if the balance of the statutory surplus reserve fund has reached 50% of the registered capital of the Company. According to the Articles of Association of the Company, statutory surplus reserve fund can be used to make up prior year losses or to increase capital. The Company may capitalise the statutory surplus reserve fund by way of bonus issues provided that the remaining amount of statutory surplus reserve fund after such distribution shall not be less than 25% of the registered capital of the Company. The amount shall be submitted to shareholders' general meeting for approval.

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12. 轉入任意公積金

二零一六年概無撥充任何款項至任意公積金(二零一五年：無)。人民幣2,347,000元之任意公積金結餘為附屬公司慶鈴模具於過往年度按中國公認會計原則以及慶鈴模具組織章程編製之除稅後溢利若干百分比撥充之金額。

13. 股息

於年內確認為分派之股息：

二零一五年末期股息，已派
每股人民幣0.16元(二零一五年：
二零一四年末期股息，
已派 — 每股人民幣0.16元)

於報告期末後，本公司董事已建議支付截至二零一六年十二月三十一日止年度末期股息每股人民幣0.16元，共人民幣397,163,000元(二零一五年：截至二零一五年十二月三十一日止年度末期股息每股人民幣0.16元，共人民幣397,163,000元)，須經股東於應屆股東周年大會批准後方可作實。

12. TRANSFER TO DISCRETIONARY SURPLUS RESERVE FUND

No amount was appropriated to the discretionary reserve fund in 2016 (2015: Nil). The balance of RMB2,347,000 in the discretionary reserve fund was the amount appropriated by a subsidiary, Qingling Moulds, in previous years at a percentage of the profit after tax of the respective years in accordance with PRC GAAP and Articles of Association of Qingling Moulds.

13. DIVIDENDS

Dividends recognised as distribution during the year:

2015 Final, paid
RMB0.16 (2015: 2014 Final,
paid — RMB0.16) per share

截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
397,163	397,163

Subsequent to the end of the reporting period, a final dividend of RMB397,163,000 or RMB0.16 per share in respect of the year ended 31 December 2016 (2015: final dividend of RMB397,163,000 or RMB0.16 per share in respect of the year ended 31 December 2015) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

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14. 每股盈利

本公司權益持有人應佔每股基本盈利根據下列資料計算：

盈利

用以計算每股基本盈利之盈利
(本公司權益持有人應佔年度溢利)

股份數目

用以計算每股基本盈利之股份數目

於兩個年度並無任何發行在外之潛在影響之普通股。

14. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

Earnings

Earnings for the purpose of basic earnings per share (Profit for the year attributable to owners of the Company)

Number of shares

Number of shares for the purpose of basic earnings per share

There were no potential ordinary shares outstanding in both years presented.

截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
481,287	479,887

截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 千股 '000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 千股 '000
2,482,268	2,482,268

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15. 物業、廠房及設備

15. PROPERTY, PLANT AND EQUIPMENT

		樓宇 Buildings	模具、 廠房及機器 Moulds, plant and machinery	傢俬、裝置 及設備 Furniture, fixtures and equipment	汽車 Motor vehicles	在建工程 Construction in progress	總計 Total
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
成本值	COST						
於二零一五年一月一日	At 1 January 2015	639,257	3,780,199	68,024	25,933	33,995	4,547,408
添置	Additions	—	576	—	1,026	31,646	33,248
轉撥自在建工程	Transfer from construction in progress	2,693	9,977	—	195	(12,865)	—
出售	Disposals	(278)	(230,230)	(124)	(5,821)	—	(236,453)
於二零一五年十二月三十一日	At 31 December 2015	641,672	3,560,522	67,900	21,333	52,776	4,344,203
添置	Additions	—	84	—	—	47,890	47,974
轉撥自在建工程	Transfer from construction in progress	7,380	64,575	—	470	(72,425)	—
出售	Disposals	—	(5,005)	(1,363)	(1,706)	—	(8,074)
於二零一六年十二月三十一日	At 31 December 2016	649,052	3,620,176	66,537	20,097	28,241	4,384,103
折舊及減值	DEPRECIATION AND IMPAIRMENT						
於二零一五年一月一日	At 1 January 2015	383,810	3,161,327	64,647	17,832	—	3,627,616
年度折舊撥備	Depreciation provided for the year	25,409	173,639	832	1,691	—	201,571
出售沖銷	Eliminated on disposals	(194)	(228,521)	(111)	(5,244)	—	(234,070)
於二零一五年十二月三十一日	At 31 December 2015	409,025	3,106,445	65,368	14,279	—	3,595,117
年度折舊撥備	Depreciation provided for the year	24,080	36,439	813	1,739	—	63,071
出售沖銷	Eliminated on disposals	—	(4,365)	(1,227)	(1,477)	—	(7,069)
於二零一六年十二月三十一日	At 31 December 2016	433,105	3,138,519	64,954	14,541	—	3,651,119
賬面值	CARRYING VALUES						
於二零一五年十二月三十一日	At 31 December 2015	232,647	454,077	2,532	7,054	52,776	749,086
於二零一六年十二月三十一日	At 31 December 2016	215,947	481,657	1,583	5,556	28,241	732,984

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15. 物業、廠房及設備(續)

上述物業、廠房及設備(在建工程及專用生產設備及模具除外)的統計及估計剩餘價值後按下列估計可使用年期以直線法予以折舊：

	估計 可用年期	剩餘 價值
樓宇	20年	10%
模具、廠房及 機器(專用 生產設施 及模具除外)	5至10年	10%
傢俬、裝置 及設備	5年	10%
汽車	5年	10%

可按個別生產程式識別的專用生產設施及模具(包括於模具、廠房及機器)乃參考此等設施及模具的預計生產量予以折舊。供一般生產用途的其他模具、廠房及機器以直線法於其5至10年的估計可用年期內折舊。

於二零一六年十二月三十一日，賬面總值為人民幣97,537,000元(二零一五年：人民幣93,170,000元)的模具及機器已出租作為租賃收入。

於二零一六年十二月三十一日，原始成本為人民幣3,609,614,000元(二零一五年：人民幣3,323,373,000元)的模具、廠房及機器已悉數折舊但仍在使用。

15. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The above items of property, plant and equipment, except for construction in progress and specialised production facilities and moulds, are depreciated on a straight-line basis based on their estimated useful lives, after taking into account the estimated residual value, as follows:

	Estimated useful lives	Residual value
Buildings	20 years	10%
Moulds, plant and machinery (other than specialised production facilities and moulds)	5 to 10 years	10%
Furniture, fixtures and equipment	5 years	10%
Motor vehicles	5 years	10%

Specialised production facilities and moulds included in moulds, plant and machinery which can be identified in relation to specific production processes are depreciated by reference to the expected production volume of these facilities and moulds. Other moulds, plant and machinery which are for general production purposes are depreciated on a straight-line basis over their estimated useful lives of 5 to 10 years.

As at 31 December 2016, the moulds and machinery with aggregate carrying amount of RMB97,537,000 (2015: RMB93,170,000) was leased out for rental income.

As at 31 December 2016, moulds, plant and machinery with original cost of RMB3,609,614,000 (2015: RMB3,323,373,000) have been fully depreciated but still in use.

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17. 投資物業

17. INVESTMENT PROPERTIES

	於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
	At 31 December 2016	At 31 December 2015
	人民幣千元 RMB'000	人民幣千元 RMB'000
成本		
於一月一日	145,915	147,107
就過往添置的收益作出的調整	—	(1,192)
於十二月三十一日	145,915	145,915
折舊		
於一月一日	110,998	108,789
年度折舊撥備	1,985	2,209
於十二月三十一日	112,983	110,998
賬面值		
於十二月三十一日	32,932	34,917

以上投資物業位於中國，租賃期為中等期限，乃經計及預計剩餘價值的10%後並以直線法分20年折舊。

由於可資比較之市場交投淡薄，且並無其他可靠估計數字，因此投資物業之公允價值未能可靠計量。

The above investment properties are situated in the PRC held under medium leases term and are depreciated on a straight-line basis over 20 years, after taking into account the estimated residual value of 10%.

The fair value of the investment properties cannot be reliably measured as the comparable market transactions are infrequent and alternative reliable estimates are not available.

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18. 無形資產

18. INTANGIBLE ASSETS

		技術轉讓費 Technology transfer fees 人民幣千元 RMB'000	生產管理系統 Production management system 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
成本	COST			
於二零一五年一月一日及二零一五年十二月三十一日	At 1 January 2015 and 31 December 2015	405,561	31,090	436,651
添置	Additions	130,010	—	130,010
於二零一六年十二月三十一日	At 31 December 2016	535,571	31,090	566,661
攤銷	AMORTISATION			
於二零一五年一月一日	At 1 January 2015	283,077	3,109	286,186
年度撥備	Provided for the year	10,326	3,109	13,435
於二零一五年十二月三十一日	At 31 December 2015	293,403	6,218	299,621
年度撥備	Provided for the year	22,169	3,109	25,278
二零一六年十二月三十一日	At 31 December 2016	315,572	9,327	324,899
賬面值	CARRYING VALUES			
二零一五年十二月三十一日	At 31 December 2015	112,158	24,872	137,030
二零一六年十二月三十一日	At 31 December 2016	219,999	21,763	241,762

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18. 無形資產(續)

根據與本公司主要股東五十鈴自動車株式會社(「五十鈴」)訂立的技術轉讓協議而支付的技術轉讓費及一筆專利權費乃資本化為無形資產，並按其許可使用年期介乎十年至十三年攤銷，由技術用於生產開始起計。根據技術轉讓協議持續向五十鈴支付的專利權費乃於產生時於損益表支銷。

生產管理系統預期於可見將來為本公司帶來經濟利益的年限為10年。

於二零一六年十二月三十一日，無形資產初始成本合計人民幣271,333,000元(二零一五年：人民幣271,333,000元)已被悉數攤銷但仍在使用。

18. INTANGIBLE ASSETS (Cont'd)

Payments of technology transfer fees, lump sum royalties under technology transfer agreements with Isuzu Motors Limited ("Isuzu"), the substantial shareholder of the Company, are capitalised as intangible assets and are amortised over the license period ranging from ten years to thirteen years, commencing from the use of the technologies in production. Continuing royalties payable to Isuzu under the technology transfer agreements are charged to profit or loss as and when incurred.

The production management system has an estimated useful life of ten years and is expected to generate economic benefits to the Company in the foreseeable future.

As at 31 December 2016, intangible assets with an original cost of RMB271,333,000 in aggregate (2015: RMB271,333,000) have been fully amortised but still in use.

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19. 於聯營公司之權益

本集團於聯營公司之權益詳情如下：

19. INTEREST IN AN ASSOCIATE

Details of the Group's interest in an associate are as follows:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
於聯營公司之投資成本，未上市	6,333	6,333
分佔聯營公司之收購後溢利	719	511
	<u>7,052</u>	<u>6,844</u>

於二零一六年及二零一五年十二月三十一日，本集團於下列聯營公司中擁有權益：

As at 31 December 2016 and 2015, the Group had an interest in the following associate:

實體名稱 Name of entity	實體形式 Form of entity	註冊成立地點 Place of establishment	主要營業地點 Principal place of operation	本集團持有之權益比例 Proportion of equity interests held by the Group	持有之投票權比例 Portion of voting power held	主要業務 Principle activities
五十鈴慶鈴（重慶）汽車技術開發有限公司（「五十鈴慶鈴技術」）	註冊成立 Incorporated	中國 The PRC	中國 The PRC	25%	25%	技術開發 Technical development
五十鈴慶鈴（重慶）汽車技術開發有限公司（「Isuzu Qingling Engineering」）						

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19. 於聯營公司之權益(續)

本集團聯營公司之財務資料概要載列如下：

19. INTEREST IN AN ASSOCIATE (Cont'd)

Summarised financial information in respect of the Group's associate is set out below:

		於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
流動資產	Current assets	27,784	26,325
非流動資產	Non-current assets	2,524	3,556
流動負債	Current liabilities	(2,101)	(2,504)
非流動負債	Non-current liabilities	—	—
資產淨值	Net assets	28,207	27,377
本集團於其中擁有權權益比例	Proportion of the Group's ownership interest therein	25%	25%
本集團分佔聯營公司資產淨值	Group's share of net assets of an associate	7,052	6,844
		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
收益	Revenue	14,554	13,313
年內溢利及綜合收益總額	Profit and total comprehensive income for the year	830	1,110
年內自聯營公司收取的股息	Dividend received from the associate during the year	—	—
本集團分佔聯營公司溢利	Group's share of profit of an associate	208	278

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20. 於合營企業之權益

於合營企業之投資成本，未上市
分佔合營企業收購後業績

慶鈴五十鈴發動機於二零零七年五月成立，主要從事發動機及相關部件的製造。其註冊資本為84,260,000美元，本公司向慶鈴五十鈴發動機注資42,130,000美元（約人民幣300,060,000元）。本公司與五十鈴分別持有其已繳足註冊資本之50%。

慶鈴五十鈴（重慶）汽車銷售服務有限公司（「慶鈴五十鈴銷售」）於二零零八年九月成立，主要從事銷售五十鈴品牌的汽車及部件。其註冊資本為20,900,000美元，本公司向慶鈴五十鈴銷售注資10,450,000美元（約人民幣68,579,000元）。

合營企業以現金股息向本集團轉撥資金或償還貸款或向本集團墊款的能力概無受到重大限制。

20. INTERESTS IN JOINT VENTURES

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Cost of investment in joint ventures, unlisted	368,639	368,545
Share of post-acquisition results of joint ventures	111,531	102,315
	<u>480,170</u>	<u>470,860</u>

Qingling Isuzu Engine was established in May 2007, and is principally engaged in manufacture of engines and relevant parts. The registered capital is US\$84,260,000, and the Company contributed US\$42,130,000, approximately RMB300,060,000 to Qingling Isuzu Engine. Each of the Company and Isuzu held 50% of its paid-up registered capital respectively.

慶鈴五十鈴（重慶）汽車銷售服務有限公司（“Qingling Isuzu Sales”）was established in September 2008, and is principally engaged in the purpose of selling of Isuzu brand automobiles and parts. The registered capital is US\$20,900,000, and the Company contributed US\$10,450,000, approximately RMB68,579,000 to Qingling Isuzu Sales.

There are no significant restrictions on the ability of joint ventures to transfer funds to the Group in form of cash dividends, or to repay loans or advances made by the Group.

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截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

20. 於合營企業之權益(續)

於二零一六年及二零一五年十二月三十一日，本集團於下列合營企業中擁有權益：

實體名稱 Name of entity	業務架構形式 Form of business structure	註冊成立地點 Place of establishment	主要營業地點 Principal place of operation	本集團持有之 權益比例 Proportion of equity interests held by the group	持有之 投票權比例 Proportion of voting power held	主要業務 Principal activities
慶鈴五十鈴發動機 Qingling Isuzu Engine	註冊成立 Incorporated	中國 The PRC	中國 The PRC	50%	50%	發動機及相關部件的 製造 Manufacture of engines and relevant parts
慶鈴五十鈴銷售 Qingling Isuzu Sales	註冊成立 Incorporated	中國 The PRC	中國 The PRC	50%	50%	銷售五十鈴品牌的 汽車及部件 Sale of Isuzu brand automobiles and autoparts

合營企業之財務資料概述

本集團各合營企業之財務資料概要載列如下。下列財務資料概要包括根據香港財務報告準則編製之合營企業財務報表所呈列之金額。

合營企業於此等綜合財務報表內採用權益法列賬。

20. INTERESTS IN JOINT VENTURES (Cont'd)

As at 31 December 2016 and 2015, the Group had interests in the following joint ventures:

Summarised financial information of the joint ventures

Summarised financial information in respect of each of the Group's joint ventures is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

The joint ventures are accounted for using the equity method in these consolidated financial statements.

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20. 於合營企業之權益(續)

慶鈴五十鈴發動機

20. INTERESTS IN JOINT VENTURES (Cont'd)

Qingling Isuzu Engine

		於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
流動資產	Current assets	868,369	734,179
非流動資產	Non-current assets	202,358	199,740
流動負債	Current liabilities	(230,066)	(111,340)
上述資產及負債金額包括以下各項：	The above amounts of assets and liabilities include the following:		
現金及現金等價物	Cash and cash equivalents	233,180	65,222
流動財務負債(不包括應付賬款及其他應付款項及撥備)	Current financial liabilities (excluding trade and other payables and provision)	—	—
		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
收益	Revenue	1,080,650	1,333,662
年內溢利及綜合收益總額	Profit and total comprehensive income for the year	38,788	39,342
自慶鈴五十鈴發動機收取的股息	Dividend received from Qingling Isuzu Engine	10,353	8,748

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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20. 於合營企業之權益(續)

慶鈴五十鈴發動機(續)

上述年度溢利包括以下各項：

折舊及攤銷

利息收入

所得稅支出

上文概述之財務資料與於綜合財務報表確認的於慶鈴五十鈴發動機權益之賬面值的對賬：

慶鈴五十鈴發動機之資產淨值
本集團於慶鈴五十鈴發動機之擁有權權益比例

就未變現溢利作出之調整

本集團於慶鈴五十鈴發動機之權益賬面值

20. INTERESTS IN JOINT VENTURES (Cont'd)

Qingling Isuzu Engine (Cont'd)

The above profit for the year include the following:

	截至 二零一六年 十二月三十一日 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 Year ended 31 December 2015 人民幣千元 RMB'000
Depreciation and amortisation	11,200	43,623
Interest income	11,793	12,616
Income tax expense	6,845	7,088

Reconciliation of the above summarised financial information to the carrying amount of the interest in Qingling Isuzu Engine recognised in the consolidated financial statements:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Net assets of Qingling Isuzu Engine	840,661	822,579
Proportion of the Group's ownership interest in Qingling Isuzu Engine	50%	50%
Adjustments for unrealised profit	(2,228)	(2,228)
Carrying amount of the Group's interest in Qingling Isuzu Engine	418,102	409,061

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20. 於合營企業之權益(續)

慶鈴五十鈴銷售

20. INTERESTS IN JOINT VENTURES (Cont'd)

Qingling Isuzu Sales

		於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
流動資產	Current assets	151,008	119,683
非流動資產	Non-current assets	7,738	7,509
流動負債	Current liabilities	(35,256)	(4,146)
上述資產及負債金額包括以下各項：	The above amounts of assets and liabilities include the following:		
現金及現金等價物	Cash and cash equivalents	136,828	111,525
流動財務負債(不包括應付賬款及其他應付款項及撥備)	Current financial liabilities (excluding trade and other payables and provision)	—	—
		截至 二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
收益	Revenue	56,398	18,283
年內溢利(虧損)及綜合收益(支出)總額	Profit (loss) and total comprehensive income (expense) for the year	350	(4,789)
自慶鈴五十鈴銷售收取的股息	Dividend received from Qingling Isuzu Sales	—	—

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20. 於合營企業之權益(續)

慶鈴五十鈴銷售(續)

上述年度溢利包括以下各項：

折舊及攤銷

利息收入

所得稅支出

上文概述之財務資料與於綜合財務報表確認的於慶鈴五十鈴銷售權益之賬面值的對賬：

慶鈴五十鈴銷售之資產淨值

本集團於慶鈴五十鈴銷售之擁有權權益比例

就未變現溢利作出之調整

本集團於慶鈴五十鈴銷售之權益賬面值

20. INTERESTS IN JOINT VENTURES (Cont'd)

Qingling Isuzu Sales (Cont'd)

The above profit for the year include the following:

	截至 二零一六年 十二月三十一日 Year ended 31 December 2016 人民幣千元 RMB'000	截至 二零一五年 十二月三十一日 Year ended 31 December 2015 人民幣千元 RMB'000
Depreciation and amortisation	654	941
Interest income	549	17
Income tax expense	—	—

Reconciliation of the above summarised financial information to the carrying amount of the interest in Qingling Isuzu Sales recognised in the consolidated financial statements:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Net assets of Qingling Isuzu Sales	123,490	123,046
Proportion of the Group's ownership interest in Qingling Isuzu Sales	50%	50%
Adjustments for unrealised profit	323	276
Carrying amount of the Group's interest in Qingling Isuzu Sales	62,068	61,799

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21. 遞延稅項資產

以下為本集團於本年度已確認之
主要遞延稅項資產及相關變動：

		應收賬款 減值虧損 Impairment loss on trade receivables 人民幣千元 RMB'000	撇減存貨 Write- down of inventories 人民幣千元 RMB'000	物業、廠房及 設備減值 Impairment on property, plant and equipment 人民幣千元 RMB'000	應計未付 銷售費用 Accrual for selling expenses 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一五年一月一日	At 1 January 2015	446	11,658	128	—	12,232
於損益（扣除）計入	(Charge) credit to profit or loss	(115)	1,627	—	—	1,512
於二零一五年十二月三十一日	At 31 December 2015	331	13,285	128	—	13,744
於損益（扣除）計入	(Charge) credit to profit or loss	58	4,999	(38)	8,909	13,928
於二零一六年十二月三十一日	At 31 December 2016	389	18,284	90	8,909	27,672

21. DEFERRED TAX ASSETS

The following are the major deferred tax assets recognised and movements thereon during the current year:

22. 存貨

22. INVENTORIES

		於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
原料	Raw materials	328,865	493,533
在製品	Work in progress	47,894	93,252
製成品	Finished goods	210,397	179,317
		587,156	766,102

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23. 應收賬款、其他應收款項 及預付款項

於報告期末，本集團之應收賬款及其他應收款項及預付款項如下：

23. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

At the end of the reporting period, the Group's trade and other receivables and prepayments are as follows:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000	
應收賬款減呆賬準備			
	Trade receivables, less allowance for doubtful debts	842,324	821,649
其他應收款項	Other receivables	12,473	12,096
預付款項	Prepayments	44,183	39,247
		<u>898,980</u>	<u>872,992</u>

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23. 應收賬款、其他應收款項及預付款項(續)

在承接任何新外部客戶之前，本集團使用外部信用評分系統來評估潛在客戶的信用品質，並為其分配信用額度。對客戶的額度和評分每年覆查二次。99% (二零一五年：99%) 並未到期及減值之應收賬款在本集團採用公司以外之信貸評級系統中取得最高信貸評級。

銷售貨品之平均信貸期為3至6個月。

於報告期期末，本集團按呈報期末之發票日期(與有關收益確認日期相若)呈列之應收賬款，扣除呆賬準備後，賬齡分析如下：

23. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Before accepting any new external customers, the Group uses an external credit scoring system to assess the potential customer's credit quality and assign credit limits thereto. Limits and scoring attributed to customers are reviewed twice a year. 99% (2015: 99%) of the trade receivables that are neither past due nor impaired have the best credit scoring attributable under the external credit scoring system used by the Group.

The average credit period granted on sales of goods is from 3 to 6 months.

At the end of the reporting period, the aged analysis of the Group's trade receivables, net of allowance for doubtful debts, presented based on invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates, is as follows:

		於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
3個月以內	Within 3 months	604,910	610,156
3至6個月	Between 3 to 6 months	209,001	153,379
7至12個月	Between 7 to 12 months	18,205	5,020
1至2年	Between 1 to 2 years	9,761	10,073
2年以上	Over 2 years	447	43,021
		<u>842,324</u>	<u>821,649</u>

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23. 應收賬款、其他應收款項 及預付款項(續)

於報告期末，應收賬款、其他應收款項及預付款項結餘包括應收關聯方之款項(貿易性質)，數額如下：

慶鈴集團
慶鈴集團的附屬公司
五十鈴慶鈴技術開發
慶鈴五十鈴銷售
五十鈴慶鈴(重慶)汽車零部件有限公司 (「五十鈴慶鈴汽車零部件」， 慶鈴集團的聯營公司)
五十鈴

上述應收關聯方之款項為無抵押及免息。

於二零一六年十二月三十一日，人民幣954,000元(二零一五年：人民幣2,697,000元)的應收賬款及其他應收款項以日圓(「日圓」)列值，而非以各集團實體之功能貨幣列值。

23. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Included in the Group's trade and other receivables and prepayments at the end of the reporting period are amounts due from related parties, which are trade in nature, as follows:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Qingling Group	598,869	680,962
Subsidiaries of Qingling Group	20,850	80,393
Isuzu Qingling Engineering	—	2,072
Qingling Isuzu Sales	18,317	2,727
五十鈴慶鈴(重慶)汽車零部件有限公司 (「Isuzu Qingling Autoparts」, an associate of Qingling Group)	14,234	18,390
Isuzu	—	14
	<u>652,270</u>	<u>784,558</u>

The above amounts due from related parties are unsecured and interest-free.

As at 31 December 2016, trade and other receivables of RMB954,000 (2015: RMB2,697,000) were denominated in Japanese Yen ("JPY"), other than the functional currency of the respective group entities.

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23. 應收賬款、其他應收款項及預付款項(續)

計入預付款項中包括向獨立鋼材供應商預付之款項約人民幣36,653,000元(二零一五年：人民幣29,797,000元)。

計入本集團應收賬款結餘為賬面值約人民幣28,413,000元(二零一五年：約人民幣58,114,000元)之應收款項。該款項於報告期期末已到期，但本集團並未作減值虧損準備，其中人民幣14,312,000元(二零一五年：約人民幣42,531,000元)為應收慶鈴集團附屬公司款項。本集團認為該款項不存在收回風險，且預期將於來年全部收回。本集團並未就該等應收款項結餘持有任何抵押。

本集團已經到期但未減值之應收賬款扣除準備後，賬齡分析如下：

已逾期：
1至6個月
6個月至1年
1年以上

23. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Included in prepayments is an amount of approximately RMB36,653,000 (2015: RMB29,797,000) related to the advance payment to independent suppliers of steel.

Included in the Group's trade receivables balance are debtors with a carrying amount of approximately RMB28,413,000 (2015: approximately RMB58,114,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss, of which RMB14,312,000 (2015: approximately RMB42,531,000) is due from subsidiaries of Qingling Group. The Group does not consider any risk on subsequent collections, and all of these receivables are expected to be settled in the coming year. The Group does not hold any collaterals over these balances.

Aged analysis of trade receivables of the Group which are past due but not impaired, net of allowances, is as follows:

	於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
	At 31 December 2016	At 31 December 2015
	人民幣千元 RMB'000	人民幣千元 RMB'000
Overdue by:		
1 to 6 months	18,205	5,020
6 months to 1 year	9,761	10,073
Over 1 year	447	43,021
	<u>28,413</u>	<u>58,114</u>

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23. 應收賬款、其他應收款項 及預付款項(續)

呆賬準備變動

年初結餘
已確認減值虧損
撥回減值虧損

年末結餘

呆賬準備為總結餘為人民幣
2,594,000 元(二零一五年：人民
幣2,203,000 元)獨立減值之應收
賬款(處於財政困難之實體)。

23. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Cont'd)

Movement in the allowance for doubtful debts

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Balance at beginning of the year	2,203	2,972
Impairment losses recognised	391	—
Reversal of impairment losses	—	(769)
Balance at end of the year	<u>2,594</u>	<u>2,203</u>

Allowance for doubtful debts are provided for individually impaired trade receivables with an aggregate balance of RMB2,594,000 (2015: RMB2,203,000) which are in financial difficulties.

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24. 應收票據

於報告期末，本集團之應收票據賬齡分析如下：

1個月以內
1至2個月
2至3個月
3至6個月

24. BILLS RECEIVABLE

At the end of the reporting period, the aged analysis of bills receivable of the Group is as follows:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Within 1 month	434,349	646,923
Between 1 to 2 months	295,117	359,705
Between 2 to 3 months	202,930	275,054
Between 3 to 6 months	650,151	778,666
	<u>1,582,547</u>	<u>2,060,348</u>

上述應收票據為銀行承兌滙票，其到期日在六個月內。

All the above bills receivable are guaranteed by banks and their maturity dates are within 6 months.

25. 原到期日超過三個月之銀行存款

銀行定期存款於3至24個月內到期(二零一五年十二月三十一日：為12至24個月)，而定期存款之年利率介乎1.55%至3.60%(二零一五年十二月三十一日：0.80%至3.35%)。該等定期存款包括賬面值約為人民幣1,749,056,000元(2015年：無)與未來黃金價格掛鈎的嵌入式衍生工具的存款。本公司董事認為，該等嵌入式衍生工具與定期存款合約的經濟風險及特徵並無緊密聯繫，且其公允價值並不重大。

於二零一六年十二月三十一日，人民幣5,896,000元(二零一五年：人民幣5,520,000元)之定期存款以美元(「美元」)列值。

25. BANK DEPOSITS WITH ORIGINAL MATURITY MORE THAN THREE MONTHS

The fixed bank deposits are with a term of 3 to 24 months (31 December 2015: from 12 to 24 months) and carried interest rates ranging from 1.55% to 3.60% (31 December 2015: from 0.80% to 3.35%) per annum. Included in these fixed bank deposits are deposits with a carrying amount of approximately RMB1,749,056,000 (2015: Nil) which have embedded derivatives relating to future gold prices. In the opinion of directors of the Company, these embedded derivatives are not closely related to the economic risks and characteristics of the fixed bank deposits contracts and have immaterial fair value.

As at 31 December 2016, fixed bank deposits of RMB5,896,000 (2015: RMB5,520,000) were denominated in United States Dollar ("USD").

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26. 受限制銀行結餘、銀行結餘及現金

銀行結餘及現金

銀行結餘的市場年利率介乎0.0001%至0.35% (二零一五年：0.0001%至0.35%)。以相關集團實體的功能貨幣以外貨幣列值的銀行結餘及現金載列如下：

日圓
美元
歐元
港元
英鎊

26. RESTRICTED BANK BALANCES, BANK BALANCES AND CASH

Bank balances and cash

Bank balances carry interest at market rates which range from 0.0001% to 0.35% (2015: 0.0001% to 0.35%) per annum. The bank balances and cash that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

	於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
	At 31 December 2016	At 31 December 2015
	人民幣千元 RMB'000	人民幣千元 RMB'000
JPY	2,733	15,182
USD	1,291	3,228
European Dollar ("EUR")	14	13
Hong Kong Dollar ("HKD")	55	50
Great Britain Pound ("GBP")	3	3
	<u>4,096</u>	<u>18,476</u>

受限制銀行結餘

有關的銀行結餘是根據一法院發出的民事裁定書自二零一五年八月十六日被凍結，乃關於一宗本公司客戶與一家銀行簽訂的金融借款合同的糾紛。有關詳情載於附註34(a)。

Restricted bank balances

The balances have been frozen since 16 August 2015 according to the civil ruling issued by a court in relation to a dispute in respect of a financial credit agreement entered into between the Company's customer and a bank. Details of which are set out in note 34 (a).

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27. 應付賬款、應付票據及其他應付款項

於報告期期末，本集團的應付賬款、應付票據及其他應付款項如下：

應付賬款及應付票據
應付銷售費用
應付增值稅
其他應付款項
預收客戶款項

27. TRADE, BILLS AND OTHER PAYABLES

At the end of the reporting period, the Group's trade, bills and other payables are as follows:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Trade and bills payables	1,361,835	1,670,646
Selling expenses payables	239,964	242,977
Value added tax payables	32,549	24,582
Other payables	196,456	90,047
Advances from customers	399,157	289,519
	<u>2,229,961</u>	<u>2,317,771</u>

於報告期期末，本集團之應付賬款及應付票據賬齡如下：

3個月以內
3至6個月
7至12個月
12個月以上

At the end of the reporting period, the age of trade and bills payables of the Group is as follows:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
Within 3 months	1,210,083	1,501,369
Between 3 to 6 months	144,729	155,571
Between 7 to 12 months	635	7,496
Over 12 months	6,388	6,210
	<u>1,361,835</u>	<u>1,670,646</u>

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27. 應付賬款、應付票據及其他應付款項(續)

於報告期期末，應付賬款、應付票據及其他應付款項結餘中包括應付關聯方的款項如下：

慶鈴五十鈴發動機
五十鈴
慶鈴集團的附屬公司
五十鈴慶鈴零部件
慶鈴集團

上述款項為貿易性質、無抵押、免息，採購物料的信貸期為3至6個月。

於報告期期末，預收客戶賬款之結餘指就其後銷售貨車及汽車以及汽車零件及部件收取之預收款項。

於報告期期末，人民幣103,912,000元(二零一五年：人民幣37,722,000元)之應付賬款及其他應付款項以日圓列值。

27. TRADE, BILLS AND OTHER PAYABLES (Cont'd)

Included in the balance of trade, bills and other payables at the end of the reporting period are amounts due to related parties as follows:

	於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
	At 31 December 2016	At 31 December 2015
	人民幣千元 RMB'000	人民幣千元 RMB'000
Qingling Isuzu Engine	—	139,510
Isuzu	103,320	37,144
Subsidiaries of Qingling Group	46,153	12,952
Qingling Isuzu Autoparts	—	1,594
Qingling Group	673	1,520
	<u>150,146</u>	<u>192,720</u>

These amounts are trade in nature, unsecured, interest-free and the credit period granted on purchases of materials is 3 to 6 months.

The balance of advances from customers at the end of the reporting period represents the amount received in advance for the subsequent sales of trucks and vehicles and automobile parts and accessories.

At the end of the reporting period, trade and other payables amounted to RMB103,912,000 (2015: RMB37,722,000) are denominated in JPY.

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28. 股本

28. SHARE CAPITAL

		於二零一五年一月一日、 二零一五年十二月 三十一日及二零一六年 十二月三十一日 At 1 January 2015, 31 December 2015 and 31 December 2016 人民幣千元 RMB'000
註冊、已發行及繳足	Registered, issued and fully paid	2,482,268
		股份數目
		於二零一五年一月一日、 二零一五年十二月 三十一日及二零一六年 十二月三十一日 Number of shares At 1 January 2015, 31 December 2015 and 31 December 2016 '000 '000
每股面值人民幣1元的股份	Shares of RMB1 each	
— 內資股	— Domestic shares	1,243,616
— H股	— H shares	1,238,652
		2,482,268

內資股為中國政府及／或於中國註冊成立的實體以人民幣認購及入賬列為繳足的普通股，而H股為中國政府及／或於中國註冊成立的實體以外人士以港元認購及以人民幣入賬列為繳足的普通股。

Domestic shares are ordinary shares subscribed for and credited as fully paid up in Renminbi by the PRC government and/or entities established in the PRC. H shares are ordinary shares subscribed for in Hong Kong Dollar and credited as fully paid up in Renminbi by persons other than the PRC government and/or entities established in the PRC.

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28. 股本(續)

內資股及H股彼此間於各方面均享有同等權益。內資股不可於香港聯合交易所有限公司自由買賣。

本公司的註冊、已發行及繳足股本於兩年內並沒有變動。

29. 資本風險管理

本集團管理其資本，以確保本集團內各實體將可持續經營，同時透過優化債務及權益結餘為股東帶來最高回報。本集團之整體策略維持與上年度不變。

本集團之資本架構包括本公司擁有人應佔權益(包括已發行股本、保留溢利及其他儲備)。

本公司董事不時覆核資本架構。作為此覆核之一部份，本公司董事考慮與各類資本類別相關之資本成本及風險。本集團將透過派付股息、發行新股份及股份購回，以及發行新債項平衡其整體資本架構。

28. SHARE CAPITAL (Cont'd)

Domestic shares and H shares rank pari passu in all respects with each other. Domestic shares are not freely traded in The Stock Exchange of Hong Kong Limited.

There were no changes in the registered, issued and fully paid share capital of the Company during both years.

29. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued share capital, retained profits and other reserves.

The directors of the Company review the capital structure from time to time. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt.

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30. 金融工具

(a) 金融工具類別

30. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
		At 31 December 2016	At 31 December 2015
		人民幣千元 RMB'000	人民幣千元 RMB'000
金融資產	Financial assets		
貸款及應收款項	<i>Loan and receivables</i>		
貿易應收款項	Trade receivables	842,324	821,649
其他應收款項	Other receivables	12,473	12,096
應收票據	Bills receivable	1,582,547	2,060,348
原到期日超過三個月之銀行存款	Bank deposits with original maturity more than three months	3,050,884	2,793,293
受限制銀行結餘、銀行結餘及現金	Restricted bank balances, bank balances and cash	2,514,885	2,262,749
		<u>8,003,113</u>	<u>7,950,135</u>
金融負債	Financial liabilities		
攤銷成本	<i>Amortised cost</i>		
應付賬款及應付票據	Trade and bills payables	1,361,835	1,670,646
應付銷售費用	Selling expenses payables	239,964	242,977
其他應付款項	Other payables	196,456	90,047
		<u>1,798,255</u>	<u>2,003,670</u>

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30. 金融工具(續)

(b) 金融風險管理目標及政策

本集團的主要金融工具包括應收賬款及其他應收款項、應收票據、原到期日超過三個月之銀行存款、受限制銀行結餘、銀行結餘及現金、應付賬款及應付票據、應付銷售費用及其他應付款項。該等金融工具的詳情於各自的附註中披露。與該等金融工具有關的風險包括市場風險(利率風險及外匯風險)、信貸風險及流動資金風險。如何減少該等風險的政策載列於下文。本集團面對該等風險的程度或其管理及計量該等風險之方法並無重大變動。管理層負責管理及監察此等風險，確保適時及有效實行適當措施。

市場風險

(i) 外匯風險

本集團多個實體進行外幣買賣，因而面對外匯風險。本集團認為外匯風險不高，故此並無運用任何衍生合約對沖外匯風險，但會密切監控匯率波動以管理外匯風險。

30. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bills receivable, bank deposits with original maturity more than three months, restricted bank balances, bank balances and cash, trade and bills payables, selling expenses payables and other payables. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. There has been no significant change to the Group's exposure to these risks or the manner in which it manages and measures these risks. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

Several entities of the Group have foreign currency purchases, sales, which expose the Group to currency risk. The Group considers the currency risk insignificant and does not use any derivative contracts to hedge against its exposure to currency risk. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

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30. 金融工具(續)

(b) 金融風險管理目標及政策(續)

市場風險(續)

(i) 外匯風險(續)

以下為本集團於報告期期末以外幣計值且存在外匯風險之貨幣資產及貨幣負債之賬面值：

美元	USD
日圓	JPY
港元	HKD
歐元	EUR
英鎊	GBP

敏感度分析

本集團之主要風險來自美元及日圓之匯價波動。管理層評估港元、歐元及英鎊波動風險並非重大，故未呈列人民幣對港元、歐元及英鎊的敏感度分析。

30. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(i) Currency risk (Cont'd)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities that are subject to currency risk at the end of the reporting period are as follows:

資產		負債	
Assets		Liabilities	
於二零一六年 十二月三十一日	於二零一五年 十二月三十一日	於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
At	At	At	At
31 December 2016	31 December 2015	31 December 2016	31 December 2015
人民幣千元	人民幣千元	人民幣千元	人民幣千元
RMB'000	RMB'000	RMB'000	RMB'000
7,187	8,748	—	—
3,687	17,879	103,912	37,722
55	50	—	—
14	13	—	—
3	3	—	—

Sensitivity analysis

The Group is mainly exposed to the risk of fluctuations in USD and JPY. The management assessed the risks of fluctuations in HKD, EUR and GBP are insignificant and did not present the sensitivity analyses in the RMB against HKD, EUR and GBP.

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30. 金融工具(續)

(b) 金融風險管理目標及政策 (續)

市場風險(續)

(i) 外匯風險(續)

敏感度分析(續)

下表詳述本集團受人民幣兌美元及日圓升值5%影響的敏感度。5%乃向主要管理人員在內部報告外匯風險時採用之敏感度比率，代表管理層對外匯匯率合理可能變動之評估。敏感度分析僅包括尚未結算的外幣計值貨幣項目，以及期末因人民幣兌美元及日圓匯率增減5%而作出的調整。下列(負數)正數代表人民幣兌美元及日圓升值5%而導致年內除稅後溢利(減少)增加。倘人民幣兌美元及日圓貶值5%，則會對年內除稅後溢利有等額及相反的影響。

損益
美元
日圓

30. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(i) Currency risk (Cont'd)

Sensitivity analysis (Cont'd)

The following table details the Group's sensitivity to a 5% increase in the exchange rate of RMB against USD and JPY. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in RMB against USD and JPY. A (negative) positive number below indicates (decrease) increase in post-tax profit for the year, respectively, where the RMB strengthen 5% against USD and JPY. For a 5% weakening of the RMB against USD and JPY, there would be an equal and opposite impact on the post-tax profit for the year.

截至二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
--	--

Profit or loss

USD	(305)	(372)
JPY	4,260	843

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

30. 金融工具(續)

(b) 金融風險管理目標及政策 (續)

市場風險(續)

(ii) 利率風險

本集團的公允價值利率風險初步與按固定利率列賬的原到期日超過三個月之銀行存款有關。

本集團之現金流量利率風險主要集中於因本集團按浮息列賬之銀行結餘產生之存款利率波動。

敏感度分析

以下敏感度分析乃根據於報告期末按當時存款利率列值之銀行結餘風險而釐定。利率上升或降低0.25% (二零一五年: 0.25%) 乃向主要管理人員在內部報告利率風險時採用，並代表管理層對利率合理可能變動之評估。

倘利率上升/降低0.25%且所有其他變量保持不變，本集團於截至二零一六年十二月三十一日止年度之除稅後溢利可能增加/減少約人民幣5,174,000元(二零一五年: 增加/減少人民幣4,808,000元)。主要由於本集團因其銀行結餘之利率風險所致。

30. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risk (Cont'd)

(ii) Interest rate risk

The Group's fair value interest risk relates preliminary to bank deposits with original maturity more than three months carried at fixed interest rates.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of deposit interest rate arising from the Group's bank balances carried at variable rate.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to bank balances carried prevailing deposit interest rate at the end of the reporting period. 0.25% (2015: 0.25%) increase or decrease in interest rate is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.25% higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2016 would increase/decrease by approximately RMB5,174,000 (2015: increase/decrease by RMB4,808,000). This is mainly attributable to the Group's exposure to interest rates on its bank balances.

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截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

30. 金融工具(續)

(b) 金融風險管理目標及政策 (續)

信貸風險

於二零一六年十二月三十一日，因交易對方未能履行責任而可為本集團帶來財務虧損之本集團最大信貸風險，乃來自綜合財務狀況表所列各項已確認金融資產之賬面值。

為減低信貸風險，本集團管理層已指派一個小組負責釐定信貸限額及監管程式，以確保採取跟進措施收回逾期未付的債項。此外，於報告期期末，本集團會評估每項個別貿易債項的可收回金額，以確保就不可收回金額作出足夠的減值虧損。鑒於以上措施，本公司董事認為本集團的信貸風險已顯著減少。

由於本集團亦會定期評估關連方之信貸評級且該等關連方具高信貸評級，故應收關連方金額之信貸風險為有限。

附註23所披露之應收關連方金額之信貸風險集中，本集團定期評估關連方之信貸評級並尋求更多非關連方客戶。除此以外，本集團之其他應收賬款及其他應收款項之信貸風險並不過度集中，風險分散於多個交易對方及客戶。由於本集團之銀行存款及銀行結餘存放於獲得高信貸評級的中國認可銀行，存放於多間銀行的流動資金的信貸風險屬有限。

30. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Credit risk

As at 31 December 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to perform an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and monitoring procedures to ensure that follow-up action is taken to recover overdue debtors. In addition, the Group reviews the recoverable amount of each individual debtor at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on amounts due from related parties is limited because the Group also periodically evaluated the related parties' credit rating and these related parties credit rating is high.

There is concentration of credit risk on amounts due from related parties, which have been disclosed in note 23 and the Group periodically evaluated the related parties credit rating and also look for more non-related party customers. Apart from that, the Group does not have significant concentration of credit risk on other trade and other receivables, with exposure spread over a number of counter-parties and customers. The credit risk on liquid fund which are deposited with several banks is limited because the Group's bank deposits and bank balances are deposited with authorised banks in the PRC with high credit-ratings.

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截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

30. 金融工具(續)

(b) 金融風險管理目標及政策 (續)

流動資金風險

為管理流動資金風險，本集團監控及維持管理層視作充裕之現金及現金等價物水平，以為本集團營運提供資金及減低現金流量波動之影響。本集團依賴經營業務產生之現金為主要流動資金來源。根據本集團要求還款的最早日期，應收賬款及應收票據可於六個月內收取，而銀行結餘可於有需要時提取。根據管理營運資金預測，本公司董事相信本集團於可見未來將有充足資金應付其財務責任。

30. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group relies on cash generated from operating activities as a significant source of liquidity. Trade receivables and bills receivables can be received within six months based on the earliest date on which the Group can require payments and bank balances can be drawn on demand. The directors of the Company believe that the Group will have sufficient funds available to meet its financial obligations in the foreseeable future based on management working capital forecast.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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30. 金融工具(續)

(b) 金融風險管理目標及政策(續)

流動資金風險(續)

下表詳述本集團非衍生金融負債根據協議還款期之餘下合約屆滿期。下表根據金融負債之未折現現金流量(按本集團可被要求還款之最早日期)而編製。

於二零一六年十二月三十一日

應付賬款及應付票據
應付銷售費用及其他應付款項

At 31 December 2016

Trade and bills payables
Selling expenses payables
and other payables

	少於一個月 Less than 1 month 人民幣千元 RMB'000	1至3個月 1-3 months 人民幣千元 RMB'000	3個月至1年 3 months to 1 year 人民幣千元 RMB'000	未折現 現金流量總額 Total undiscounted cash flows 人民幣千元 RMB'000	年終之賬面值 Carrying amount at year end 人民幣千元 RMB'000
	668,529	421,588	271,718	1,361,835	1,361,835
	275,445	97,015	63,960	436,420	436,420
	<u>943,974</u>	<u>518,603</u>	<u>335,678</u>	<u>1,798,255</u>	<u>1,798,255</u>
於二零一五年十二月三十一日					
應付賬款及應付票據 應付銷售費用及其他應付款項					
At 31 December 2015					
Trade and bills payables Selling expenses payables and other payables					
	653,380	807,527	209,739	1,670,646	1,670,646
	78,933	77,989	176,102	333,024	333,024
	<u>732,313</u>	<u>885,516</u>	<u>385,841</u>	<u>2,003,670</u>	<u>2,003,670</u>

(c) 公允價值

本集團之金融資產及金融負債之公允價值乃根據一般採納之定價模式及基於已折現現金流量分析釐定。

本公司董事認為，以攤銷成本於綜合財務報表記賬之金融資產及金融負債之賬面值與其公允價值相若。

30. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Liquidity risk (Cont'd)

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

(c) Fair values

The fair value of the Group's financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

31. 關連方交易／結餘

本集團的關連方結餘載於附註23及27。

本年度內，本集團與關連方進行下列交易：

(i) 與慶鈴集團及其附屬公司的交易

31. RELATED PARTY TRANSACTIONS/BALANCES

The Group's related party balances are set out in notes 23 and 27.

During the year, the Group entered into the following transactions with related parties:

(i) Transactions with Qingling Group and its subsidiaries

交易種類	Types of transactions	截至二零一六年	截至二零一五年
		十二月三十一日	十二月三十一日
		止年度	止年度
		Year ended	Year ended
		31 December	31 December
		2016	2015
		人民幣千元	人民幣千元
		RMB'000	RMB'000
出售底盤予慶鈴集團	Sales of chassis to Qingling Group	1,370,803	1,574,500
出售汽車零件及其他予：	Sales of automobile parts and others to:		
— 重慶慶鈴鑄造有限公司(「慶鈴鑄造」)	— 重慶慶鈴鑄造有限公司("Qingling Casting")	33,534	33,271
— 重慶慶鈴日發座椅有限公司(「慶鈴座椅」)	— 重慶慶鈴日發座椅有限公司("Qingling Chair")	9,446	14,328
— 重慶慶鈴專用汽車有限公司(「慶鈴專用」)	— 重慶慶鈴專用汽車有限公司 ("Qingling Zhuan Yong")	10,504	9,517
— 重慶慶鈴車橋有限公司(「慶鈴車橋」)	— 重慶慶鈴車橋有限公司("Qingling Axle")	25,989	3,076
— 重慶慶鈴鍛造有限公司(「慶鈴鍛造」)	— 重慶慶鈴鍛造有限公司("Qingling Forging")	6,381	2,603
— 重慶慶鈴汽車底盤部品有限公司 (「慶鈴底盤」)	— 重慶慶鈴汽車底盤部品有限公司 ("Qingling Chassis")	3,917	2,521
— 重慶慶鈴塑料有限公司(「慶鈴塑料」)	— 重慶慶鈴塑料有限公司("Qingling Plastics")	949	1,288
— 重慶慶鈴汽車機加部品製造有限公司 (「慶鈴機加」)	— 重慶慶鈴汽車機加部品製造有限公司 ("Qingling Jijia")	1,215	1,285
— 重慶慶鈴鑄鋁有限公司(「慶鈴鑄鋁」)	— 重慶慶鈴鑄鋁有限公司 ("Qingling Cast Aluminium")	1,239	1,097
— 慶鈴集團	— Qingling Group	7	22
		<u>93,181</u>	<u>69,008</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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31. 關連方交易／結餘(續)

(i) 與慶鈴集團及其附屬公司的交易(續)

交易種類

採購汽車部件來自：

- 慶鈴車橋
- 慶鈴底盤
- 慶鈴塑料
- 慶鈴座椅
- 慶鈴機加
- 慶鈴鍛造
- 慶鈴鑄造
- 慶鈴鑄鋁
- 慶鈴專用
- 慶鈴集團

租借倉庫租金支出予：

- 慶鈴集團

租借設備租金支出：

- 慶鈴鍛造
- 慶鈴集團

服務費支出：

- 慶鈴集團

租借土地支出：

- 慶鈴鍛造

租借設備之租金收入：

- 慶鈴車橋

31. RELATED PARTY TRANSACTIONS/BALANCES (Cont'd)

(i) Transactions with Qingling Group and its subsidiaries (Cont'd)

截至二零一六年 十二月三十一日 止年度 Year ended 31 December 2016	截至二零一五年 十二月三十一日 止年度 Year ended 31 December 2015
人民幣千元 RMB'000	人民幣千元 RMB'000

Types of transactions

Purchases of automobile parts from:

- | | | |
|---------------------------|---------|---------|
| — Qingling Axle | 380,091 | 115,931 |
| — Qingling Chassis | 3,357 | 79,791 |
| — Qingling Plastics | 55,038 | 63,102 |
| — Qingling Chair | 49,808 | 60,451 |
| — Qingling Jijia | 4,644 | 55,812 |
| — Qingling Forging | 32,360 | 40,353 |
| — Qingling Casting | 20,391 | 27,696 |
| — Qingling Cast Aluminium | 8,125 | 10,426 |
| — Qingling Zhuan Yong | 6,323 | 5,956 |
| — Qingling Group | 25 | 89 |

560,162	459,607
---------	---------

Rental expenses for renting warehouse:

- | | | |
|------------------|-------|-------|
| — Qingling Group | 8,359 | 9,614 |
|------------------|-------|-------|

Rental expenses for renting equipment:

- | | | |
|--------------------|--------|--------|
| — Qingling Forging | 19,974 | 19,974 |
| — Qingling Group | 843 | 900 |

Service fee expense:

- | | | |
|------------------|-------|-------|
| — Qingling Group | 4,047 | 4,634 |
|------------------|-------|-------|

Rental expenses for renting land:

- | | | |
|--------------------|-----|-----|
| — Qingling Forging | 522 | 342 |
|--------------------|-----|-----|

Rental income from leasing equipment:

- | | | |
|-----------------|-----|---|
| — Qingling Axle | 864 | — |
|-----------------|-----|---|

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

31. 關連方交易／結餘(續)

(ii) 與五十鈴進行之交易

交易種類	Types of transactions	截至二零一六年	截至二零一五年
		十二月三十一日	十二月三十一日
		止年度	止年度
		Year ended	Year ended
		31 December	31 December
		2016	2015
		人民幣千元	人民幣千元
		RMB'000	RMB'000
收購無形資產	Acquisition of intangible assets	130,010	—
出售卡車及其他車輛產生的專用權及牌照費	Royalties and license fee paid on sales of trucks and other vehicles	18,658	18,765
已收推廣費用	Marketing fee received	14,353	6,447
購買汽車零件及部件	Purchases of automobile parts and components	724,409	849,186
出售套裝零部件及其他汽車零件及部件	Sales of accessory sets and other automobile parts and components	1,932	21,634
		<u>1,932</u>	<u>21,634</u>

(iii) 與慶鈴五十鈴發動機的交易

交易種類	Types of transactions	截至二零一六年	截至二零一五年
		十二月三十一日	十二月三十一日
		止年度	止年度
		Year ended	Year ended
		31 December	31 December
		2016	2015
		人民幣千元	人民幣千元
		RMB'000	RMB'000
購買汽車零件及原材料	Purchases of automobile parts and raw materials	1,065,647	1,265,395
出售汽車零件及原材料	Sales of automobile parts and raw materials	871,956	890,576
出租設備之收入	Rental income from leasing equipment	37,538	39,077
雜項服務收入	Miscellaneous service income	1,161	1,444
出租投資物業之收入	Rental income from investment properties	3,649	3,823
		<u>3,649</u>	<u>3,823</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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31. 關連方交易／結餘(續)

(iv) 與慶鈴五十鈴銷售的交易

交易種類	Types of transactions	截至二零一六年	截至二零一五年
		十二月三十一日	十二月三十一日
		止年度	止年度
		Year ended	Year ended
		31 December	31 December
		2016	2015
		人民幣千元	人民幣千元
		RMB'000	RMB'000
出售卡車及汽車零部件	Sales of trucks and automobile parts	32,482	9,284
出租投資物業之收入	Rental income from investment properties	1,547	1,560
雜項服務收入	Miscellaneous service income	481	250
購買汽車零部件	Purchase of autoparts	438	—

(v) 與五十鈴慶鈴技術開發交易

交易種類	Types of transactions	截至二零一六年	截至二零一五年
		十二月三十一日	十二月三十一日
		止年度	止年度
		Year ended	Year ended
		31 December	31 December
		2016	2015
		人民幣千元	人民幣千元
		RMB'000	RMB'000
出租投資物業之收入	Rental income from investment properties	880	886
雜項服務收入	Miscellaneous service income	686	8

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31. 關連方交易／結餘(續)

(vi) 與五十鈴慶鈴汽車零部件的交易

交易種類

出售汽車零部件及原材料
雜項服務收入
購買汽車零部件

上述與關連方的交易也構成上市規則第14A章的關連交易或持續關連交易，且是按相關協議內的條款進行。

(vii) 與中國其他政府相關實體的交易／結餘

本集團經營業務的經濟環境目前主要受中國政府直接或間接擁有或控制、共同控制及重大影響的實體(「政府相關實體」)的主導。此外，本集團本身為中國政府控制的慶鈴集團旗下較大集團公司的一部分。除上文(1)節所披露與慶鈴集團及其附屬公司進行的交易外，本集團亦與其他政府相關實體有業務往來。本公司董事認為，就本集團與該等政府相關實體所進行的業務交易而言，該等政府相關實體屬於獨立第三方。

31. RELATED PARTY TRANSACTIONS/BALANCES (Cont'd)

(vi) Transactions with Isuzu Qingling Autoparts

Types of transactions	截至二零一六年 十二月三十一日 止年度 Year ended 31 December 2016	截至二零一五年 十二月三十一日 止年度 Year ended 31 December 2015
	人民幣千元 RMB'000	人民幣千元 RMB'000
Sales of automobile parts and raw materials	64,973	37,978
Miscellaneous service income	1,019	3,822
Purchase of autoparts	780	—

The above transactions with related parties also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules and are conducted in accordance with the terms of the relevant agreements.

(vii) Transactions/balances with other government-related entities in the PRC

The Group operates in an economic environment currently predominated by entities directly or indirectly owned or controlled, jointly controlled or significantly influenced by the PRC government ("government-related entities"). In addition, the Group itself is part of a larger group of companies under Qingling Group which is controlled by the PRC government. Apart from the transactions with Qingling Group and its subsidiaries disclosed in section (i) above, the Group also conducts businesses with other government-related entities. The directors of the Company consider those government-related entities are independent third parties so far as the Group's business transactions with them are concerned.

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31. 關連方交易／結餘(續)

(vii) 與中國其他政府相關實體的交易／結餘(續)

與其他政府相關實體的重大交易／結餘如下：

31. RELATED PARTY TRANSACTIONS/BALANCES (Cont'd)

(vii) Transactions/balances with other government-related entities in the PRC (Cont'd)

Material transactions/balances with other government-related entities are as follow:

		截至二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
貿易銷售	Trade sales	<u>437,688</u>	<u>423,651</u>
貿易採購	Trade purchases	<u>176,432</u>	<u>275,667</u>
		於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
應付其他政府相關實體的貿易及其他結餘	Trade and other balances due to other government-related entities	<u>53,741</u>	<u>93,908</u>
應收其他政府相關實體的貿易及其他結餘	Trade and other balances due from other government-related entities	<u>150,789</u>	<u>245,440</u>

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31. 關連方交易／結餘(續)

(vii) 與中國其他政府相關實體的交易／結餘(續)

此外，本集團於日常業務過程中與若干屬政府相關實體的銀行及財務機構進行多項交易，包括公用服務及向中國政府繳付款項／稅項、存款以及其他一般銀行融資服務。鑒於此等銀行交易的性質，本公司董事認為作出個別披露並無意義。

除上文所披露者外，本公司董事認為，與政府相關實體進行的交易就本集團的業務而言並不重大。

(viii) 董事、監事及主要管理人員之薪酬

年內董事、監事及其他主要管理人員之酬金如下：

31. RELATED PARTY TRANSACTIONS/BALANCES (Cont'd)

(vii) Transactions/balances with other government-related entities in the PRC (Cont'd)

In addition, the Group has entered into various transactions, including utilities services and surcharges/taxes charged by the PRC government, and deposits and other general banking facilities with certain banks and financial institutions which are government-related entities in its ordinary course of business. In view of the nature of these banking transactions, the directors of Company are of the opinion that separate disclosure would be not meaningful.

Except as disclosed above, the directors of the Company are of the opinion that transactions with government-related entities are not significant to the Group's operations.

(viii) Compensation of directors, supervisors and key management personnel

The remuneration of directors, supervisors and other members of key management during the year are as follows:

	截至二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
短期福利	3,402	2,867
受僱後福利	122	245
	<u>3,524</u>	<u>3,112</u>

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32. 承擔

於報告期末，本集團之資本承擔如下：

已訂約但未於綜合財務報表撥備的資本承擔：

- 關於採購物業、廠房及設備
- 關於收購無形資產

33. 經營租賃

本集團作為承租人

於報告期期末，本集團根據於以下期間到期之不可撤銷經營租約而須承擔繳付未來最低租賃款項如下：

1年內
第2年至第5年(包括首尾兩年)

經營租賃款項指本集團應為其若干倉庫及生產設施支付的租金。租期經協商平均定為一年至三年。

32. COMMITMENTS

At the end of the reporting period, the Group had the following capital commitments:

Contracted for but not provided in the consolidated financial statements in respect of:

- acquisition of property, plant and equipment
- acquisition of intangible assets

33. OPERATING LEASE

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
At 31 December 2016	At 31 December 2015
人民幣千元 RMB'000	人民幣千元 RMB'000

13,268	2,144
—	113,137
<u>13,268</u>	<u>115,281</u>

於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
At 31 December 2016	At 31 December 2015
人民幣千元 RMB'000	人民幣千元 RMB'000

35,640	39,282
66,782	4,198
<u>102,422</u>	<u>43,480</u>

Operating lease payments represent rentals payable by the Group for certain of its warehouses and production facilities. Leases are negotiated for an average term of one to three years.

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33. 經營租賃(續)

本集團作為出租人

於報告期期末，本集團與租戶之未來最低租賃支付承擔合約如下：

1年內
第2年至第5年(包括首尾兩年)

於二零一五年十二月三十一日的金額代表就其若干土地及樓宇以及生產設施應收慶鈴五十鈴發動機、慶鈴五十鈴銷售及五十鈴慶鈴技術開發之租金。於二零一六年十二月三十一日，本集團並未重續該等租賃協議。

除以上披露外，本集團於報告期期末均沒有其他根據不可撤銷物業、廠房及設備及投資物業的經營租賃之未來最低租賃支付承擔。

33. OPERATING LEASE (Cont'd)

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
1年內	53,392	50,189
第2年至第5年(包括首尾兩年)	104,855	—
	<u>158,248</u>	<u>50,189</u>

The amount as at 31 December 2015 represents rentals receivable from Qingling Isuzu Engine, Qingling Isuzu Sales, Isuzu Qingling Engineering for certain of its land and buildings and production facilities. As at 31 December 2016, the Group did not renew these rental agreements.

Other than the above, the Group does not have any other commitments for future minimum lease payments under non-cancellable operating leases of property, plant and equipment and investment properties at the end of the reporting period.

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34. 重大訴訟事項

於二零一六年十二月三十一日，本公司涉及兩件重大訴訟事項如下：

- (a) 根據深圳市福田區人民法院（「福田法院」）發出的民事裁定書，乃關於一宗本公司客戶（「該客戶」，為獨立於本公司）與另外一家銀行（「銀行A」）簽訂的金融借款合同的糾紛，本集團的銀行結餘人民幣79,999,000元自二零一五年八月十六日被凍結。

本公司於二零一五年九月二十九日及二零一五年十月二十二日，分別正式接獲福田法院於二零一五年九月二十五日及二零一五年十月十九日寄出的傳票，內容為銀行A作為原告，於福田法院向包括該客戶及本公司等六名被告提出法律程序（「二零一五年訴訟」）。

於二零一五年訴訟中，銀行A指控該客戶因未能根據授信協議內的規定補足追加保證金，構成該授信協議的違約事件，銀行A並有權要求該客戶提前歸還有關額度項下之全部授信；銀行A進一步指控本公司未有按其要求，將該客戶已支付的全額貸款項下的尚未提貨車輛發放到銀行A指定的倉庫，違反有關授信協議，須就其遭受的損失承擔連帶賠償責任。銀行A指該客戶未歸還授信之敞口餘額合共為人民幣8,000萬元。

34. MATERIAL LITIGATIONS

As at 31 December 2016, the Company has involved in two material legal proceedings as follows:

- (a) According to the civil ruling issued by 深圳市福田區人民法院 (transliterated as People's Court of Futian District, Shenzhen) (the "Futian Court") in relation to a dispute in respect of a financial credit agreement entered into between the Company's customer (the "Customer", who is independent to the Company) and another bank ("Bank A"), the Group's bank balances of RMB79,999,000 have been frozen since 16 August 2015.

On 29 September 2015 and 22 October 2015, the Company formally received summons sent by the Futian Court on 25 September 2015 and 19 October 2015, respectively, and pursuant to which Bank A, as the plaintiff, has initiated legal proceedings against six defendants including the Customer and the Company (the "2015 Litigation") in the Futian Court.

In the 2015 Litigation, Bank A alleged that the Customer has failed to meet the margin calls according to the requirements under a credit agreement, constituting an event of default of such agreement. Bank A is also entitled to demand the Customer to prematurely repay all the amount granted under the relevant credit facilities. Bank A further alleged that the Company did not, as instructed by the Bank, deliver the vehicles that had not been picked up but paid by the Customer in full with loan to the warehouse as specified by Bank A, leading to a breach of the relevant credit agreement, and should be jointly and severally liable to compensate for the losses it suffered. Bank A stated that the outstanding credit balances due from the Customer was RMB80 million in aggregate.

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34. 重大訴訟事項(續)

於二零一六年三月，深圳市中級人民法院(「深圳法院」)最終裁定二零一五年訴訟由深圳法院管轄。於二零一六年七月，銀行A將其於二零一五年訴訟的權力轉讓予另一公司(「公司X」)，而深圳法院裁定，二零一五年訴訟的原告自銀行A改為公司X。於二零一七年二月，深圳法院安排被告與銀行A進行證據交換相關程序尚未完成，而截至綜合財務報表的批准日期二零一五年訴訟尚未正式聆訊。

本公司檢閱了所有與二零一五年訴訟相關的文件和合同，根據中國法律顧問的意見，本公司董事認為該訴訟文件所指稱的責任缺乏事實和法律依据，本公司不應當承擔法律責任。因此，並無在此等綜合財務報表中就此等銀行凍結結餘計提準備。

- (b) 本公司董事會(以下簡稱「董事會」)於二零一六年八月二十九日接獲一家銀行(「銀行B」)於二零一六年八月二十三日向本公司發出的付款通知書，要求本公司根據與銀行B、本公司的一家經銷商(「該經銷商」)簽訂的一份三方合作協定(「該協議」)的項下條款，就該經銷商截至二零一六年八月二十三日到期未歸還約人民幣14,370,000元的銀行貸款承擔返還責任。

34. MATERIAL LITIGATIONS (Cont'd)

In March 2016, a final ruling from 深圳市中級人民法院 (transliterated as Shenzhen Intermediate People's Court) (the "Shenzhen Court") that the 2015 Litigation is under the jurisdiction of the Shenzhen Court was received. In July 2016, Bank A assigned its right to the 2015 Litigation to another company ("Company X") and the Shenzhen Court ruled that the plaintiff of the 2015 Litigation was changed from Bank A to Company X. In February 2017, the Shenzhen Court organised the defendants and Bank A for exchange of evidence which has yet to be completed and the 2015 Litigation has not yet been formally heard up to the approval date of the consolidated financial statements.

The Company reviewed all the relevant documents and agreements in relation to the 2015 Litigation and based on the opinion of its PRC legal adviser, the directors of the Company are of the view that the alleged liability in the litigation document lacks of factual and legal evidence and therefore the Company shall not be liable. Accordingly, no provision for the frozen bank balances has been made in the consolidated financial statements.

- (b) On 29 August 2016, the board of directors of the Company (the "Board") received a notice of payment from a bank ("Bank B") to the Company dated 23 August 2016, demanding, pursuant to the provisions of a tripartite cooperation agreement (the "Agreement") entered into among the Company, Bank B and a distributor of the Company (the "Distributor"), the Company to be liable for the repayment of an outstanding bank loan of the Distributor falling due as at 23 August 2016 in the amount of approximately RMB14,370,000.

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34. 重大訴訟事項(續)

該協議條款聲稱，銀行B同意給予該經銷商人民幣75,000,000元的貸款授信額度，而在該經銷商已交存的保證金不足時，本公司應於銀行B發出付款通知書後按其要求支付差額款項。

其後，本公司於二零一六年十月二十六日正式接獲廈門市中級人民法院(「廈門法院」)於二零一六年十月十九日發出的傳票及應訴通知書，以及銀行B於二零一六年九月七日提出的民事起訴狀，內容為銀行B作為原告，於廈門法院向包括該經銷商及本公司等六名被告提出法律程序(「二零一六年訴訟」)。

於二零一六年訴訟中，銀行B指控該經銷商因未能根據該協議內的規定足額繳存款項，構成該協議的違約事件；銀行B要求該經銷商立刻償還墊款金、借款金及其截至實際清償之日止的利息，暫計至二零一六年九月六日合共為約人民幣19,680,000元。銀行B進一步指控本公司未有按該協議內的規定承擔差額退款責任，違反該協議，須就該筆款項承擔連帶清償責任。

34. MATERIAL LITIGATIONS (Cont'd)

The terms of the Agreement stated that Bank B agreed to grant the Distributor a loan facility of RMB75,000,000 and the Company should pay for the shortfall payment as requested by the notice of payment from Bank B when the guarantee deposited by the Distributor was insufficient.

Subsequently on 26 October 2016, the Company formally received a summon and a notice of response to action issued by 廈門市中級人民法院 (transliterated as Intermediate People's Court of Xiamen) (the "Xiamen Court") dated 19 October 2016 and a civil complaint from Bank B dated 7 September 2016 in relation to Bank B, as a plaintiff, having initiated legal proceedings (the "2016 Litigation") against six defendants including the Distributor and the Company in the Xiamen Court.

In the 2016 Litigation, Bank B sued the Distributor for being unable to pay the deposit in full in accordance with the provisions of the Agreement which constituted an event of default of the Agreement. Bank B requested an immediate repayment of the advances, borrowings and any interests up to the date of actual repayment from the Distributor which amounted to approximately RMB19,680,000 in total up to 6 September 2016. Bank B further sued the Company for not complying with the provisions of the Agreement that it was liable for repaying the shortfall payment, which constituted a breach of the Agreement, and the Company shall have joint liability for the payment and the settlement.

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34. 重大訴訟事項(續)

其後，董事會於二零一六年十一月十一日接獲銀行B於二零一六年十一月七日向本公司發出的第二份付款通知書，要求本公司就該經銷商截至二零一六年十一月七日期末未歸還(連同第一份付款通知書項下)合計約人民幣3,933萬元的銀行貸款承擔返還責任，並於二零一七年一月，董事會再接獲銀行B致本公司日期為二零一七年一月十一日的第三份付款通知書，要求本公司就該經銷商截至二零一七年一月十一日期末未歸還(連同第一份及第二份付款通知書項下)合計約人民幣48,300,000元的銀行貸款承擔返還責任。

由於根本未簽署過該協議，於二零一六年九月二十九日，本公司向重慶市公安局九龍坡分局就上述事件報案。重慶市公安局九龍坡分局已正式立案調查。

於二零一六年十一月，本公司向廈門法院提交管轄權異議申請書但被廈門法院駁回。於二零一六年十二月，本公司向福建省高級人民法院提出另一項管轄權異議申請書，直至綜合財務報表批准日期，該法院尚未對本公司的申請作出裁決。

34. MATERIAL LITIGATIONS (Cont'd)

Later, on 11 November 2016, the Board received the second notice of payment from Bank B to the Company dated 7 November 2016, demanding the Company to be liable for the repayment of the outstanding bank loan of the Distributor falling due as at 7 November 2016, together with that under the first notice of payment, in an aggregate amount of approximately RMB39,330,000, and, in January 2017, the Board further received the third notice of payment from Bank B to the Company dated 11 January 2017, demanding the Company to be liable for the repayment of the outstanding bank loan of the Distributor falling due as at 11 January 2017, together with those under the first and second notice of payment, in an aggregate amount of approximately RMB48,300,000.

Since the Company has never entered into the Agreement, on 29 September 2016, the Company reported the aforesaid incident to 重慶市公安局九龍坡分局 (transliterated as Jiulongpo branch of Chongqing Municipal Public Security Bureau). Jiulongpo branch of Chongqing Municipal Public Security Bureau has initiated formal investigation.

In November 2016, an application of objection to the jurisdiction has been filed by the Company to the Xiamen Court but was overruled by the Xiamen Court. In December 2016, the Company filed another application of objection to the jurisdiction to 福建省高級人民法院 (transliterated as Fujian Higher People's Court), which has yet to make a ruling on the Company's application up to the approval date of the consolidated financial statements.

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34. 重大訴訟事項(續)

董事會檢閱了所有與二零一六年訴訟相關的文件和合同，並且經核實查證後了解，該協議是該經銷商私刻本公司的印章及法人印章，與銀行B簽訂。根據中國法律顧問的意見，本公司董事認為該協議對本公司並無法律約束力，原因為本公司並未簽署該協議，因此本公司不承擔任何責任。因此，於綜合財務報表中並無就二零一六年訴訟涉及的申索作出撥備。

35. 本公司附屬公司詳情

於二零一六年十二月三十一日及二零一五年十二月三十一日，本公司的附屬公司詳情如下：

附屬公司名稱 Name of subsidiary	註冊及經營國家 Country of registration and operation	業務結構模式 Form of business structure	註冊資本 Registered capital	本公司直接持有的 擁有權權益的百分比 Proportion of ownership interests directly held by the Company		主要業務 Principal activities
				二零一六年 2016	二零一五年 2015	
慶鈴模具 Qingling Moulds	中國 The PRC	註冊成立 Incorporated	38,166,600美元 US\$38,166,600	50.56%	50.56%	生產製造汽車部件的 模具 Production of moulds for the manufacture of automobile parts
慶鈴技術中心 Qingling Technical Center	中國 The PRC	註冊成立 Incorporated	29,980,000美元 US\$29,980,000	51.00%	51.00%	尚未展開業務 Not yet commenced business

年末該等附屬公司並未發行任何債務證券。

34. MATERIAL LITIGATIONS (Cont'd)

The Board has reviewed all the relevant documents and contracts in relation to the 2016 Litigation and after making verifications, the Board finds that the Distributor engraved the seals of the Company and the legal person without explicit approval, and entered into the Agreement with the Bank B. Based on the opinion of its PRC legal adviser, the directors of the Company are of the view that the Company is not legally bound by the Agreement because it did not sign the Agreement, and therefore the Company should not be liable. Accordingly, no provision has been made in respect of the claims under the 2016 Litigation in the consolidated financial statements.

35. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Particulars of the Company's subsidiaries at 31 December 2016 and 2015 are as follows:

None of the subsidiaries had issued any debt securities at the end of the year.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

35. 本公司附屬公司詳情(續)

主要附屬公司以現金股息向本集團轉撥資金或償還貸款或向本集團墊款的能力概無受到重大限制。

下表載列本集團擁有重大非控股權益的非全資附屬公司的詳情：

附屬公司名稱 Name of subsidiary	非控股權益持有之 擁有權益及投票權百分比 Proportion ownership interests and voting rights held by non-controlling interests						分配至非控股權益的溢利 Profit allocated to non-controlling interests		累計非控股權益 Accumulated non-controlling interests			
	二零一六年 2016		二零一五年 2015		二零一六年 2016		二零一五年 2015		二零一六年 2016		二零一五年 2015	
	%		%		人民幣千元 RMB'000		人民幣千元 RMB'000		人民幣千元 RMB'000		人民幣千元 RMB'000	
	%		%		RMB'000		RMB'000		RMB'000		RMB'000	
	%		%		RMB'000		RMB'000		RMB'000		RMB'000	
慶鈴模具 Qingling Moulds	49.44	49.44			3,993	4,207			161,888	159,680		
慶鈴技術中心 Qingling Technical Center	49.00	49.00			769	1,045			139,461	138,692		
					4,762	5,252			301,349	298,372		

有關本集團擁有重大非控股權益之各附屬公司之財務資料概要載列如下。以下財務資料概要指集團內公司間對銷前的金額。

35. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Cont'd)

There are no significant restrictions on the ability of principal subsidiaries to transfer funds to the Group in form of cash dividends, or to repay loans or advances made by the Group.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Summarised financial information in respect of each of the Group is subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

35. 本公司附屬公司詳情(續)

慶鈴模具

流動資產

非流動資產

流動負債

本公司擁有人應佔權益

非控股權益

35. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Cont'd)

Qingling Moulds

	於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
	At 31 December 2016	At 31 December 2015
	人民幣千元 RMB'000	人民幣千元 RMB'000
Current assets	332,489	318,552
Non-current assets	24,196	26,929
Current liabilities	(24,778)	(18,033)
Equity attributable to owners of the Company	167,809	165,558
Non-controlling interests	164,098	161,890

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

35. 本公司附屬公司詳情(續)

慶鈴模具(續)

35. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Cont'd)

Qingling Moulds (Cont'd)

		截至二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
收益	Revenue	64,102	63,234
開支	Expense	(56,026)	(54,725)
年內溢利	Profit for the year	8,076	8,509
本公司擁有人應佔溢利及綜合總收益	Profit and total comprehensive income attributable to the owners of the Company	4,083	4,302
非控股權益應佔溢利及綜合總收益	Profit and total comprehensive income attributable to the non-controlling interests	3,993	4,207
已付非控股權益股息	Dividends paid to non-controlling interests	1,785	3,260
經營業務之現金流入淨額	Net cash inflow from operating activities	76,924	8,483
投資活動之現金(流出)流入淨額	Net cash (outflow) inflow from investing activities	(673)	5,123
融資活動之現金流出淨額	Net cash outflow from financing activities	(3,499)	(6,598)
現金流入淨額	Net cash inflow	72,752	7,008

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

35. 本公司附屬公司詳情(續)

慶鈴技術中心

流動資產

流動負債

本公司擁有人應佔權益

非控股權益

35. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Cont'd)

Qingling Technical Center

	於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
	At 31 December 2016	At 31 December 2015
	人民幣千元 RMB'000	人民幣千元 RMB'000
Current assets	284,812	283,316
Current liabilities	(198)	(271)
Equity attributable to owners of the Company	145,153	144,353
Non-controlling interests	139,461	138,692

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

35. 本公司附屬公司詳情(續)

慶鈴技術中心(續)

利息收入

開支

年內溢利

本公司擁有人應佔溢利及綜合總收益

非控股權益應佔溢利及綜合總收益

已付非控股權益股息

經營業務之現金流入淨額

投資活動之現金流入淨額

現金流入淨額

35. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (Cont'd)

Qingling Technical Center (Cont'd)

截至二零一六年 十二月三十一日 止年度 Year ended 31 December 2016 人民幣千元 RMB'000	截至二零一五年 十二月三十一日 止年度 Year ended 31 December 2015 人民幣千元 RMB'000
2,132	2,884
(563)	(751)
1,569	2,133
800	1,088
769	1,045
—	—
1,497	788
387	1,373
1,884	2,161

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

36. 本公司財務狀況及儲備表

36. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	於二零一六年 十二月三十一日 At 31 December 2016 人民幣千元 RMB'000	於二零一五年 十二月三十一日 At 31 December 2015 人民幣千元 RMB'000
非流動資產		
物業、廠房及設備	718,872	732,241
預付租賃款項	39,443	40,795
投資物業	32,932	34,917
無形資產	241,762	137,030
於附屬公司之投資	285,073	285,073
於聯營公司之投資	6,333	6,333
於合營企業之投資	368,639	368,545
原到期日超過三個月之銀行存款	—	376,308
遞延稅項資產	27,671	13,744
	<u>1,720,725</u>	<u>1,994,986</u>
流動資產		
存貨	586,711	765,812
應收賬款及其他應收款項以及預付款項	867,380	796,512
應收票據	1,572,250	2,045,656
預付土地租金	1,383	1,413
原到期日超過三個月之銀行存款	3,023,494	2,178,425
受限制銀行結餘	79,999	79,999
銀行結餘及現金	1,904,593	1,936,829
	<u>8,035,810</u>	<u>7,804,646</u>
流動負債		
應付賬款、應付票據及其他應付款項	2,212,045	2,315,653
稅項負債	6,299	18,710
	<u>2,218,344</u>	<u>2,334,363</u>
流動資產淨值	<u>5,817,466</u>	<u>5,470,283</u>
總資產減流動負債	<u>7,538,191</u>	<u>7,465,269</u>
資本及儲備		
股本	2,482,268	2,482,268
股本溢價及儲備	5,055,923	4,983,001
權益總額	<u>7,538,191</u>	<u>7,465,269</u>

綜合財務報表附註

截至二零一六年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

36. 本公司財務狀況及儲備表 (續)

36. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Cont'd)

		股本溢價 Share premium 人民幣千元 RMB'000	資本公積金 Capital reserve 人民幣千元 RMB'000	法定公積金 Statutory surplus reserve fund 人民幣千元 RMB'000	保留溢利 Retained profits 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一五年一月一日	At 1 January 2015	1,764,905	572,210	947,625	1,622,409	4,907,149
年度溢利及綜合總收益	Profit and total comprehensive income for the year	—	—	—	473,015	473,015
年度分配	Appropriation for the year	—	—	47,583	(47,583)	—
支付二零一四年末股息	2014 final dividend paid	—	—	—	(397,163)	(397,163)
於二零一五年十二月三十一日	At 31 December 2015	1,764,905	572,210	995,208	1,650,678	4,983,001
年度溢利及綜合總收益	Profit and total comprehensive income for the year	—	—	—	470,085	470,085
年度分配	Appropriation for the year	—	—	47,951	(47,951)	—
支付二零一五年末股息	2015 final dividend paid	—	—	—	(397,163)	(397,163)
於二零一六年十二月三十一日	At 31 December 2016	<u>1,764,905</u>	<u>572,210</u>	<u>1,043,159</u>	<u>1,675,649</u>	<u>5,055,923</u>

財務摘要

FINANCIAL SUMMARY

財務摘要 — 根據香港財務報告
準則

Financial summary — in accordance with Hong Kong Financial
Reporting Standards

綜合業績

CONSOLIDATED RESULTS

		截至十二月三十一日止年度				
		For the Year ended 31 December				
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		2016	2015	2014	2013	2012
		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
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
						(經重列) (restated)
收入	Revenue	<u>4,633,785</u>	<u>5,504,296</u>	<u>5,800,078</u>	<u>5,782,887</u>	<u>6,145,756</u>
除稅前溢利	Profit before tax	566,626	565,449	522,735	442,253	346,051
所得稅開支	Income tax expense	<u>(80,577)</u>	<u>(80,310)</u>	<u>(74,037)</u>	<u>(64,632)</u>	<u>(50,378)</u>
年內溢利	Profit for the year	<u>486,049</u>	<u>485,139</u>	<u>448,698</u>	<u>377,621</u>	<u>295,673</u>
歸屬於：	Attributable to:					
本公司權益擁有人	Owners of the Company	481,287	479,887	444,549	371,681	290,701
非控股權益	Non-controlling interests	<u>4,762</u>	<u>5,252</u>	<u>4,149</u>	<u>5,940</u>	<u>4,972</u>
		<u>486,049</u>	<u>485,139</u>	<u>448,698</u>	<u>377,621</u>	<u>295,673</u>

財務摘要

FINANCIAL SUMMARY

財務摘要 — 根據香港財務報告
準則(續)

Financial summary — in accordance with Hong Kong Financial
Reporting Standards (Cont'd)

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		於十二月三十一日				
		As at 31 December				
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		2016	2015	2014	2013	2012
		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
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
						(經重列) (restated)
總資產	Total assets	10,197,850	10,210,173	10,180,560	9,830,454	9,624,656
總負債	Total liabilities	(2,237,961)	(2,337,385)	(2,392,488)	(2,163,579)	(2,083,279)
權益總額	Total equity	<u>7,959,889</u>	<u>7,872,788</u>	<u>7,788,072</u>	<u>7,666,875</u>	<u>7,541,377</u>
歸屬於：	Attributable to:					
本公司權益擁有人	Owners of the Company	7,658,540	7,574,416	7,491,692	7,369,837	7,246,383
非控股權益	Non-controlling interests	<u>301,349</u>	<u>298,372</u>	<u>296,380</u>	<u>297,038</u>	<u>294,994</u>
		<u>7,959,889</u>	<u>7,872,788</u>	<u>7,788,072</u>	<u>7,666,875</u>	<u>7,541,377</u>

二零一六年度 利潤分配方案

PROPOSAL FOR APPROPRIATION OF PROFIT FOR THE YEAR OF 2016

根據有關規定和本公司的實際情況，董事會擬定本公司二零一六年度利潤分配方案為：

- 一、稅後純利分配為：法定公積金10%、法定公益金0% (附註1) 及可供分配利潤90%。
- 二、建議每股派發末期股息現金人民幣0.16元(附註2)。於獲股東於股東周年大會通過後，所建議之末期股息將派發予於二零一七年六月二十三日(星期五)已登記在本公司股東名冊上的股東。具體派發辦法將另行公告。

附註：1. 根據二零零五年十月二十七日修訂並於二零零六年一月一日起施行的《中華人民共和國公司法》和依據本公司章程及本公司董事會的決議案，本公司從二零零六年起不再計提法定公益金。

2. 根據《中華人民共和國企業所得稅法》、《中華人民共和國企業所得稅法實施條例》及《國家稅務局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號，於二零零八年十一月六日發佈)的規定，中國居民企業向境外H股非居民企業股東派發二零零八年及以後年度股息時，統一按10%的稅率代扣代繳企業所得稅。

In accordance with the pertinent regulations and based on the actual situation of the Company, the Board resolved that the proposed appropriation of profit for the year of 2016 be as follows:

1. The appropriation of net profits after taxation shall be: 10% for Statutory Reserve Fund, 0% for Statutory Public Benefit Fund (Note 1) and 90% for profit available for distribution.
2. A final dividend of RMB0.16 per share in cash (Note 2). Subject to the approval of the Shareholders at the annual general meeting, the proposal final dividend is expected to be paid to the Shareholders whose names appear on the register of shareholders of the Company on Friday, 23 June 2017. Further announcement will be made as to the exact form of payment.

Note: 1. In accordance with the amendment to the Company Law of PRC on 27 October 2005 effective from 1 January 2006, and pursuant to the Company's articles of association and the resolutions of the board of directors of the Company, the Company decided not to accrue for Statutory Public Benefit Fund from the year of 2006.

2. According to the regulations of the Enterprise Income Tax Law of the People's Republic of China, Implementation Regulations on Enterprise Income Tax Law of the People's Republic of China and the Notice of Withholding and Payment of Enterprise Income Tax Regarding China Resident Enterprise Paying Dividend to Non-Resident Enterprise Holders of Overseas H shares issued by the China's State Administration of Taxation (Guo Shui Han [2008] No. 897 on 6 November 2008), any China resident enterprise which pays dividend to non-resident enterprise holders of overseas H shares for the year of 2008 and subsequent years shall withhold and pay enterprise income tax at a unified tax rate of 10%.

二零一六年度 利潤分配方案

PROPOSAL FOR APPROPRIATION OF PROFIT FOR THE YEAR OF 2016

如前所述，對於在股息記錄日期名列本公司股東名冊的任何H股非居民企業股東(包括香港中央結算(代理人)有限公司、其他管理人、企業代理人和受託人(如證券公司和銀行)以及其他實體或組織)，本公司將在扣除二零一六年度末期股息所應繳付的企業所得稅後向該等股東派付應付的二零一六年度末期股息。

對於在股息記錄日期名列本公司股東名冊的任何H股個人股東，本公司將不就該等股東有權收取之二零一六年度末期股息扣除企業所得稅。

As stated above, in respect of any non-resident enterprise holders of H shares (including HKSCC Nominees Limited, other custodians, corporate nominee and trustees such as securities companies and banks, and other entities or organizations) whose names appear on the register of shareholders of the Company on the record date of dividend, the Company will pay the 2016 final dividend payable to such shareholders after deducting all enterprise income tax payable from the 2016 final dividend.

In respect of any individual holders of H shares whose names appear on the register of shareholders of the Company on the record date of dividend, the Company will not deduct the enterprise income tax from the 2016 final dividend which such shareholders have right to receive.

慶鈴汽車股份有限公司
二零一七年三月二十四日

Qingling Motors Co. Ltd
24 March 2017

股東周年大會通告

NOTICE OF ANNUAL GENERAL MEETING

茲公告慶鈴汽車股份有限公司(「本公司」)定於二零一七年六月九日(星期五)上午十時正假座中華人民共和國(「中國」)重慶市九龍坡區中梁山協興村一號本公司辦公大樓新一樓會議廳舉行股東周年大會(「股東周年大會」)，藉以審議並酌情通過下列決議案為本公司普通決議案：

1. 審議及批准二零一六年度本公司董事會(「董事會」)報告。
2. 審議及批准二零一六年度本公司監事會報告。
3. 審議及批准二零一六年度本公司經審核的財務報表及獨立核數師報告。
4. 審議及批准二零一六年度本公司利潤分配方案。
5. 審議續聘德勤華永會計師事務所(特殊普通合夥)重慶分所及德勤•關黃陳方會計師行分別為二零一七年度本公司之國內及境外核數師，並授權董事會釐定其酬金。

承董事會命
慶鈴汽車股份有限公司
公司秘書
鄒光華

中國·重慶，
二零一七年四月二十四日

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Qingling Motors Co. Ltd (the “Company”) will be held at the New Conference Hall, 1st Floor of the Company’s Office Building, 1 Xiexing Cun, Zhongliangshan, Jiulongpo District, Chongqing, the People’s Republic of China (the “PRC”) on Friday, 9 June 2017 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following ordinary resolutions of the Company:

1. To consider and approve the report of the board of directors of the Company (the “Board”) for the year of 2016.
2. To consider and approve the report of the supervisory committee of the Company for the year of 2016.
3. To consider and approve the audited financial statements and the independent auditor’s report of the Company for the year of 2016.
4. To consider and approve the proposal for appropriation of profit of the Company for the year of 2016.
5. To re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP Chongqing Branch and Deloitte Touche Tohmatsu as the Company’s PRC and international auditors respectively for the year of 2017 and to authorize the Board to determine their remunerations.

By Order of the Board
Qingling Motors Co. Ltd
ZOU Guanghua
Company Secretary

Chongqing, the PRC,
24 April 2017

股東周年大會通告

NOTICE OF ANNUAL GENERAL MEETING

附註：

- (1) 有資格出席股東周年大會及於會上投票的股東，均可依照公司章程委派一名或多名代理人出席股東周年大會及代其投票。代理人毋須為本公司股東。
- (2) 股東代理人委任表格及如果該代理人委任表格由他人根據授權書或其他授權文件代表委託人簽署，經由公證律師證明之該等授權書或其他授權文件的副本，必須最遲於股東周年大會召開前二十四小時（即不遲於二零一七年六月八日上午十時正（香港時間））或指定表決時間前二十四小時存放在本公司之法定地址，地址為中國重慶市九龍坡區中梁山協興村一號（倘是內資股股東代理人委任表格）或本公司H股股份過戶登記處，香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17M樓（倘是H股股東代理人委任表格），方為有效。
- (3) 股東或其代理人出席股東周年大會時應出示本人身份證明文件。
- (4) 為確定H股股東出席股東周年大會並投票之權利，本公司將於二零一七年五月十日（星期三）至二零一七年六月九日（星期五）（首尾兩天包括在內）暫停辦理股份過戶登記手續，期間不會登記任何股份轉讓。所有填妥有關H股之股份過戶文件連同有關股票必須於二零一七年五月九日（星期二）下午四時三十分或之前存放在本公司H股股份過戶登記處，香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-16室。
- (5) 於二零一七年五月九日（星期二）下午四時三十分辦公時間結束後已經登記在本公司股東名冊上的股東有權出席股東周年大會並進行表決。

Notes:

- (1) Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote at the AGM on his/her behalf in accordance with the articles of association of the Company. A proxy need not be a shareholder of the Company.
- (2) In order to be valid, the proxy form and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at the legal address of the Company at 1 Xiexing Cun, Zhongliangshan, Jiulongpo District, Chongqing, the PRC (in the case of proxy form of holders of domestic shares) or at the Company's H Share Registrars, Hong Kong Registrars Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in the case of proxy form of holders of H shares) not less than 24 hours before the time for holding the AGM (i.e. not later than 8 June 2017 at 10:00 a.m. (Hong Kong time)) or 24 hours before the time appointed for taking the poll.
- (3) Shareholders or their proxies shall produce their identity documents when attending the AGM.
- (4) To ascertain the H shareholders' entitlement to attend and vote at the AGM, the register of shareholders of the Company will be closed from Wednesday, 10 May 2017 to Friday, 9 June 2017 (both dates inclusive), during which period no transfer of shares will be registered. All duly completed transfer forms relating to H shares accompanied by the relevant share certificates must be lodged with the Company's H Share Registrars, Hong Kong Registrars Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, 9 May 2017.
- (5) Shareholders whose names appear on the register of shareholders of the Company after the close of business at 4:30 p.m. on Tuesday, 9 May 2017 are entitled to attend and vote at the AGM.

股東周年大會通告

NOTICE OF ANNUAL GENERAL MEETING

- (6) 擬出席股東周年大會的股東應當填妥出席股東周年大會的回條並將回條於二零一七年五月十九日(星期五)或該日之前送達本公司法定地址，地址為中國重慶市九龍坡區中梁山協興村一號。回條可親身交回本公司，亦可以郵遞、電報或圖文傳真方式交回，圖文傳真號碼為(86) 23-68830397。
- (7) 待獲股東於股東周年大會通過後，所建議之末期股息將派發予在二零一七年六月二十三日(星期五)已登記在本公司股東名冊上的股東。為確定合資格收取建議末期股息之H股股東，本公司將於二零一七年六月十六日(星期五)至二零一七年六月二十三日(星期五)(首尾兩天包括在內)暫停辦理股份過戶登記手續，期間不會登記任何股份轉讓。所有填妥有關H股之股份過戶文件連同有關股票必須於二零一七年六月十五日(星期四)下午四時三十分或之前存放在本公司H股股份過戶登記處，香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-16室。
- (8) 股東周年大會預期需時不超過半天。股東及其代理人出席股東周年大會的往返及食宿費用自理。
- (9) 根據香港聯合交易所有限公司證券上市規則(「上市規則」)第13.39(4)條，除主席以誠實信用的原則做出決定，容許純粹有關程序或行政事宜的決議案以舉手方式表決外，大會上的所有表決將以投票方式進行，而本公司將根據上市規則第13.39(5)條指定的方式公佈投票結果。
- (10) 於本通告日期，董事會由十名董事組成，其中羅宇光先生、前垣圭一郎先生、太田正紀先生、小村嘉文先生、李巨星先生及徐松先生為執行董事，以及龍濤先生、宋小江先生、劉天倪先生及劉二飛先生為獨立非執行董事。
- (6) Shareholders who intend to attend the AGM shall complete and lodge the reply slip for attending the AGM at the Company's legal address at 1 Xiexing Cun, Zhongliangshan, Jiulongpo District, Chongqing, the PRC on or before Friday, 19 May 2017. The reply slip may be delivered to the Company by hand, by post, by cable or by fax (at fax no.: (86) 23-68830397).
- (7) Subject to the approval of the shareholders at the AGM, the proposed final dividend will be payable to the shareholders whose names appear on the register of shareholders of the Company on Friday, 23 June 2017. To ascertain the H shareholders' entitlement to the proposal final dividend, the register of shareholders of the Company will be closed from Friday, 16 June 2017 to Friday, 23 June 2017 (both dates inclusive), during which period no transfer of shares will be registered. All duly completed transfer forms relating to H shares accompanied by the relevant share certificates must be lodged with the Company's H Share Registrars, Hong Kong Registrars Limited, at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, 15 June 2017.
- (8) The AGM is not expected to take more than half a day. Shareholders or their proxies attending the AGM shall be responsible for their own travel and accommodation expenses.
- (9) Pursuant to rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), all votes of the shareholders at the meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands and the Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.
- (10) As at the date of this notice, the Board comprises 10 directors, of which Mr. LUO Yuguang, Mr. Keiichiro MAEGAKI, Mr. Masanori OTA, Mr. Yoshifumi KOMURA, Mr. LI Juxing and Mr. XU Song are executive directors and Mr. LONG Tao, Mr. SONG Xiaojiang, Mr. LIU Tianni and Mr. LIU Erh Fei are independent non-executive directors.

公司資料

董事

執行董事：

羅宇光(董事長)

前垣圭一郎(副董事長兼總經理)

太田正紀

小村嘉文

李巨星

徐松

獨立非執行董事：

龍濤

宋小江

劉二飛

劉天倪

監事

關晉明(監事會監事長)

閔慶

雷斌

公司秘書

負責中國事務：鄒光華

負責香港事務：佟達釗

審核委員會

宋小江(委員會主席)

龍濤

劉二飛

劉天倪

薪酬委員會

宋小江(委員會主席)

羅宇光

龍濤

劉二飛

劉天倪

CORPORATE INFORMATION

DIRECTORS

Executive Directors:

LUO Yuguang (*Chairman*)

Keiichiro MAEGAKI (*Vice Chairman and General Manager*)

Masanori OTA

Yoshifumi KOMURA

LI Juxing

XU Song

Independent Non-executive Directors:

LONG Tao

SONG Xiaojiang

LIU Erh Fei

LIU Tianni

SUPERVISORS

GUAN Jinming (*Chairman of the Supervisory Committee*)

MIN Qing

LEI Bin

COMPANY SECRETARY

responsible for PRC affairs: ZOU Guanghua

responsible for Hong Kong affairs: TUNG Tat Chiu Michael

AUDIT COMMITTEE

SONG Xiaojiang (*Committee Chairman*)

LONG Tao

LIU Erh Fei

LIU Tianni

REMUNERATION COMMITTEE

SONG Xiaojiang (*Committee Chairman*)

LUO Yuguang

LONG Tao

LIU Erh Fei

LIU Tianni

公司資料

提名委員會

羅宇光(委員會主席)
龍濤
宋小江
劉二飛
劉天倪

公司資料索閱地點

慶鈴汽車股份有限公司

法定地址

中華人民共和國
重慶市
九龍坡區
中梁山
協興村一號

香港主要營業地址

香港灣仔
港灣道1號
會展廣場辦公大樓
49樓4901室

公司網址

www.qingling.com.cn

H股股份過戶登記處

香港證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716室

H股股份上市地點

香港聯合交易所有限公司
股份代號：1122

CORPORATE INFORMATION

NOMINATION COMMITTEE

LUO Yuguang (*Committee Chairman*)
LONG Tao
SONG Xiaojiang
LIU Erh Fei
LIU Tianni

CORPORATE INFORMATION AVAILABLE AT

Qingling Motors Co. Ltd

LEGAL ADDRESS

1 Xiexing Cun
Zhongliangshan
Jiulongpo District
Chongqing
the People's Republic of China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 4901, 49th Floor
Office Tower, Convention Plaza
1 Harbour Road
Wan Chai, Hong Kong

COMPANY'S WEBSITE

www.qingling.com.cn

H SHARE REGISTRARS

Hong Kong Registrars Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

H SHARE LISTING PLACE

The Stock Exchange of Hong Kong Limited
Stock code: 1122

公司資料

主要往來銀行

中國銀行重慶分行
交通銀行重慶分行
中國工商銀行重慶分行
中國工商銀行中梁山辦事處

核數師

德勤華永會計師事務所
(特殊普通合伙)重慶分所
中華人民共和國
重慶市
渝中區瑞天路10號
企業天地8號
德勤大樓36層

德勤•關黃陳方會計師行
香港金鐘道88號
太古廣場一期35樓

法律顧問

就香港法例：

佟達釗律師行
香港中環皇后大道中31號
陸海通大廈
16樓1601室

胡關李羅律師行
香港中環
康樂廣場1號
怡和大廈26樓

就中國法例：

海問律師事務所
中華人民共和國
北京市
朝陽區
東三環中路5號
財富金融中心20層
(郵編：100020)

CORPORATE INFORMATION

PRINCIPAL BANKERS

Bank of China, Chongqing Branch
Bank of Communications, Chongqing Branch
The Commercial and Industrial Bank of China, Chongqing Branch
The Commercial and Industrial Bank of China, Zhongliangshan Office

AUDITORS

Deloitte Touche Tohmatsu Certified Public Accountants LLP
Chongqing Branch
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8 Corporate Avenue
10 Ruitian Road, Yuzhong District
Chongqing
the People's Republic of China

Deloitte Touche Tohmatsu
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88 Queensway, Hong Kong

LEGAL ADVISERS

as to Hong Kong laws:

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Office 1601, 16/F
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31 Queen's Road Central
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as to PRC laws:

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慶鈴汽車股份有限公司
Qingling Motors Co.Ltd