

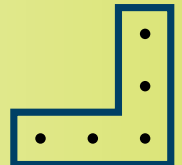
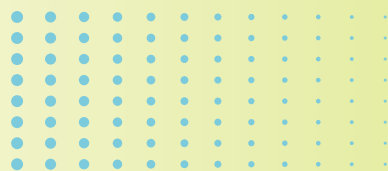
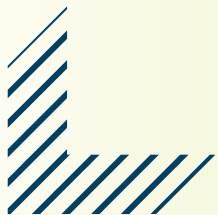
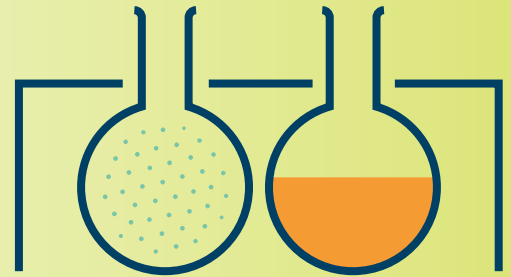
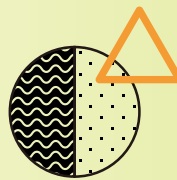
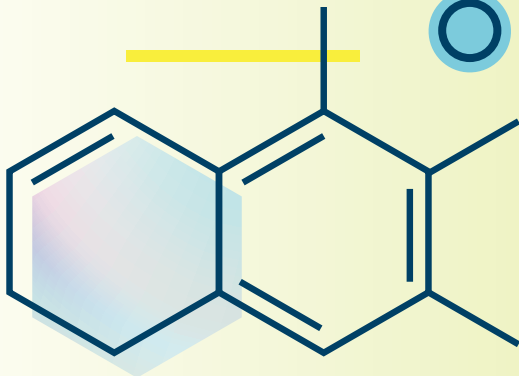
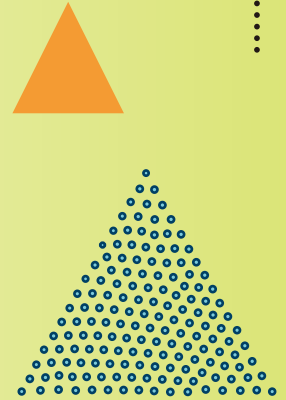
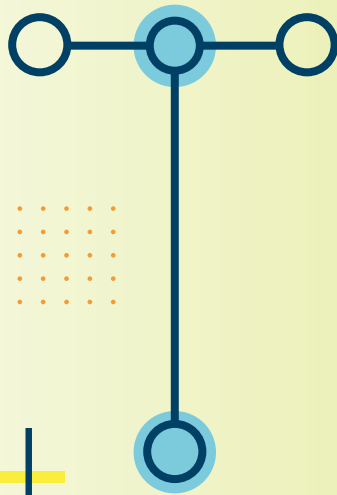
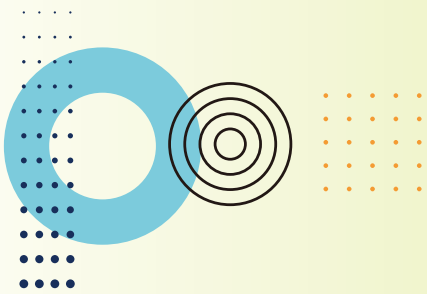
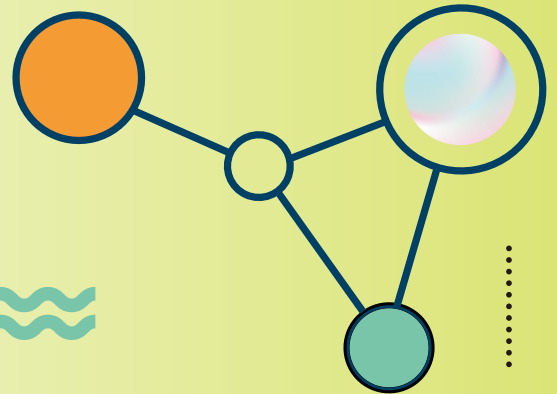
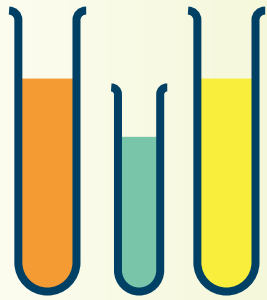


# 天德化工控股有限公司 TIANDE CHEMICAL HOLDINGS LIMITED

(於開曼群島註冊成立之有限公司)(股份代號：609)  
(Incorporated in the Cayman Islands with limited liability) (Stock Code: 609)

# 2019

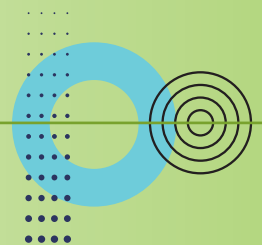
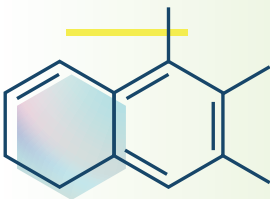
## ANNUAL REPORT 年度報告





## 目錄 Contents

公司資料	<b>2</b>	Corporate Information
財務摘要及五年財務概要	<b>4</b>	Financial Highlights and Five Years Financial Summary
主席報告	<b>6</b>	Chairman's Statement
董事及高級管理人員之個人資料	<b>10</b>	Biographical Details of Directors and Senior Management
管理層討論及分析	<b>12</b>	Management Discussion and Analysis
董事報告	<b>20</b>	Directors' Report
企業管治報告	<b>34</b>	Corporate Governance Report
獨立核數師報告	<b>49</b>	Independent Auditor's Report
綜合收益表	<b>55</b>	Consolidated Income Statement
綜合全面收益表	<b>56</b>	Consolidated Statement of Comprehensive Income
綜合財務狀況表	<b>57</b>	Consolidated Statement of Financial Position
綜合現金流量表	<b>59</b>	Consolidated Statement of Cash Flows
綜合權益變動表	<b>61</b>	Consolidated Statement of Changes in Equity
財務報表附註	<b>63</b>	Notes to the Financial Statements



# 公司資料

## Corporate Information

### 董事會

#### 執行董事

劉楊先生 (主席)  
王子江先生

#### 非執行董事

劉洪亮先生  
郭玉成先生

#### 獨立非執行董事

高寶玉先生  
梁錦雲先生  
劉晨光先生

### 董事會委員會

#### 審核委員會

梁錦雲先生 (主席)  
高寶玉先生  
劉晨光先生

#### 薪酬委員會

劉晨光先生 (主席)  
高寶玉先生  
梁錦雲先生  
劉楊先生

#### 提名委員會

劉楊先生 (主席)  
梁錦雲先生  
劉晨光先生

#### 安全及環保委員會

劉楊先生 (主席)  
高寶玉先生  
李玉國先生

### 公司秘書

劉偉珍女士

### 獨立核數師

香港立信德豪會計師事務所有限公司

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Liu Yang (Chairman)  
Mr. Wang Zijiang

#### Non-Executive Directors

Mr. Liu Hongliang  
Mr. Guo Yucheng

#### Independent Non-Executive Directors

Mr. Gao Baoyu  
Mr. Leung Kam Wan  
Mr. Liu Chenguang

### BOARD COMMITTEES

#### Audit Committee

Mr. Leung Kam Wan (Chairman)  
Mr. Gao Baoyu  
Mr. Liu Chenguang

#### Remuneration Committee

Mr. Liu Chenguang (Chairman)  
Mr. Gao Baoyu  
Mr. Leung Kam Wan  
Mr. Liu Yang

#### Nomination Committee

Mr. Liu Yang (Chairman)  
Mr. Leung Kam Wan  
Mr. Liu Chenguang

#### Safety and Environmental Protection Committee

Mr. Liu Yang (Chairman)  
Mr. Gao Baoyu  
Mr. Li Yuguo

### COMPANY SECRETARY

Ms. Lau Wai Chun

### INDEPENDENT AUDITOR

BDO Limited

**主要往來銀行**

興業銀行濰坊市分行  
中國農業銀行股份有限公司濰坊高新技術  
產業開發區支行  
中國建設銀行股份有限公司濰坊市分行

**香港股份過戶登記處**

香港中央證券登記有限公司  
香港  
灣仔  
皇后大道東 183 號合和中心  
17 字樓 1712-1716 室

**註冊辦事處**

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

**香港主要營業地點**

香港  
中環夏慤道 12 號  
美國銀行中心  
22 字樓 2204A 室

**總辦事處及中華人民共和國（「中國」）  
主要營業地點**

中國  
山東省  
濰坊市  
濰坊高新技術產業開發區

**公司網址**

www.tdchem.com

**股份代號**

香港聯合交易所有限公司（「聯交所」）：609

**投資者關係**

香港  
中環夏慤道 12 號  
美國銀行中心  
22 字樓 2204A 室  
電話：852-2866 6848  
傳真：852-2866 8922  
ir@tdchem.com

**PRINCIPAL BANKERS**

Industrial Bank Co., Ltd., Weifang Branch  
Agricultural Bank of China, Weifang High Tech Industry  
Development Zone Branch  
China Construction Bank, Weifang Branch

**HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716 on the 17th Floor  
Hopewell Centre 183 Queen's Road East  
Wan Chai  
Hong Kong

**REGISTERED OFFICE**

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

**PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Room 2204A on the 22nd Floor  
Bank of America Tower  
12 Harcourt Road Central  
Hong Kong

**HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN  
THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC")**

Weifang High Tech Industry Development Zone  
Weifang City  
Shandong Province  
The PRC

**COMPANY WEBSITE**

www.tdchem.com

**STOCK CODE**

The Stock Exchange of Hong Kong Limited (the "Stock Exchange"): 609

**INVESTOR RELATIONS**

Room 2204A on the 22nd Floor  
Bank of America Tower  
12 Harcourt Road Central  
Hong Kong  
Tel: 852-2866 6848  
Fax: 852-2866 8922  
ir@tdchem.com

## 財務摘要及五年財務概要

# Financial Highlights and Five Years Financial Summary

	附註 Notes	二零一五年 2015	二零一六年 2016	二零一七年 2017	二零一八年 2018	二零一九年 2019
<b>業績</b> (以人民幣千元列示)	<b>Results</b> (expressed in RMB'000)					
營業額	Revenue	1,123,408	1,265,389	1,407,329	1,179,300	<b>1,381,138</b>
毛利	Gross profit	316,889	396,301	282,645	65,154	<b>185,387</b>
本公司擁有人應佔 溢利／(虧損)	Profit/(Loss) attributable to owners of the Company	172,371	219,603	101,562	(61,058)	<b>21,507</b>
每股基本盈利／ (虧損)(人民幣)	Basic earnings/(loss) per share (in RMB)	1	0.204	0.259	0.120	<b>0.025</b>
未計利息、稅項、折舊及 攤銷前盈利(「未計 利息、稅項、折舊及 攤銷前盈利」)	Earnings before interest, taxation, depreciation and amortisation ("EBITDA")		318,752	407,695	250,895	34,125
						<b>146,233</b>
<b>財務狀況</b> (以人民幣千元列示)	<b>Financial Positions</b> (expressed in RMB'000)					
總資產	Total assets	2	1,382,766	1,620,560	1,925,006	1,691,333
總負債	Total liabilities	3	204,766	302,933	556,481	398,933
每股淨資產(人民幣)	Net assets per share (in RMB)	4	1.391	1.553	1.606	1.517
						<b>1,909,369</b>
						<b>605,533</b>
						<b>1.530</b>
<b>財務比率</b>	<b>Financial Ratios</b>					
流動比率	Current ratio	5	3.7	3.0	1.5	1.6
速動比率	Quick ratio	6	3.2	2.5	1.2	1.2
負債比率	Gearing ratio	7	不適用 N/A	不適用 N/A	不適用 N/A	3.2%
平均資本回報率	Average capital employed	8	26.8%	29.0%	24.6%	10.5%
						<b>1.1</b>
						<b>0.9</b>
						<b>5.1%</b>
						<b>6.9%</b>

### 附註：

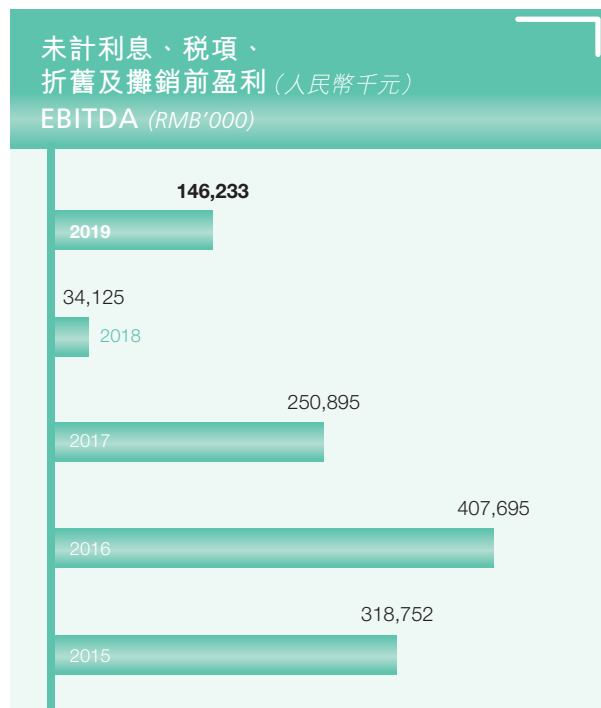
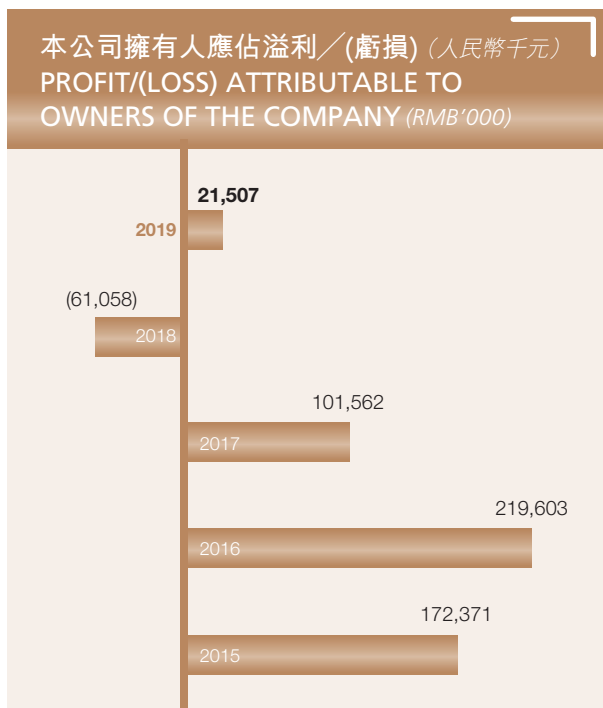
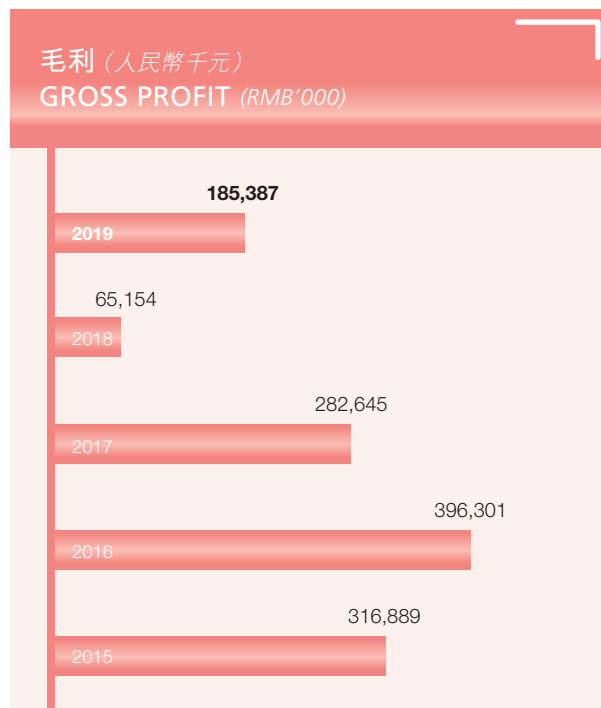
1	每股基本 盈利／ (虧損)	=	本公司擁有人應佔溢利／(虧損) ÷ 年內本公司已發行股份加權 平均數。(每股基本盈利／(虧 損)乃根據本公司加權平均股份 數目計算，而於截至二零一五 年、二零一六年、二零一七年、 二零一八年及二零一九年十二 月三十一日止五個年度之本 公司加權平均股份數目分別為 846,878,000股、847,574,721股、 850,499,995股、851,954,000股 及851,954,000股。)	1	Basic earnings/ (loss) per share	=	Profit/(Loss) attributable to owners of the Company ÷ Weighted average of issued shares of the Company for the year. (The calculation of basic earnings/ (loss) per share is based on the weighted average number of 846,878,000, 847,574,721, 850,499,995, 851,954,000 and 851,954,000 shares of the Company for the five years ended 31 December 2015, 2016, 2017, 2018 and 2019 respectively.)
2	總資產	=	非流動資產 + 流動資產	2	Total assets	=	Non-current assets + Current assets
3	總負債	=	非流動負債 + 流動負債	3	Total liabilities	=	Non-current liabilities + Current liabilities
4	每股淨資產	=	總權益 ÷ 年底本公司已發行股份 數目。(於二零一五年、二零一六 年、二零一七年、二零一八年及 二零一九年十二月三十一日， 每股淨資產乃分別根據本公司已 發行股份數目 846,878,000股、 848,698,000股、851,954,000股、 851,954,000股及 851,954,000股 計算。)	4	Net assets per share	=	Total equity ÷ Number of issued shares of the Company at the year end. (As at 31 December 2015, 2016, 2017, 2018 and 2019, the calculation of net assets per share is based on the number of issued shares of the Company of 846,878,000, 848,698,000, 851,954,000, 851,954,000 and 851,954,000 respectively.)
5	流動比率	=	流動資產 ÷ 流動負債	5	Current ratio	=	Current assets ÷ Current liabilities
6	速動比率	=	(流動資產 - 存貨) ÷ 流動負債	6	Quick ratio	=	(Current assets - Inventories) ÷ Current liabilities
7	負債比率	=	淨負債(扣除銀行與現金結餘及 已抵押銀行存款後之借款總額) ÷ 總權益	7	Gearing ratio	=	Net debts (Total borrowings net of bank and cash balances and pledged bank deposits) ÷ Total equity
8	資本回報率	=	未計利息、稅項、折舊及攤銷前 盈利／(總權益 - 非流動債務融 資)	8	Return on capital employed ("ROCE")	=	EBITDA / (Total equity - non-current debt financing)
	平均資本 回報率	=	(期初資本回報率 + 期末資本回報 率) ÷ 2		Average capital employed	=	(Opening ROCE + Closing ROCE) / 2

# 財務摘要及五年財務概要

## Financial Highlights and Five Years Financial Summary



海外 Overseas      中國 The PRC



# 主席報告 Chairman's Statement



## 年度業績

對本集團而言，二零一九年充滿挑戰，本集團需要應付中國國內日益嚴厲的環保規管。此外，本集團還面對激烈的同業競爭，而中美貿易糾紛升級造成的嚴重連鎖反應亦使中國經濟放緩。綜合以上不利因素，本集團的經營和業務發展面對阻力。為應付動盪的營商環境，不管對外對內，本集團已迅速調整業務策略。對外方面，本集團實施積極的營銷策略及有效的採購策略，從而重獲市場份額，並增加營業額及提高毛利。對內方面，為增強業務競爭力，本集團採取多項有效的改進措施以提高營運效益及改善成本管理。由於本集團過去一年的努力得到回報，本年度成功實現轉虧為盈，證實了本集團業務發展重回正軌。

## RESULTS FOR THE YEAR

2019 was a challenging year for the Group. The Group needed to tackle PRC's increasingly stringent environmental protection regulations. Apart from it, the Group was also facing intensified market competition and the escalating tension in the Sino-US trade dispute causing a serious ripple effect to slow down the economy of PRC. These combined negative factors brought obstacles to the operations and business development of the Group. To cope with turbulent business environment, the Group rapidly adjusted its external and internal business strategies. Externally, the Group implemented proactive sales and marketing strategies in conjunction with effective procurement strategies, resulting in regaining market share, increased revenue and improved gross profit. Internally, in order to reinforce its business competitiveness, the Group introduced various effective improvement measures resulting in operation efficiencies being enhanced and better costs management. As the Group's hard work exerted throughout the year finally paid off, and the business development of the Group was back to the right track as evidenced by achieving success in turnaround to net profit for the year.





各位股東：

本人謹代表天德化工控股有限公司（「本公司」），連同其附屬公司統稱為「本集團」）董事（「董事」）組成之董事會（「董事會」）欣然宣佈截至二零一九年十二月三十一日止年度之年度報告。

**Dear shareholders,**

On behalf of the board (the "Board") of directors (the "Directors") of Tiande Chemical Holdings Limited (the "Company" and together with its subsidiaries, collectively the "Group"), I am pleased to present the annual report for the year ended 31 December 2019.

劉楊先生 主席  
Mr. Liu Yang Chairman

於回顧年度，董事會決定出售江蘇春曉醫藥化工科技有限公司（「江蘇春曉」）（本公司前間接全資附屬公司）全部股權（「出售事項」），出售事項不僅有助整頓及優化本集團的資產組合和資產質量，並可使本集團節省、集中及重新分配資源在具前景的業務上。有鑑於此，出售事項符合本公司及其股東（「股東」）的整體利益。

During the year under review, the Board decided to dispose of the entire equity interest in Jiangsu Chunxiao Pharmaceutical & Chemical Co., Ltd. (江蘇春曉醫藥化工科技有限公司) ("Jiangsu Chunxiao"), a former indirect wholly-owned subsidiary of the Company (the "Disposal"). The Disposal could not only facilitate the rationalisation and optimisation of the asset portfolio and asset quality of the Group but also enable the Group to conserve, concentrate and reallocate its resources to promising businesses. In view of the foregoing reasons, the Disposal is in the interests of the Company and our shareholders (the "Shareholders") as a whole.





# 主席報告

## Chairman's Statement

### 年度業績 (續)

除財務業績有改善外，重整業務發展策略及採取有效的改善措施也為本集團日後的業務發展奠定了穩健基石。本集團重新釐定業務發展方向，以整合產品佈局、專注研發可發揮其業務優勢且具良好市場潛力的新產品，從而鞏固日後業務持續發展平台。此外，本公司全資附屬公司濰坊柏立化學有限公司（「濰坊柏立」）的生產設施搬遷至本公司另一全資附屬公司濰坊濱海石油化工有限公司（「濰坊濱海」）的生產廠區（「該搬遷」）仍在進行中，預期該搬遷完成後，本集團的循環經濟生產體系長遠而言將更加深化，生產資源配置效益將進一步提升，營運成本亦將會降低。加上本集團有條不紊地實施多項有效的改善措施，營運效益將持續提高。以上各項業務改進均有利加強本集團整體競爭優勢，並為其未來增長注入新動力。

### 展望

新年伊始之際，新型冠狀病毒肺炎（「疫情」）爆發，並在全球肆虐。在疫情影響下，本集團也無可避免受到一定影響，而影響程度將取決於疫情時間長短。現階段本集團已努力積極加強疫情防控措施，同時加強行銷應變能力。一旦疫情受控且市況回穩，本集團可全面及迅速恢復經營活動，繼而盡可能降低疫情帶來之影響。

二零一九年，各項業務改進措施的成果為本集團未來的可持續穩健發展奠定穩固基礎，董事會和本人對本集團的長遠業務前景充滿信心。本集團將一如過往，利用現有的業務競爭優勢，積極穩妥地開拓具優厚發展潛力的新市場，竭盡全力為股東創造更大價值及保持穩健增長。

### RESULTS FOR THE YEAR (Continued)

Apart from the improvement on financial results, the Group also laid a solid foundation for its future business development by reoriented business development strategies and adoption of effective improvement measures. The Group refined its business development path to integrate product layout and focus on research and development of new products with good market potential by leveraging on its business advantages. These moves help to solidify the platform for sustainable business development. In addition, the relocation of the production facilities of Weifang Parasia Chem Co., Ltd. ("Weifang Parasia"), a wholly-owned subsidiary of the Company, to the production plant of Weifang Binhai Petro-Chem Co., Ltd. ("Weifang Binhai"), another wholly-owned subsidiary of the Company, (the "Relocation"), is still in the progress. It is anticipated that after the completion of the Relocation, the Group's circular economy production system will be more deepened, efficiency of production resource allocation will be further enhanced as well as operating costs will be lower in the long run. Coupled with various improvement measures methodically implemented by the Group, operational efficiencies will then be improved continuously. All of these business improvements are in favor to strengthen the overall competitive advantages of the Group, and would provide fresh impetus to its future growth.

### PROSPECTS

At the beginning of 2020, the outbreak of Coronavirus Disease 2019 (the "Epidemic") is raging globally. The Group is being inevitably affected to certain extent as a result of the Epidemic. The extent of impact depends on the duration of the Epidemic. Presently, the Group has made effort to actively strengthen the measures on prevention of Epidemic while enforcing its sales and marketing resilience. When the Epidemic becomes controllable and market conditions are reverted to normal, the Group would resume business activities comprehensively and expeditiously, thereby minimising the impact of the Epidemic as much as possible.

During the year, the accomplishment of various business improvement measures has laid a solid foundation for sustainable and stable business development for the future. The Board and I have great confidence in the long-term business prospect of the Group. As always, the Group will endeavor to create greater Shareholders' value and sustain steady growth by leveraging its business competitive advantages and proactively yet prudently developing new markets with lucrative potential.

## 鳴謝

本人藉此機會感謝全體員工的辛勤工作和不懈努力，以及各位董事及管理層成員在過去一年對本集團的承擔和付出，同時對一直鼎力支持本集團的股東及各界合作夥伴致以衷心謝意。本人及管理層定當不遺餘力，帶領本集團朝著未來業務長遠增長的方向邁進。

代表董事會命  
主席  
劉楊

香港，二零二零年三月二十七日

## APPRECIATION

I would like to take this opportunity to express my gratitude to our entire staff for their industrious and relentless hard work and my fellow directors and management team for their commitment and dedication during the past year. I also sincerely thank our shareholders and partners for their continuous support. The management and I will spare no effort in steering the Group in the right direction to achieve future long term growth.

On behalf of the Board  
**Liu Yang**  
*Chairman*

Hong Kong, 27 March 2020

## 董事及高級管理人員之個人資料 Biographical Details of Directors and Senior Management

### 執行董事

**劉揚**，36歲，為董事會主席（「主席」）。劉先生乃非執行董事、本集團聯合創辦人及被視為控股股東之最終實益擁有人劉洪亮先生之兒子。劉先生負責本集團整體策略性發展、業務策劃以及制定政策。劉先生分別於二零零六年及二零一零年取得中國石油大學（華東）電子資訊工程學士學位及加拿大西蒙弗雷澤大學金融學士學位。於加盟本集團前，劉先生自二零一一年十一月至二零一四年三月於興証證券資產管理有限公司任職渠道經理。彼於二零一四年四月加盟本集團。

**王子江**，55歲，執行董事及本集團聯合創辦人之一。王先生於一九八八年畢業於南京化工學院（現稱為南京工業大學），主修化學工程。彼自一九九一年起於濰坊市新技術研究所任職，為期三年。王先生其後於一九九六年共同創辦濰坊天弘股權投資有限公司（「濰坊天弘」）。王先生在化工業擁有逾20年經驗。

### 非執行董事

**劉洪亮**，64歲，本集團聯合創辦人之一。彼為劉揚先生之父親。劉先生於一九八二年畢業於華東石油學院（現稱中國石油大學（華東）），主修基本有機化工。彼自一九八二年起至一九九三年期間於濰坊市新技術研究所任職逾十年，其後與其他人士於一九九六年成立濰坊天弘。劉先生於二零零六年至二零一五年期間擔任主席，並於二零零六年至二零一六年期間擔任執行董事。劉先生自二零一八年八月一日起獲委任為非執行董事。彼在化工業擁有逾30年經驗。

**郭玉成**，63歲，於一九八二年畢業於華東石油學院（現稱中國石油大學（華東）），主修基本有機化工。於二零零零年加盟本集團前，郭先生自一九八二年起一直於濰坊有機化工廠任職。彼於一九九四年獲山東省化工工程技術職務高級評審委員會認可為高級工程師。郭先生於二零零零年十二月加盟本集團，於二零零六年至二零一五年期間擔任執行董事。郭先生自二零一八年八月一日起獲委任為非執行董事。彼在化工業擁有逾30年經驗。

### EXECUTIVE DIRECTORS

**LIU Yang**, aged 36, is the chairman of the Board (the “Chairman”). He is a son of Mr. Liu Hongliang (a non-executive Director, a co-founder of the Group and a deemed ultimate beneficial owner of a controlling Shareholder). Mr. Liu is responsible for the overall strategic development, business planning and policy setting of the Group. He graduated from China University of Petroleum with a degree of Bachelor of Electronic and Information Engineering and Simon Fraser University with a degree of Bachelor of Finance in 2006 and 2010 respectively. Prior to joining the Group, Mr. Liu worked as a channel manager of 興証證券資產管理有限公司 (Xingzheng Securities Asset Management Co., Ltd.) for the period from November 2011 to March 2014. He joined the Group in April 2014.

**WANG Zijiang**, aged 55, is an executive Director and one of the co-founders of the Group. He graduated from Nanjing Chemical College (now known as Nanjing University of Technology) in 1988, majoring in chemical engineering. He worked for three years since 1991 in Weifang New Technology Research Centre. After that, Mr. Wang co-founded Weifang Tianhong Equity Investment Company Limited (“Weifang Tianhong”) in 1996. Mr. Wang has over 20 years of experience in the chemical industry.

### NON-EXECUTIVE DIRECTORS

**LIU Hongliang**, aged 64, is one of the co-founders of the Group. He is the father of Mr. Liu Yang. Mr. Liu graduated from East China Petroleum Institute (華東石油學院) (now known as China University of Petroleum) in 1982, majoring in basic organic chemistry. He spent more than ten years from 1982 to 1993 in Weifang New Technology Research Centre. After that, Mr. Liu established Weifang Tianhong with others in 1996. Mr. Liu was the Chairman from 2006 to 2015 and an executive Director from 2006 to 2016. Mr. Liu has been appointed as non-executive Director since 1 August 2018. He has over 30 years of experience in the chemical industry.

**GUO Yucheng**, aged 63, graduated from East China Petroleum Institute (華東石油學院) (now known as China University of Petroleum) in 1982, majoring in basic organic chemistry. Prior to joining the Group in 2000, Mr. Guo had been working for Weifang Organic Chemicals Factory (濰坊有機化工廠) since 1982. He was accredited as a senior engineer by The Jury of Senior Title of Chemical Technical Post, Shandong Province in 1994. Mr. Guo joined the Group in December 2000. Mr. Guo was an executive Director from 2006 to 2015. Mr. Guo has been appointed as non-executive Director since 1 August 2018. He has over 30 years of experience in the chemical industry.



## Biographical Details of Directors and Senior Management

### 獨立非執行董事

**高寶玉**，58歲，自二零零六年十月四日起獲委任為獨立非執行董事。彼分別自一九九九年九月及二零零一年十一月起任山東大學環境工程系教授及博士研究生導師。彼亦於二零零一年一月至二零一二年十一月期間出任山東大學環境科學與工程學院院長。高先生於二零零七年榮獲山東省人民政府評為山東省有突出貢獻的中青年專家。彼於一九九九年畢業於清華大學，取得工程學博士學位，主修環境工程。

**梁錦雲**，54歲，自二零零七年三月一日起獲委任為獨立非執行董事。梁先生畢業於香港浸會大學及香港理工大學，分別於一九九二年及二零零七年獲得工商管理財務學士學位及企業管治碩士學位。梁先生為香港會計師公會會員、英國特許公認會計師公會資深會員、英國特許秘書及行政人員公會會士及香港特許秘書公會會士。梁先生從事執業會計師逾10年，在財務、會計及審計方面經驗豐富，現為梁錦雲會計師有限公司董事總經理及中正天恆會計師有限公司董事。

**劉晨光**，58歲，自二零零六年十月四日起獲委任為獨立非執行董事。劉先生於一九八二年取得華東石油學院（現稱中國石油大學（華東））石油煉製系理學士學位，並於一九八五年取得應用化學碩士學位。彼於一九九一年取得中國石油大學（北京）應用化學博士學位。劉先生自一九九二年起任中國石油大學（華東）副教授，後於一九九四年升任教授，並於一九九八年擔任博士學位研究生導師，自此成為中國石油大學（華東）教授及導師。劉先生於二零零四年五月至二零一三年四月為中國石油大學（華東）化學工程學院院長，現為中國石油大學（華東）化學工程學院教授。劉先生為中國石油協會、中國化學協會、中國化工協會及美國化學協會會員，並為山東省化學化工協會常務理事。

### 高級管理人員

**陳孝華**，42歲，自二零一八年八月一日起出任本公司總經理，並於二零一八年一月至二零二零年一月期間出任本公司全資附屬公司濰坊德高新材料有限公司之董事。陳先生於一九九九年七月畢業於濰坊昌濰師範專科學校，主修化學。彼於二零零零年三月加盟本集團，彼在化工業擁有逾15年經驗。

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**GAO Baoyu**, aged 58, has been appointed as an independent non-executive Director since 4 October 2006. He is the professor of environmental engineering and the tutor of the postgraduate students studying for doctorate degrees of Shandong University since September 1999 and November 2001 respectively. He was also the dean of the school of environmental science and engineering of Shandong University from January 2001 to November 2012. Mr. Gao was awarded by Shandong Provincial People's Government as one of the Middle-aged and Young Expert with Outstanding Contributions in Shandong Province in 2007. He graduated from Tsinghua University in 1999 with a doctorate degree in engineering majoring in environment engineering.

**LEUNG Kam Wan**, aged 54, has been appointed as an independent non-executive Director since 1 March 2007. Mr. Leung graduated from Hong Kong Baptist University and Hong Kong Polytechnic University with a degree of Bachelor of Business Administration in Finance and a master degree in corporate governance in 1992 and 2007 respectively. Mr. Leung is an associate member of The Hong Kong Institute of Certified Public Accountants, a fellow of The Association of Chartered Certified Accountants, an associate of The Institute of Chartered Secretaries and Administrators and an associate of The Hong Kong Institute of Chartered Secretaries. Mr. Leung has been a practicing certified public accountant for over 10 years. He has extensive experience in financing, accounting and auditing. Mr. Leung currently is the managing director of Leung Kam Wan CPA Limited and a director of CCTH CPA Limited.

**LIU Chenguang**, aged 58, has been appointed as an independent non-executive Director since 4 October 2006. Mr. Liu obtained from East China Petroleum Institute (now known as China University of Petroleum) a bachelor's degree in science majoring in petroleum refining in 1982 and a master's degree in applied chemistry in 1985. He also obtained his doctorate degree in applied chemistry from China University of Petroleum (Beijing) in 1991. Mr. Liu has been appointed as an associate professor of China University of Petroleum in 1992, was then promoted as a professor in 1994 and subsequently took on the post as the tutor of postgraduate students studying for doctorate degrees in 1998 and has ever since become the professor and tutor at China University of Petroleum. Mr. Liu was the dean of the college of chemical engineering of China University of Petroleum from May 2004 to April 2013. Currently, he is a professor of the college of chemical engineering of China University of Petroleum. Mr. Liu is a member of China Petroleum Society, China Chemistry Society, China Chemical Society, American Chemistry Society and director of Shandong Chemistry and Chemical Society.

### SENIOR MANAGEMENT

**CHEN Xiaohua**, aged 42, is a general manager of the Company since 1 August 2018 and a director of Weifang Dekel Innovative Materials Co., Ltd., a wholly-owned subsidiary of the Company, from January 2018 to January 2020. Mr. Chen graduated from Weifang Changwei Teachers College (濰坊市昌濰師範專科學校) majoring in chemical in July 1999. He joined the Group in March 2000. He has over 15 years of experience in the chemical industry.

## 管理層討論及分析

# Management Discussion and Analysis

### 業務回顧

於回顧年度內，去年不利的外在營商條件並未消退。由於中國政府一直實施高規格的安全環保政策，致使化工企業營運開支及合規成本持續上升，最終引致加速行業整合步伐及加劇同業競爭的局面，因此，本集團產品的加權平均銷售價格於年內持續下跌。此外，中美貿易糾紛升級，對中國整體製造業帶來下行壓力，而本集團的海外銷售營業額也難免受到負面影響。

面對如此嚴峻的營商環境，本集團迅速採取行動，調整其業務策略及採取多項有效改善對策，主要包括：(i) 實施積極的銷售和營銷策略，以市場導向方式規劃本集團產品發展方向，並加強開拓新市場以擴大客戶群，從而重獲市場份額；是項措施最終獲得回報，與去年相比，本集團營業額因銷量增加逆勢上升；(ii) 實施有效的採購策略，以具成本效益之方式採購原材料，而整體原材料市場價格也有所下降；該兩項因素共同導致本集團的原材料成本較去年同比明顯下降；及(iii) 對生產費用採取各項有效成本控制措施和對生產廠房內工作崗位重新定位以精簡生產工作流程，生產效益得以進一步提升。以上所有措施使本集團之毛利及毛利率較去年均顯著改善。此外，本集團全面執行各項有效成本控制措施，營運開支受到控制，並同時提高營運效益。上述努力終於得到回報，本集團的業務表現於年內得以轉虧為盈，實現年度純利。

於二零一九年四月，董事會因應江蘇春曉受生產廠房所在地的環境污染問題影響而終止江蘇春曉之生產活動。有關詳細資料，請參閱本公司於二零一九年四月十八日之公告。因此，於回顧年度內，出現一次性物業、廠房及設備減值虧損。為了節省、集中及重新分配資源處理本集團核心業務及推廣具發展潛力的業務，董事會繼而決定於二零一九年六月二十八日出售江蘇春曉全部股權，此舉視作符合本公司及股東的整體利益。

### BUSINESS REVIEW

During the year under review, the adverse external business conditions from previous year remained unabated. As a result of the PRC government persistently imposing more stringent standards of safety and environmental protection policies, higher operating and compliance costs of the overall chemical enterprises continuously and ended up in accelerating pace of industry consolidation and intensified market competitive landscape. Thus, the weighted average selling price of the products of the Group continued to fall during the year. In addition, escalating tension in the Sino-US trade dispute exerted downward pressure to the entire PRC manufacturing sector while the overseas turnover of the Group had been affected adversely and inevitably.

To deal with such challenging business environment, the Group acted swiftly to adjust its business strategies and adopted various effective improvement measures, which mainly included: (i) implementing proactive sales and marketing strategies to employ market-oriented approach to map out product development direction of the Group and make extra effort to explore new markets to expand customer base so as to regain market share. This measure paid off in the end and the revenue of the Group bucked the trend by increased sales volume as compared with last year; (ii) introducing effective procurement strategies to source raw materials cost-effectively while the market prices of raw materials have also retreated generally. These two factors combined together causing the cost of raw materials decreased remarkably as compared with last year; and (iii) adopting various effective cost control measures on production overhead and repositioning of jobs to streamline workflow at production plant, resulting in enhanced production efficiencies. All these measures contributed to significant improvement in the gross profit and gross profit margin of the Group as compared with last year. Besides, the Group executed various effective cost control measures on operations comprehensively that contained operating expenses and boosted operational efficiencies. The aforementioned combine efforts finally paid-off, the Group was capable to turnaround its business performance and achieved net profit for the year.

The Board decided to cease the production activities of Jiangsu Chunxiao in April 2019 due to the environmental pollution issues in the area where its production plant was located. For further details, please refer to the announcement of the Company dated 18 April 2019. Consequently, a related one-off impairment loss on the property, plant and equipment was incurred during the year under review. With an aim to conserve, concentrate and reallocate resources on the core businesses of the Group and promote promising businesses, the Board subsequently decided to dispose of the entire equity interest in Jiangsu Chunxiao on 28 June 2019, which was considered to be in the interests of the Company and Shareholders as a whole.



**業務回顧(續)**

本集團於二零一七年開發的兩條新產品生產線已於回顧年度內相繼獲得當地有關監管機構所發出有關製造和銷售的批文，並已順利推出市場。本集團相信該等新產品將逐步滲透目標市場，日後將最終推高本集團之營業額、加強規模生產效益及拓寬業務規模。此外，本集團因應其現有業務競爭優勢，重新釐定業務發展計劃及整合產品組合。因此，本集團於年內已積極投入資源努力研發，以擴大市場潛力優厚產品的產能和迅速推動新產品面世，從而擴大新的收入來源，並鞏固業務發展平台，確保本集團未來可持續發展。

於回顧年度內，該搬遷已井然有序地分階段展開，本集團管理層將會密切監控該搬遷進度，以確保不會出現不必要的延誤。該搬遷將繼續井然有序地進行，且不會對本集團整體的生產和經營構成重大負面影響。該搬遷完成後，濰坊柏立的生產設施將與濰坊濱海處於同一生產廠區內運作。董事會相信此舉可提高生產效益、作出更有效的生產資源配置和進一步深化循環經濟生產體系，此後更可降低本集團的整體營運成本。

年內，出售事項、該搬遷及重新釐定本集團業務發展計劃引致的業務架構及內部資源分配產生變化。在重新評估本集團的業務活動後，由於本集團所有產品的經濟特徵相似，且按產品分部進行評估不再合適及明智，故董事會決定本集團作為一個單獨的經營分部經營。此後，分部資料將不再作披露。

**展望**

二零二零年伊始，中美終於簽署首階段貿易協定，緩和中國整體製造業的下行壓力。再者，在本集團重新釐定業務發展規劃後：(i) 消除了以往不明確的經營因素；(ii) 具良好發展潛力產品的市場份額逐步擴大；(iii) 精簡營運、控制經營開支，從而提高了營運效益；及(iv) 根據重新整合的產品佈局及具良好潛力的市場開展產品研發活動。以上種種均有助提升本集團內在價值及鞏固整體業務發展的基礎因素。因此，董事會對本集團充滿信心，可實現長遠增長及可持續發展業務。

**BUSINESS REVIEW (Continued)**

The two new product production lines developed by the Group in 2017 finally obtained manufacturing and sales approvals from the relevant local authorities during the year under review, which have launched to the market successfully. The Group believes that these products will progressively penetrate the target markets and eventually drive up revenue, enhance economies of scale and broaden business scales of the Group in future. In addition, the Group refined its business development plans and integrated products portfolio in line with its existing business competitive edges. Accordingly, the Group has actively deployed its efforts and resources in research and development during the year aiming to expand production capacities on products with good market potential and launch new products swiftly so as to add new revenue stream as well as solidify business development platform to secure the sustainable growth of the Group in the future.

During the year under review, the Relocation has been commenced orderly by phases, the management of the Group will closely monitor the progress of the Relocation to make sure no undue delay. The Relocation will continue to be carried out orderly without materially and negatively impact on the productions and operations of the Group as a whole. After the completion of the Relocation, the production facilities of Weifang Parasia will be situated and operated in the production plant of Weifang Binhai. The Board believes the production efficiency will be enhanced, the production resource allocation will be more effective, the circular economy production system will be further intensified as well as the overall operating costs of the Group will be decreased thereafter.

During the year, the Disposal, the Relocation and refined business development plans of the Group triggered a change of business structure and internal resource allocation. After the reassessment of the business activities of the Group, the Board decided that the Group operates as a single operating segment because the economic characteristics of all the Group's products are similar and the assessment by product segments is no longer appropriate and sensible. Thereafter, there will be no further disclosure of segment information.

**Outlook**

The PRC and the United States of America finally executed the phase one trade deal agreement in the beginning of 2020, which alleviated the downward pressure on the manufacturing industry of the PRC. Moreover, after implementing the refined business development plans, (i) the past uncertainties on the operations are being eliminated; (ii) the market share of products with good development potential expanded gradually; (iii) the streamlined operations and well-controlled operating expenses caused operation efficiencies enhancement; and (iv) research and development activities are in line with adjusted product portfolio and good potential markets. All these improvements could enhance intrinsic value of the Group as well as solidify the foundation for business development. The Board is therefore highly confident of the Group's long term growth and achievement of sustainable business development.

## 管理層討論及分析

# Management Discussion and Analysis

### 業務回顧(續)

#### 展望(續)

然而，疫情的爆發對全球整體經濟產生負面影響，本集團也不能倖免，受到一定程度的負面影響，而受影響的程度則取決於疫情的持續時間。面對疫情發展的未知數和所涉及的不明朗營商環境，本集團正在加強營商應變能力及採取防控疫情的措施以確保穩定的業務營運。本集團已作好充分準備，一旦疫情受到遏制，可以迅速全面恢復經營活動，從而盡量減少疫情對本集團帶來之影響。

展望未來，本集團將保持其穩固的業務基礎，並遵循其有效的業務發展戰略，積極而審慎地拓展更多具潛力的新市場，孕育新的業務商機，努力為股東創造價值。

### 財務回顧

#### 營業額

本集團截至二零一九年十二月三十一日止年度的營業額達約人民幣1,381,100,000元，較二零一八年約人民幣1,179,300,000元，上升17.1%。儘管於回顧年度內市場競爭加劇和不利的市場條件使整體售價下跌，但本集團採取積極的銷售和營銷策略，重奪市場份額並實現可觀的銷量增長，繼而推動營業額上升。

#### 毛利

本集團的毛利增加近兩倍至約人民幣185,400,000元，較二零一八年約人民幣65,200,000元增加約人民幣120,200,000元，升幅約184.4%。毛利上升主要是由於：(i)本集團採取有效的採購策略，以更具成本效益的方式採購原材料；(ii)原材料成本較去年有所下降；及(iii)努力執行支出合理化政策，有效控制生產費用。毛利率也從二零一八年的5.5%升至13.4%。

### BUSINESS REVIEW (Continued)

#### Outlook (Continued)

However, the Epidemic has impacted the global economy as a whole negatively. The Group is also inevitably being affected adversely and the extent of impact depends on the duration of the Epidemic. In view of the uncertainties surrounding the duration of Epidemic and its impact on the business environment, the Group is strengthening its business resilience and the prevention measures on the Epidemic to ensure a stable business operation. The Group is well-prepared to resume its business activities in full scale expeditiously once the Epidemic is being contained, thereby minimising the impact of the Epidemic on the Group as much as possible.

Moving forward, the Group will sustain its solid business foundation and endeavor to create Shareholders' value by following its effective business development strategies, proactively yet prudently exploring new potential markets and incubating new business opportunities.

### FINANCIAL REVIEW

#### Revenue

The revenue of the Group for the year ended 31 December 2019 increased by 17.1% to approximately RMB1,381.1 million, as compared with approximately RMB1,179.3 million in 2018. The Group adopted proactive sales and marketing strategies to recapture market shares and realise impressive sales volume growth which driven the growth of revenue despite the overall selling price was eased down by the intensified market competition and adverse market conditions during the year under review.

#### Gross profit

The gross profit of the Group increased almost double to approximately RMB185.4 million, representing an increase of approximately RMB120.2 million or 184.4% as compared with approximately RMB65.2 million in 2018. The increase of gross profit was mainly due to (i) the Group adopted effective procurement strategies to source raw materials more cost effectively; (ii) the costs of raw materials dropped as compared with last year; and (iii) the production overheads were well-controlled by making efforts in fulfilling expenditure rationalisation policies. The gross profit margin also increased to 13.4% when compared with 5.5% in 2018.



**財務回顧(續)****經營收入及開支**

於回顧年度內，其他收入主要包括：(i) 匯兌收益；(ii) 有關地方當局為鼓勵本集團發展業務給予的各種補助；(iii) 遞延收入撥回；及(iv) 銀行利息收入等。

於回顧年度內，銷售開支輕微下跌約人民幣1,800,000元，跌至約人民幣50,800,000元（二零一八年：人民幣52,600,000元），主要原因是採取有效銷售及營銷策略後銷售佣金下跌。此外，儘管營業額回升，惟由於對物流和供應鏈安排方面採取有效成本控制措施，運輸成本亦略有下跌。銷售開支佔本集團營業額3.7%（二零一八年：4.5%）。

於回顧年度內，行政及其他營運開支由二零一八年約人民幣88,700,000元增加約人民幣36,200,000元至二零一九年約人民幣124,900,000元，主要原因是：(i) 增加研發費用以促進未來的業務發展；(ii) 撤銷江蘇春曉的物業、廠房及設備金額約人民幣34,900,000元（二零一八年：人民幣18,300,000元）；及(iii) 濰坊柏立的生產設備搬遷費用約人民幣9,300,000元。行政及其他營運開支佔本集團營業額9.0%（二零一八年：7.5%）。

**財務成本**

財務成本主要為銀行借款利息及來自最終控股公司的墊款的利息，由二零一八年約人民幣4,600,000元輕微減少約人民幣400,000元至二零一九年約人民幣4,200,000元，主要原因是在回顧年度內來自最終控股公司的墊款的利率低於銀行借款利率，而一筆新增銀行借款人民幣100,000,000元剛在年內第四季度借入。

**出售附屬公司收益及應收前附屬公司款項的減值虧損**

虧損本集團於二零一九年六月二十八日完成出售事項，總代價為人民幣990,000元。出售事項所得款項淨額已用作本集團的一般營運資金。有關詳情，請參閱本公司於二零一九年六月二十七日刊發的公告。於出售事項後，本集團就江蘇春曉欠負的過期債務進行減值測試評估，江蘇春曉於二零一九年十二月三十一日應付本集團的總金額約為人民幣48,900,000元，其中約人民幣24,700,000元為無抵押欠款，且在可預見的將來不大可能收回。因此，於回顧年度內確認應收該前附屬公司款項的減值虧損。

**FINANCIAL REVIEW (Continued)****Operating income and expenses**

The other income was mainly comprised of (i) exchange gains; (ii) various grants from the relevant local authorities as incentives to encourage the Group's business development; (iii) release of deferred income; and (iv) bank interest income etc. during the year under review.

The selling expenses slightly decreased by approximately RMB1.8 million to approximately RMB50.8 million (2018: RMB52.6 million) during the year under review. Such decrease was mainly attributable to the decrease of sales commission after adopting effective sales and marketing strategies. Besides, the transportation cost also recorded slightly decrease which mainly owed to the implementation of effective cost control measures on logistic and supply chain arrangement despite of the rebound of turnover. The selling expenses to the Group's revenue was 3.7% (2018: 4.5%).

During the year under review, the administrative and other operating expenses increased by approximately RMB36.2 million from approximately RMB88.7 million in 2018 to approximately RMB124.9 million in 2019. The increase was mainly attributable to (i) an increase in research and development expenses to foster the future business development; (ii) the written-off of property, plant and equipment of Jiangsu Chunxiao of an amount of approximately RMB34.9 million (2018: RMB18.3 million); and (iii) the removal and relocation expenses of Weifang Parasia's production facilities of approximately RMB9.3 million. Administrative and other operating expenses to the Group's revenue was 9.0% (2018: 7.5%).

**Finance costs**

Finance costs mainly represented bank borrowings interest and interest for advances from the ultimate holding company, which slightly decreased by approximately RMB0.4 million from approximately RMB4.6 million in 2018 to approximately RMB4.2 million in 2019. The decrease was mainly due to the interest rate for advances from the ultimate holding company is lower than that of bank borrowings interest rate during the year under review while a new bank borrowing of RMB100.0 million was just raised in the fourth quarter of this year.

**Gain on disposal of a subsidiary and impairment loss on amounts due from a former subsidiary**

On 28 June 2019, the Group completed the Disposal at a total consideration of RMB990,000. The net proceeds of the Disposal have been used as general working capital of the Group. For details, please refer to the announcement of the Company dated 27 June 2019. After the Disposal, the Group has carried out an impairment test assessment for the long overdue debt owing by Jiangsu Chunxiao. The total amount due from Jiangsu Chunxiao to the Group as at 31 December 2019 was approximately RMB48.9 million, out of which an amount approximately of RMB24.7 million is unsecured and highly unlikely recoverable in the foreseeable future. Hence, impairment loss on amounts due from this former subsidiary was recognised during the year under review.

## 管理層討論及分析

# Management Discussion and Analysis

### 財務回顧(續)

#### 本公司擁有人應佔本年度溢利

基於上述原因，本集團不遺餘力地扭轉業務表現，並實現本公司擁有人應佔年度溢利約人民幣21,500,000元（二零一八年：本公司擁有人應佔虧損為人民幣61,100,000元）。

#### 貿易應收賬及應收票據

於二零一九年十二月三十一日，貿易應收賬減少至約人民幣183,500,000元，與於二零一八年十二月三十一日約人民幣198,700,000元比較，下跌約人民幣15,200,000元或7.6%。貿易應收賬中約75.4%乃於二零一九年最後一季出現，且大部分尚未到期，而貿易應收賬中9.9%乃於二零一九年第三季出現。只有14.7%的貿易應收賬逾期180日。截至本報告日期，超過70.8%的貿易應收賬已結清。因此，董事認為，毋須就於二零一九年十二月三十一日之貿易應收賬結餘再作壞賬撥備。

於二零一九年十二月三十一日，應收票據款額約為人民幣106,500,000元，與於二零一八年十二月三十一日的結餘約人民幣107,800,000元比較，減少約人民幣1,300,000元或1.2%。由於所有應收票據均為銀行承兌票據，屬免息且大部分到期期限最長為六個月，且款項乃由中國持牌銀行保證支付，故違約風險視為極低。因此，董事認為毋須計提呆賬撥備。

#### 短期銀行借款及來自最終控股公司的墊款

所有銀行借款均按浮動利率計息並以人民幣計值。於二零一九年十二月三十一日，銀行借款上升至人民幣170,000,000元，與於二零一八年十二月三十一日的結餘人民幣20,000,000元比較，淨增加人民幣150,000,000元或750.0%，主要原因是用以支付以下各項費用：(i)本集團之一般營運資金；(ii)濰坊柏立生產設施的搬遷；及(iii)升級和更換過時生產設施的資本支出。來自最終控股公司的墊款按固定利率計息及以港幣和人民幣計值。於二零一九年十二月三十一日，來自最終控股公司的墊款淨減至約人民幣62,800,000元（二零一八年：人民幣67,500,000元）。

### FINANCIAL REVIEW (Continued)

#### Profit for the year attributable to owners of the Company

As a result of the foregoing, the Group has put unremitting efforts to turnaround its business performance and achieved profit for the year attributable to owners of the Company to approximately RMB21.5 million (2018: loss attributable to owners of the Company was RMB61.1 million).

#### Trade and bills receivable

As at 31 December 2019, trade receivables decreased to approximately RMB183.5 million, representing a decrease of approximately RMB15.2 million or 7.6% as compared with approximately RMB198.7 million recorded as at 31 December 2018. About 75.4% of trade receivables were incurred in the last quarter of 2019 and most of them are not yet due and 9.9% of trade receivables were incurred in the third quarter of 2019. Only 14.7% of trade receivables are overdue for 180 days. Up to the date of this report, over 70.8% of trade receivables have been settled. Thus, the Directors considered that no further bad debt allowance is required on the balance of trade receivables as at 31 December 2019.

As at 31 December 2019, bills receivable amount of approximately RMB106.5 million, decreased by approximately RMB1.3 million or 1.2% as compared with the balance of approximately RMB107.8 million as at 31 December 2018. Since all bills receivable are bank acceptance bills, which are non-interest bearing and most of them have a maximum maturity period of six months, the payments of which were guaranteed by the licensed banks in the PRC. As a result, the default risk is considered minimal. Accordingly, the Directors considered that no allowance for doubtful debt is required.

#### Short-term bank borrowings and advances from the ultimate holding company

All bank borrowings were at floating interest rates and are denominated in Renminbi. As at 31 December 2019, bank borrowings increased to RMB170.0 million, representing a net increase of RMB150.0 million or 750.0% as compared with the balance of RMB20.0 million as at 31 December 2018. The increase mainly used to finance (i) the general working capital of the Group; (ii) the removal and relocation of Weifang Parasia's production facilities; and (iii) capital expenditure incurred to upgrade and replace outdated production facilities. The advances from the ultimate holding company were at a fixed interest rate and denominated in Hong Kong dollars and Renminbi. A net decreased to approximately RMB62.8 million (2018: RMB67.5 million) of the advances from the ultimate holding company as at 31 December 2019.

## 財務回顧(續)

### 流動資金及財務資源

本集團之主要資金來源包括經營活動產生之淨現金流入約人民幣245,100,000元(二零一八年:人民幣16,800,000元)、新增銀行借款人民幣170,000,000元(二零一八年:人民幣20,000,000元)、來自最終控股公司的新增墊款人民幣15,000,000元(二零一八年:人民幣67,500,000元)、出售物業、廠房及設備所得款項約人民幣100,000元(二零一八年:人民幣200,000元)、出售附屬公司所得款項淨額約人民幣1,000,000元(二零一八年:無)及已收銀行利息約人民幣1,000,000元(二零一八年:人民幣1,700,000元)。憑藉本集團營運所得之財務資源,本集團於回顧年度內斥資約人民幣240,000,000元(二零一八年:人民幣77,600,000元)收購物業、廠房及設備、就資產使用權付款約人民幣29,600,000元(二零一八年:無)、償還銀行借款人民幣20,000,000元(二零一八年:人民幣196,400,000元)、支付利息約人民幣2,700,000元(二零一八年:人民幣4,300,000元)、償還來自最終控股公司的墊款人民幣20,000,000元(二零一八年:無)以及並無派付股息(二零一八年:人民幣7,200,000元)。於二零一九年十二月三十一日,本集團的銀行及現金結餘及已抵押銀行存款約為人民幣171,400,000元(二零一八年:人民幣51,800,000元),其中87.6%以人民幣持有,10.5%以美元持有,其餘則以港幣及歐元持有。

於二零一九年十二月三十一日,本集團錄得流動資產淨值約人民幣52,200,000元(二零一八年:人民幣211,600,000元),流動比率約1.1倍(二零一八年:1.6倍)。本集團未償還借款總額約人民幣238,300,000元(二零一八年:人民幣92,900,000元)。本集團資產負債比率(即淨借貸(扣除銀行與現金結餘及已抵押銀行存款之借款總額)與股東權益總額之比率)為5.1%(二零一八年:3.2%)。

本集團持續升級或更換過時的生產設施以確保將來有成功的可持續業務發展,同時致力於保持穩健的財務狀況。通過保持正面經營活動現金流入,再加上手上可用之現金資源及銀行授出但尚未動用的銀行信貸額度,本集團具備充裕之財務資源,足以應付目前的承擔及營運資金所需。本集團將密切及審慎地監察現金流出,並致力維持穩健之財務狀況,為股東提高股本回報。

## FINANCIAL REVIEW (Continued)

### Liquidity and financial resources

The Group's primary source of funding included the net cash inflow generated from operating activities of approximately RMB245.1 million (2018: RMB16.8 million); newly raised bank borrowings of RMB170.0 million (2018: RMB20.0 million); an increase of advances from the ultimate holdings company of RMB15.0 million (2018: RMB67.5 million); proceeds on disposals of property, plant and equipment of approximately RMB0.1 million (2018: RMB0.2 million); net proceeds from disposal of a subsidiary of approximately RMB1.0 million (2018: Nil) and bank interest received of approximately RMB1.0 million (2018: RMB1.7 million). With the financial resources obtained from the Group's operations, the Group had spent approximately RMB240.0 million (2018: RMB77.6 million) in the acquisition of property, plant and equipment; payments for right-of-use-assets of approximately RMB29.6 million (2018: Nil); repayments of bank borrowings of RMB20.0 million (2018: RMB196.4 million); interest paid of approximately RMB2.7 million (2018: RMB4.3 million), repayments of advances from the ultimate holdings company of RMB20.0 million (2018: Nil) and no dividend paid (2018: RMB7.2 million) during the year under review. As at 31 December 2019, the Group had bank and cash balances and pledged bank deposits of approximately RMB171.4 million (2018: RMB51.8 million), of which 87.6% was held in Renminbi, 10.5% was held in United States dollars and the remaining balances were held in Hong Kong dollars and euros.

As at 31 December 2019, the Group had recorded net current assets of approximately RMB52.2 million (2018: RMB211.6 million), the current ratio of the Group was approximately 1.1 times (2018: 1.6 times). The total amount of outstanding borrowings of the Group was approximately RMB238.3 million (2018: RMB92.9 million). The gearing ratio (which is represented by the ratio of net debts (total borrowings net of bank and cash balances and pledged bank deposits) to total shareholders' equity) was 5.1% (2018: 3.2%).

The Group has continuously upgraded or replaced outdated production facilities to secure its sustainable business development in future successfully and devotes to uphold a solid financial position simultaneously. By way of a positive cash inflow from operating activities continuously, coupled with the available cash resources on hand and undrawn banking facilities from its banks, the Group has sufficient financial resources to meet its present commitments and working capital requirements. The Group will monitor its cash outflow closely and cautiously and be dedicated to maintain a sound financial position and improve the equity return to the Shareholders.

## 管理層討論及分析

# Management Discussion and Analysis

### 財務回顧(續)

#### 資產抵押

於二零一九年十二月三十一日，已抵押銀行存款人民幣6,000,000元(二零一八年：無)及應收票據金額人民幣6,000,000元(二零一八年：無)以獲得銀行承兌票據額度。此外，總額約人民幣900,000元的銀行結餘已根據中國法院命令被凍結，以就一宗訴訟案件作出保證(二零一八年：約人民幣2,000,000元之受限制銀行存款乃有關地方當局為確保遵守當地環境和安全生產守則而要求之保證金，而約人民幣700,000元的銀行結餘已根據中國法院命令被凍結，以就訴訟案件作出保證)。

#### 或然負債

於二零一九年十二月三十一日，本集團並無任何重大或然負債(二零一八年：無)。

#### 承擔

於二零一九年十二月三十一日，本集團已訂約但未撥備之承擔總額約人民幣125,200,000元(二零一八年：人民幣76,200,000元)，乃涉及收購物業、廠房及設備以及在建工程。同時，已批准但未訂約之資本承擔總額約人民幣142,100,000元(二零一八年：無)，乃涉及收購物業、廠房及設備以及在建工程。

#### 融資及庫務政策

本集團為其融資及庫務政策採取審慎的方針，以致力維持最佳的財政狀況及盡量降低本集團的財務風險。本集團定期檢討資金需求，以確保有充裕的財政資源應付業務營運及未來投資所需。

根據本集團的融資及庫務政策，本集團高級管理人員(「高級管理人員」)會妥為編製現金流量預測，並會作出定期檢討，此舉有助本集團維持足夠的現金和現金等值水平及足夠可用的銀行融資，以為日常營運及可預見將來所需的資本開支提供資金。

本集團在回顧年度內並無利用任何金融工具作對沖用途，原因是本集團的業務主要以人民幣進行，且本集團大部分貨幣資產及負債均以人民幣計值。因此，本集團不會承受重大貨幣風險及匯率風險。

本集團的利率風險主要來自銀行借款。為盡量降低借款成本和利率風險，應付預期資金需求所新增的任何貸款均須經過審慎評估並經執行董事批准。本集團在考慮新融資之時亦會維持適當的負債比率水平。

### FINANCIAL REVIEW (Continued)

#### Pledge of assets

As at 31 December 2019, bank deposits amounts of RMB6.0 million (2018: Nil) and bills receivable amounts of RMB6.0 million (2018: Nil) were pledged for bank acceptance bills facilities. Besides, a aggregated bank balances of approximately RMB0.9 million were frozen to secure a litigation case under the PRC court order (2018: a restricted bank deposit of approximately RMB2.0 million was under a security deposit requested by the relevant local authority to assure compliance with local environmental and safety production practices; and bank balances of approximately RMB0.7 million were frozen to secure litigation cases under the PRC court orders).

#### Contingent liabilities

As at 31 December 2019, the Group had no material contingent liabilities (2018: Nil).

#### Commitments

As at 31 December 2019, the Group had commitments which has been contracted but not yet been provided for in the aggregate amount of approximately RMB125.2 million (2018: RMB76.2 million), for acquisition of property, plant and equipment as well as construction in progress, while the capital commitment for authorised but not contracted for in aggregate amount of approximately RMB142.1 million (2018: Nil) related to the acquisition of property, plant and equipment as well as construction in progress.

#### Funding and treasury policies

The Group adopts a prudent approach on its funding and treasury policies, which aims to maintain an optimal financial position and minimise the Group's financial risks. The Group regularly reviews its funding requirements to ensure adequate financial resources to support its business operations and future investments as and when needed.

Cash flow forecast is well-prepared and reviewed regularly by the senior management of the Group ("Senior Management"), which facilitates the Group to maintain an adequate level of cash and cash equivalents, and sufficient available banking facilities to finance the daily operations and capital expenditure requirements in foreseeable future according to the funding and treasury policies of the Group.

During the year under review, the Group did not use any financial instruments for any hedging purposes as the Group's businesses are principally conducted in RMB and most of the Group's monetary assets and liabilities are denominated in RMB. Accordingly, the Group is not subject to significant currency risk and foreign exchange rate risk.

The Group's interest rate risk arises primarily from bank borrowings. In order to minimise the borrowing cost and interest rate risk, any raising of loans to meet the expected funding demand must be assessed carefully and approved by the executive Directors. The Group will consider new financing while maintaining an appropriate level of gearing.



**財務回顧(續)****匯率波動風險**

本集團之營運主要位於中國，其資產、負債、營業額及交易均主要以人民幣、港幣及美元計值。

本集團所承擔之最主要外匯波動風險，乃源自回顧年度內人民幣匯率變動的影響。除出口銷售主要以美元計值外，本集團大部分收入及開支均以人民幣計值。然而，本集團在回顧年度內並無因外幣匯率波動而於營運或資金流動狀況方面遇上任何重大困難，亦未因而受到任何重大影響。此外，於適當之時，本集團日後將就以外幣進行之交易考慮採用具成本效益之對沖方法。

**僱員及酬金政策**

於二零一九年十二月三十一日，本集團共有 1,454 名（二零一八年：1,428 名）全職僱員。

在回顧年度內，僱員成本總額（包括董事酬金）升至約人民幣 149,600,000 元（二零一八年：人民幣 134,200,000 元）。

本集團已制定人力資源政策及體制，務求於薪酬制度中加入獎勵及獎金，以及為僱員提供多元化之培訓及個人發展計劃。向僱員發放之酬金待遇乃按其職務及當時市場標準釐定，本集團同時向僱員提供員工福利，包括醫療保險及公積金。

本集團根據員工在年度表現評核的評分，向僱員發放酌情花紅及獎金。本集團亦會給予僱員獎金或其他獎勵，以推動僱員個人成長及事業發展，例如向僱員提供持續培訓，以提升彼等之技術及產品知識以及對行業品質標準之認識。所有新加入本集團之僱員均須參加入職課程，另有各類可供本集團所有僱員參加之培訓課程。

本公司亦已採納購股權計劃，以獎勵及獎賞曾對本集團的業務成就作出貢獻之合資格參與人。在回顧年度內，本公司並無授出任何購股權（二零一八年：無）。

**FINANCIAL REVIEW (Continued)****Exposure to fluctuations in exchange rates**

The Group's operations are mainly in the PRC and its assets, liabilities, revenues and transactions are mainly denominated in RMB, Hong Kong dollars and United States dollars.

The Group's foremost exposure to the foreign exchange fluctuations was caused by the impact of Renminbi exchange rate movements during the year under review. Most of the Group's income and expenses are denominated in RMB except for export sales which were, in majority, denominated in United States dollars. However, the Group has not experienced any material difficulties or effects on its operations or liquidity as a result of the fluctuations in currency exchange rates during the year under review. Besides, the Group will consider adoption of cost efficient hedging methods in future foreign currency transactions as and when appropriate.

**Employees and remuneration policy**

As at 31 December 2019, the Group had 1,454 (2018: 1,428) full-time employees.

For the year under review, the total staff costs including directors' remuneration increased to approximately RMB149.6 million (2018: RMB134.2 million).

The Group has established its human resource policies and scheme with a view to deploying the incentives and rewards of the remuneration system which includes a wide range of training and personal development programs to the employees. The remuneration package offered to the employees was in line with the duties and the prevailing market terms. Staff benefits, including medical coverage and provident funds, have also been provided to the employees of the Group.

The employees would receive discretionary bonuses and monetary rewards based on their ratings in annual performance appraisals of the Group. The Group also offers rewards or other incentives to the employees in order to motivate their personal growth and career development, such as ongoing opportunities for training to enhance their technical and products knowledge as well as their knowledge of industry quality standards. All new employees of the Group are required to attend an induction course and there are also various types of training courses available to all the Group's employees.

The Company has also adopted a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. During the year under review, no share options of the Company had been granted (2018: Nil).

# 董事報告

## Directors' Report

董事欣然提呈本集團截至二零一九年十二月三十一日止年度之年報連同經審核財務報表。

### 主要業務

本公司為投資控股公司，本集團之主要業務為研發、製造及銷售精細化工產品。

### 業績及分派

本集團截至二零一九年十二月三十一日止年度之業績載於本年報第55頁的綜合收益表。

於回顧年度內，董事並無宣派中期股息（二零一八年：無）。

董事不建議就截至二零一九年十二月三十一日止年度派付末期股息（二零一八年：無）。

### 派息政策

本公司股息政策的目標是讓股東分享本公司的利潤，同時為本集團的未來增長預留足夠的儲備。本公司可以現金或實物方式或董事會認為適當的其他方式宣派及派付股息。股息的宣派及分派須由董事會酌情決定，並考慮以下因素：

- 本集團實際和預期財務表現；
- 本公司的保留溢利和可分派儲備的餘額；
- 債務比率及股本回報率的水平及本集團的相關財務契約；
- 可能對本集團施加的任何派息限制；
- 本集團的預期營運資金需求及未來業務計劃；
- 整體經濟狀況及可能對本集團業務或財務表現及狀況產生影響的其他內外因素；及
- 董事會認為合適的任何其他因素。

The Directors have pleasure in presenting the annual report together with the audited financial statements of the Group for the year ended 31 December 2019.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal business of the Group includes research and development, manufacture and sale of fine chemical products.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated income statement on page 55 of this annual report.

During the year under review, the Directors did not declare an interim dividend (2018: Nil).

The Directors do not recommend the payment of a final dividend (2018: Nil) in respect of the year ended 31 December 2019.

### DIVIDEND POLICY

The objective of the Company's dividend policy is to allow the Shareholders to participate in the Company's profits whilst retaining adequate reserves for the Group's future growth. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate. The declaration and distribution of dividends is subject to the discretion of the Board and taking into account the following factors:

- the Group's actual and expected financial performance;
- the balances of retained profit and distributable reserves of the Company;
- the level of debts ratio, return on equity and the relevant financial covenants of the Group;
- any restrictions on payment of dividends that may be imposed to the Group;
- the expected working capital requirements and future business plans of the Group;
- general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- any other factors that the Board may deem appropriate.

## 業務回顧及表現

本集團截至二零一九年十二月三十一日止年度之業務回顧載於本年報第4至5頁之「財務摘要及五年財務概要」、第6至9頁之「主席報告」及第12至19頁之「管理層討論及分析」。

本集團確認其僱員、客戶及業務夥伴是可持續發展的關鍵。本集團致力與僱員建立密切及關顧之關係、為客戶提供優質產品及服務，並加強與業務夥伴的合作。

## 環保政策及表現

本集團承諾維持清潔、節約能源與和諧的環境保護政策。通過建立ISO14000合規環境管理體系，本集團得以提高其環境管理能力，從而優化環境、減少污染、節能降耗及減少排放污染物。

本集團已成立環境管理小組，以監督本集團各層面的環保事項。本集團並實施明確的崗位職責和完善的環保表現評核計劃，從而不時改進本集團在環保方面的表現。本集團已符合國家及地方當局規定的環保要求、並自二零零四年開始取得ISO14001環境管理體系認證。本集團以「計劃—執行—檢查—行動」的質量管理原則，一直致力於改善環境管理。本集團盡其所能推動其供應商及客戶實踐環保工作。本集團奉行清潔生產工序、提倡循環經濟、維持健全的環保規章制度，積極推動四大環保行動：(i)減少浪費；(ii)資源再用；(iii)循環再造；及(iv)使用環保替代品，全面覆蓋本集團的業務活動，以實現節能減排的目標。

本集團將其產品保持在最高標準，並採用先進的技術和生產工藝。本集團所有建設項目均嚴格採取「三同時」制度，以確保防止污染設施同時納入項目設計、建設及生產。環保工作由產品設計到成品的流程貫徹執行，清潔生產審計已經備妥並定期進行。本集團積極落實廢物處理、循環再用、控制污染物排放，並向僱員提供安全和健康的工作場所，旨在改善他們的工作生活和環境質量。

## BUSINESS REVIEW AND PERFORMANCE

The business review of the Group for the year ended 31 December 2019 is set out in the sections of Financial Highlights and Five Years Financial Summary, Chairman's Statement and Management Discussion and Analysis on pages 4 to 5, pages 6 to 9 and pages 12 to 19 respectively of this annual report.

The Group recognises that its employees, customers and business partners are the keys to sustainable development. The Group is committed to establishing a close and caring relationship with its employees, providing quality products and services to its customers and enhancing co-operation with its business partners.

## Environmental policies and performance

The Group is committed to maintaining a clean, energy saving and harmonious environmental conservation policy. Through the establishment of ISO14000 compliance environmental management system, the Group improves its environmental management ability so as to achieve environmental optimisation, minimise pollution, energy saving and reduction of pollutant emissions.

The Group has established an environmental management team to oversee all environmental issues Group-wide. The Group has also implemented well-defined job specifications and a sound environmental performance evaluation program so as to improve the environmental performance of the Group from time to time. The Group has complied with the environmental requirements laid down by the states and local authorities as well as obtaining ISO14001 environmental management system certification since 2004. The Group constantly works to improve environmental management through the plan-do-check-act quality management principle. The Group uses its best endeavour to promote environmental friendly practices to both suppliers and customers. The Group pursues clean production processes, promotes circular economy, maintains sound environmental rules and regulations and actively promotes the 4Rs (Reduce, Recycle, Reuse and Replace) throughout all the Group's business activities to realise emission reduction targets.

The Group maintains its products to the highest standards, advanced technology and production processes. All construction projects of the Group have strictly adopted the "Three Simultaneous System", to ensure the prevention of pollution facilities incorporated into the project design, construction and production at the same time. Environmental protection is in place throughout the process from product design to finished product. Clean production audit is in place and it is performed regularly. The Group actively implements the waste treatment and recycling, controls pollutant emission, and provides a safety and health workplace to employees with an aim to improve their quality of working life and environment.



# 董事報告

## Directors' Report

### 業務回顧及表現 (續)

#### 環保政策及表現 (續)

本集團積極推動全員參與環境保護工作，並致力通過環境保護規章制度及環保工作技能來提高全體員工的環保意識和能力。本集團根據現行法律、法規及重大環境因素來制訂「目標、指標、管理方案」，不時改善環保方面的「糾正及預防措施」。本集團制定完善的「重大環境因素應急預案」。管理方案及糾正、預防措施的實行能有效監控重大環境因素。按照「重大環境因素應急預案」，本集團定期演練來提升全員的環保應急能力，從而達到減少污染、節能和保護環境的目的，以及盡責履行環境保護、企業和社會責任。

#### 主要風險和不確定因素

除在「主席報告」及「管理層討論及分析」匯報的事宜外，根據公司條例的披露規定（香港法例第622章），本集團所面對的主要風險及不明朗因素如下。

##### 策略風險

1. 全球經濟狀況欠佳、客戶行業的經濟波動和全球精細化工市場（特別是中國市場）的波動及週期因素均可能對本集團業績帶來不利影響。

本集團保持均衡的產品組合，供應給廣泛的客戶群。董事會密切監察市場狀況，並在有需要時採取緊急糾正措施。

2. 本集團的競爭能力在很大程度上取決於其開發技術創新和推出新產品的能力。假如無法達到，可能會對本集團造成不利影響。

本集團不斷投資，通過研發來改進現有產品、開發新產品及新生產技術。

### BUSINESS REVIEW AND PERFORMANCE (Continued)

#### Environmental policies and performance (Continued)

The Group proactively promotes all employees to participate in environmental conservation. The Group strives to raise environmental awareness and competence of all its employees through environmental protection rules and regulations and environmental work skills. The Group based on the evaluation of current laws and regulations as well as the significant environmental factors to formulate an "Objectives, Targets, Management Scheme", and improves the "corrective and preventive measures" of environmental aspects from time to time. The Group developed a comprehensive "Significant Environmental Factors Contingency Plan". The implementation of Management Scheme, corrective and preventive measures can effectively control the significant environmental factors. In accordance with "Significant Environmental Factors Contingency Plan", the Group performs drilling regularly to improve environmental emergency response capacity of all employees, so as to achieve the objective of reducing pollution, energy conservation, and environmental protection as well as conscientiously fulfilling environmental protection, corporate and social responsibility.

#### Principal risks and uncertainties

In addition to the matters reported in the Chairman's Statement and Management Discussion and Analysis, the following are the principal risks and uncertainties that the Group is facing in pursuant to the disclosure requirement of Companies Ordinance (Chapter 622 of the laws of Hong Kong).

##### Strategic risks

1. Unfavourable conditions in the global economy, economic fluctuations in customers' industries and volatility and cyclicality of the global fine chemicals markets (in particular the PRC market) may adversely affect the results of the Group.

The Group maintains a balanced portfolio of products serving a wide spectrum of customers. The Board is closely monitoring market conditions and corrective actions are taken imminently as and when necessary.

2. The ability of the Group to compete is highly dependent on its ability to develop technological innovations and to introduce new products. Failure to do so could have an adverse effect on the Group.

The Group continues to invest in improving existing products, developing new products and new production technologies through research and development.

## 業務回顧及表現 (續)

### 主要風險和不確定因素 (續)

#### 策略風險 (續)

3. 如本集團無法採購／生產主要原材料，可能會導致生產中斷，而主要原材料和能源價格如有大幅波動，亦可能會對本集團的盈利能力及營運資金狀況產生不利影響。

本集團的採購策略能取得主要原材料的不同供應渠道，而本集團與主要供應商緊密合作，以保持可靠及優質產品／服務之供應。本集團盡可能物色合適的替代原材料。本集團積極監控其利潤率，並盡力從客戶身上取回上升的成本。

#### 營運風險

1. 遵守廣泛的環保、健康和安全管理法規可能引致巨額支出或改變本集團的運作方式。化學品的生產、儲存和運輸本質上是危險的，任何與危害情況相關的事故均可使本集團的財務狀況、經營業績和聲譽受不利影響。

詳細的安全、健康和環保流程均記錄在操作手冊中，有關手冊會定期更新及向員工傳閱。完善的維修保養計劃已準備就緒，以確保設施能符合地方的法定要求。本集團已成立安全、健康和環境部門，專責處理有關安全、健康和環境的事項，並確保備妥本集團各層面的主要安全、健康和環境領域的持續改善計劃。

2. 本集團一貫的成就取決於能否吸引和挽留能夠有效地管理本集團運作的優秀高級管理人員和員工。

本集團向核心員工提供具競爭力的薪酬待遇、年度表現獎金和長期激勵計劃（如購股權）。適當的通知期和非競爭條款乃用於減輕因核心員工離職而產生的短期風險。本集團也有制定重要職位的繼任計劃。

## BUSINESS REVIEW AND PERFORMANCE (Continued)

### Principal risks and uncertainties (Continued)

#### Strategic risks (Continued)

3. The failure of the Group to procure/produce key raw materials may lead to production interruptions and sharp volatility in the prices of such raw materials and energy prices may adversely affect the profitability of the Group and its working capital position.

Sourcing strategies of the Group are in place to access multiple supply channels for key raw materials and the Group works closely with key suppliers to maintain a reliable and high-quality supply of goods/services. The Group strives to identify suitable alternative raw materials where possible. The Group actively monitors its profit margins and uses best endeavor to recover input cost increases from customers.

#### Operational risks

1. Compliance with extensive environmental, health and safety laws and regulations could lead to material expenditure or changes in the operations of the Group. The manufacture, storage and transportation of chemicals is inherently dangerous and any incidents relating to the hazards which the Group faces may adversely affect its financial condition, results of operations and reputation.

Detailed safety, health and environmental processes are documented in operating manual which is updated and communicated to staff on a regular basis. Sound maintenance programs are in place in order to ensure that the facilities meet local statutory requirements. The Group established a safety, health and environmental department dedicated to safety, health and environmental issues and ensure the programs for continuous improvement across all major safety, health and environmental areas are in place Group-wide.

2. The ongoing success of the Group is dependent on attracting and retaining high quality senior management and staff who can effectively manage the Group's operations.

The Group offers competitive compensation packages with annual performance bonuses and long-term incentive arrangements (e.g. share options) for key employees. Appropriate notice periods and non-compete clauses are used to mitigate short-term risk arising from the departure of key employees. The Group is also developing a succession plan for key positions.

# 董事報告

## Directors' Report

### 業務回顧及表現 (續)

#### 主要風險和不確定因素 (續)

##### 財務風險

1. 本集團的財務狀況和現金流量表或信貸市場狀況和信貸評級可能會限制本集團取得信貸融資的能力。此外，利率上升波動和銀行貸款息差擴大亦可能會增加本集團的借款成本。

本集團管理層會適時密切監察現金流和營運資金的表現，以確保擁有健全的流動性及有足夠現金及現金等值項目以資助本集團的營運。本集團管理層會定期檢討銀行借款的相關貸款協議（如適用）以及利率風險，並會考慮在有需要時對沖重大的利率風險。有關流動性風險和利率風險的詳細資料已載於截至二零一九年十二月三十一日止年度之財務報表附註41。

2. 如交易對方未能履行義務，客戶的信貸風險會造成財務損失。

為降低信貸風險，本集團管理層已委派一個小組負責釐定信用額度、信貸審批及其他監控程序，以確保會採取跟進行動以收回逾期債務。只有在仔細評估客戶的財務狀況和信貸記錄後，本集團方會向客戶提供信貸。此外，本集團管理層會於報告期結束時檢討預期信貸虧損評估，以確保對預期無法收回之款項計提足夠的虧損撥備。有關客戶信貸風險的詳細資料已載於截至二零一九年十二月三十一日止年度之財務報表附註41。

#### 股東週年大會

本公司應屆股東週年大會（「二零二零年股東週年大會」）將於二零二零年六月十二日（星期五）舉行。有關二零二零年股東週年大會之詳情，股東請參閱二零二零年四月二十四日之本公司通函、二零二零年股東週年大會通告及隨附之代表委任表格。

#### 暫停辦理股東登記手續

為確定有權出席二零二零年股東週年大會並於會上投票的股東，本公司將由二零二零年六月九日（星期二）至二零二零年六月十二日（星期五）（包括首尾兩天）止期間暫停辦理股東登記手續。如欲獲得出席二零二零年股東週年大會並於會上投票之權利，所有過戶文件連同有關股票最遲須於二零二零年六月八日（星期一）下午四時三十分前送交本公司之香港股份過戶登記處香港中央證券登記有限公司辦理登記手續，地址為香港灣仔皇后大道東183號合和中心17字樓1712-1716室。

### BUSINESS REVIEW AND PERFORMANCE (Continued)

#### Principal risks and uncertainties (Continued)

##### Financial risks

1. The Group's statement of financial position and cash flow or credit market conditions and credit ratings may restrict the ability of the Group to obtain credit facilities. In addition, upward interest rate fluctuations and increases in bank lending margins may increase the Group's costs of borrowing.

The management of the Group closely monitors cash flow and working capital performance on a timely basis to ensure it has a sound liquidity position and sufficient level of cash and cash equivalents to finance the Group's operations. The management of the Group regularly reviews the relevant loan covenants (if applicable) for bank borrowings as well as the interest rate exposure and will consider hedging significant interest rate exposure should the need arise. Details of the liquidity risk and interest rate risk are set out in note 41 to the financial statements for the year ended 31 December 2019.

2. Customers' credit risk will cause a financial loss if the counterparties fail to discharge their obligation.

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group only extends credit to customers based on careful evaluation of the customers' financial conditions and credit history. In addition, the management of the Group reviews the assessment of expected credit losses at the end of the reporting period to ensure that adequate losses allowance are made for expected irrecoverable amounts. Details of the customers' credit risk are set out in note 41 to the financial statements for the year ended 31 December 2019.

#### ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company (the "2020 AGM") will be held on Friday, 12 June 2020. Shareholders should refer to the details regarding the 2020 AGM in the circular of the Company of 24 April 2020, the notice of the 2020 AGM and the form of proxy accompanying thereto.

#### CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders who are entitled to attend and vote at the 2020 AGM, the register of members of the Company will be closed from Tuesday, 9 June 2020 to Friday, 12 June 2020, both days inclusive. In order to qualify for the right to attend and vote at the 2020 AGM, all transfers accompanied by the relevant share certificates should be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716 on the 17th Floor of Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 8 June 2020.

## 股本

於回顧年度，本公司股本並無變動。

## 財務概要

本集團於過去五個財政年度的業績以及資產負債概要載於本年報第4至5頁。

## 儲備

本集團及本公司之儲備變動詳情，分別載於本年報第61頁及第62頁之本集團綜合權益變動表及截至二零一九年十二月三十一日止年度之財務報表附註32。

## 本公司可供分派儲備

根據開曼群島公司法，在組織章程大綱或細則條文之規限下，本公司之股份溢價賬可用於向股東作出分派或派付股息，惟於緊隨分派股息後，本公司須有能力償還於日常業務中到期之債務。於二零一九年十二月三十一日，本公司可供分派予股東之儲備合共約為人民幣334,400,000元（二零一八年：人民幣335,400,000元）。

## 物業、廠房及設備

在回顧年度內，本集團耗支約人民幣240,000,000元（二零一八年：人民幣77,600,000元）於物業、廠房及設備，以擴充生產能力。有關物業、廠房及設備之變動詳情，載於截至二零一九年十二月三十一日止年度之財務報表附註13。

## 投資物業

本集團之投資物業已於年結日重估。因重估產生之投資物業公允值增加約為人民幣1,400,000元（二零一八年：人民幣2,100,000元），並已計入綜合收益表。有關本集團投資物業變動之詳情，載於截至二零一九年十二月三十一日止年度之財務報表附註15。

## 捐款

在回顧年度內，本集團作出之慈善及其他捐款合共約人民幣90,000元（二零一八年：人民幣40,000元）。

## SHARE CAPITAL

There were no movements in the share capital of the Company during the year under review.

## FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 4 to 5 of this annual report.

## RESERVES

Details of movements in the reserves of the Group and of the Company are set out in the consolidated statement of changes in equity of the Group on pages 61 and 62 of this annual report and note 32 to the financial statements for the year ended 31 December 2019 respectively.

## DISTRIBUTABLE RESERVES OF THE COMPANY

Under the Companies Law of the Cayman Islands, the share premium account of the Company can be used for paying distributions or dividends to Shareholders subject to the provisions of its memorandum or articles of association and provided that immediately following the distribution of dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. As at 31 December 2019, the Company's reserves available for distribution to Shareholders amounted in total to approximately RMB334.4 million (2018: RMB335.4 million).

## PROPERTY, PLANT AND EQUIPMENT

During the year under review, the Group spent approximately RMB240.0 million (2018: RMB77.6 million) on property, plant and equipment to expand its production capabilities. Details of the movements in the property, plant and equipment of the Group are set out in note 13 to the financial statements for the year ended 31 December 2019.

## INVESTMENT PROPERTIES

The Group's investment properties were revalued at the year-end date. The fair value increase in investment properties arising from revaluation amounting to approximately RMB1.4 million (2018: RMB2.1 million) has been credited to the consolidated income statement. Details of movements in the investment properties of the Group are set out in note 15 to the financial statements for the year ended 31 December 2019.

## DONATIONS

During the year under review, the Group made charitable and other donations totaling approximately RMB0.09 million (2018: RMB0.04 million).

# 董事報告

## Directors' Report

### 主要客戶及供應商

截至二零一九年十二月三十一日止年度，五大客戶佔本集團總營業額 13.8% (二零一八年：12.1%)，而本集團最大客戶之營業額則佔本集團總營業額 4.0% (二零一八年：3.2%)。

截至二零一九年十二月三十一日止年度，五大供應商佔本集團總採購額 37.2% (二零一八年：46.5%)，而本集團對最大供應商之採購額則佔本集團總採購額 17.1% (二零一八年：16.0%)。

任何董事、其聯繫人或就董事所知擁有本公司已發行股份（「股份」）5% 以上之任何股東，在回顧年度內任何時間概無在本集團五大客戶及五大供應商中擁有任何權益。

### 董事及董事之服務合約

在回顧財政年度內及截至本報告刊發當日之董事如下：

#### 執行董事

劉楊先生  
王子江先生

#### 非執行董事

劉洪亮先生  
郭玉成先生

#### 獨立非執行董事

高寶玉先生  
梁錦雲先生  
劉晨光先生

根據本公司組織章程細則（「組織章程細則」）第 87 條，劉楊先生、高寶玉先生及劉晨光先生須於二零二零年股東週年大會上輪值退任，惟以上各人均符合資格並願意在二零二零年股東週年大會上膺選連任為董事。

所有非執行董事之初步任期均不超過三年，並將自動續任三年，直至任何一方向對方發出不少於一個月之書面通知終止合約為止。

執行董事已與本公司訂立服務合約，為期三年。其後，除非任何一方對對方發出不少於三個月之書面通知以終止合約，否則董事任期將會按年延續。

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2019, the five largest customers accounted for 13.8% (2018: 12.1%) of the Group's total revenue, whilst the revenue attributable to the Group's largest customer accounted for 4.0% (2018: 3.2%) of the Group's total revenue.

For the year ended 31 December 2019, the five largest suppliers accounted for 37.2% (2018: 46.5%) of the Group's total purchases, whilst the purchases attributable to the Group's largest supplier accounted for 17.1% (2018: 16.0%) of the Group's total purchases.

At no time during the year under review did any Director, any associate of a Director or any Shareholder (which to the knowledge of the Directors owns more than 5% of the issued shares of Company (the "Shares")) has an interest in any of the Group's five largest customers and suppliers.

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors during the financial year under review and up to the date of this report are:

#### Executive Directors

Mr. Liu Yang  
Mr. Wang Zijiang

#### Non-executive Directors

Mr. Liu Hongliang  
Mr. Guo Yucheng

#### Independent non-executive Directors

Mr. Gao Baoyu  
Mr. Leung Kam Wan  
Mr. Liu Chenguang

In accordance with article 87 of the Company's articles of association (the "Articles and Association"), Mr. Liu Yang, Mr. Gao Baoyu and Mr. Liu Chenguang shall retire from office by rotation at the 2020 AGM, each of them, being eligible, will offer themselves for re-election as Directors at the 2020 AGM.

All non-executive Directors were appointed for an initial term of not more than three years and the terms will be renewed automatically for successive term of three years until terminated by not less than one month's notice in writing served by either party on the other.

The executive Directors have entered into service contracts with the Company for a term of three years and thereafter shall continue from year to year until terminated by giving three months' notice in writing thereof by either party to the other.



### 董事及董事之服務合約 (續)

擬於二零二零年股東週年大會上膺選連任之人士概無訂立本公司或其任何附屬公司不作賠償(法定賠償除外)則不可於一年內終止之未屆滿服務合約。

### 董事之合約權益

除本報告所載「關連交易」一段及截至二零一九年十二月三十一日止年度財務報表附註39「關聯方交易」一段所披露者外，於年終或年內任何時間，概無任何由本公司或其任何附屬公司所訂立而與本集團業務有關且董事直接或間接擁有重大權益之重大合約。

### 董事及主要行政人員之證券權益

於二零一九年十二月三十一日，各董事、本公司主要行政人員及彼等之聯繫人於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份及／或相關股份中，擁有本公司根據證券及期貨條例第352條規定存置之登記冊所記錄，或已根據聯交所證券上市規則(「上市規則」)附錄十所載上市公司董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所之權益及淡倉如下：

### DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (Continued)

No person proposed for re-election at the 2020 AGM has an unexpired service contract which is not determinable by the Company or any its subsidiaries within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the paragraph headed "Connected Transactions" set out in this report and note 39 to the financial statements for the year ended 31 December 2019 on "Related Party Transactions", no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or any time during the year.

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 31 December 2019, the interests and short positions of the Directors and chief executive of the Company and their associates in the shares and/or underlying shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

# 董事報告

## Directors' Report

### 董事及主要行政人員之證券權益 (續)

#### 於股份之好倉

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES (Continued)

#### Long position in the Shares

董事姓名 Name of Director	公司／相聯法團名稱 Name of company/ associated corporation	所持股份數目／ 股份權益 Number of Shares held/ interest in the Shares	根據本公司 於二零零六年十月四日 採納之購股權計劃 持有之購股權數目 Number of share options held according to share option scheme adopted by the Company on 4 October 2006		身份 Capacity	佔已發行股份總額 概約百分比(%) Approximate % in the total issued Share
劉洪亮先生 Mr. Liu Hongliang	志峰集團有限公司 (「志峰」)(附註1) Cheerhill Group Limited ("Cheerhill")(Note 1)	612,000,000 (附註2) (Note 2)	-	-	受控法團之權益 Interest of controlled corporation	71.84%
王子江先生 Mr. Wang Zijiang	志峰(附註1) Cheerhill (Note 1)	159,120,000 (附註2) (Note 2)	-	-	受控法團之權益 Interest of controlled corporation	18.68%
		140,000 (附註3) (Note 3)	140,000 (附註3) (Note 3)		配偶之權益 Interest of spouse	0.03%
郭玉成先生 Mr. Guo Yucheng	志峰(附註1) Cheerhill (Note 1)	39,780,000 (附註2) (Note 2)	-	-	受控法團之權益 Interest of controlled corporation	4.67%
陳孝華先生(附註4) Mr. Chen Xiaohua (Note 4)	-	72,000	460,000	-	-	0.06%

附註：

- 612,000,000股股份乃由志峰持有，其全部已發行股本由劉洪亮先生、王子江先生、孫建華女士、鄭虹女士、郭玉成先生及傅安旭先生分別最終實益擁有38%、26%、11.5%、11.5%、6.5%及6.5%。於二零一九年十二月三十一日，王子江先生乃執行董事，而劉洪亮先生及郭玉成先生為非執行董事。
- 由於劉洪亮先生於志峰擁有38.0%權益，故被視為於上文附註1所述之612,000,000股股份擁有權益。
- 施惠芳女士為濰坊柏立的僱員，並為執行董事王子江先生之配偶，因此為王子江先生之聯繫人。
- 陳孝華先生於二零一八年八月一日獲委任為本公司總經理。

除上文所披露者外，於二零一九年十二月三十一日，各董事、本公司主要行政人員及彼等之聯繫人概無擁有本公司或其任何相聯法團之任何股份、相關股份或債券之任何權益或淡倉。

Notes:

- The 612,000,000 Shares were held by Cheerhill, the entire issued share capital of which is ultimately beneficially owned as to 38% by Mr. Liu Hongliang, 26% by Mr. Wang Zijiang, 11.5% by Ms. Sun Jianhua, 11.5% by Ms. Zheng Hong, 6.5% by Mr. Guo Yucheng and 6.5% by Mr. Fu Anxu. As at 31 December 2019, Mr. Wang Zijiang is an executive Director; while Mr. Liu Hongliang and Mr. Guo Yucheng are non-executive Directors.
- Mr. Liu Hongliang is deemed to be interested in 612,000,000 Shares referred to in Note 1 above by virtue of his 38.0% interests in Cheerhill.
- Ms. Shi Huifang is an employee of Weifang Parasia and the spouse of Mr. Wang Zijiang who is an executive Director, and therefore an associate of Mr. Wang Zijiang.
- Mr. Chen Xiaohua was appointed as a general manager of the Company on 1 August 2018.

Other than as disclosed above, none of the Directors, chief executive of the Company nor their associates had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations as at 31 December 2019.



## 主要股東

於二零一九年十二月三十一日，按本公司根據證券及期貨條例第336條存置之主要股東名冊所示，以下股東已知會本公司其於已發行股份中擁有相關權益：

### 主要股東於股份及／或相關股份之好倉

股東名稱 Name of Shareholder	所持股份數目／ 股份權益及權益總額 Number of Shares held/ interest in the Shares and aggregated interest	身份 Capacity	佔已發行股本總數 概約百分比(%) Approximate % in the total issued Share
志峰(附註) Cheerhill (Note)	612,000,000	實益擁有人 Beneficiary owner	71.84%

附註：612,000,000股股份乃由志峰持有，其全部已發行股本由劉洪亮先生、王子江先生、孫建華女士、鄭虹女士、郭玉成先生及傅安旭先生分別最終實益擁有38.0%、26.0%、11.5%、11.5%、6.5%及6.5%。

## SUBSTANTIAL SHAREHOLDER

As at 31 December 2019, the register of substantial Shareholder maintained by the Company pursuant to section 336 of the SFO shows that the following Shareholder had notified the Company of its relevant interests in the issued Shares:

### Long position of substantial Shareholder in the Shares and/or underlying Shares

Note: The 612,000,000 Shares were held by Cheerhill, the entire issued share capital of which is ultimately beneficially owned as to 38.0% by Mr. Liu Hongliang, 26.0% by Mr. Wang Zijiang, 11.5% by Ms. Sun Jianhua, 11.5% by Ms. Zheng Hong, 6.5% by Mr. Guo Yucheng and 6.5% by Mr. Fu Anxu.

除上文所披露者外，於二零一九年十二月三十一日，本公司並無獲任何人士知會於股份或相關股份中擁有任何根據證券及期貨條例須知會本公司之權益或淡倉，或擁有本公司根據證券及期貨條例第336條存置之登記冊中記錄之權益或淡倉。

Save as disclosed above, the Company has not been notified by any person who had any interest or short position in the Shares or underlying Shares as at 31 December 2019, which are required to be notified to the Company under the SFO or which are recorded in the register required to be kept by the Company under section 336 of the SFO.

## 購買股份或債券之安排

本公司、其控股公司、或其任何附屬公司及同系附屬公司在回顧年度內任何時間概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債務證券（包括債券）而獲益。

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year under review was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.

## 關連交易

截至二零一九年十二月三十一日止年度之財務報表附註39所披露的若干關聯方交易也構成關連交易。若干關連人士（定義見上市規則）已與本集團訂立及／或持續進行下列交易，而本公司已遵照上市規則有關規定在有需要的情況下作出公告。

## CONNECTED TRANSACTIONS

Certain related party transactions as disclosed in note 39 to the financial statements for the year ended 31 December 2019 also constituted connected transactions. The following transactions between certain connected persons (as defined in the Listing Rules) and the Group have been entered into and/or are continuing for which relevant announcements, if necessary, had been made by the Company in accordance with the requirements of the Listing Rules.

# 董事報告

## Directors' Report

### 關連交易 (續)

根據濰坊柏立與濰坊天弘訂立之租約(「該租約」)，濰坊柏立由二零一八年一月一日起租賃濰坊天弘擁有之辦公室物業，租期三年，每年租金總額為人民幣540,000元，按比例於每季度結束時支付。由於執行董事王子江先生及非執行董事劉洪亮先生和郭玉成先生控制濰坊天弘大部分投票權，濰坊天弘為本公司之關連人士，訂立該租約構成本公司之可豁免關連交易。

根據志峰於二零一八年九月一日分別與本公司和濰坊濱海訂立的貸款協議(「該等貸款」)，志峰同意向本集團提供融資貸款，以應付本集團的營運資金需求。該等貸款並無抵押，年利率為2%，並於一年內到期償還。於二零一九年九月一日，志峰、本公司及濰坊濱海簽訂補充協議，將該等貸款的還款日期押後至二零二零年九月一日。

上文載述之該租約屬於上市規則第14A.76(1)條所指之最低限額交易，而該等貸款乃根據上市規則第14A.90條所指由關連人士提供的財務資助，故均獲豁免遵守上市規則內有關申報、公告及獨立股東批准之規定。

除上述交易外，載於財務報表附註39之其他關聯方交易並不構成上市規則第十四A章所指的關連交易或持續關連交易。

除在上文及在截至二零一九年十二月三十一日止年度之財務報表附註39所披露者外，概無任何其他根據上市規則之規定須披露為關連交易之交易，而本公司、控股股東或其任何附屬公司及同系附屬公司之間亦概無訂立於本年度年結日或回顧年度內任何時間仍然有效且董事於其中直接或間接擁有重大權益，或根據上市規則之規定須予披露之重要合約。

### 管理合約

在回顧年度內，概無訂立或存在任何有關本集團全部或任何主要部分業務之管理及行政之合約。

### 獨立非執行董事之確認

本公司已收到各獨立非執行董事根據上市規則第3.13條就本身獨立性發出之年度確認書。本公司認為，所有獨立非執行董事均為獨立人士。

### CONNECTED TRANSACTIONS (Continued)

Pursuant to a lease (the "Lease") entered into between Weifang Parasia and Weifang Tianhong, Weifang Parasia leased the office premises owned by Weifang Tianhong for a term of three years commencing from 1 January 2018 at a gross annual rental payment of RMB540,000, payable on a pro-rata basis at the end of each quarter. Weifang Tianhong is a connected person to the Company as Mr. Wang Zijiang is an executive Director and Mr. Liu Hongliang and Mr. Guo Yucheng are non-executive Directors who have majority voting control of Weifang Tianhong, the entering into the Lease constituted an exempted connected transaction of the Company.

Pursuant to loan agreements entered by Cheerhill with the Company and Weifang Binhai separately (the "Loans") on 1 September 2018, Cheerhill agreed to finance the Group to meet the Group's working capital requirements. Such Loans are unsecured and bear interest rate at 2% per annum, and due for repayment within one year. On 1 September 2019, Cheerhill, the Company and Weifang Binhai entered into supplementary agreements to extend the repayment date of the Loans to 1 September 2020.

The above Lease is de minimis transaction under Rule 14A.76(1) of the Listing Rules and Loans are financial assistance from connected person under Rule 14A.90 of the Listing Rules thus they were exempted from the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

Apart from the above transactions, other related-party transactions set out in note 39 to the financial statements did not constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

Save as disclosed above and in note 39 to the financial statements for the year ended 31 December 2019, there were no other transactions which need to be disclosed as connected transactions in accordance with the requirements of the Listing Rules and no contract of significance, between the Company, controlling Shareholders, or any of its subsidiaries and fellow subsidiaries or in which a Director had a material interest, whether directly or indirectly, or which are required to be disclosed under the Listing Rules subsisted at the end of the year or at any time during the year under review.

### MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year under review.

### CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all independent non-executive Directors are independent.

### 獲准許的彌償保證條文

於本財政年度內及截至本報告日期為止，按有關法規所允許，本公司備有以本公司或其聯營公司董事（包括前董事）為受益人的彌償保證條文。獲准許彌償條文的規定載於組織章程細則，以及於本集團為董事及主管購買的責任保險內。有關保險乃就董事可能面對的法律訴訟而產生的潛在責任及費用作出保障。

### 薪酬政策

本集團之薪酬政策由董事會按僱員之功績、資歷及能力釐定。

董事及高級管理人員之薪酬將由薪酬委員會經參照本集團經營業績、董事及高級管理人員須承擔之責任及可資比較之市場統計數據後進行檢討。

### 購股權計劃

本公司分別於二零零六年十月四日及二零一六年五月二十日採納購股權計劃，前者為「二零零六年購股權計劃」，後者為「二零一六年購股權計劃」，購股權據此授予若干董事、本公司僱員及其他合資格參與者，使彼等有權認購本公司股本中每股面值港幣0.01元的股份。二零零六年購股權計劃已於二零一六年五月二十日到期及終止。

根據二零一六年購股權計劃，因行使根據二零一六年購股權計劃及其他購股權計劃授出但未行使之所有購股權而可予發行之股份數目上限，合共不得超過不時已發行股份數目之30%。除非在股東大會上獲得股東批准，否則每位參與者於任何十二個月期間因行使獲授之所有購股權（不論已行使、已註銷或未行使之購股權）而已獲發行及可獲發行之股份總數，不得超過已發行股份數目之1%。購股權可於董事會通知之期間（不得超過授出購股權當日起計十年），隨時根據二零一六年購股權計劃之條款行使。因行使購股權而配發及發行之任何股份，將與配發當日之其他已發行股份享有同等權利。二零一六年購股權計劃的有效期限為二零一六年五月二十日起計十(10)年。

授出購股權之建議由提出建議當日起計28日內可供接納，惟合資格參與者須支付合共港幣1元之象徵式代價，方會成為承授人。每份購股權於獲接納當日起即已歸屬。該等購股權於承授人不再為本集團合資格參與者後即時失效。購股權將因行使期屆滿而失效。

### PERMITTED INDEMNITY PROVISIONS

During this financial year and up to the date of this report, the Company has in force indemnity provisions as permitted under the relevant statutes for the benefit of the directors (including former directors) of the Company or its associated companies. The permitted indemnity provisions are provided for in the Articles of Association and in the directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against such directors.

### EMOLUMENT POLICY

The emolument policy of the Group is set up by the Board on the basis of the merit, qualifications and competence of the employees.

The emoluments of the Directors and Senior Management will be reviewed by the Remuneration Committee, having regard to factors including the Group's operating results, responsibilities required of the Directors and Senior Management and the comparable market statistics.

### SHARE OPTION SCHEMES

Under the share option schemes adopted by the Company on 4 October 2006 (the "2006 Share Option Scheme") and 20 May 2016 (the "2016 Share Option Scheme") respectively, share options would be granted to certain Directors, employees and other eligible participants of the Company entitling them to subscribe for shares of HK\$0.01 each in the capital of the Company. The 2006 Share Option Scheme was expired and terminated on 20 May 2016.

Under the 2016 Share Option Scheme, the maximum number of Shares available for issue upon exercise of all options granted and yet to be exercised under the 2016 Share Option Scheme and other share option schemes in aggregate shall not exceed 30% of the number of issued Shares from time to time. The total number of Shares issued and which may be issued upon exercise of all options (whether exercised, cancelled or outstanding) granted in any 12-month period to each participant must not exceed 1% of the number of Shares in issue unless approved by the Shareholders in a general meeting. An option may be exercised in accordance with the terms of the 2016 Share Option Scheme at any time during a period to be notified by the Board, which must not be more than ten years from the date of grant. Any Share allotted and issued on the exercise of options will rank *pari passu* with other Shares in issue on the date of allotment. The 2016 Share Option Scheme will remain effective for a period of ten (10) years commencing from 20 May 2016.

The offer of a grant of share options may be accepted within 28 days from the date of offer, upon payment of nominal consideration of HK\$1 in total by the eligible participants that become grantees. Each share option will be vested immediately at the date when the option is accepted. The share options will lapse immediately after the grantee ceases to be eligible participant of the Group. The options will lapse due to the expiry of the option's exercise period.

# 董事報告

## Directors' Report

### 購股權計劃 (續)

因行使購股權將予發行之股份之認購價不得低於以下各項中之較高數值：(i) 股份於授出日期在聯交所發出之每日報價表所示之收市價；(ii) 股份於緊接授出日期前五個營業日在聯交所發出之每日報價表所示之收市價平均值；及(iii) 股份於授出日期之面值。董事會將於向參與者提呈購股權時釐定認購價。

於截至二零一九年十二月三十一日止年度，根據二零零六年購股權計劃授出而尚未行使之購股權之變動詳情如下：

### SHARE OPTION SCHEME (Continued)

The subscription price for the Shares to be issued upon exercise of the options shall be no less than the higher of (i) the closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange on the date of grant; (ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share on the date of grant. The subscription price will be established by the Board at the time the option is offered to the participants.

Details of the movement in outstanding share options, which have been granted under the 2006 Share Option Scheme for the year ended 31 December 2019 are as follows:

承授人類別 Category of grantee	於年初尚未行使 Outstanding at beginning of year	年內已行使 Exercised during the year	年內失效 Lapsed during the year	於年末尚未行使 Outstanding at the end of the year
施惠芳女士 (附註 i) Ms. Shi Huifang (Note i)	140,000	–	–	140,000
陳孝華先生 (附註 ii) Mr. Chen Xiaohua (Note ii)	460,000	–	–	460,000
員工 Employees	10,164,000	–	900,000	9,264,000
	10,764,000	–	900,000	9,864,000

附註：

- (i) 施惠芳女士為濰坊柏立的僱員及執行董事王子江先生之配偶，因此為王子江先生之聯繫人。
- (ii) 陳孝華先生於二零一八年八月一日獲委任為本公司總經理。

Notes:

- (i) Ms. Shi Huifang is an employee of Weifang Parasia and the spouse of Mr. Wang Zijiang who is an executive Director and therefore an associate of Mr. Wang Zijiang.
- (ii) Mr. Chen Xiaohua was appointed as a general manager of the Company on 1 August 2018.

基於所作假設及所用模式之限制，計算所得之本公司現有購股權之公允值帶有主觀及不確定因素。購股權價值因應若干主觀假設之不同變數而各異，所採納變數之任何變動均可能會對購股權之估計公允值造成重大影響。其他詳情載於財務報表附註33。

The fair value of the existing share options of the Company calculated is inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option. Further details are set out in note 33 to the financial statements.

自二零一六年購股權計劃採納以來，並無根據該計劃授出購股權。於二零一九年十二月三十一日，根據二零一六年購股權計劃可供發行之股份總數為84,687,800股，分別相當於本公司於二零一六年五月二十日（本公司採納二零一六年購股權計劃之日）及截至本年報日期為止之已發行股份的10%及9.94%。

No share option has been granted under the 2016 Share Option Scheme since its adoption. As at 31 December 2019, the total number of Shares available for issue under the 2016 Share Option Scheme is 84,687,800 which represents 10% and 9.94% of the issued Share as at 20 May 2016 (the date of which the 2016 Share Option Scheme has been adopted by the Company) and as at the date of this annual report, respectively.

### 優先購買權

組織章程細則或開曼群島法例均無載列有關規定本公司須向現有股東按比例提呈發售新股份之優先購買權條文。

### 稅務寬減及豁免

據本公司所知，並無任何因股東持有本公司證券而獲得稅務寬減及豁免。

### 購買、出售或贖回本公司上市證券

在回顧年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 足夠公眾持股量

於刊發本報告前之最後實際可行日期，根據本公司從公開途徑所得的資料及就董事所深知，董事確認本公司一直維持上市規則所規定的足夠公眾持股量。

### 遵守最佳應用守則

本公司致力維持良好之企業管治常規。有關本公司所採納企業管治常規之資料，載於本年報第34至48頁之企業管治報告內。

本公司已採納標準守則作為董事買賣本公司證券之守則。經本公司作出具體查詢後，所有董事確認，彼等於截至二零一九年十二月三十一日止財政年度一直遵守標準守則所載之規定標準。

### 獨立核數師

財務報表已由香港立信德豪會計師事務所有限公司（「立信德豪」）審核。

於二零二零年股東週年大會上，將會提呈一項決議案以續聘立信德豪為本公司獨立核數師。

代表董事會  
主席  
劉楊

香港，二零二零年三月二十七日

### PRE-EMPTIVE RIGHTS

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

### TAX RELIEF AND EXEMPTION

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

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

During the year under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

### SUFFICIENCY OF PUBLIC FLOAT

As at the latest practicable date prior to the issue of this report, based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company has maintained sufficient public float as required under the Listing Rules.

### COMPLIANCE WITH CODE OF BEST PRACTICES

The Company is committed to maintaining the high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 34 to 48 of this annual report.

The Company has adopted the Model Code as its code for dealing in securities of the Company by the Directors. After specific enquiry by the Company, all the Directors confirmed that they had complied with the required standards set out in the Model Code for the financial year ended 31 December 2019.

### INDEPENDENT AUDITOR

The financial statements have been audited by BDO Limited ("BDO").

A resolution will be proposed at 2020 AGM to re-appoint BDO as the independent auditor of the Company.

On behalf of the Board  
**Liu Yang**  
Chairman

Hong Kong, 27 March 2020



# 企業管治報告

## Corporate Governance Report

本公司致力建立及維持優良的企業管治。於截至二零一九年十二月三十一日止財政年度內，本公司已採納及遵守上市規則附錄十四「企業管治守則」（「守則」）所載之原則及規定。

董事會定期檢討本公司的企業管治常規，以確保該等常規持續符合守則之要求，並認為本公司在回顧年度內一直遵守守則之適用守則條文。本集團的主要企業管治常規概述如下：

### 董事會

#### 董事角色

董事會肩負領導及監控本公司的責任，同時集體負責指導並監督本公司事務以促使本公司有卓越成就。本集團的業務策略方針及管理目標乃由董事會制定。董事會授權管理層在本公司總經理及各董事會委員會監督下，履行日常營運職責。董事會定期檢討本集團表現是否符合既定目標及財政預算。

### 企業管治職能

董事會負責履行企業管治的職責，主要包括：(i) 制定及檢討企業管治政策及常規；(ii) 監督並在適當時修訂政策及常規以遵守法律及監管規定；(iii) 審閱及監察董事及高級管理人員的培訓及持續專業發展；(iv) 制定、審閱及監察適用於僱員及董事的操守準則；(v) 審閱本公司遵守守則的情況及在本公司企業管治報告內的披露；(vi) 檢討及監察本公司的資訊披露過程，包括評估和核實內幕消息的準確性和重要性，並確定任何須作披露事項之形式和內容；(vii) 檢討董事會委員會結構的成效、所有董事會委員會的職權範圍及它們對企業管治常規所承擔之責任，並作出適當的修改；及(viii) 檢討及監察本公司與股東和其權益持有人之間的通訊政策。

The Company is committed to building and maintaining high standards of corporate governance. Throughout the financial year ended 31 December 2019, the Company has adopted the principles and complied with the requirements set out in the “Corporate Governance Code” (the “CG Code”) contained in Appendix 14 to the Listing Rules.

The Board reviews the corporate governance practices of the Company periodically to ensure the practices continue to fulfill the CG Code requirements and considered that the Company has complied with the applicable code provisions of the CG Code during the year under review. The key corporate governance practices of the Group are summarised as follows:

### BOARD OF DIRECTORS

#### Roles of Directors

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. The strategic business direction of the Group and objectives for management has been formulated by the Board. The Board has delegated the day-to-day operation responsibility to the management under the supervision of the general manager of the Company and various Board committees. The Board reviews the performance of the Group against the agreed targets and budgets on a regular basis.

### Corporate governance function

The Board is responsible for performing the corporate governance duties, which mainly include (i) developing and reviewing policies and practices on corporate governance; (ii) monitoring and revising policies and practices on compliance with legal and regulatory requirements as appropriate; (iii) reviewing and monitoring the training and continuous professional development of Directors and Senior Management; (iv) developing, reviewing and monitoring the code of conduct applicable to employees and Directors; (v) reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company; (vi) reviewing and monitoring the Company's process of information disclosure, including assessing and verifying the accuracy and materiality of inside information and determine the form and content of any required disclosure; (vii) reviewing the effectiveness of the committee structure of the Board and the terms of reference of all Board committees and their accountability for the corporate governance practices and make amendment as appropriate; and (viii) reviewing and monitoring the Company's communication policy with Shareholders and its stakeholders.

## 董事會 (續)

### 企業管治職能 (續)

在回顧年度內，董事會已：(i) 檢討、更新及／或制定本公司之通訊政策、適用於本集團僱員及董事的操守準則、企業管治政策、內幕消息披露政策、風險管理政策、內部監控政策、舉報政策、派息政策、提名政策（「提名政策」）及董事會多元化政策（「董事會多元化政策」）、有關買賣證券守則的政策；(ii) 審閱及評估董事及高級管理人員的培訓記錄；(iii) 審閱或更新董事會委員會結構的成效、所有董事會委員會的職權範圍及它們對企業管治常規所承擔之責任；及(iv) 審閱本公司遵守守則的情況及在本公司企業管治報告內的披露。

### 組成

董事會由七名董事組成，包括兩名執行董事、兩名非執行董事及三名獨立非執行董事。各董事的履歷載於本年報第 10 至 11 頁。董事會結構均衡，每名董事均具備與本集團業務營運及發展相關之豐富知識、經驗及／或專才。獨立非執行董事（其中最少一名具備合適專業資格或會計或相關財務管理專業知識）具備多元化的專業知識及經驗，能有效地在制定策略及政策方面向管理層提出建議，發揮重要功能。全體董事深知彼等共同及個別對股東所負之責任，並勤勉盡職，為本集團之卓越表現作出貢獻。

除主席劉揚先生為非執行董事劉洪亮先生的兒子外，主席、董事會各成員及本公司總經理之間概無財務、業務、親屬或其他重大或相關關係。彼等均可自行作出獨立判斷。本公司已接獲各獨立非執行董事就本身獨立性呈交的年度確認書，並信納彼等之獨立性符合上市規則的規定。

本公司為其董事安排合適的責任保險，以就彼等因企業活動而引起的責任作彌償保證。保障範圍將按年檢討。

## BOARD OF DIRECTORS (Continued)

### Corporate governance function (Continued)

During the year under review, the Board has (i) reviewed, updated and/or formulated the communication policy, code of conduct applicable to employees of the Group and Director, corporate governance policy, inside information disclosure policy, risk management policy, internal control policy, whistleblowing policy, dividend policy, nomination policy ("Nomination Policy") and Board diversity policy ("Board Diversity Policy"), code for dealing in securities policy of the Company etc.; (ii) reviewed and assessed the training records of Directors and Senior Management; (iii) reviewed or updated the effectiveness of the committees structure of the Board and the terms of reference of all Board committees and their accountability for the corporate governance practices; and (iv) reviewed the Company's compliance with the CG Code and the disclosure in the corporate governance report of the Company.

### Composition

The Board comprises seven Directors, including two executive Directors, two non-executive Directors and three independent non-executive Directors. The biographical details of the Directors are set out on pages 10 to 11 of this annual report. The composition of the Board is well balanced with each Director having sound knowledge, experience and/or expertise relevant to the business operations and development of the Group. The independent non-executive Directors, with at least one possessing the appropriate professional qualifications, or accounting or related financial management expertise, who offer diversified expertise and experience, contribute significantly to the important function of advising management on strategy and policy development. All the Directors are aware of their collective and individual responsibilities to the Shareholders and have exercised their duties with care, skill and diligence, contributing to the successful performance of the Group.

Save for Mr. Liu Yang, the Chairman, who is the son of Mr. Liu Hongliang, a non-executive Director, there is no financial, business, family or other material or relevant relationship among the Chairman, members of the Board and the general manager of the Company. All of them are free to exercise their independent judgment. The Company has received from each independent non-executive Directors a written annual confirmation of their independence and is satisfied with their independence in accordance with the Listing Rules.

The Company maintains appropriate liability insurance to indemnify its Directors for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.



# 企業管治報告

## Corporate Governance Report

### 董事會 (續)

#### 董事委任、重選及罷免

所有董事的指定任期均為三年，而根據組織章程細則，須最少每三年輪值退任一次。

根據組織章程細則，任何由董事會委任之新董事（如屬填補臨時空缺）須於其獲委任後本公司舉行之下一次股東大會上退任及由股東重選，或（如屬增加董事人數）則於其獲委任後本公司舉行之下一次股東週年大會上退任及由股東重選。於每屆股東週年大會上，當時三分之一之董事（如其數目並非三之倍數，則以最接近但不少於三分之一之數目為準）須輪值退任，惟每名董事須最少每三年退任一次。退任董事符合資格膺選連任，並於其退任之大會上繼續擔任董事。輪值退任之董事將為自上次重選或獲委任以來在任時間最長之董事，惟就於同一日成為或重選為董事之人士而言，除非彼等互相協定，否則將以抽籤方式決定退任之人士。為進一步提高問責性，倘擬繼續委任於本公司在任超過九年的獨立非執行董事，須以獨立決議案形式提交股東批准。

在董事任期完結前，可通過本公司普通決議案罷免董事，惟此舉不影響該董事就本身與本公司訂立之任何合約遭違反而索償之權力。

#### 培訓

所有董事均須獲得有關其作為董事的集體責任及本集團業務和活動的最新資料。因此，本集團會提供和安排簡介，以確保新任董事對董事會的角色、其作為董事在法律及其他方面的責任和職責、本集團的業務及企業管治常規均有適當的理解。本公司之公司秘書（「公司秘書」）將不斷向所有董事提供有關上市規則及其他適用監管規定之最新發展，以便所有董事熟悉遵守該等規則及規定。

在回顧年度內，所有董事均定期獲得本集團業務變化和發展的最新資料和／或介紹。此外，所有董事已參與合適的持續專業發展活動，當中包括出席與董事職務及責任有關的培訓課程或閱讀相關資料。董事已應要求向公司秘書提供培訓證明以作記錄。

在回顧年度內，公司秘書已參加不少於15小時的相關專業培訓，以更新其技能和知識。

### BOARD OF DIRECTORS (Continued)

#### Appointment, re-election and removal of Directors

All Directors are appointed for a specific term of three years and subject to retirement by rotation at least once every three years in accordance with the Articles of Association.

According to the Article of Association, any new Director appointed by the Board (in case of filling a casual vacancy) is subject to retirement and re-election by Shareholders at the next general meeting of the Company or at the next annual general meeting of the Company (in case of an addition of Board member) following his appointment. At each annual general meeting, one-third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest to but not less than one-third, are required to retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation will be those who have been the longest in office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot. To further enhance accountability, any further re-appointment of an independent non-executive Director who has served the Company for more than nine years will be subject to separate resolution to be approved by the Shareholders.

A Director may be removed by an ordinary resolution of the Company before the expiration of his period of time (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company).

#### Training

All Directors must keep abreast of their collective responsibilities as Directors and of the business and activities of the Group. A briefing is provided and organised to ensure that newly appointed Directors are familiar with the role of the Board, their legal and other duties and responsibilities as Director as well as the business and corporate governance practices of the Group. The company secretary of the Company (the "Company Secretary") will continuously update all Directors on latest development regarding the Listing Rules and other applicable regulatory requirements so as to familiar compliance of the same by all Directors.

During the year under review, all Directors received regular updates and/or presentations on changes and developments to the Group's business. Besides, all Directors have participated in appropriate continuous professional development activities by ways of attending training course or reading materials relevant to the Directors' duties and responsibilities. Directors are requested to provide their records of training to the Company Secretary for record.

The Company Secretary has attended no less than 15 hours of relevant professional training to update her skills and knowledge during the year under review.

## 董事會 (續)

### 主席及總經理

本公司的首席執行官負有總經理的職銜。為加強獨立性及問責性，主席與本公司總經理各有不同職責，並分別由劉楊先生及陳孝華先生擔任。主席之責任明確，主要負責領導董事會及確保董事會正常運作，並具有良好的企業管治常規及程序，而本公司總經理則負責管理日常營運、執行經由董事會批准的業務策略及政策、發展及制定組織架構、內部監控體系及內部程序與流程，以供董事會批准。主席與本公司總經理之間的責任已明確界定，並以書面形式載列。

### 董事會會議

董事會每個財政年度最少召開定期會議四次。董事皆親身出席或以電子通訊方式參加會議。為讓全體董事盡可能出席全部會議，所有定期董事會會議的日期均預先計劃。會議議程在諮詢董事會成員後制定。每位董事均獲邀提出任何擬在會議中討論或提呈的事項。如任何董事與董事會將會考慮之事宜有利益衝突，有關董事須放棄投票，並且不得計入出席董事會會議的法定人數內。

董事已獲邀將彼等認為合適之任何事項列入董事會會議議程內。在董事會會議最少14天前，會向每位董事會成員發出通知。董事會文件在會議舉行不少於3天（或議定的其他期限）前送交所有董事傳閱，以確保彼等可適時獲得有關資料。如有需要取得更多資料，各董事均可個別及單獨地向本集團管理層查詢。所有董事均可於有需要時尋求獨立專業意見，費用由本公司承擔。

在回顧年度內，舉行了四次董事會會議。董事曾討論本集團的整體策略、營運及財務表現，包括年度預算、年度業績及中期業績、批准重大資本投資及其他重大營運及財務事宜等。董事亦會適時獲知會可影響本集團業務的重大變動，包括有關規則及規例的修訂。董事會文件及本公司會議記錄由公司秘書備存於本公司香港主要營業地點。所有會議記錄之草擬及最終稿已於各董事會會議舉行後30天內向董事傳閱，以供彼等審閱、發表意見及作記錄之用。

## BOARD OF DIRECTORS (Continued)

### Chairman and general manager

The chief executive officer of the Company bears the title of general manager. In order to reinforce the independence and accountability, the roles of the Chairman and the general manager of the Company are segregated and performed by Mr. Liu Yang and Mr. Chen Xiaohua respectively. There is a clear distinction responsibility of the Chairman to mainly provide leadership for the Board and ensure the Board is functioning properly, with good corporate governance practices and procedures, whilst the general manager of the Company is responsible for managing the day-to-day operations, implementing business strategies and policies approved by the Board, developing and formulating the organisational structure, internal control systems and internal procedures and processes for the Board's approval. The division of responsibilities between the Chairman and general manager of the Company has been clearly defined and set out in writing.

### Board meeting

The Board meets regularly at least 4 times every financial year. The Directors participated in person or through electronic means of communication. All regular Board meetings are scheduled in advance to facilitate the possible fullest attendance. The meeting agenda is set after consulting with members of the Board. Each Director is invited to present any businesses that he wishes to discuss or propose at such meetings. Directors are required to abstain from voting and will not be counted in the quorum present in the Board meeting if any Director has a conflict of interest in a matter to be considered by the Board.

The Directors have been invited to include any matters which they thought appropriate in the agenda for the Board meetings. Notice of Board meeting at least 14 days has been given to each Board member. Board papers are circulated to all Directors not less than 3 days before the Board meetings (or such other period as agreed) to ensure timely access to relevant information. Each Director is able to access the management of the Group separately and independently if more information is required. All Directors are permitted to seek independent professional advice, if required, at the Company's expenses.

During the year under review, 4 Board meetings were held. The Directors have discussed the overall strategy as well as the operation and financial performance of the Group, including annual budgets, annual and interim results, approval of major capital investments and other significant operational and financial matters etc. The Directors are kept informed on a timely basis of major changes that may affect the Group's business, including amendments to relevant rules and regulations. The Board's papers and minutes of the Company are kept by the Company Secretary at the Company's principal place of business in Hong Kong. All draft and final versions of minutes have been circulated to the Directors for review, comment and record within 30 days after each Board meeting.

# 企業管治報告

## Corporate Governance Report

### 董事會 (續)

#### 董事會委員會

董事會已成立下列委員會，並具備既定的職權範圍。董事會委員會的職權範圍已在本公司網站刊載，並可應股東之要求以供索閱。

#### 審核委員會

審核委員會包括三名獨立非執行董事，分別為梁錦雲先生、高寶玉先生及劉晨光先生。梁先生為審核委員會主席，具備上市規則規定之認可會計專業資格。審核委員會的主要職責包括：

- (i) 確保本集團之財務報表、年度報告、中期報告及核數師報告展示經真確及公正評估後的本集團財政狀況，以及遵守會計準則、上市規則及其他有關財務申報的規定；
- (ii) 審閱本集團之財務及內部監控；
- (iii) 審閱本集團的財政及會計政策及常規；
- (iv) 建議本公司獨立核數師的任命及酬金；及
- (v) 特定權責範圍列明的其他職責。

審核委員會獲提供充足資源以履行職責。

審核委員會在回顧年度內已討論下列事宜：

- (i) 檢討本公司獨立核數師是否獨立客觀，並與本公司獨立核數師討論截至二零一九年十二月三十一日止年度的審核性質及範疇；
- (ii) 與本公司管理層共同審閱審核委員會的權責範圍列明的本集團重大內部監控及財務事宜；
- (iii) 審閱本公司獨立核數師提供的審核結果，並識別任何須採取行動或作出改善的事項及就此向董事會提出推薦意見；
- (iv) 審閱本集團的會計原則及常規、遵守上市規則及法規的情況、內部監控及財務報告事宜；

### BOARD OF DIRECTORS (Continued)

#### Board committees

The Board has established the following committees with defined terms of reference. The terms of reference of the Board committees are posted on the Company's website and also available to Shareholders upon request.

#### Audit Committee

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Leung Kam Wan, Mr. Gao Baoyu and Mr. Liu Chenguang. Mr. Leung is the chairman of the Audit Committee and he possesses recognised professional qualifications in accounting as required by the Listing Rules. The primary duties of the Audit Committee include:

- (i) ensuring the Group's financial statements, annual and interim reports, and the auditor's report present a true and balanced assessment of the Group's financial position and complying of the accounting standards, the Listing Rules and other requirements in relation to financial reporting;
- (ii) reviewing the Group's financial and internal controls;
- (iii) reviewing the Group's financial and accounting policies and practices;
- (iv) recommending the appointment and remuneration of the independent auditor of the Company; and
- (v) other duties are set out in its specific terms of reference.

The Audit Committee is provided with sufficient resources enabling it to discharge its duties.

During the year under review, the Audit Committee has discussed the following matters:

- (i) reviewing the independence and objectivity of the independent auditor of the Company and discussing with the independent auditor of the Company the nature and scope of the audit for the year ended 31 December 2019;
- (ii) reviewing the Group's significant internal controls and financial matters as set out in the Audit Committee's terms of reference with management of the Company;
- (iii) reviewing the audit findings provided by the independent auditor of the Company, and identifying and making recommendations to the Board on any matters where action or improvement is needed;
- (iv) reviewing the Group's accounting principles and practices, Listing Rules and statutory compliance, internal controls and financial reporting matters;

## 董事會 (續)

### 審核委員會 (續)

- (v) 審閱截至二零一八年十二月三十一日止年度的年度財務報表及截至二零一九年六月三十日止六個月的中期財務報表；及
- (vi) 於續聘本公司獨立核數師時，與董事會檢討本公司獨立核數師的薪酬條款。

在回顧年度內，審核委員會亦參與：(i) 審閱遵守守則的自我評估報告；(ii) 評估負責本集團會計和財務報告員工的資源、資格和經驗是否足夠，以及他們參與的培訓課程是否足夠；(iii) 審閱及批准本集團年度預算案；(iv) 審閱本集團的年度內部審核報告；及(v) 審閱本公司的內幕信息披露政策、風險管理政策、內部控制政策及舉報政策等。

審核委員會於二零二零年三月二十七日舉行會議以審閱截至二零一九年十二月三十一日止年度之財務報表。審核委員會相信，本集團採納的會計政策及常規乃符合香港目前的最佳常規。審核委員會認為，財務報表並未遺漏任何特殊項目，並信納財務報表所披露的資料。

### 薪酬委員會

薪酬委員會的主席為獨立非執行董事劉晨光先生，其他三名成員為獨立非執行董事梁錦雲先生、獨立非執行董事高寶玉先生及執行董事劉揚先生。薪酬委員會之大部分成員皆為獨立非執行董事。

薪酬委員會主要負責：(i) 因應董事會所訂企業方針及目標，並且考慮同類公司支付的薪酬、須付出的時間及職責以及本集團內其他職位的僱傭條件，審閱個別董事及高級管理人員的薪酬政策，並向董事會提出推薦意見；(ii) 審閱本公司之購股權計劃、分紅機制及其他與薪酬相關之事宜，並向董事會提出推薦意見；及(iii) 特定權責範圍列明的其他職責。

## BOARD OF DIRECTORS (Continued)

### Audit Committee (Continued)

- (v) reviewing the annual financial statements for the year ended 31 December 2018 and interim financial statements for the six months ended 30 June 2019; and
- (vi) reviewing the terms of remuneration of the independent auditor of the Company with the Board on the re-appointment of the independent auditor of the Company.

During the year under review, the Audit Committee had also participated to (i) review the self-assessment report on compliance of CG code; (ii) evaluate the sufficiency of resources, the qualification and the experience of the employees who were responsible for the accounting and financial reporting of the Group, and the sufficiency of training courses received by them; (iii) review and approve the annual budget of the Group; (iv) review annual internal audit report of the Group; and (v) review the inside information disclosure policy, risk management policy, internal control policy and whistleblowing policy of the Company etc..

On 27 March 2020, the Audit Committee held a meeting to review the financial statements for the year ended 31 December 2019. The Audit Committee was satisfied that the accounting policies and practices adopted by the Group are in accordance with the current best practices in Hong Kong. The Audit Committee found no unusual items that were omitted from the financial statements and was satisfied with the disclosures of information as shown in the financial statements.

### Remuneration Committee

The Remuneration Committee is chaired by Mr. Liu Chenguang, an independent non-executive Director, with Mr. Leung Kam Wan, an independent non-executive Director, Mr. Gao Baoyu, an independent non-executive Director and Mr. Liu Yang, the executive Director, as the three other members. The majority members of the Remuneration Committee are independent non-executive Directors.

The Remuneration Committee is mainly responsible for (i) reviewing and making recommendations to the Board on the remuneration policy of individual Director and Senior Management, with reference to the Board's corporate goals and objectives as well as considering salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group; (ii) reviewing the Company's share option scheme, bonus structure and other compensation-related issues and make recommendation to the Board; and (iii) other duties as set out in its specific terms of reference.



# 企業管治報告

## Corporate Governance Report

### 董事會 (續)

#### 薪酬委員會 (續)

薪酬委員會將就其提案及推薦意見諮詢主席，如薪酬委員會認為有需要，亦可尋求專業意見。薪酬委員會亦獲提供履行職責所需的其他資源。

在回顧年度內，薪酬委員會已：(i)在考慮可比較的市場條件後，審閱全體董事及高級管理人員之薪酬待遇（當時已參考其責任和職能、本集團的經營業績和已達成的企業目標），並向董事會提出推薦意見以供批准；(ii)審閱董事及高級管理人員之薪酬政策；及(iii)審閱董事的服務合約條款。各董事概不得參與任何有關其本身薪酬的討論及決議。

#### 薪酬政策

董事及高級管理人員的薪酬政策主要旨在讓本集團可將執行董事及高級管理人員的酬金與工作表現（以是否符合本公司的企業目標作為衡量標準）掛鉤，從而作出挽留及激勵。董事及高級管理人員之薪酬待遇主要包括基本薪酬、其他福利、酌情花紅及購股權。於釐定各酬金項目的指引時，本公司會參考市場對經營類似業務及規模相近的公司所作的酬金調查。

非執行董事的酬金主要包括董事袍金，有關款額乃參考市場標準進行年度評估。非執行董事履行職務（包括出席本公司會議）的實際費用可以實報實銷方式獲得償付。

#### 提名委員會

提名委員會的主席為執行董事劉楊先生，其他兩名成員為獨立非執行董事劉晨光先生及梁錦雲先生。提名委員會之大部分成員皆為獨立非執行董事。

### BOARD OF DIRECTORS (Continued)

#### Remuneration Committee (Continued)

The Remuneration Committee consults with the Chairman on its proposals and recommendations, and also has access to professional advice if deemed necessary by the Remuneration Committee. The Remuneration Committee is also provided with other resources enabling it to discharge its duties.

During the year under review, the Remuneration Committee had (i) reviewed the remuneration packages for all the Directors and Senior Management by reference to their responsibilities and duties, the Group's operating results and achieved corporate objectives, after taking into account also the comparable market conditions and made recommendation to the Board for approval; (ii) reviewed the remuneration policy for Directors and Senior Management; and (iii) reviewed the terms of service contract of the Directors. No Director shall participate in any discussion and resolution about his own remuneration.

#### Remuneration policy

The primary goal of the remuneration policy for Directors and Senior Management is to enable the Group to retain and motivate executive Directors and Senior Management by linking their compensation with performance as measured against the corporate objectives of the Company. The principal elements of the remuneration package for Directors and Senior Management include basic salary, other benefits, discretionary bonus and share option. In determining guidelines for each compensation element, the Company will make reference to market remuneration surveys on companies operating in similar business and comparable scale.

The remuneration of non-executive Directors mainly comprises directors' fees which is subject to annual assessment with reference to the market standard. Reimbursement is allowed for out-of-pocket expenses incurred in connection with the performance of their duties including attending at the Company's meetings.

#### Nomination Committee

The Nomination Committee is chaired by Mr. Liu Yang, an executive Director, with Mr. Liu Chenguang and Mr. Leung Kam Wan, as the two other members, both are independent non-executive Directors. The majority members of the Nomination Committee are independent non-executive Directors.



## 董事會 (續)

### 提名委員會 (續)

提名委員會的主要職責包括：(i) 審閱董事會架構、規模及成員多元化程度，並就任何為配合本公司的企業策略而擬對董事會作出的變動提出建議；(ii) 物色具備合適資格可擔任董事的人士，並甄選提名有關人士出任董事或就此向董事會提出推薦意見；(iii) 評核獨立非執行董事的獨立性；(iv) 就董事之委任或重新委任以及董事繼任計劃向董事會提出推薦意見；(v) 制定和檢討董事會多元化政策；(vi) 制定和檢討提名政策；及(vii) 履行特定權責範圍列明的其他職責。提名委員會獲提供充足資源以履行職責。

董事會多元化政策闡明實現董事會多元化的方式，包括性別、年齡、文化和教育背景、種族、專業及行業經驗、技能、知識、服務年資和主要股東的合法權益。提名委員會亦會考慮任何建議重選的董事或獲提名委任為董事之候選人之優點及貢獻，並妥為兼顧董事會多元化政策，從而對現有董事會提供互補作用。

### 提名政策

倘向董事會提出任何委任擬議候選人的建議或重新委任董事會任何現有成員的建議，提名委員會在評估擬議候選人是否合適時會考慮多項因素，包括但不限於以下各項：

- 誠信和道德；
- 可投入的時間；
- 與本集團或本集團成員公司的相關利益；
- 與政府的關係和公共事務溝通能力；
- 符合相關監管機構的規定；
- 各方面的多樣性（如董事會多元化政策所載）；
- 提名委員會或董事會可能不時考慮相關和適用的任何其他因素。

由於候選人的數目可能超出空缺數目，故採用「總票數」方法釐定選任哪位候選人為董事。董事會有權對與獲提名為董事的候選人有關的所有事項作出最終決定。

## BOARD OF DIRECTORS (Continued)

### Nomination Committee (Continued)

The primary duties of the Nomination Committee are to (i) review the structure, size and diversity of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; (iii) assess the independence of independent non-executive Directors; (iv) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; (v) develop and review the Board Diversity Policy; (vi) develop and review the Nomination Policy; and (vii) discharge other duties as set out in its specific terms of reference. The Nomination Committee is provided with sufficient resources enabling it to discharge its duties.

The Board Diversity Policy sets out the approach to achieve diversity of the Board which includes gender, age, cultural and educational background, ethnicity, professional and industry experience, skills, knowledge, length of service and the legitimate interests of the principal Shareholder. The Nomination Committee will also consider the merits and contribution of any Director proposed for re-election or any candidate nominated to be appointed as Director with due regard for the diversity of the Board so as to complement the existing Board.

### Nomination Policy

When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider a variety of factors including without limitation to the following in assessing the suitability of the proposed candidate:-

- integrity and ethics;
- commitment in respect of available time;
- relevant interests with the Group or the Group's members;
- government relations and the ability of public affairs communication;
- compliance with the relevant regulators requirements;
- diversity in all aspects (as described in the Board Diversity Policy);
- any other factors that the Nomination Committee or the Board may consider relevant and applicable from time to time.

As there may be more candidates than the vacancies available, the "gross-vote" method will be used to determine who shall be elected as a Director. The Board shall have the final decision on all matters relating to candidate nominated to be appointed as Director.

# 企業管治報告

## Corporate Governance Report

### 董事會 (續)

#### 提名委員會 (續)

在回顧年度內，提名委員會已：(i) 評核董事會目前的架構、規模及組成（包括但不限於技能、知識及經驗）；(ii) 審閱獨立非執行董事的獨立性；(iii) 審閱並推薦於股東週年大會上續聘退任董事以供股東批准；(iv) 檢討董事會多元化政策；(v) 審閱董事繼任計劃；及(vi) 檢討提名政策。

#### 安全及環保委員會

安全及環保委員會負責強化生產營運之安全、環保及效益，以減少本集團之主要營運風險。安全及環保委員會的主席為執行董事劉揚先生，其他成員為獨立非執行董事高寶玉先生及李玉國先生。安全及環保委員會的主要職責包括：

- (i) 制定本集團整體的安全和環保政策和規則；
- (ii) 建立和維持本集團的安全和環保生產運作體系；
- (iii) 檢查和監察本集團的生產和營運，以確保本集團的安全和環保政策和規則有效地執行；
- (iv) 確保本集團之生產營運符合有關監管機構及部門不時頒佈之所有相關法規和規則；及
- (v) 回應及處理所有關於安全及環境事項之投訴，並向董事會提出改善建議。

在回顧年度內，安全及環保委員會已：(i) 審閱並建議董事會批准提升生產設施，以解決生產中所產生的廢水；(ii) 批准安全、健康及環保部門在二零一九年的工作計劃；及(iii) 根據本集團的業務發展計劃，討論並議定若干安全和環保項目，以供董事會批准。

### BOARD OF DIRECTORS (Continued)

#### Nomination Committee (Continued)

During the year under review, the Nomination Committee had (i) assessed the current structure, size and composition (including but not limited to the skills, knowledge and experience) of the Board; (ii) reviewed the independence of the independent non-executive Directors; (iii) reviewed and recommended the re-appointment of the retiring Directors for Shareholders' approval at annual general meeting; (iv) reviewed the Board Diversity Policy; (v) reviewed the Directors' succession plan; and (vi) reviewed the Nomination Policy.

#### Safety and Environmental Protection Committee

The Safety and Environmental Protection Committee is responsible for enhancing the safety and environmental protection as well as effectiveness of production operations that would eliminate the main operating risks of the Group. The Safety and Environmental Protection Committee is chaired by Mr. Liu Yang, an executive Director and other members are Mr. Gao Baoyu, an independent non-executive Director and Mr. Li Yuguo. The primary duties of the Safety and Environmental Protection Committee include:

- (i) formulating the Group's overall safety and environmental protection policy and regulations;
- (ii) establishing and maintaining a safety and environmental production operating system of the Group;
- (iii) inspecting and monitoring the productions and operations of the Group to ensure the Group's safety and environmental protection policy and regulations are implemented effectively;
- (iv) ensuring the production operations of the Group are complied with all relevant rules and regulations promulgated by relevant regulators and authorities from time to time; and
- (v) responding and handling all complaints regarding the safety and environmental issues and make recommendations to the Board for improvement.

During the year under review, the Safety and Environmental Protection Committee has (i) reviewed and recommended the Board to approve the upgrade production facilities to address the wastewater from productions; (ii) approved the work plans of the safety, health and environment department in 2019; and (iii) discussed and agreed several safety and environmental protection projects in line with the business development plans of the Group for the Board's approval.

董事會 (續)

在回顧年度內，各董事出席董事會會議、董事會委員會會議及股東週年大會之記錄載列如下：

BOARD OF DIRECTORS (Continued)

During the year under review, the attendance record of each Director at the Board meetings, Board committee meetings and annual general meeting is set out below:

		出席會議記錄 Attendance of meetings					安全及 環保委員會 Safety and Environmental Protection Committee
		股東週年 大會 Annual general meeting	董事會 Board	審核委員會 Audit Committee	薪酬委員會 Remuneration Committee	提名委員會 Nomination Committee	
<b>執行董事</b> <b>Executive Directors</b>							
劉揚先生 <sup>4,5,7</sup>	Mr. Liu Yang <sup>4,5,7</sup>	1/1	4/4	3/3	1/1	1/1	1/1
王子江先生	Mr. Wang Zijiang	1/1	4/4	-	-	-	-
<b>非執行董事</b> <b>Non-executive Directors</b>							
劉洪亮先生	Mr. Liu Hongliang	1/1	4/4	1/3	-	-	-
郭玉成先生	Mr. Guo Yucheng	1/1	4/4	-	-	-	-
<b>獨立非執行董事</b> <b>Independent non-executive Directors</b>							
梁錦雲先生 <sup>1,4,6</sup>	Mr. Leung Kam Wan <sup>1,4,6</sup>	1/1	4/4	3/3	1/1	1/1	-
高寶玉先生 <sup>2,4,8</sup>	Mr. Gao Baoyu <sup>2,4,8</sup>	1/1	4/4	3/3	1/1	-	1/1
劉晨光先生 <sup>2,3,6</sup>	Mr. Liu Chenguang <sup>2,3,6</sup>	1/1	4/4	3/3	1/1	1/1	-
<b>管理層</b> <b>Management</b>							
李玉國先生 <sup>8</sup>	Mr. Li Yuguo <sup>8</sup>	-	-	-	-	-	1/1

附註：

Notes:

1. 審核委員會主席
2. 審核委員會成員
3. 薪酬委員會主席
4. 薪酬委員會成員
5. 提名委員會主席
6. 提名委員會成員
7. 安全及環保委員會主席
8. 安全及環保委員會成員

1. Chairman of the Audit Committee
2. Member of the Audit Committee
3. Chairman of the Remuneration Committee
4. Member of the Remuneration Committee
5. Chairman of the Nomination Committee
6. Member of the Nomination Committee
7. Chairman of the Safety and Environmental Protection Committee
8. Member of the Safety and Environmental Protection Committee

# 企業管治報告

## Corporate Governance Report

### 問責及審核

董事會致力根據一切法定及監管要求，向股東及公眾人士呈列以公正、清晰及明確的方式就本公司的表現、狀況及前景所作的評估。

董事知悉彼等須根據法定要求及適用會計準則編製本集團財務報表的責任，亦知悉彼等有責任確保適時刊發本集團財務報表。董事及核數師有關財務報表的責任載列於本報告第49至54頁之「獨立核數師報告」。

此外，董事會已在回顧年度內審閱及考慮本集團在會計及財務申報職能方面的員工資源、資歷及經驗是否足夠，並曾審議員工所接受的培訓課程及有關預算。

在回顧年度內，董事會獲按時提供每月更新。管理層亦須提交詳盡報告及說明，以供董事會於批准本集團財務報表前作出知情評估。

### 內部監控及風險管理

董事會全盤負責本集團的內部監控體系，並為本集團維持健全和有效的內部監控體系，以保障本集團的資產及股東投資。

董事會亦負責本集團的整體風險管理職能。風險管理程序已設立並於本集團整體營運中實行，以就所有可影響主要業務活動之已識別風險，提供一致的風險管理程序，即風險識別、評估、處理及呈報。

本集團之內部監控及風險管理體系包括一套全面之組織架構及授權制度，當中已清晰界定各業務及營運單位之責任，權力之分配則根據有關人士之經驗及業務所需而進行。該體系旨在：(i) 幫助實現業務目標及保障資產免被未經授權挪用或處置；(ii) 確保遵守有關法律、規則及規例，並確保可妥善保存會計記錄以提供可靠之財務資料作業務或公佈之用；及(iii) 識別、管理和減低本集團的主要風險。

本集團的內部監控和風險管理體系旨在合理（而非絕對）保證不會出現重大失實陳述或損失，以及管理（而非杜絕）未能達成本集團業務目標的風險。

### ACCOUNTABILITY AND AUDIT

The Board aims to present a balanced, clear and understandable assessment of the Company's performance, position and prospects to Shareholders and the public pursuant to all types of statutory and regulatory requirements.

The Directors acknowledge their responsibilities for preparing the financial statements of the Group in accordance with statutory requirements and the applicable accounting standards. The Directors also acknowledge their responsibilities to ensure that the financial statements for the Group are published in a timely manner. The Directors' and auditor's responsibilities in respect of the financial statements are set out in the "Independent Auditor's Report" on pages 49 to 54 of this report.

In addition, the Board has reviewed and considered the adequacy of resources, qualifications and experience of staffs of the accounting and financial reporting function of the Group and also considered the training programs and budget during the year under review.

Monthly updates have been provided to the Board timely during the year under review. Management is also required to provide detailed reports and explanation to enable the Board to make an informed assessment before approval of the Group's financial statements.

### INTERNAL CONTROL AND RISK MANAGEMENT

The Board has overall responsibilities for the Group's system of internal control and maintaining a sound and effective internal control system of the Group to safeguard the Group's assets and the Shareholders' investment.

The Board is also responsible for the overall risk management functions of the Group. Risk management procedure has been set up and implemented for the overall operations of the Group, which is in place to provide a consistent approach on the risk management processes in identification, assessment, treatment and reporting of all risks identified that would affect key business activities.

The internal control and risk management systems of the Group comprise a comprehensive organisational structure and delegation of authorities, with responsibilities of each business and operational units clearly defined and authorities assigned to individuals based on experience and business needs. Systems have been designed to (i) help the achievement of business objectives and safeguard assets against unauthorised use and disposition; (ii) ensure compliance with relevant laws, rules and regulations, and ensure proper maintenance of accounting records for provision of reliable financial information used within the business or for publication; and (iii) identify, manage and mitigate key risks to the Group.

The internal control and risk management systems of the Group are established to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage, but not to eliminate, risks of failure in achieving the Group's business objectives.

## 內部監控及風險管理 (續)

本集團已成立內部審計部門以確保所有內部監控程序、合規監控程序及風險管理措施和程序均妥善執行。本集團的內部審計部門亦正制訂更多監控措施，以建立更全面的管理体系，從而支持本集團的業務持續發展。在對本集團內各種營運和活動的相關風險和監控進行獨立審查和考核，並評估其是否足夠、有效和合規後，本集團的內部審計部門將定期向董事會直接報告。

在回顧年度內，本集團的內部審計部門就對本公司其中一家附屬公司的非流動資產投資活動進行內部監控審閱及考核，並直接向董事會匯報結果。本公司總經理負責制定改善措施，以及實施由本集團內部審計部門提出之若干建議。該等審計建議的改進進度由內部審計部門定期跟進，直至董事會滿意為止。

董事將至少每年對本集團的內部監控和風險管理体系進行恆常的檢討，以確保該體系一直保持健全和有效。於回顧年度內，董事已審閱本集團內部監控和風險管理体系的成效，認為有關體系有效和足夠。此外，執行董事會參與每月管理層會議，就本集團的財務與營運程序、詐騙調查（如有），以及生產效率及效益等進行檢討，及／或參與按需要舉行的會議以即時處理或糾正違規情況。

此外，根據本集團的員工手冊，員工可以匿名信方式向獨立非執行董事或主席報告任何本集團內部發生之失德行為、不當行為或欺詐事件，而毋須擔心受迫害、繼後遭受歧視、不利對待或遭解僱。

## INTERNAL CONTROL AND RISK MANAGEMENT (Continued)

An internal audit department of the Group is established to ensure that all internal control procedures, compliance controls procedures and risk management measures and procedures are properly implemented. The internal audit department of the Group is also formulating more control measures to put in place and aims to establish more comprehensive management systems so as to support the continuous business development of the Group. The internal audit department of the Group will report to the Board directly and periodically after performing independent reviews and examinations on the risks associated with and controls over various operations and activities within the Group and evaluating their adequacy, effectiveness and compliance.

During the year under review, the internal audit department of the Group performed internal control review and examination on the investment activities in non-current assets of one of the subsidiaries of the Company. The findings have been reported directly to the Board. The general manager of the Company is responsible for making improvement measures and implementing several recommendations suggested by the internal audit department of the Group. The improvement progress on these audit recommendations is followed up on a regular basis by internal audit department to the Board's satisfaction.

The Directors will constantly review the internal control and risk management systems of the Group at least annually to ensure the systems remain sound and effective on an on-going basis. During the year under review, the Directors had reviewed the effectiveness of the internal control and risk management systems of the Group and considered that they are effective and adequate. Besides, the executive Directors participate in the monthly management meetings to review the Group's financial and operational procedures, fraud investigations (if any), productivity efficiency and effectiveness etc., and/or meetings held as and when required to address or rectify irregularities immediately.

In addition, pursuant to the employee handbook of the Group, employees can report any ethical misconduct, impropriety or fraud cases within the Group to the independent non-executive Directors or Chairman anonymously in writing without fear of victimisation, subsequent discrimination, disadvantage or dismissal.



# 企業管治報告

## Corporate Governance Report

### 內部監控及風險管理 (續)

董事會負責處理發佈內幕消息及其他財務資料披露合規之要求。董事會完全瞭解其根據上市規則應負的責任，並知悉盡快披露本集團內幕消息是首要原則。本公司已參考證券及期貨事務監察委員會發出的「內幕消息披露指引」而制定了內幕消息披露政策。本公司的內幕消息披露政策嚴禁未經授權使用機密或內幕消息。內幕消息披露政策還明確規定了回應外界查詢本集團事務的程序，並確保在披露之前嚴格保密內幕消息。凡得悉或可接觸本集團未公佈之內幕消息之僱員均已得悉本公司已採納標準守則，並須遵從證券及期貨條例第XIII及XIV部分所規定之限制。董事會將定期檢討內幕消息披露政策，以便在有需要時作出修正或修訂。

### 遵從進行證券交易的標準守則

本公司已採納標準守則作為其本身監管董事進行證券交易之守則。作出具體查詢後，各董事均已確認，於截至二零一九年十二月三十一日止財政年度一直遵守標準守則。本公司亦已就有關僱員採納條款不會較標準守則寬鬆之書面指引。高級管理人員因本身在本集團擔任之職位而可能擁有內幕消息，彼等已應要求遵守標準守則之有關條文及本公司有關董事進行證券交易之操守準則。於回顧年度內，據本公司所知，概無出現有關僱員違反僱員書面指引之情況。

### 股東權利

#### 召開股東特別大會（「股東特別大會」）之權利

任何一名或以上於呈遞要求日期持有不少於本公司實繳股本（附有本公司股東大會之投票權）十分之一之股東，有權隨時向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中列明的任何事項；有關大會須於呈遞該要求後兩(2)個月內舉行。

### INTERNAL CONTROL AND RISK MANAGEMENT (Continued)

The Board is responsible for the handling of the dissemination of inside information and compliance of other financial disclosure requirements. The Board is fully aware of its obligations under the Listing Rules and the overriding principle that inside information of the Group should be disclosed as soon as reasonably practicable. The Company has developed an inside information disclosure policy with reference to the Guide on Disclosure of Inside Information issued by the Securities and Futures Commission. Any unauthorised use of confidential or inside information is strictly prohibited under the inside information disclosure policy of the Company. The inside information disclosure policy has also clearly defined the procedures for responding to external enquiries about the Group's affairs and ensure the strict confidentiality of inside information prior to its disclosure. Employees who are privy or have access to unpublished inside information of the Group have also been notified on the adoption of the Model Code by the Company and on observing the restrictions pursuant to Parts XIII and XIV of the SFO. The Board will review the inside information disclosure policy regularly to make revisions or amendments thereto, if necessary.

### COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code governing securities transactions of the Directors. Each of the Directors has confirmed, upon specific enquiry, his compliance with the Model Code for the financial year ended 31 December 2019. The Company has also adopted written guidelines on no less exacting terms than the Model Code for the relevant employees. The Senior Management, who, because of their office in the Group, is likely to be in possession of inside information, has been requested to comply with the provisions of the Model Code and the Company's code of conduct regarding securities transactions by Directors. No incidents of non-compliance of the employees' written guidelines by the relevant employees were noted by the Company during the year under review.

### SHAREHOLDERS' RIGHTS

#### Right to convene extraordinary general meeting (the "EGM")

Any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

## 股東權利 (續)

### 召開股東特別大會 (「股東特別大會」) 之權利 (續)

該要求須列明舉行大會之目的，並須由呈遞要求人士簽署及送達本公司香港主要營業地點以轉交公司秘書。該要求可由多份同樣格式之文件組成，而各文件均須由一位或以上之呈遞要求人士簽署。

如有關要求被證實不符規定，提出要求之股東將獲知會有關情況，因而不會按要求的召開股東特別大會。

倘董事會未有於呈遞後二十一(21)日內召開有關大會，則呈遞要求人士可以同樣方式自行召開大會，而呈遞要求人士因董事會未有召開大會而產生的所有合理開支，須由本公司向呈遞要求人士償付。

### 向董事會作出查詢之權利

股東有權向董事會查詢。所有查詢均須以書面方式連同作出查詢之股東之聯絡資料，送達本公司香港主要營業地點以轉交公司秘書。

### 於股東大會提出議案之權利

開曼群島公司法(經不時修訂)或組織章程細則概無允許股東可於股東大會上提呈決議案之條文，惟提名他人參選董事的議案除外。然而，股東可向董事會或公司秘書發出書面要求以提出議案，並依循上文「召開股東特別大會之權利」一段所述之程序，召開股東特別大會以處理該書面要求列明之任何事宜。

### 提名他人參選董事之權利

根據組織章程細則第88條，除非獲董事推薦參選，否則，除在大會上退任的董事外，其他人士概無資格在任何股東大會上參選董事，惟倘屬以下情況則作別論：由正式合資格出席大會並於會上投票的本公司股東(並非擬參選人)簽署書面通知，其內表明提名有關人士參選的意向，並附上獲提名人士簽署表示願意膺選及載列該人士根據上市規則第13.51(2)條之規定提供之個人履歷的通知，送交本公司香港主要營業地點以轉交公司秘書，而發出有關通知之期間最少須為七(7)日，如有關通知於寄發指定舉行有關選舉之股東大會通告後提交，則交回通知之期間於寄發進行選舉之股東大會之有關通告翌日開始，且不得遲於有關股東大會舉行日期前七(7)日結束。

## SHAREHOLDERS' RIGHTS (Continued)

### Right to convene extraordinary general meeting (the "EGM") (Continued)

The requisition must state the purposes of the meeting, and must be signed by the requisitionist(s) and deposited to the Company Secretary at the Company's principal place of business in Hong Kong, and may consist of several documents in like form each signed by one or more requisitionist(s).

If the request has been verified is not in order, the Shareholders making the request will be advised of this outcome and accordingly, an EGM will not be convened as requested.

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

### Right to put enquiries to the Board

Shareholders have the right to put enquiries to the Board. All enquiries must be in writing with contact information of the Shareholders and deposited to the Company Secretary at the Company's principal place of business in Hong Kong.

### Right to put forward proposals at general meetings

There are no provisions allowing Shareholders to move resolutions at the general meetings other than a proposal of a person for election as a Director under the Cayman Islands Companies Law (as amended from time to time) or the Articles of Association. However, Shareholders may suggest proposals by sending written requisition to the Board or the Company Secretary following the procedures set out in the paragraph headed "Right to Convene Extraordinary General Meeting" above to convene an EGM for any business specified in such written requisition.

### Right to propose a person for election as a Director

Pursuant to article 88 of the Articles of Association, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a written notice signed by a member of the Company (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected including that person's biographical details as required by rule 13.51(2) of the Listing Rules, shall have been lodged at the Company Secretary at the Company's principal place of business in Hong Kong provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

# 企業管治報告

## Corporate Governance Report

### 股東權利 (續)

#### 投資者關係

本公司認為，股東週年大會是與股東作面對面溝通的重要途徑。主席或審核委員會主席將會出席本公司之股東週年大會，以向股東解答及說明有關本集團業務策略及財務業績之事宜，以及於股東大會提呈之決議案。在大會開始時，大會主席將會詳細解釋投票表決之程序，然後回答股東就投票表決提出的任何問題。

此外，本公司亦透過公告、年報及中期報告與股東溝通。所有該等報告及公告均可在本公司及聯交所之網站閱覽。主席和投資者關係經理是本公司與所有外界媒體溝通及回應股東和投資界查詢的主要發言人。

#### 獨立核數師

本公司應付獨立核數師的非審計服務及審計服務年費須受審核委員會審查。倘本公司獨立核數師提供非審計服務，事前必須取得審核委員會批准，以確保不會影響本公司獨立核數師的獨立及客觀地位。於截至二零一九年十二月三十一日止財政年度已支付或應支付予本公司獨立核數師的費用詳情如下：

審計服務	港幣 900,000 元
非審計服務	
審閱中期財務報表	港幣 100,000 元

代表董事會  
主席  
劉揚

香港，二零二零年三月二十七日

### SHAREHOLDERS' RIGHTS (Continued)

#### INVESTOR RELATIONS

The Company considers its annual general meeting as an important channel for face-to-face dialogue with Shareholders. Either the Chairman or the chairman of the Audit Committee would attend the annual general meeting of the Company answering and explaining to Shareholders the issues relating to the Group's business strategies and financial results and proposed resolutions at the general meeting. At the commencement of the meeting, the chairman of the meeting will explain the detailed procedures for conducting a poll and then answers any questions from Shareholders regarding voting by way of a poll.

In addition, the Company also communicates to its Shareholder through announcements, annual and interim reports. All such reports and announcements can also be accessed via the Company's website and the website of the Stock Exchange. The Chairman and the investor relations manager are the key spokespersons of the Company in all external media communications and respond to inquiries from Shareholders and investment community.

#### INDEPENDENT AUDITOR

The annual fees payable to the independent auditor of the Company for non-audit services and for audit services are subject to scrutiny by the Audit Committee. The provision of non-audit services by the independent auditor of the Company requires prior approval of Audit Committee so as to ensure that the independence and objectivity of the independent auditor of the Company will not be impaired. Details of the fees paid or payable to the independent auditor of the Company for the financial year ended 31 December 2019 are as follows:

Audit services	HK\$900,000
Non-audit services	
Review of interim financial statements	HK\$100,000

On behalf of the Board  
**Liu Yang**  
Chairman

Hong Kong, 27 March 2020



Tel : +852 2218 8288  
Fax: +852 2815 2239  
www.bdo.com.hk

25<sup>th</sup> Floor Wing On Centre  
111 Connaught Road Central  
Hong Kong

電話 : +852 2218 8288  
傳真 : +852 2815 2239  
www.bdo.com.hk

香港  
干諾道中111號  
永安中心25樓

致天德化工控股有限公司股東  
(於開曼群島註冊成立之有限公司)

**TO THE SHAREHOLDERS OF TIANDE CHEMICAL HOLDINGS LIMITED**  
(incorporated in the Cayman Islands with limited liability)

## 意見

本核數師(以下簡稱「吾等」)已審計列載於第55至148頁天德化工控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表,綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合現金流量表及綜合權益變動表,以及綜合財務報表附註,當中包括主要會計政策概要。

## OPINION

We have audited the consolidated financial statements of Tiande Chemical Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 55 to 148, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

吾等認為,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」)真實而公允地反映 貴集團於二零一九年十二月三十一日的綜合財務狀況及 貴集團截至該日止年度的綜合財務表現及綜合現金流量,並已按照香港《公司條例》的披露規定妥為編製。

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 2019, 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.

## 意見的基礎

吾等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。吾等根據該等準則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」一節作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」),吾等獨立於 貴集團,並已履行守則中的其他專業道德責任。吾等相信,吾等已獲得充足的審計憑證,能適當地作為吾等審計意見的基礎。

## 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.

# 獨立核數師報告

## Independent Auditor's Report

### 關鍵審計事項

根據吾等的專業判斷，關鍵審計事項為在吾等就本期間綜合財務報表所作審核中最重要的事項。吾等乃因應審核整體之綜合財務報表及就此達致意見而處理此等事項，故不會就此等事項另行發表意見。

### 貿易應收賬及應收票據減值評估

謹此提述綜合財務報表附註41(iii)(c)及(d)以及4(ix)所載有關貿易應收賬及應收票據減值的重要會計估計及判斷。

根據香港財務報告準則第9號「金融工具」，貿易應收賬及應收票據的減值評估乃根據預期信貸虧損（「預期信貸虧損」）模式估計。貿易應收賬及應收票據的虧損撥備乃按預期信貸虧損計量，而預期信貸虧損是指於預期年限內所有可能違約事件造成的虧損。貿易應收賬及應收票據的減值評估屬主觀領域，原因是需要運用管理層的判斷。作出判斷時會考慮過往信貸記錄，包括違約或延遲支付、結算記錄、期後結算及貿易應收賬及應收票據的賬齡分析，並根據債務人特定的前瞻性因素和經濟環境作出調整。

於二零一九年十二月三十一日，本集團的貿易應收賬及應收票據達人民幣290,004,000元（附註20），並已就該等結餘作出減值撥備人民幣4,068,000元（附註41(iii)(c)）。

吾等將貿易應收賬及應收票據減值評估確定為關鍵審計事項，因為其對綜合財務報表十分重要，以及上文所述管理層編製的減值評估需要大量判斷。

### 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.

### Impairment assessment of trade and bills receivable

Refer to note 41(iii)(c) and (d), and the Group's critical accounting estimates and judgements in relation to impairment of trade and bills receivable set out in note 4(ix) to the consolidated financial statements.

Impairment assessment of trade and bills receivable is estimated based on an expected credit losses ("ECLs") model under HKFRS 9 Financial Instruments. Loss allowance for trade and bills receivable are measured with ECLs which result from all possible default events over the expected life. Impairment assessment of trade and bills receivable is a subjective area as management requires application of judgement. Judgement is applied in considering the credit history including default or delay in payments, settlement records, subsequent settlements and ageing analysis of trade and bills receivable, adjusted for forward-looking factors specific to the debtors and the economic environment.

As at 31 December 2019, the Group had trade and bills receivable amounting to RMB290,004,000 (note 20). Allowance for impairment amounting to RMB4,068,000 (note 41(iii)(c)) had been made over these balances.

We have identified impairment assessment of trade and bills receivable as a key audit matter because of its significance to the consolidated financial statements and considerable amount of judgement being required in conducting impairment assessment prepared by management as mentioned in the foregoing paragraph.



### 關鍵審計事項 (續)

#### 吾等的回應：

吾等就管理層對貿易應收賬及應收票據的減值評估所作的審計程序包括：

- 理解管理層進行減值評估的方法；
- 通過了解 貴集團所採用的方法，評估貿易應收賬和應收票據的預期信貸虧損的計量；
- 核對來源文件，以抽樣方式測試貿易應收賬及應收票據的賬齡分析；
- 評估在預期信貸虧損模式中使用賬齡概要、過往付款模式、過往違約率、預測經濟狀況和前瞻性資料的合理性；及
- 檢查預期信貸虧損模式中使用的輸入數值的準確性和相關性。

### 年報中的其他資料

董事須對其他資料承擔責任。其他資料包括載於 貴公司年報的資料，惟不包括載於年報的綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表作出的意見並無涵蓋其他資料，而吾等不會對其他資料發表任何形式的核證結論。

就吾等對綜合財務報表所作的審計而言，吾等的責任為閱讀其他資料，並同時考慮其他資料是否與綜合財務報表或吾等在審計過程中獲悉的資料存在重大差異，或似乎存在重大錯誤陳述。倘吾等基於已進行的工作認定其他資料出現重大錯誤陳述，吾等須報告有關事實。就此，吾等毋須作出報告。

### KEY AUDIT MATTERS (Continued)

#### Our responses:

Our audit procedures in relation to management's impairment assessment of trade and bills receivable included:

- Obtaining an understanding of how impairment is estimated by the management;
- Assessing the measurement of ECLs of trade and bills receivable by obtaining the understanding of approach being adopted by the Group;
- Testing the ageing analysis of trade and bills receivables, on a sample basis, to the source documents;
- Reviewing the reasonableness of the use of ageing profile, historical settlement pattern, historical default rates, forecast economic conditions and forward-looking information in the ECLs model; and
- Checking the accuracy and the relevance of the input data used in the ECLs model.

### OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's 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.

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.

# 獨立核數師報告

## Independent Auditor's Report

### 董事就綜合財務報表承擔的責任

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》的披露規定編製綜合財務報表，以令綜合財務報表顯示真實而公允的狀況，並負責落實其認為編製綜合財務報表所必要的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並披露與持續經營有關的事項（如適用）。除非董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行辦法，否則須採用以持續經營為基準的會計法。

董事亦負責監督貴集團的財務報告流程。審核委員會協助董事履行此方面的責任。

### 核數師就審計綜合財務報表承擔的責任

吾等的目標為就綜合財務報表整體而言是否不存在因欺詐或錯誤而致的重大錯誤陳述取得合理認證，並發出載有吾等意見的核數師報告。吾等根據審計業務約定書的條文僅向全體股東報告，除此以外本報告不作其他用途。吾等不會就本報告之內容向任何其他人士負責或承擔任何責任。

合理確定屬高層次的核證，惟根據香港審計準則進行的審計工作不能保證一定能找出所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體的錯誤陳述在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定，則被視為重大錯誤陳述。

### DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

### 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. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

### 核數師就審計綜合財務報表承擔的責任 (續)

在根據香港審計準則進行審計的整個過程中，吾等運用專業判斷，並保持專業懷疑態度。吾等亦：

- 識別及評估因欺詐或錯誤而導致綜合財務報表出現重大錯誤陳述的風險、設計及執行審計程序以處理該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計切合情況的審計程序，惟並非旨在對 貴集團內部監控的成效發表意見。
- 評估董事採用的會計政策是否恰當，以及董事作出的會計估計和相關披露是否合理。
- 對董事採用持續經營會計基準是否恰當作出結論，並根據所獲取的審計憑證，確定是否存在與可能導致對 貴集團的持續經營能力產生重大疑慮的事項或情況有關的重大不明朗因素。倘吾等認定存在重大不明朗因素，則吾等有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能會導致 貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容（包括披露資料），以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等仍為審計意見承擔全部責任。

吾等與審核委員會就（其中包括）審計的計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括吾等在審計過程中識別的內部監控的任何重大缺失。

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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.
- 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.

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

## 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 (續)

吾等亦向審核委員會作出聲明，指出吾等已符合有關獨立性的相關道德要求，並與彼等就可能被合理認為會影響吾等獨立性的所有關係及其他事宜，以及相關防範措施（如適用）進行溝通。

從與董事作出溝通的事項中，吾等釐定對本期綜合財務報表的審計至關重要的事項，而該等事項即為關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，可合理預期在吾等報告中載述某事項造成的負面後果會超出產生的公眾利益，則吾等會決定不在報告中載述該事項。

香港立信德豪會計師事務所有限公司

執業會計師

歐耀均

執業證書號碼 P05018

香港，二零二零年三月二十七日

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

From the matters communicated with the directors, 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.

**BDO Limited**

*Certified Public Accountants*

**Au Yiu Kwan**

Practising Certificate Number P05018

Hong Kong, 27 March 2020

## Consolidated Income Statement

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

		附註 Notes	二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
營業額	Revenue	6	1,381,138	1,179,300
銷貨成本	Cost of sales		(1,195,751)	(1,114,146)
<b>毛利</b>	<b>Gross profit</b>		<b>185,387</b>	65,154
其他收入和收益	Other income and gains	6	6,820	22,415
投資物業重估增值	Revaluation gain on investment properties	15	1,400	2,100
銷售開支	Selling expenses		(50,830)	(52,573)
行政及其他營運開支	Administrative and other operating expenses		(124,899)	(88,730)
財務成本	Finance costs	7	(4,206)	(4,628)
商譽減值虧損	Impairment loss on goodwill	16	–	(17,668)
出售附屬公司收益	Gain on disposal of a subsidiary	38(a)	41,565	–
應收前附屬公司款項的 減值虧損	Impairment loss on amounts due from a former subsidiary	38(b)	(24,720)	–
<b>除所得稅前溢利／(虧損)</b>	<b>Profit/(Loss) before income tax</b>	8	<b>30,517</b>	(73,930)
所得稅(開支)／抵免	Income tax (expense)/credit	9	(18,870)	5,214
<b>本年度溢利／(虧損)</b>	<b>Profit/(Loss) for the year</b>		<b>11,647</b>	(68,716)
<b>應佔本年度溢利／(虧損)：</b>	<b>Profit/(Loss) for the year attributable to:</b>			
本公司擁有人	Owners of the Company		21,507	(61,058)
非控制權益	Non-controlling interests		(9,860)	(7,658)
			<b>11,647</b>	(68,716)
就計算本公司擁有人應佔 年度溢利／(虧損)而言之 每股盈利／(虧損) – 基本及攤薄	Earnings/(Loss) per share for profit/(loss) attributable to owners of the Company for the year – Basic and diluted	12	人民幣0.025元 RMB0.025	人民幣(0.072)元 RMB(0.072)



## 綜合全面收益表

# Consolidated Statement of Comprehensive Income

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
本年度溢利／（虧損）	<b>Profit/(Loss) for the year</b>	<b>11,647</b>	(68,716)
其他全面收益 其後可能重新分類至 收益表之項目：	<b>Other comprehensive income Items that may be reclassified subsequently to the income statement:</b>		
換算海外業務財務報表之 匯兌虧損	Exchange loss on translation of financial statements of foreign operations	(211)	(226)
本年度其他全面收益	<b>Other comprehensive income for the year</b>	<b>(211)</b>	(226)
本年度全面收益總額	<b>Total comprehensive income for the year</b>	<b>11,436</b>	(68,942)
應佔本年度全面收益 總額：	<b>Total comprehensive income for the year attributable to:</b>		
本公司擁有人	Owners of the Company	<b>21,430</b>	(61,030)
非控制權益	Non-controlling interests	<b>(9,994)</b>	(7,912)
		<b>11,436</b>	(68,942)

## Consolidated Statement of Financial Position

於二零一九年十二月三十一日 As at 31 December 2019

	附註 Notes	二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
<b>資產與負債</b>			
<b>非流動資產</b>			
物業、廠房及設備	13	1,108,946	964,300
資產使用權	37	75,427	–
預付土地租賃款項	14	–	60,742
投資物業	15	23,900	22,500
無形資產	17	13,979	15,783
購置物業、廠房及 設備之已付訂金		29,130	14,093
遞延稅項資產	18	27,419	33,291
		<b>1,278,801</b>	1,110,709
<b>流動資產</b>			
存貨	19	102,406	139,261
貿易應收賬及應收票據	20	290,004	306,517
預付款項及其他應收款項	21	63,451	83,050
即期稅項資產		3,300	–
已抵押銀行存款	22	6,902	2,691
銀行及現金結餘	23	164,505	49,105
		<b>630,568</b>	580,624
<b>流動負債</b>			
貿易應付賬及應付票據	24	44,443	45,040
應付未付賬款及其他應付 款項	25	267,405	204,923
合約負債	26	15,803	6,917
法律索賠撥備	21(b)	–	17,141
銀行借款	27	170,000	20,000
來自一名非控股股東的墊款	28	5,682	5,546
來自最終控股公司的墊款	29	64,659	67,801
流動稅項負債		10,415	1,653
		<b>578,407</b>	369,021
<b>流動資產淨值</b>		<b>52,161</b>	211,603
<b>總資產減流動負債</b>		<b>1,330,962</b>	1,322,312

## 綜合財務狀況表

# Consolidated Statement of Financial Position

於二零一九年十二月三十一日 As at 31 December 2019

		附註 Notes	二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
<b>非流動負債</b>	<b>Non-current liabilities</b>			
遞延收入	Deferred income	30	6,473	7,775
遞延稅項負債	Deferred tax liabilities	18	20,653	22,137
			<b>27,126</b>	29,912
<b>資產淨值</b>	<b>Net assets</b>		<b>1,303,836</b>	1,292,400
<b>權益</b>	<b>EQUITY</b>			
股本	Share capital	31	7,831	7,831
儲備	Reserves	32	1,284,717	1,263,287
本公司擁有人應佔權益	<b>Equity attributable to the Company's owners</b>		<b>1,292,548</b>	1,271,118
非控制權益	<b>Non-controlling interests</b>		<b>11,288</b>	21,282
<b>總權益</b>	<b>Total equity</b>		<b>1,303,836</b>	1,292,400

第55至148頁的綜合財務報表已於二零二零年三月二十七日獲本公司董事會批准並授權刊發，並由以下代表簽署：

The consolidated financial statements on pages 55 to 148 were approved and authorised for issue by the board of directors of the Company on 27 March 2020 and are signed on its behalf by:

劉揚  
LIU YANG  
董事  
Director

王子江  
WANG ZIJIANG  
董事  
Director

## Consolidated Statement of Cash Flows

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

	附註 Notes	二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
<b>經營業務產生之現金流量</b>	<b>Cash flows from operating activities</b>		
除所得稅前溢利／(虧損)	Profit/(Loss) before income tax	30,517	(73,930)
已就下列各項作調整：	Adjustments for:		
銀行利息收入	Bank interest income	(1,026)	(1,676)
利息開支	Interest expenses	4,206	4,628
資產使用權攤銷	Amortisation of right-of-use assets	1,479	–
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments	–	1,679
無形資產攤銷	Amortisation of an intangible asset	1,804	1,803
折舊	Depreciation	108,227	99,945
遞延收入撥回	Release of deferred income	(1,302)	(3,931)
撇減至可變現淨值之 存貨回撥淨額	Reversal of write-down of inventories to net realisable value, net	(2,810)	(3,761)
物業、廠房及設備撇銷	Write-off of property, plant and equipment	34,847	23,538
預付土地租賃款項撇銷	Write-off of prepaid land lease payments	–	421
投資物業重估增值	Revaluation gain on investment properties	(1,400)	(2,100)
應收前附屬公司 款項的減值虧損	Impairment loss on amounts due from a former subsidiary	24,720	–
出售附屬公司收益	Gain on disposal of a subsidiary	(41,565)	–
貿易應收賬減值虧損	Impairment losses on trade receivables	3,759	3,822
商譽減值虧損	Impairment loss on goodwill	–	17,668
出售物業、廠房及設備虧損	Loss on disposals of property, plant and equipment	1	556
營運資金變動前之經營溢利	Operating profit before working capital changes	161,457	68,662
存貨減少	Decrease in inventories	23,790	43,026
貿易應收賬、應收票據、 其他應收款項及預付 款項減少／(增加)	Decrease/(Increase) in trade, bills and other receivables and prepayments	20,978	(17,694)
貿易應付賬、應付票據、 其他應付款項及應付 未付賬款增加／(減少)	Increase/(Decrease) in trade, bills and other payables and accruals	39,364	(68,087)
合約負債增加	Increase in contract liabilities	8,886	6,917
經營業務所得現金	Cash generated from operations	254,475	32,824
已付所得稅	Income taxes paid	(9,325)	(16,057)
經營業務產生之現金淨額	Net cash generated from operating activities	245,150	16,767
<b>投資業務產生之現金流量</b>	<b>Cash flows from investing activities</b>		
購買物業、廠房及設備	Purchases of property, plant and equipment	(240,062)	(77,565)
購買資產使用權	Purchases of right-of-use assets	(29,600)	–
出售物業、廠房及設備之 所得款項	Proceeds on disposals of property, plant and equipment	104	171
已抵押銀行存款 (增加)／減少	(Increase)/Decrease in pledged bank deposits	(4,868)	31,527
已收利息	Interest received	1,026	1,676
出售附屬公司的 現金流入淨額	Net cash inflow from disposal of a subsidiary	986	–
投資業務所用之現金淨額	Net cash used in investing activities	(272,414)	(44,191)

## 綜合現金流量表

### Consolidated Statement of Cash Flows

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

	附註 Notes	二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
<b>融資業務產生之現金流量</b>	<b>Cash flows from financing activities</b>		
已付股息	Dividend paid 11/40	-	(7,183)
已付利息	Interest paid 40	(2,659)	(4,338)
償還銀行借款	Repayments of bank borrowings 40	(20,000)	(196,440)
新增銀行借款	New bank borrowings raised 40	170,000	20,000
來自最終控股公司的墊款	Advances from the ultimate holding company 40	15,000	67,452
償還最終控股公司款項	Repayment to the ultimate holding company 40	(20,000)	-
<b>融資業務產生／(使用)之 現金淨額</b>	<b>Net cash generated from/(used in) financing activities</b>	<b>142,341</b>	<b>(120,509)</b>
現金及現金等值項目 增加／(減少)淨額	Net increase/(decrease) in cash and cash equivalents	<b>115,077</b>	<b>(147,933)</b>
年初之現金及現金等值項目	Cash and cash equivalents at beginning of year	<b>49,105</b>	194,590
外匯匯率變動之影響	Effect of foreign exchange rate changes	<b>323</b>	2,448
年終之現金及現金等值項目	Cash and cash equivalents at end of year	<b>164,505</b>	49,105
<b>現金及現金等值項目 結餘分析</b>	<b>Analysis of balances of cash and cash equivalents</b>		
銀行及現金結餘	Bank and cash balances 23	<b>164,505</b>	49,105



## Consolidated Statement of Changes in Equity

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

本公司擁有人應佔  
Attributable to owners of the Company

		股本 Share capital	股份溢價 Share premium	特別儲備 Special reserve	盈餘 公積金 Surplus reserve fund	物業 重估儲備 Property revaluation reserve	公益金 Public welfare fund	外幣	購股權 儲備 Share option reserve	其他儲備 Other reserve	保留溢利 Retained profits	非控制權益		總權益 Total equity
								匯兌儲備 Foreign currency translation reserve				合計 Total	Non- controlling interests	
		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	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	人民幣千元 RMB'000
於二零一九年 一月一日結餘	Balance at 1 January 2019	7,831	114,822	31,182	68,338	1,653	633	(4,844)	5,255	69,065	977,183	1,271,118	21,282	1,292,400
沒收購股權 (附註33)	Forfeit of share options (note 33)	-	-	-	-	-	-	-	(549)	-	549	-	-	-
與擁有人交易	Transactions with owners	-	-	-	-	-	-	-	(549)	-	549	-	-	-
本年度溢利/(虧損)	Profit/(Loss) for the year	-	-	-	-	-	-	-	-	-	21,507	21,507	(9,860)	11,647
其他全面收益 換算海外業務 財務報表之 匯兌虧損 儲備轉移(附註)	Other comprehensive income Exchange loss on translation of financial statements of foreign operations Transfer of reserve (note)	-	-	-	-	-	-	(77)	-	-	-	(77)	(134)	(211)
		-	-	-	-	-	-	-	-	210,596	(210,596)	-	-	-
本年度 全面收益總額	Total comprehensive income for the year	-	-	-	-	-	-	(77)	-	210,596	(189,089)	21,430	(9,994)	11,436
於二零一九年 十二月三十一日 結餘	Balance at 31 December 2019	7,831	114,822	31,182	68,338	1,653	633	(4,921)	4,706	279,661	788,643	1,292,548	11,288	1,303,836

## 綜合權益變動表

# Consolidated Statement of Changes in Equity

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

本公司擁有人應佔  
Attributable to owners of the Company

	股本 Share capital	股份溢價 Share premium	特別儲備 Special reserve	盈餘 公積金 Surplus reserve fund	物業 重估儲備 Property revaluation reserve	公益金 Public welfare fund	外幣 匯兌儲備 Foreign currency reserve	購股權 Share option reserve	其他儲備 Other reserve	保留溢利 Retained profits	非控制權益		總權益 Total equity
											合計 Total	Non- controlling interests	
	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	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	人民幣千元 RMB'000
	(附註 32(a)) (note 32(a))	(附註 32(a)) (note 32(a))	(附註 32(b)) (note 32(b))	(附註 32(c)) (note 32(c))	(附註 32(d)) (note 32(d))	(附註 32(d)) (note 32(d))	(附註 32(e)) (note 32(e))	(附註 32(f)) (note 32(f))	(附註 32(g)) (note 32(g))				
於二零一八年 一月一日結餘	7,831	114,822	31,182	68,338	1,653	633	(4,872)	5,410	-	1,114,334	1,339,331	29,194	1,368,525
沒收購股權 (附註 33)	-	-	-	-	-	-	-	(155)	-	155	-	-	-
已付二零一七年 末期股息 (附註 11)	-	-	-	-	-	-	-	-	-	(7,183)	(7,183)	-	(7,183)
與擁有人交易	-	-	-	-	-	-	-	(155)	-	(7,028)	(7,183)	-	(7,183)
本年度虧損	-	-	-	-	-	-	-	-	-	(61,058)	(61,058)	(7,658)	(68,716)
其他全面收益													
換算海外業務 財務報表之 匯兌收益/(虧損)	-	-	-	-	-	-	28	-	-	-	28	(254)	(226)
儲備轉移(附註)	-	-	-	-	-	-	-	-	69,065	(69,065)	-	-	-
本年度全面收益 總額	-	-	-	-	-	-	28	-	69,065	(130,123)	(61,030)	(7,912)	(68,942)
於二零一八年 十二月三十一日 結餘	7,831	114,822	31,182	68,338	1,653	633	(4,844)	5,255	69,065	977,183	1,271,118	21,282	1,292,400

附註：年內，兩家（二零一八年：一家）於中華人民共和國（「中國」）成立的全資附屬公司已將保留溢利資本化以增加其註冊資本。

Note: Two wholly-owned subsidiaries (2018: one) established in the People's Republic of China (the "PRC") capitalised its retained profits to increase its registered capital during the year.

## 1. 一般資料

天德化工控股有限公司（「本公司」）為一家在開曼群島根據開曼群島公司法註冊成立之獲豁免有限公司，註冊辦事處設於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市。

於二零一九年六月二十七日，本公司之間接全資附屬公司上海德弘化工有限公司（「上海德弘」）與獨立第三方（「買方」）簽訂出售協議，據此，上海德弘同意以現金代價人民幣990,000元出售其於本公司之間接全資附屬公司江蘇春曉醫葯化工有限公司（「江蘇春曉」）全部股權（「出售事項」），江蘇春曉之主要業務是製造及銷售精細化工產品。出售事項已於二零一九年六月二十八日完成（「出售事項日期」）。除上文所述外，本集團於年內之營運並無重大變動。本公司的主要業務為投資控股。本公司附屬公司之主要業務載於附註35。

本公司董事（「董事」）認為，本集團之最終控股公司為在英屬處女群島（「英屬處女群島」）註冊成立之志峰集團有限公司。

本公司的功能貨幣為港幣（「港幣」）。由於本集團的主要業務位於中國，財務報表以人民幣（「人民幣」）呈列。除另有說明者外，所載之數額已全部四捨五入至最接近之千位。

第55至148頁所載之財務報表乃根據香港財務報告準則（「香港財務報告準則」），該統稱詞彙涵蓋香港會計師公會（「香港會計師公會」）所頒佈所有適用之個別香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋，以及香港公司條例之披露規定而編製。綜合財務報表亦載有聯交所證券上市規則規定之適用披露事項。

## 1. GENERAL INFORMATION

Tiande Chemical Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

On 27 June 2019, Shanghai Dehong Chemical Co. Ltd ("Shanghai Dehong"), an indirect wholly-owned subsidiary of the Company, entered into a disposal agreement with an independent third party (the "Purchaser") pursuant to which Shanghai Dehong agreed to sell entire equity interests in Jiangsu Chunxiao Pharmaceutical & Chemical Co. Ltd. ("Jiangsu Chunxiao"), an indirect wholly-owned subsidiary of the Company, which is principally engaged in manufacturing and sale of fine chemical products, at a cash consideration of RMB990,000 (the "Disposal"). The Disposal was completed on 28 June 2019 (the "Disposal Date"). Other than stated as above, there were no significant changes in the Group's operations during the year. The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are set out in note 35.

The directors of the Company (the "Directors") consider the ultimate holding company of the Group to be Cheerhill Group Limited, a company incorporated in the British Virgin Islands (the "BVI").

The functional currency of the Company is Hong Kong Dollars ("HK\$"). The financial statements are presented in Renminbi ("RMB") because the main operations of the Group are located in the PRC. All values are rounded to the nearest thousand except when otherwise stated.

The financial statements on pages 55 to 148 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

## 2. 採納新訂或經修訂香港財務報告準則

### (a) 本集團採納之新訂或經修訂準則

於本年度，本集團首次應用由香港會計師公會頒佈之以下新準則、修訂本及詮釋（「新訂或經修訂香港財務報告準則」），而新訂或經修訂香港財務報告準則適用於及對二零一九年一月一日開始之年度期間之本集團財務報表有效。

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）－詮釋第23號	所得稅處理之不確定因素
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港會計準則第12號「所得稅」之修訂本
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港會計準則第23號「借款成本」之修訂本

採納香港財務報告準則第16號「租賃」之影響已於下文概述。自二零一九年一月一日起相關及生效之其他新訂或經修訂香港財務報告準則對本集團之會計政策並無任何重大影響。

#### 應用香港財務報告準則第16號「租賃」導致會計政策的影響及變動

香港財務報告準則第16號取代香港會計準則第17號「租賃」（「香港會計準則第17號」）、香港（國際財務報告詮釋委員會）－詮釋第4號「確定一項安排是否包含租賃」、香港（準則詮釋委員會）－詮釋第15號「經營租賃－優惠」以及香港（準則詮釋委員會）－詮釋第27號「評估涉及租賃法律形式交易的實質」。該準則已規定租賃確認、計量、呈列和披露的原則，並要求承租人在單一資產負債表模型中計算所有租賃。

香港財務報告準則第16號規定的出租人會計與香港會計準則第17號所規定者並無實質改變。出租人將繼續按照與香港會計準則第17號類似的原則將租賃分類為經營租賃或融資租賃。因此，香港財務報告準則第16號對本集團作為出租人的租賃並無影響。

## 2. ADOPTION OF NEW OR AMENDED HKFRSs

### (a) New or amended standards adopted by the Group

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (“new or amended HKFRSs”) issued by the HKICPA, which are relevant to and effective for the Group’s financial statements for the annual period beginning on 1 January 2019.

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 12, Income Taxes
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 23, Borrowing Costs

The impact of the adoption of HKFRS 16 Leases have been summarised in below. The other new or amended HKFRSs stated above that are relevant to and effective from 1 January 2019 did not have any significant impact on the Group’s accounting policies.

#### Impacts and changes in accounting policies of application of HKFRS 16 – Leases

HKFRS 16 supersedes HKAS 17 Leases (“HKAS 17”), HK(IFRIC)-Int 4 Determining whether an arrangement contains a Lease, HK(SIC)-Int15 Operating Leases – Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors continues to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have an impact for leases where the Group is the lessor.

## 2. 採納新訂或經修訂香港財務報告準則 (續)

### (a) 本集團採納之新訂或經修訂準則 (續)

#### 應用香港財務報告準則第16號「租賃」導致會計政策的影響及變動 (續)

本集團以經修訂追溯採納法採納香港財務報告準則第16號，並於二零一九年一月一日首次應用。根據以上方法，已追溯應用該準則，而首次應用該準則的累計影響於首次應用日期確認，作為對二零一九年一月一日的保留利潤期初結餘的調整。因此，二零一八年呈列的比較資料並無重列，並繼續根據香港會計準則第17號及香港財務報告準則第16號的過渡條文所允許的相關詮釋進行報告。

#### (i) 以往按經營租賃入賬的租賃及香港財務報告準則第16號的會計政策

本集團擁有若干辦公室物業及若干土地的租賃合約。於採納香港財務報告準則第16號前，本集團於起始日將各項租賃（作為承租人）分類為經營租賃。倘租賃會使租賃資產所有權附帶的絕大部分風險及回報轉移至本集團，乃分類為融資租賃，反之則分類為經營租賃。在經營租賃中，租賃物業不作資本化，租賃付款在租期內按直線法確認為損益中的租金開支或攤銷開支。任何預付租金及應計租金分別在預付土地租賃款項或預付款項和應付未付賬款中確認。採納香港財務報告準則第16號後，本集團對所有租賃採用單一確認及計量方法（惟租期為12個月或以下或自首次應用日期起12個月內結束且不包含購買選擇權的租賃合約（「短期租賃」）除外）。該準則訂明具體的過渡要求及實際權宜方法，並已獲本集團應用。

## 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

### (a) New or amended standards adopted by the Group (Continued)

#### Impacts and changes in accounting policies of application of HKFRS 16 – Leases (Continued)

The Group adopted HKFRS 16 using modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application as an adjustment to the opening balance of retained profits as at 1 January 2019. Accordingly, the comparative information presented in 2018 is not restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

#### (i) Leases previously accounted for as operating leases and the accounting policy under HKFRS 16

The Group has lease contracts for certain office premises and certain lands. Before the adoption of HKFRS 16, the Group classified each of its leases (as lessee) at the inception date as an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group; otherwise it was classified as an operating lease. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense or amortisation expenses in profit or loss on a straight line basis over the lease term. Any prepaid rent and accrued rent were recognised under prepaid land lease payments or prepayment and accruals respectively. Upon adoption of HKFRS 16, the Group applied a single recognition and measurement approach for all leases, except for lease contracts with a lease term of 12 months or less or ends within 12 months of the date of initial application and do not contain a purchase option (“short-term leases”). The standard provides specific transition requirements and practical expedients, which have been applied by the Group.



2. 採納新訂或經修訂香港財務報告準則 (續)

(a) 本集團採納之新訂或經修訂準則 (續)

應用香港財務報告準則第16號「租賃」導致會計政策的影響及變動 (續)

- (i) 以往按經營租賃入賬的租賃及香港財務報告準則第16號的會計政策 (續)

**資產使用權**

本集團於租賃起始日(即相關資產可供使用之日)確認資產使用權。資產使用權按成本減任何累計折舊或攤銷及減值虧損計量,並就任何租賃負債之重新計量作出調整。資產使用權的成本包括已確認的租賃負債金額、已產生的初始直接成本,以及在起始日當日或之前作出的租賃付款減去收到的任何租賃優惠。除非本集團合理確定可在租期結束時取得租賃資產的擁有權,否則已確認的資產使用權在其預計可使用年限與租期的較短者內按直線法計提折舊或攤銷。資產使用權可能出現減值。對於符合投資物業定義的資產使用權,乃按公允值列賬。

**租賃負債**

於租賃起始日,本集團確認以租期內的租賃付款之現值計量的租賃負債。租賃付款包括固定付款(包括實質固定付款)減去任何應收租賃優惠、取決於指數或利率的可變租賃付款,以及預期按照剩餘價值擔保支付的金額。租賃付款亦包括本集團合理肯定將行使的購買選擇權之行使價,而倘租期反映本集團行使終止選擇權,亦包括有關終止租賃須支付的罰款。

在計算租賃付款的現值時,如租賃中所隱含的利率不易確定,本集團會使用在租賃起始日之增量借款利率。在起始日之後,租賃負債的金額將會增加,以反映利息的增加,並會按所付的租賃付款減少。

2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

(a) New or amended standards adopted by the Group (Continued)

Impacts and changes in accounting policies of application of HKFRS 16 – Leases (Continued)

- (i) Leases previously accounted for as operating leases and the accounting policy under HKFRS 16 (Continued)

**Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation or amortisation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased assets at the end of the lease terms, the recognised right-of-use assets are depreciated or amortised on a straight-line basis over the shorter of its estimated useful lives and the lease terms. Right-of-use assets are subject to impairment. For right-of-use assets that meets the definition of an investment property, it is carried at fair value.

**Lease liabilities**

At the commencement date of the leases, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease terms. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

2. 採納新訂或經修訂香港財務報告準則 (續)

(a) 本集團採納之新訂或經修訂準則 (續)

應用香港財務報告準則第16號「租賃」導致會計政策的影響及變動 (續)

- (i) 以往按經營租賃入賬的租賃及香港財務報告準則第16號的會計政策 (續)

**租賃負債 (續)**

此外，如有修改、租期變動、實質固定租賃付款變化或購買相關資產的評估變更，租賃負債的賬面值會重新計量。

**短期租賃**

本集團已就租賃應用短期租賃確認豁免。短期租賃的租賃付款在租期內按直線法確認為費用。

**過渡要求和實際權宜方法**

在應用香港財務報告準則第16號於曾經分類為香港會計準則第17號及香港（國際財務報告詮釋委員會）– 詮釋第4號「確定一項安排是否包含租賃」所指經營租賃的租賃時，本集團使用以下實際權宜方法。

- 選擇不將香港財務報告準則第16號第C8段的要求應用於租期在首次應用日期後12個月內結束的租賃。在此情況下，承租人應：
  - (i) 如香港財務報告準則第16號第6段所述，以與短期租賃相同的方式對該等租賃進行會計處理；及
  - (ii) 將與該等租賃相關的成本包括在報告期（包括首次應用日期）的短期租賃費用披露內。

2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

(a) New or amended standards adopted by the Group (Continued)

Impacts and changes in accounting policies of application of HKFRS 16 – Leases (Continued)

- (i) Leases previously accounted for as operating leases and the accounting policy under HKFRS 16 (Continued)

**Lease liabilities (Continued)**

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

**Short-term leases**

The Group has applied the short-term leases recognition exemption to leases. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease terms.

**Transitions requirement and practical expedients**

The Group used the following practical expedients when applying HKFRS 16 to leases previously classified as operating leases under HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease.

- Elected not to apply the requirements in paragraph HKFRS16.C8 to leases for which the lease term ends within 12 months of the date of initial application. In this case, a lessee:
  - (i) accounts for those leases in the same way as short-term leases as described in paragraph HKFRS16.6; and
  - (ii) includes the cost associated with those leases within the disclosure of short-term lease expense in the reporting period that includes the date of initial application.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

## 2. 採納新訂或經修訂香港財務報告準則 (續)

### (a) 本集團採納之新訂或經修訂準則 (續)

應用香港財務報告準則第16號「租賃」導致會計政策的影響及變動 (續)

- (ii) 二零一九年一月一日的過渡影響就以往應用香港會計準則第17號分類為經營租賃的租賃而言，因應初步應用香港財務報告準則第16號的經修訂追溯法，本集團於二零一九年一月一日確認資產使用權人民幣62,409,000元。資產使用權乃根據相等於租賃負債的金額，並就曾經確認的任何相關預付及應計租賃付款作出調整後確認。

由於所有租賃（除預付土地租賃款項外）均根據香港財務報告準則第16號應用實際權宜方法獲界定為短期租賃，因此，於二零一九年一月一日，並無就以往應用香港會計準則第17號分類為經營租賃的租賃確認租賃負債。

下表概述過渡至香港財務報告準則第16號對截至二零一八年十二月三十一日至二零一九年一月一日的綜合財務狀況表的影響如下（增加／（減少））：

於二零一九年一月一日的綜合財務狀況表

## 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

### (a) New or amended standards adopted by the Group (Continued)

Impacts and changes in accounting policies of application of HKFRS 16 – Leases (Continued)

- (ii) Impacts on transition at 1 January 2019  
As a result of initially applying the modified retrospective method under HKFRS 16, in relation to the leases that were previously classified as operating leases applying HKAS 17, the Group recognised RMB62,409,000 of right-of-use assets as at 1 January 2019. Right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised.

No lease liabilities as at 1 January 2019 were recognised for leases previously classified as operating leases applying HKAS 17 since all leases, excepted for prepaid land lease payments, are defined as short-term leases with applying the practical expedient under HKFRS 16.

The following table summarised the impact of transition to HKFRS 16 on consolidated statement of financial position as at 31 December 2018 to that as at 1 January 2019 as follows (increase/(decrease)):

Consolidated statement of financial position as at 1 January 2019

		人民幣千元 RMB'000
資產使用權	Right-of-use assets	62,409
預付土地租賃款項	Prepaid land lease payments	(60,742)
預付款項和其他應收款項	Prepayments and other receivables	(1,667)

## 2. 採納新訂或經修訂香港財務報告準則 (續)

## (a) 本集團採納之新訂或經修訂準則 (續)

應用香港財務報告準則第16號「租賃」導致會計政策的影響及變動 (續)

## (ii) 二零一九年一月一日的過渡影響 (續)

下表將二零一八年十二月三十一日之經營租賃承擔與二零一九年一月一日確認的租賃負債期初結餘對賬：

## 經營租賃承擔與租賃負債的對賬

		人民幣千元 RMB'000
於二零一八年十二月三十一日	Operating lease commitments as at 31 December 2018	
之經營租賃承擔		1,872
減：與於首次應用日期	Less: commitments relating to short-term leases	
之短期租賃相關之承擔	at date of initial application	(1,872)
於二零一九年一月一日	Total lease liabilities as at 1 January 2019	-
之總租賃負債		

(iii) 截至二零一九年十二月三十一日止年度的影響  
本集團資產使用權賬面值於年內的變動載列如下：

## 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

## (a) New or amended standards adopted by the Group (Continued)

Impacts and changes in accounting policies of application of HKFRS 16 – Leases (Continued)

## (ii) Impacts on transition at 1 January 2019 (Continued)

The following table reconciles the operating lease commitments as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

## Reconciliation of operating lease commitments to lease liabilities

## (iii) Impacts for the year ended 31 December 2019

Movements of the carrying amounts of the Group's right-of-use assets during the year are set out below:

		人民幣千元 RMB'000
於二零一九年一月一日	<b>As at 1 January 2019</b>	62,409
增加	Additions	29,600
年內攤銷	Amortisation during the year	(1,479)
出售附屬公司 (附註38(a))	Disposal of a subsidiary (note 38(a))	(15,103)
於二零一九年十二月三十一日	<b>As at 31 December 2019</b>	75,427

### 2. 採納新訂或經修訂香港財務報告準則 (續)

#### (a) 本集團採納之新訂或經修訂準則 (續)

香港(國際財務報告詮釋委員會) – 詮釋第23號「所得稅處理之不確定因素」該詮釋透過就如何反映所得稅會計處理涉及之不確定因素之影響作出指引，以支持香港會計準則第12號「所得稅」的規定。根據該詮釋，實體須決定分開或集中考慮各項不確定稅項處理，準則是須就不確定因素的解決方法作出更佳預測。實體亦須假設稅務機關會查核其有權查核的金額，並在作出上述查核時全面知悉所有相關資料。如實體認定稅務機關可能會接受一項不確定稅項處理，則實體應按與其稅務申報相同的方式計量即期及遞延稅項。如實體認定稅務機關不可能會接受一項不確定稅項處理，則採用「最可能金額」或「預期值」兩個方法中能更佳預測不確定因素解決方式的方法來反映釐定稅項涉及的不確定因素。

#### 香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港會計準則第12號「所得稅」之修訂本

根據年度改進過程頒佈之修訂本對現時並不清晰之準則作出細微且並不急切之修訂，其中包括對香港會計準則第12號之修訂，當中闡明股息之所有所得稅後果與產生可分派溢利之交易採取一致的方式，於損益、其他全面收益或直接於權益內確認。

#### 香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港會計準則第23號「借款成本」之修訂本

根據年度改進過程頒佈之修訂對現時並不清晰之準則作出細微且並不急切之修訂，其中包括對香港會計準則第23號之修訂，當中闡明為取得合資格資產而專門作出之借款，於相關合資格資產可用於其擬定用途或進行銷售時如仍未償還，則該借款將成為該實體一般所借資金的一部分，並因此計入一般資產內。

### 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

#### (a) New or amended standards adopted by the Group (Continued)

#### HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes. Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

#### Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

#### Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 23, Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.



## 2. 採納新訂或經修訂香港財務報告準則 (續)

### (b) 已經頒佈但尚未生效之新訂或經修訂香港財務報告準則

以下為可能與本集團財務報表有關的已頒佈但尚未生效，且本集團並無提前採納之新訂或經修訂香港財務報告準則。本集團當前擬於該等變動生效當日開始應用該等變動。

香港會計準則第1號及 重大性的定義<sup>1</sup>  
香港會計準則  
第8號之修訂本

<sup>1</sup> 於二零二零年一月一日或之後開始之年度期間生效

本集團尚未能說明該等修訂是否會導致本集團的會計政策和財務報表發生重大變化。

## 3. 主要會計政策概要

### (a) 編製基準

用於編製財務報表之主要會計政策概述如下。除另有說明者外，該等政策於呈呈的所有年度均一致應用。採納新訂或經修訂香港財務報告準則及對本集團財務報表之影響（如有）在附註2披露。

財務報表乃按歷史成本法編製，惟以公允值列賬之投資物業及應收票據除外。計量基準於下文之會計政策中詳述。

務請注意，編製財務報表時會使用會計估計及假設。儘管該等估計乃基於管理層對現時事件及行動所掌握之一切資料而按最佳判斷作出，惟實際結果最終或會有別於該等估計。涉及高度判斷或極為複雜之範疇，或假設及估計對財務報表乃屬重要之範疇，乃於附註4披露。

## 2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

### (b) New or amended HKFRSs that have been issued but are not yet effective

The following new or amended HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKAS 1 Definition of material<sup>1</sup>  
and HKAS 8

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2020

The Group is not yet in a position to state whether these amendments will result in substantial changes to the Group's accounting policies and financial statements.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new or amended HKFRSs and the impacts on the Group's financial statements, if any, are disclosed in note 2.

The financial statements have been prepared on historical cost convention except for investment properties and bills receivable which are stated at fair values. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 3. 主要會計政策概要 (續)

#### (b) 編製基準及業務合併

綜合財務報表包括本公司及其附屬公司編製至每年十二月三十一日為止之財務報表。

附屬公司於控制權歸入本集團當日起綜合於賬目內，並於終止控制日期起不再綜合於賬目內。

集團內各成員公司之間的交易、結餘及未變現收益及虧損均於編製綜合財務報表時對銷。集團內部資產銷售的未變現虧損於綜合賬目時撥回，而相關資產亦會從本集團之角度進行減值測試。附屬公司財務報表內所報告之金額已於有需要時作調整，以確保與本集團採納之會計政策貫徹一致。

收購附屬公司或業務乃以收購法入賬。收購成本按所轉讓之資產、產生之負債及本集團（作為收購方）發行之股權於收購日期之公允值總額計量。所收購之可識別資產及承擔之負債主要按收購日期之公允值計量。本集團先前持有被收購方之股權乃按收購日期之公允值重新計量，所產生之損益於損益確認。本集團可就每宗交易選擇按公允值或按應佔被收購方可識別資產淨值之比例計量非控制權益，以顯示現時所持附屬公司權益。所產生之收購相關成本一概列作開支，除非因發行權益工具而招致則作別論，在此情況下，成本自權益扣除。

收購後，非控股權益之賬面值為該等權益於初步確認時之金額另加非控股權益應佔其後權益變動之部分。全面收益總額乃歸屬於非控制權益，即使此舉會導致非控制權益出現虧絀亦然。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) Basis of consolidation and business combination

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date that control ceases.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisition of subsidiaries or businesses is accounted for using acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in non-controlling interests having a deficit balance.

## 3. 主要會計政策概要 (續)

## (c) 附屬公司

附屬公司乃指本集團能夠行使控制權的被投資方。假如以下三項因素全部存在，本集團即持有被投資方的控制權：涉及被投資方的權力；有關來自被投資方的可變回報的風險或權利；以及可運用權力來影響可變回報的能力。凡有事實及情況顯示上述任何控制元素可能出現變更時，即會重新評估控制權。

於本公司之財務狀況表內，除非附屬公司乃持作待售或已包括在出售組別內，否則於該附屬公司之投資會按成本減任何減值虧損列賬。本公司乃以已收及應收股息為基準，將附屬公司之業績列賬。

## (d) 外幣換算

於綜合實體之獨立財務報表內，外幣交易乃按交易日期之匯率換算為個別實體之功能貨幣。於報告日期，以外幣列值之貨幣資產及負債按報告日期之外幣匯率換算。結算該等交易及於報告日期重新換算貨幣資產及負債產生之匯兌收益及虧損，均於損益確認。

以外幣列值並按公允值列賬之非貨幣項目，乃按釐定公允值當日之匯率重新換算，並呈報為公允值收益或虧損的一部分。以外幣按歷史成本計量之非貨幣項目不作重新換算。

於綜合財務報表內，所有原先以與本集團呈列貨幣不同之貨幣呈列之海外業務獨立財務報表均已換算為人民幣。資產與負債已按報告日期之收市匯率換算為人民幣。收支項目乃按交易日期之匯率或（倘匯率並無大幅波動）報告期之平均匯率換算為人民幣。因此程序而產生之任何差額已於其他全面收益確認，並於權益內之外幣匯兌儲備另行累計。

出售海外業務時，匯兌差額會由權益重新分類為損益，作為出售所致收益或虧損的一部分。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (c) Subsidiaries

A subsidiary is an investee over which the Group is able to exercise control. The Group controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are carried at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

## (d) Foreign currency translation

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into RMB. Assets and liabilities have been translated into RMB at the closing rates at the reporting date. Income and expenses have been converted into RMB at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the foreign currency translation reserve in equity.

When a foreign operation is disposed, such exchange differences are reclassified from equity to profit or loss as part of the gain or loss on disposal.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 3. 主要會計政策概要 (續)

#### (e) 物業、廠房及設備

物業、廠房及設備（在建工程（「在建工程」）除外）乃按成本減累計折舊及任何減值虧損列賬。資產成本包括買價及將資產達致運作狀況及運到有關地點作擬定用途之任何直接應佔成本。

其後成本僅會於與項目有關之未來經濟利益有可能流入本集團，且項目之成本能可靠地計量時，方會列入資產之賬面值或確認為獨立資產（如適用）。維修及保養費等所有其他成本，均於產生之財政期間自損益扣除。

物業、廠房及設備之折舊以直線法根據下列年率計算，按估計可使用年期撇銷成本（減估計殘值，如有）：

樓宇	4.5%-5% 或按租期， (以較短者為準)
租賃物業裝修	20% 或按租期， (以較短者為準)
廠房及機器	6%-10%
汽車	18%-19%
傢俬、固定裝置及 辦公室設備	18%-30%

在建工程意指建造中之租賃樓宇、廠房及機器，並按成本減任何減值虧損列賬。成本包括直接建築成本以及於建設和安裝期間內撥作資本的借款成本。在準備資產使其可作擬定用途所需之工作大致完成時，有關之成本停止撥作資本，而相關工程會轉移到適當的物業、廠房及設備類別。在建工程不計提折舊，直到完成並可作擬定用途時為止。

資產之預期殘值、折舊方法及估計可使用年期會於每個報告日期進行檢討，並會在適當情況下作出調整。

報廢或出售所產生之收益或虧損乃出售該項資產所得款項與其賬面值之間的差額，並於出售時在損益確認。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) Property, plant and equipment

Property, plant and equipment (other than construction in progress ("CIP")) are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to the working condition and location for its intended use.

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

Depreciation on property, plant and equipment is provided to write off the cost less their estimated residual values, if any, over their estimated useful lives, using straight-line method, at the following rates per annum:

Buildings	4.5%-5% or the lease term, whichever is shorter
Leasehold improvements	20% or the lease term, whichever is shorter
Plant and machinery	6%-10%
Motor vehicles	18%-19%
Furniture, fixtures and office equipment	18%-30%

CIP represents leasehold buildings and plant and machinery under construction, which is stated at cost less any impairment losses. Cost comprises direct cost of construction as well as borrowing costs capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction is transferred to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of CIP until it is completed and ready for its intended use.

The assets' estimated residual values, depreciation method and estimated useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss on disposal.

## 3. 主要會計政策概要 (續)

## (f) 預付土地租賃款項 (會計政策適用至二零一八年十二月三十一日)

就收購根據經營租賃持有之土地所作之預付款項，乃以成本減累計攤銷及任何減值虧損列賬。至於該安排是否屬於租賃或是否包含租賃以及該租賃是否屬於經營租賃，有關的釐定方式於附註3(n)B詳述。攤銷乃按租期／使用權有效期以直線法計算，惟倘有另一種基準能更有效反映本集團利用有關土地產生收益之時間模式則除外。

預付土地租賃款項包括持作賺取租金之部分及為行政目的而持有的其他部分。由於持有作賺取租金之部分不能單獨出售及並不重大，故分類為預付土地租賃款項，而非投資物業。

## (g) 投資物業

投資物業是指為賺取租金收入及／或取得資本增值而根據租賃權益擁有或持有的土地及／或建築物，包括就目前尚未確定未來用途持有的土地及正在興建或發展以於將來作投資物業之用的物業。

如本集團根據經營租賃持有物業權益以賺取租金收入及／或取得資本增值，有關權益會按每項物業分類為投資物業及入賬為投資物業。分類為投資物業的任何物業權益的入賬方式，與假定以財務租賃持有的物業權益的入賬方式相同。

投資物業於初步確認時按成本（包括任何應計之直接開支）計量。初步確認後，除非投資物業在報告日期仍處於在建或發展階段，且其公允值當時無法可靠地釐定，否則投資物業按公允值列賬。公允值由對投資物業地點及性質具豐富經驗之獨立估值公司釐定。在報告日期確認的賬面值可反映報告日期當時之市況。

投資物業公允值變化或出售投資物業所產生之收益或虧損於產生期間列入損益。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (f) Prepaid land lease payments (accounting policies applied until 31 December 2018)

Upfront payments made to acquire land held under an operating lease are stated at cost less accumulated amortisation and any impairment losses. The determination if an arrangement is or contains a lease and the lease is an operating lease is detailed in note 3(n)B. Amortisation is calculated on straight-line method over the term of the lease/right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

Prepaid land lease payments comprise a portion that is held to earn rentals and the other portion that is held for administrative purpose. As the portion held to earn rentals cannot be sold separately and is insignificant, it is classified as prepaid land lease payments rather than investment property.

## (g) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease.

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, it is stated at fair value, unless it is still in the course of construction or development at the reporting date and its fair value cannot be reliably determined at that time. Fair value is determined by an independent valuation firm, with sufficient experience with respect to both the location and the nature of the investment property. The carrying amounts recognised at the reporting date reflect the prevailing market conditions at the reporting date.

Gains or losses arising from either changes in fair value or the sale of an investment property are included in profit or loss in the period in which they arise.



3. 主要會計政策概要 (續)

(h) 研發活動

與研究活動相關之成本於產生時自損益支銷。開發活動直接應佔的成本會撥作資本，惟須符合下列有關確認的規定：

- (i) 供內部使用或出售之準產品顯示在技術上可行；
- (ii) 有意完成產品並加以使用或將其出售；
- (iii) 本集團顯示有能力使用或出售產品；
- (iv) 產品極有可能透過內部使用或出售產生經濟利益；
- (v) 有足夠技術、財務及其他資源可用於完成開發；及
- (vi) 產品應佔開支能可靠地計量。

直接成本包括因開發活動而產生的僱員成本及適當比例的相關間接開支。因內部開發而產生之軟件、產品或知識如符合以上確認要求，有關的開發成本會撥作資本。已撥作資本的開發成本按本集團預期可從銷售已開發產品獲益的期間攤銷。攤銷開支在損益確認並計入銷售成本。

所有其他開發成本均於產生時支銷。

(i) 金融工具

(a) 金融資產

金融資產（除非是並無重大融資成份的貿易應收賬）初步按公允值加上（對於並非按公允值計入損益（「按公允值計入損益」）的項目而言）直接歸屬其收購或發行的交易成本計量。至於並無重大融資成份的貿易應收賬，則初步按交易價計量。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Research and development activities

Cost associated with research activities are expensed in profit or loss as they occur. Costs that are directly attributable to development activities are capitalised provided they meet the following recognition requirement:

- (i) demonstration of technical feasibility of the prospective product for internal use or sale;
- (ii) there is intention to complete the product and use or sell it;
- (iii) the Group's ability to use or sell the product is demonstrated;
- (iv) the product will generate probable economic benefits through internal use or sale;
- (v) sufficient technical, financial and other resources are available for completion; and
- (vi) the expenditure attributable to the product can be reliably measured.

Direct costs include employee costs incurred on development activities along with an appropriate portion of relevant overheads. The costs of development of internally generated software, products or knowhow that meet the above recognition criteria are capitalised. Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed. Amortisation expense is recognised in profit or loss and included in cost of sales.

All other development costs are expensed as incurred.

(i) Financial instruments

(a) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

## 3. 主要會計政策概要 (續)

## (i) 金融工具 (續)

## (a) 金融資產 (續)

所有以常規方式進行的金融資產購入和出售均在交易日確認，即本集團承諾購入或出售資產的日期。定期購入或出售的方式是指須於市場規則或慣例規定的期限內交付之購入或出售金融資產。

於確認擁有嵌入衍生工具的金融資產之現金流量是否僅為本金和利息的支付時，乃整體考慮此等資產。

**債務工具**

債務工具的其後計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團對其債務工具進行分類時有兩種計量類別：

**攤銷成本：**為收取合約現金流量而持有的資產（現金流量僅為本金和利息的支付）按攤銷成本計量。此等資產其後按實際利息法計量。利息收入、匯兌損益和減值於損益內確認。終止確認時之任何收益於損益確認。

**按公允值計入其他全面收益（「按公允值計入其他全面收益」）：**為收取合約現金流量和出售金融資產而持有的資產（資產的現金流量僅為本金和利息的支付）按公允值計入其他全面收益計量。此等資產其後按公允值計量。利用實際利率法計算的利息收入、匯兌損益和減值於損益內確認。其他淨收益及虧損於其他全面收益內確認。終止確認時，在其他全面收益累計的收益及虧損重新分類至損益。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (i) Financial instruments (Continued)

## (a) Financial assets (Continued)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. These are subsequently measured using effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

**Fair value through other comprehensive income ("FVOCI"):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. These are subsequently measured at fair value. Interest income calculated using effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

3. 主要會計政策概要 (續)

(i) 金融工具 (續)

(b) 金融資產減值虧損

本集團就按攤銷成本計量之貿易應收賬與金融資產及按公允值計入其他全面收益之債務工具確認預期信貸虧損之虧損撥備。預期信貸虧損按以下其中一項基準計量：(1) 12個月預期信貸虧損：此乃於報告日期後12個月內可能發生的違約事件導致的預期信貸虧損；及(2) 年限內預期信貸虧損：此乃於金融工具預計年限內可能發生的所有違約事件導致的預期信貸虧損。於估計預期信貸虧損時所考慮的最長期間為本集團承受信貸風險的最長合約期間。

預期信貸虧損是信貸虧損的概率加權估計。信貸虧損乃基於根據合約應付本集團的合約現金流量與本集團預期收取的所有現金流量之間的差額計量，而該差額其後按與資產原有實際利率相近的利率貼現。

本集團已選用香港財務報告準則第9號之簡化方法計量貿易應收賬的虧損撥備，並已根據年限內預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按適用於債務人的特定前瞻性因素及經濟環境作出調整。

就其他金融資產而言，預期信貸虧損以12個月預期信貸虧損為計算基準。然而，如信貸風險自產生以來顯著增加，撥備將以年限內預期信貸虧損為計算基準。

在釐定金融資產之信貸風險自初步確認後有否顯著增加，以及於估計預期信貸虧損時，本集團會考慮相關及毋須付出過多成本或努力即可獲得之合理及可靠資料，包括根據本集團之過往經驗及已知信貸評估得出之定量及定性資料分析，並包括前瞻性資料。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial instruments (Continued)

(b) Impairment loss on financial assets

The Group recognises loss allowances for ECLs on trade receivables, financial assets measured at amortised cost and debt instruments measured at FVOCI. ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

## 3. 主要會計政策概要 (續)

## (i) 金融工具 (續)

## (b) 金融資產減值虧損 (續)

倘金融資產過期超過 180 日，本集團會假設該金融資產的信貸風險上升。本集團按公允值計入其他全面收益之債務工具（即應收票據）視作低信貸風險，原因是發行人具高信貸評級。

本集團認為，金融資產於下列情況下屬於違約：(1) 借款人不大可能在本集團不採取追索行動（例如在持有抵押品之情況下將抵押品變現）的情況下向本集團悉數支付其信貸義務；及 (2) 該金融資產過期超過 365 日。如不能合理預期可收回合約現金流量，則會撇銷金融資產。

信貸減值金融資產的利息收入乃根據金融資產的攤銷成本（即賬面總值減虧損撥備）計算。至於非信貸減值金融資產，則根據賬面總額計算利息收入。

## (c) 金融負債

本集團根據負債產生的目的對其金融負債進行分類。按攤銷成本列賬的金融負債初步按公允值扣除直接應佔成本後計量。

**按攤銷成本列賬的金融負債**

按攤銷成本列賬的金融負債包括貿易應付賬及應付票據、應付未付賬款、其他應付款項、法律索賠撥備、銀行借款、來自一名非控股股東的預付款及來自最終控股公司的預付款，其後採用實際利率法按攤銷成本計量。相關利息開支於損益確認。

收益或虧損在終止確認負債及通過攤銷程序時於損益確認。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (i) Financial instruments (Continued)

## (b) Impairment loss on financial assets (Continued)

The Group assumes that the credit risk on a financial asset has increased if it is more than 180 days past due. The Group's debts instruments (i.e. bills receivable) at FVOCI are considered to have low credit risk since the issuers' credit rating are high.

The Group considers a financial asset to be default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); and (2) the financial asset is more than 365 days past due. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non-credit impaired financial assets interest income is calculated based on the gross carrying amount.

## (c) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

**Financial liabilities at amortised cost**

Financial liabilities at amortised cost including trade and bills payable, accruals, other payables, provision for legal claims, bank borrowings, advances from a non-controlling shareholder and advances from the ultimate holding company are subsequently measured at amortised cost, using effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

3. 主要會計政策概要 (續)

(i) 金融工具 (續)

(d) 實際利率法

此乃計算金融資產或金融負債的攤銷成本的方法，也是按相關期間分配利息收入或利息支出的方法。實際利率是按金融資產或負債的預期年限（或在適當情況下的較短期間）準確貼現估計未來現金收入或付款的利率。

(e) 終止確認

與金融資產相關的未來現金流量的合約權到期或金融資產已轉讓且轉讓符合香港財務報告準則第9號的終止確認條件時，本集團終止確認金融資產。

相關合約中列明的義務解除、取消或到期時，終止確認金融負債。

(j) 商譽

商譽初步按成本確認，成本即所轉移代價、就於被收購方之非控制權益確認之金額以及收購方先前於被收購方持有之股本權益之收購日期公允值的總額超出所收購可識別資產及負債之公允值之部份。

倘可識別資產及負債之公允值高於所付代價之公允值、於被收購方之任何非控制權益之金額以及收購方先前於被收購方持有之股本權益之收購日期公允值的總額，則超出部份於重估後於收購日期在損益確認。

商譽乃按成本減去減值虧損計量。就減值測試而言，收購產生之商譽分配予預期會受惠於收購協同效益之各相關現金產生單位（「現金產生單位」）。現金產生單位是其產生的現金流入大致上獨立於其他資產或資產組別的現金流入的最小可識別資產組合。獲分配商譽之現金產生單位會每年進行減值測試，方式是將其賬面值與其可收回金額（見附註3(s)）作比較，並於有跡象顯示該單位可能出現減值時進行減值測試。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial instruments (Continued)

(d) Effective interest method

This is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. Effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(e) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

(j) Goodwill

Goodwill is initially recognised at cost being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests in the acquiree and the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree over the fair value of identifiable assets and liabilities acquired.

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating unit ("CGU") that are expected to benefit from the synergies of the acquisition. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see note 3(s)), and whenever there is an indication that the unit may be impaired.



## 3. 主要會計政策概要 (續)

## (j) 商譽 (續)

就於財政年度內進行收購所產生之商譽而言，獲分配商譽之現金產生單位會於該財政年度結束前進行減值測試。倘現金產生單位之可收回金額低於該單位之賬面值，減值虧損會首先分配作撇減該單位獲分配之任何商譽之賬面值，繼而基於該單位內各項資產之賬面值按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會導致獨立資產之賬面值降至低於其公允值減出售成本（如可計量）或其使用價值（如可釐定）（以較高者為準）。商譽之任何減值虧損均於損益確認，而不會於往後期間撥回。

## (k) 無形資產

單獨收購的無形資產初步按成本確認。在業務合併中收購的無形資產成本按收購日期公允值計量。隨後，可使用年期有限的無形資產按成本減累計攤銷及任何減值虧損列賬。攤銷乃計入損益之行政及其他營運開支，並按以下方式計提：

- 技術知識自收購日期起按直線法在估計可使用年期10年內攤銷。

預計可使用年限和攤銷方法均會每年進行檢討，並在適當情況下作出調整。

## (l) 存貨

存貨乃按成本與可變現淨值兩者中之較低者列賬。可變現淨值按日常業務中之估計售價扣除預計完成成本及適用之銷售開支計算。成本按加權平均法釐定，如屬半成品和成品，則包括直接材料，直接工資、適當比例的間接開支及分包費用（如屬適用）。

## (m) 現金及現金等值項目

現金及現金等值項目包括銀行及手頭現金、銀行活期存款以及可隨時兌換為已知金額現金，且所涉及價值變動風險輕微之短期高流通量投資（原到期日為三個月或以內）。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (j) Goodwill (Continued)

For goodwill arising on an acquisition in a financial year, the CGU to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value-in-use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

## (k) Intangible asset

Intangible asset acquired separately are initially recognised at cost. The cost of intangible asset acquired in a business combination is measured at fair value at the date of acquisition. Subsequently, intangible asset with finite useful life is carried at cost less accumulated amortisation and any impairment losses. Amortisation is charged in administrative and other operating expenses in profit or loss and is provided as follows:

- Technical knowhow is amortised on straight-line method from the date of acquisition over the estimated useful life of 10 years.

Both estimated useful life and method of amortisation are reviewed and adjusted if appropriate, annually.

## (l) Inventories

Inventories are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses. Cost is determined using weighted average basis, and in the case of work in progress and finished goods, comprise direct materials, direct labour and an appropriate proportion of overheads, and where appropriate, subcontracting charges.

## (m) Cash and cash equivalents

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

3. 主要會計政策概要 (續)

(n)A 租賃 (會計政策自二零一九年一月一日起適用)

本集團擁有若干不論是屬於經營租賃還是融資租賃的辦公室物業及若干土地的租賃合約。本集團對所有租賃採用單一確認及計量方法，在綜合財務狀況表中將租賃資本化轉為資產使用權和租賃負債（惟租期為12個月或以下或自首次應用日起12個月內結束且不包含購買選擇權的租賃合約「短期租賃」除外）。

**資產使用權**

本集團於租賃起始日（即相關資產可供使用之日）確認資產使用權。資產使用權按成本減任何累計折舊或攤銷及減值虧損計量，並就任何租賃負債之重新計量作出調整。資產使用權的成本包括已確認的租賃負債金額、已產生的初始直接成本，以及在起始日當日或之前作出的租賃付款減去收到的任何租賃優惠。除非本集團合理確定可在租期結束時取得租賃資產的擁有權，否則已確認的資產使用權在其預計可使用年限與租期的較短者內按直線法計提折舊或攤銷。資產使用權可能出現減值。對於符合投資物業定義的資產使用權，乃按公允值列賬。

**租賃負債**

於租賃起始日，本集團確認以將於租期內作出的租賃付款之現值計量的租賃負債。租賃付款包括固定付款（包括實質固定付款）減去任何應收租賃優惠、取決於指數或利率的可變租賃付款，以及預期按照剩餘價值擔保支付的金額。租賃付款亦包括本集團合理肯定將行使的購買選擇權之行使價，而倘租期反映本集團行使終止選擇權，亦包括有關終止租賃須支付的罰款。

在計算租賃付款的現值時，如租賃中所隱含的利率不易確定，本集團會使用在租賃起始日之增量借款利率。在起始日之後，租賃負債的金額將會增加，以反映利息的增加，並會按所付的租賃付款減少。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n)A Leasing (accounting policies applied from 1 January 2019)

The Group has lease contracts for certain office premises and certain lands, irrespective of they are operating leases or finance leases. The Group applied a single recognition and measurement approach for all leases, to capitalise the leases in the consolidated statement of financial position as right-of-use assets and lease liabilities, except for lease contracts with a lease term of 12 months or less or ends within 12 months of the date of initial application and do not contain a purchase option ("short-term leases").

**Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation or amortisation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased assets at the end of the lease terms, the recognised right-of-use assets are depreciated or amortised on a straight-line basis over the shorter of its estimated useful lives and the lease terms. Right-of-use assets are subject to impairment. For right-of-use asset that meets the definition of an investment property, it is carried at fair value.

**Lease liabilities**

At the commencement date of the leases, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease terms. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

## 3. 主要會計政策概要 (續)

## (n)A 租賃 (會計政策自二零一九年一月一日起適用)(續)

**租賃負債 (續)**

此外，如有修改、租期變動、實質固定租賃付款變化或購買相關資產的評估變更，租賃負債的賬面值會重新計量。

**短期租賃**

本集團已就租賃應用短期租賃確認豁免。短期租賃的租賃付款在租期內按直線法確認為開支。

**作為出租人的會計**

本集團已將其投資物業出租予多名租戶。該等投資物業乃根據經營租賃租出，並按資產的性質計量和呈列。在協商和安排經營租賃時招致的初始直接成本乃計入租賃資產的賬面值，並按與租金收入相同的基準在租期內確認為開支。

經營租賃的應收租金收入在租期涵蓋期間內以直線法在損益確認，惟倘有另一種基準能更有效反映利用有關租賃資產產生收益之時間模式則作別論。授出的租賃優惠作為應收租賃付款淨值總額的重要組成部分在損益確認。或然租金在賺得的會計期間確認為收入。

## (n)B 租賃 (會計政策適用至二零一八年十二月三十一日止)

倘本集團確定一項安排賦予於經議定期間使用一項或多項指定資產之權利，而使用者須付款或作出一系列付款作為回報，則該安排（包括一項交易或一系列交易）屬於租賃或包含租賃。本集團評估該項安排之實際內容後，方作出上述確定，而不會考慮該項安排是否以租賃法律形式進行。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (n)A Leasing (accounting policies applied from 1 January 2019) (Continued)

**Lease liabilities (Continued)**

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

**Short-term leases**

The Group has applied the short-term leases recognition exemption to leases. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease terms.

**Accounting as a lessor**

The Group has leased out its investment properties to a number of tenants. They are leased out under operating leases, which are measured and presented according to the nature of the assets. 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 over the lease term on the same basis as the rental income.

Rental income receivable from operating leases is recognised in profit or loss on straight-line method over the periods covered by the lease term, except where an alternative basis is more representative of the time pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

## (n)B Leasing (accounting policies applied until 31 December 2018)

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

3. 主要會計政策概要 (續)

(n)B 租賃 (會計政策適用至二零一八年十二月三十一日) (續)

(i) 本集團承租之資產之分類

本集團按租賃持有而擁有權之絕大部分風險及回報轉移至本集團之資產，乃分類為按財務租賃持有。如租賃並無將擁有權之絕大部分風險及回報轉移至本集團，則分類為經營租賃，但下列情況例外：

按經營租賃持有的物業如符合投資物業之定義，會按個別物業分類為投資物業。倘分類為投資物業，入賬方式與歸類為按融資租賃持有者相同 (見附註3(g))。

(ii) 經營租賃費用 (作為承租人)

如本集團有權使用按經營租賃持有之資產，根據租賃作出之付款會在租期以直線法自損益扣除，惟倘有另一種基準能更有效反映因有關租賃資產所得收益之時間模式則作別論。至於所得之租賃優惠，會作為已作出租賃付款淨值總額的重要組成部分在損益確認。或然租金於出現的會計期間自損益扣除。

(iii) 根據經營租賃租出之資產 (作為出租人)

根據經營租賃租出之資產乃按資產性質計量及呈列。在協商和安排經營租賃招致的初始直接成本乃計入租賃資產之賬面值，並按與租金收入相同的基準在租期內確認為開支。

經營租賃的應收租金收入在租期涵蓋期間內以直線法在損益確認，惟倘有另一種基準能更有效反映利用有關租賃資產產生收益之時間模式則作別論。授出的租賃優惠作為應收租賃付款淨值總額的重要組成部分在損益確認。或然租金在賺得的會計期間確認為收入。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n)B Leasing (accounting policies applied until 31 December 2018) (Continued)

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

Property held under operating leases that would otherwise meet the definition of investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note 3(g)).

(ii) Operating lease charges as the lessee

Where the Group has the right to use the assets held under operating leases, payments made under the leases are charged to profit or loss on straight-line method over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

(iii) Assets leased out under operating leases as the lessor

Assets leased out under operating leases are measured and presented according to the nature of the assets. 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 over the lease term on the same basis as the rental income.

Rental income receivable from operating leases is recognised in profit or loss on straight-line method over the periods covered by the lease terms, except where an alternative basis is more representative of the time pattern of benefits to be derived from the use of the leased assets. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

## 3. 主要會計政策概要 (續)

## (o) 撥備及或然負債

倘本集團因過往事件負上現有責任(法定或推定責任)，並極有可能須以流出經濟利益來承擔有關責任及可就負債金額作出可靠估計，方會確認撥備。倘幣值時間價值重大，撥備會以承擔責任之預期所需支出之現值列賬。

在每個報告日期，會對所有撥備進行審閱及調整，以反映當時的最佳估計。

倘有可能毋須流出經濟利益或無法可靠地估計有關金額，則有關責任會披露為或然負債，惟倘經濟利益極不可能流出則作別論。至於潛在責任，存在與否僅取決於是否發生或不發生非本集團所能完全控制之一項或多項未來不確定事件，而潛在責任乃披露為或然負債，惟倘經濟利益極不可能流出則作別論。

或然負債於購買價分配至在業務合併中所收購資產及負債的過程中確認。或然負債初步按收購日期公允值計量，其後按在上述可資比較撥備中確認之金額與初步確認金額減任何累計攤銷(如適用)之較高者計量。

## (p) 股本

普通股乃分類為權益。股本乃以已發行股份之面值釐定。

與發行股份有關之任何交易成本乃自股份溢價(扣除任何相關所得稅利益後)扣除，惟以權益交易直接應佔之成本增加幅度為限。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (o) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent liabilities are recognised in the course of the allocation of purchase price to the assets and liabilities acquired in a business combination. They are initially measured at fair value at the date of acquisition and subsequently measured at the higher of the amount that would be recognised in a comparable provision as described above and the amount initially recognised less any accumulated amortisation, if appropriate.

## (p) Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefits) to the extent that they are incremental cost directly attributable to the equity transaction.



## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 3. 主要會計政策概要 (續)

#### (q) 收益確認

與客戶簽訂合約的收益於貨品或服務的控制權轉移至客戶時確認，而確認之金額可反映本集團預期就交換該等貨品或服務而有權獲得的代價（代表第三方收取的金額除外）。收益不包括增值稅或其他銷售稅，並會扣除任何貿易折扣。

根據合約條款和適用於合約之法律，貨物或服務的控制權可以隨時間或在某個時間轉移。倘達成以下各項，貨物或服務的控制權乃隨著時間而轉移：

- 本集團履約時所提供的所有利益獲客戶同時接受及使用；
- 本集團履約時創造或改良一項客戶於本集團履約時控制的資產；或
- 本集團履約時並無創造對本集團而言具替代用途的資產，且本集團對迄今完成的履約付款具有可執行權利。

倘貨物或服務的控制權隨著時間而轉移，收益乃參考完成履行履約義務的進度在合約期間確認，否則收益會於客戶取得貨物或服務的控制權之時確認。

#### (i) 化工產品

在貨物交付並被接受時，客戶可以獲得化工產品的控制權，故於客戶接受化工產品時確認收益。履約義務通常只有一項。發票通常應於 180 日內支付。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (q) Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

#### (i) Chemical products

Customers obtain control of the chemical products when the goods are delivered to and have been accepted. Revenue is thus recognised upon when the customers accepted the chemical products. There is generally only one performance obligation. Invoices are usually payable within 180 days.

## 3. 主要會計政策概要 (續)

## (q) 收益確認 (續)

## (i) 化工產品 (續)

本集團與客戶的化工產品銷售合約為客戶提供退貨權，可換取相同的產品或以現金退款。退貨權產生可變代價。可變代價於合約起始時估計，且將受到限制，直至相關的不確定因素其後消除為止。應用可變代價的限制增加了將予遞延之收益款額。此外，退款負債及收回該等遭退回產品資產的權利獲確認。本集團的更換壞貨責任乃確認為撥備（詳見附註3(o)）

## (ii) 租金收入

按經營租賃應收之租金收入按租期覆蓋之會計期間以等額分期方式於損益確認。授出的租賃優惠作為應收租賃付款淨值總額的重要組成部分在損益確認。或然租金在賺得的會計期間確認為收入。

## (iii) 利息收入

利息收入以實際利息法按時間比例基準確認。

## 合約負債

合約負債指本集團向客戶交付貨品或轉移服務的責任，而本集團已收到客戶支付的代價或客戶應向本集團支付代價金額。

## (r) 政府補貼

在可以合理保證能收取政府補貼以及本集團將符合政府補貼之所有附帶條件之情況下，方會按公允值確認政府補貼。政府補貼為遞延項目，並須按將政府補貼與補貼擬補償的成本配對所需的期間在損益確認。至於涉及購置物業、廠房及設備之政府補貼，則列入財務狀況表作為遞延收入負債，並以直線法按有關資產預計年限在損益確認。

涉及收入的政府補貼已在綜合收益表中的「其他收入和收益」以總額呈報。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (q) Revenue recognition (Continued)

## (i) Chemical products (Continued)

The Group's contracts with customers from the sale of chemical products provides customers a right of return either to exchange the same product or to be refund in cash. The right of return gives rise to variable consideration. The variable consideration is estimated at contract inception and constrained until the associated uncertainty is subsequently resolved. The application of the constraint on variable consideration increases the amount of revenue that will be deferred. In addition, a refund liability and a right to recover returned goods assets are recognised. The Group's obligation to replace faulty products is recognised as a provision (details in note 3(o)).

## (ii) Rental income

Rental income receivable under operating leases is recognised in profit or loss in equal installments over the accounting periods covered by the lease terms. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

## (iii) Interest income

Interest income is recognised on time-proportion basis using effective interest method.

## Contract liabilities

A contract liability represents the Group's obligation to deliver goods or transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

## (r) Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Grants are deferred and recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate, whilst those relating to the purchase of property, plant and equipment are included as deferred income liability in the statement of financial position and are recognised in profit or loss on straight-line method over the expected lives of the related assets.

Government grants relating to income is presented in gross under "Other income and gains" in the consolidated income statement.

3. 主要會計政策概要 (續)

(s) 資產減值 (金融資產除外)

於每個報告期結束時，本集團會審閱物業、廠房及設備、使用權資產、預付土地租賃款項、無形資產以及於附屬公司之權益的賬面值，以確定是否有跡象顯示該等資產已出現減值虧損或以往確認之減值虧損已不復存在或可能已經減少。

倘資產之可收回金額 (即公允值減出售成本與使用價值兩者中之較高者) 估計低於其賬面值，則資產之賬面值調減至其可收回金額。減值虧損即時確認為開支，除非相關資產根據另一項香港財務報告準則按重估金額列賬，在此情況下，減值虧損會根據該項香港財務報告準則視作重估減值處理。

倘減值虧損在其後回撥，該資產之賬面值會上調至其可收回金額之經修訂估計款額，惟增加後之賬面值不得超過在以往年度並無就該資產確認減值虧損的情況下原已釐定之賬面值。減值虧損之回撥即時確認為收入，除非相關資產根據另一項香港財務報告準則按重估金額列賬，在此情況下，減值虧損之回撥會根據該項香港財務報告準則視作重估增值處理。

使用價值是基於預期從該資產或現金產生單位產生之估計未來現金流量，採用可反映貨幣時間價值及該資產或現金產生單位特有風險之當前市場評估之稅前貼現率而貼現至現值。

(t) 僱員福利

退休福利

僱員享有之退休福利乃透過界定供款計劃提供。

本集團按照強制性公積金計劃條例，為所有合資格參與強制性公積金計劃的僱員設立界定供款退休福利計劃。供款乃按僱員基本薪金之百分比作出。

至於本集團在中國營運之附屬公司之僱員，須參與由有關地方市政府營辦之中央退休金計劃。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Impairment of assets (other than financial assets)

At the end of each reporting period, the Group reviews the carrying amounts of property, plant and equipment, right-of-use assets, prepaid land lease payment, intangible asset and interests in subsidiaries to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value-in-use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the impairment loss is treated as a revaluation decrease under that HKFRS.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent 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 in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the reversal of impairment loss is treated as a revaluation increase under that HKFRS.

Value-in-use is based on the estimated future cash flows expected to be derived from the asset or CGU, 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 or CGU.

(t) Employee benefits

Retirement benefits

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance, for all of its employees who are eligible to participate in the Mandatory Provident Fund Scheme. Contributions are made based on a percentage of the employees' basic salaries.

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government.

## 3. 主要會計政策概要 (續)

## (t) 僱員福利 (續)

**退休福利 (續)**

在僱員提供服務之年度，供款於損益確認為開支。本集團根據該等計劃應負之責任僅為按固定百分比供款。

**短期僱員福利**

僱員應得之年假於僱員可享有時確認。因僱員於截至報告日期為止提供之服務而可享有之年假之估計負債已作撥備。

非累計之有薪假期（例如病假及產假）於休假時方予確認。

**以股份支付之薪酬**

本集團為其若干僱員及一位供應商推行股權結算以股份支付之薪酬計劃。本集團所獲取用以換取獲授任何以股份支付之薪酬之所有僱員服務，乃按公允值計量。此乃參照所獲得之權益工具而間接釐定，其價值乃於授出日期評估，且未有計及任何非市場歸屬條件（如盈利能力及銷售增長目標）之影響。

所有以股份支付之薪酬按歸屬期（如歸屬條件適用）在損益確認為開支，或於授出的權益工具即時歸屬時，在授出日期悉數確認為開支，除非有關薪酬符合資格確認為資產，且在權益內之購股權儲備作相應增加則作別論。倘歸屬條件適用，則開支會按歸屬期因應預期歸屬之權益工具數目之最佳可得估計確認。在有關預期將予歸屬之權益工具數目之假設中，已納入非市場歸屬條件。

倘有任何跡象顯示預期歸屬之權益工具數目與過往之估計不同，會於其後修訂估計。

於購股權獲行使時，先前於購股權儲備確認之款額將撥入股份溢價。於歸屬日期後，如已歸屬之購股權其後被沒收或於到期日仍未行使，先前於購股權儲備確認之款額將轉撥保留溢利。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (t) Employee benefits (Continued)

**Retirement benefits (Continued)**

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

**Short-term employee benefits**

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

**Share-based compensation**

The Group operates equity-settled share-based compensation plans to certain employees and a supplier. All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the equity instruments awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is recognised as an expense in profit or loss over the vesting period if vesting conditions apply, or recognised as an expense in full at the grant date when the equity instruments granted vest immediately unless the compensation qualifies for recognition as asset, with a corresponding increase in the share option reserve in equity. If vesting conditions apply, the expense is recognised over the vesting period, based on the best available estimate of the number of equity instruments expected to vest. Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to vest.

Estimates are subsequently revised, if there is any indication that the number of equity instruments expected to vest differs from previous estimates.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. After vesting date, when the vested share options are later forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

3. 主要會計政策概要 (續)

(t) 僱員福利 (續)

以股份支付之薪酬 (續)

就本公司最終控股公司轉讓予本公司一位僱員之股份而言，所獲取服務之公允值乃參考所授出股份於授出日期之公允值而釐定，並以直線法按歸屬期支銷及同時相應增加權益。於每個報告日期，本集團會因應以非市場表現歸屬條件向一位僱員授出的股份，修訂其就預期最終歸屬之股份數目所作之估計。修訂對於歸屬期內之估計之影響（如有）會在損益確認，並對儲備作相應調整。

(u) 借款成本

就收購、建造或生產任何合資格資產所產生之借款成本，會作為合資格資產成本的一部分，於完成及準備資產作擬定用途或正在進行銷售的期間撥作資本。合資格資產乃指需要一段長時間方可達致擬定用途或出售的資產。至於其他借款成本，在發生時計入當期損益。

在使合資格資產作擬定用途所需的絕大部分準備工作或銷售完成時，借款成本即停止撥作資本。

(v) 所得稅之會計方法

年內的所得稅包括即期稅項及遞延稅項。

即期所得稅資產及／或負債包括現行或上個報告期應向財政機關支付之責任或由財政機關提出之索償（兩者於報告日期均尚未支付），並根據有關財政期間之適用稅率及稅務法例，按照相關年度之應課稅溢利計算。所有即期稅項資產或負債之變動均於損益確認為稅項開支之組成部分。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Employee benefits (Continued)

Share-based compensation (Continued)

For shares transferred to an employee of the Company by the Company's ultimate holding company, the fair value of services received is determined by reference to the fair value of shares granted at the grant date, and is expensed on straight-line method over the vesting period with a corresponding increase in equity. At each reporting date, for shares granted to an employee with non-market performance vesting conditions, the Group revises its estimates of the number of shares that are expected to ultimately vest. The impact of the revision on the estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to reserve.

(u) Borrowing costs

Borrowing costs incurred for the acquisition, construction or production of any qualifying asset are capitalised, as part of the cost of a qualifying asset, during the period of time that is required to complete and prepare the asset for its intended use or sale are being undertaken. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are recognised in profit or loss in the period when they are incurred.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

(v) Accounting for income tax

Income tax for the year comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.



## 3. 主要會計政策概要 (續)

## (v) 所得稅之會計方法 (續)

遞延稅項乃就於報告日期在財務報表內資產及負債之賬面值與其相關稅基之間的暫時差額，按負債法計算。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產乃就所有可扣減暫時差額、可結轉稅項虧損及其他未動用稅項抵免確認，惟須有應課稅溢利（包括現有應課稅暫時差額）可用作抵銷可扣減暫時差額、未動用稅項虧損及未動用稅項抵免。

有關確定計量遞延稅項金額的適當稅率的一般規定包含例外情況，即投資物業乃根據香港會計準則第40號「投資物業」按公允值列賬。除非假設可予駁回，否則該等投資物業的遞延稅項金額會採用按於報告日期之賬面值出售相關投資物業適用的稅率計量。如投資物業可予折舊，而且持有該物業之業務模式的目標是隨著時間消耗（而非透過銷售）該投資物業絕大部分經濟收益，則此假設可予駁回。

遞延稅項負債乃就於附屬公司的投資及於一家合營公司的權益產生之應課稅暫時差額確認，惟倘本集團可控制暫時差額之撥回及暫時差額極有可能不會於可見將來撥回則除外。

所得稅於損益確認，除非所得稅涉及在其他全面收益確認的項目，在此情況下，稅項亦會在其他全面收益確認，或在此等所得稅涉及直接計入權益的項目的情況下，稅項也直接在權益確認。

即期稅項資產與即期稅項負債只會於下列情況下以淨額呈列：

- (a) 本集團依法有強制執行權，可將已確認金額對銷；及
- (b) 計劃以淨額基準結算，或同時變現資產及結清負債。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (v) Accounting for income tax (Continued)

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in a joint venture, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Income tax are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the tax is also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 3. 主要會計政策概要 (續)

#### (v) 所得稅之會計方法 (續)

本集團只會於下列情況下以淨額呈列遞延稅項資產與遞延稅項負債：

- (a) 該實體依法有強制執行權，可將即期稅項資產與即期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債涉及同一稅務機關就以下任何一項所徵收的所得稅：
  - (i) 同一應課稅實體；或
  - (ii) 計劃於各段未來期間（預期在此等期間內結清或收回大額的遞延稅項負債或資產）以淨額基準結清即期稅項負債與資產或同時變現資產及結清負債的不同應課稅實體。

#### (w) 分部報告

主要經營決策者（即執行董事）（「主要經營決策者」）獲定期匯報內部財務資料，以供彼等就本集團業務組成部分的資源分配作決定，以及供彼等審視該等組成部分的表現之用，而本集團則根據該等資料認定經營分部及編製分部資料。

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (v) Accounting for income tax (Continued)

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - (i) the same taxable entity; or
  - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### (w) Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the chief operating decision makers (i.e. executive Directors) (the "CODM") for their decisions about resources allocation to the Group's business components and for their review of the performance of the components.

## 3. 主要會計政策概要 (續)

## (w) 分部報告 (續)

於過往年度，本集團認定以下可呈報分部，而該等分部乃內部財務資料內的業務組成部分，並屬於香港財務報告準則第15號「來自與客戶訂立合約之收益」之範圍。該等可呈報分部乃依照本集團以下主要產品及服務類別而釐定：

- (i) 氰基化合物及其下游產品：研發、製造及銷售氰基化合物及其下游產品；
- (ii) 醇類產品：研發、製造及銷售醇類產品；
- (iii) 氯乙酸及其下游產品：研發、製造及銷售氯乙酸及其下游產品；及
- (iv) 其他化工產品：銷售其他化工產品，例如蒸汽及其他化工產品。

於二零一九年，在香港財務報告準則第15號「來自與客戶訂立合約之收益」之範圍內，本集團的業務組成部份已重新評估，本集團精細化工產品的研發，生產和銷售認為單一經營分部。該單一經營分部以向主要經營決策者提供之內部財務資料一致之方式呈報。

上述變動對截至二零一八年十二月三十一日止年度之本集團可呈報分部之影響可追溯考慮，而本集團之經營分部資料已經重列，猶如本集團於該年度開始時已作為單一經營分部經營。

## (x) 關聯方

- (a) 一位人士或該位人士之家族近親成員與本集團有關聯，前提是該人士：
  - (i) 可控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 是本集團或本公司母公司之主要管理人員。

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

## (w) Segment reporting (Continued)

In previous years, the Group identified the following reportable segments which were business components in the internal financial information reporting, they were within the scope of HKFRS 15 Revenue from Contracts with Customers. These reporting segments were determined following the Group's major product and service lines:

- (i) Cyanide and its derivative products: Research and development, manufacture and sale of cyanide and its derivative products;
- (ii) Alcohol products: Research and development, manufacture and sale of alcohol products;
- (iii) Chloroacetic acid and its derivative products: Research and development, manufacture and sale of chloroacetic acid and its derivative products; and
- (iv) Other chemical products: Sale of other chemical products, e.g. steam and other chemical products.

In 2019, the business components of the Group were reassessed, which within the scope of HKFRS 15 Revenue from Contracts with Customers, the research and development, manufacture and sale of fine chemical products of the Group are identified as a single operating segment. The single operating segment is reported in a manner consistent with the internal financial information reporting provided to the CODM.

The impact of the abovementioned change on the Group's reportable operating segments for the year ended 31 December 2018 is considered retrospectively and the Group's segment information is re-presented as if the Group had been operating as a single operating segment since the beginning of that year.

## (x) Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.

3. 主要會計政策概要 (續)

(x) 關聯方 (續)

(b) 如下列任何條件適用，一個實體即與本集團有關聯：

- (i) 實體和本集團是同一集團的成員（意即每間母公司、附屬公司及同系附屬公司均互有關聯）。
- (ii) 一個實體是另一個實體的聯營公司或合營公司（或是另一個實體所屬集團旗下成員的聯營公司或合營公司）。
- (iii) 兩個實體均是同一第三方的合營公司。
- (iv) 一個實體是第三方實體的合營公司，而另一個實體是該第三方實體之聯營公司。
- (v) 實體是為本集團或本集團關聯實體的僱員福利而設的離職後福利計劃。
- (vi) 實體由(a)項所認定人士控制或共同控制。
- (vii) 上文(a)(i)項所認定人士對實體有重大影響力或是該實體（或該實體的母公司）的主要管理人員。
- (viii) 實體或其所屬集團之任何成員向本集團或本集團之母公司提供主要管理人員服務。

一位人士之家族近親成員乃指預期可影響該人士與實體之間的交易或預期會受該人士與實體之間的交易影響的家族成員，包括：

- (i) 該人士之子女和配偶或家庭伴侶；
- (ii) 該人士之配偶或家庭伴侶的子女；及
- (iii) 該人士或該人士之配偶或家庭伴侶的受扶養人。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Related parties (Continued)

(b) An entity is related to the Group if any of the following conditions apply:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

#### 4. 重要會計估計及判斷

估計及判斷會作持續評估，並根據過往經驗及其他因素（包括在有關情況下對未來事件作出相信應屬合理之預期）作出。

##### 重要會計估計及假設

本集團作出有關未來之估計及假設。在定義上，由此作出的會計估計極有可能與實際情況不一致。具有重大風險，並可能會導致下一財政年度資產和負債的賬面值出現大幅調整的估計和假設載述如下：

**(i) 物業，廠房及設備及資產使用權的折舊及攤銷**

本集團釐定其物業、廠房及設備及資產使用權之估計可使用年期及相關折舊／攤銷開支，而是項估計乃根據性質及功能相近之物業、廠房及設備及資產使用權之實際可使用年期之過往經驗作出。如可使用年期與先前估計者不同，本集團將修訂折舊／攤銷開支，或將已棄用或出售且在技術上過時或屬非策略性之資產撇銷或撇減。

**(ii) 投資物業之估計公允值**

本集團已委任一家獨立估值公司評估投資物業之公允值。估值師於釐定公允值時，使用之估值方法涉及輸入若干估計數據。董事已作出判斷，認為該估值方法可反映目前市況。

**(iii) 存貨估值**

存貨之價值為成本與可變現淨值兩者中之較低者。存貨之可變現淨值乃於日常業務過程中之估計售價，減估計完成成本及銷售開支。該等估計是根據目前市況及製造與銷售性質相近產品之過往經驗而作出，並可因應客戶喜好改變及競爭對手因嚴峻行業週期所採取的行動而顯著改變。本集團將於每個報告日期前重新評估有關估計。

估計可變現淨值的評估涉及判斷及估計。倘日後之實際結果與原先之估計不同，該差異將會影響存貨之賬面值及於估計變動之期間作出之撇減／回撥。

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

##### Critical accounting estimates and assumptions

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

**(i) Depreciation and amortisation of property, plant and equipment and right-of-use assets**

The Group determines the estimated useful lives and related depreciation/amortisation charges for the Group's property, plant and equipment and right-of-use assets. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment and right-of-use assets of similar nature and functions. The Group will revise the depreciation/amortisation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

**(ii) Estimated fair values of investment properties**

The Group appointed an independent valuation firm to assess the fair values of the investment properties. In determining the fair values, the valuers have used a method of valuation which involves input of certain estimates. The Directors have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

**(iii) Inventories valuation**

Inventories are valued at the lower of cost and net realisable value. Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expense. These estimates are based on the current market conditions and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customers' taste and competitors' actions in response to serve industry cycles. The Group will reassess the estimates by each reporting date.

The assessment of the estimated net realisable value involves judgement and estimates. Where the actual outcome in future is different from the original estimates, such difference will impact the carrying value of inventories and write-down/reversal of write-down in the period in which such estimates have been changed.



4. 重要會計估計及判斷 (續)

重要會計估計及假設 (續)

(iv) 非金融資產的估計減值

本集團於每個報告期結束時評估是否有跡象顯示資產出現減值。倘出現任何該等跡象，本集團會就該資產的可收回金額作出估計。此舉需要估計獲分配資產的現金產生單位的使用價值。估計使用價值時乃要求本集團估計現金產生單位的預期未來現金流量，並選擇合適的貼現率以計算該等現金流量的現值。估計未來現金流量及／或應用貼現率之變動將導致對以前所作的估計減值撥備作出調整。

(v) 無形資產的估計可使用年期

本集團管理層決定無形資產的估計可使用年期。估計可使用年期乃反映本集團管理層對本集團擬從使用無形資產中獲得未來經濟利益期間所作的估計。

(vi) 所得稅及遞延稅項

本集團須繳納香港及中國之所得稅。於釐定所得稅撥備金額及支付有關稅項之時間時，須作出重大判斷。在日常業務過程中，有若干交易難以確定最終稅項之計算方法。本集團就預計稅項確認負債時，乃根據就有否額外稅項到期所作之估計而作出。倘此等事宜之最終稅務結果與最初記錄之金額不同，有關差額將影響作出有關釐定之期間之所得稅撥備。

(vii) 股息分派所產生的預提稅

本集團決定是否根據有關稅項司法權區就來自中國附屬公司之股息分派計提預提稅時，乃取決於對派息時間所作之判斷。倘本集團認為中國附屬公司於二零零八年一月一日後賺取之溢利極有可能不會於可預見將來分派，則不會撥備預提稅。此方面之未確認遞延稅項負債的詳情載於附註 18。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Critical accounting estimates and assumptions (Continued)

(iv) Estimated impairment of non-financial assets

The Group assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the recoverable amount of the asset. This requires an estimation of the value-in-use of the CGUs to which the asset is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable discount rate in order to calculate the present value of those cash flows. A change in the estimated future cash flows and/or the discount rate applied will result in an adjustment to the estimated impairment provision previously made.

(v) Estimated useful life of intangible asset

The Group's management determines the estimated useful life for its intangible asset. The estimated useful life reflects the Group's management's estimates of the periods that the Group intends to derive future economic benefits from the use of the intangible asset.

(vi) Income taxes and deferred taxes

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income taxes and the timing of payment of the related taxes. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. When the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provision in the period in which such determination is made.

(vii) Withholding taxes arising from the distributions of dividends

The Group's determination as to whether to accrue for withholding taxes from the distribution of dividends from the subsidiaries in the PRC according to the relevant tax jurisdictions is subject to judgement on the timing of the payment of the dividends, where the Group considers that if it is probable that the profits of the subsidiaries in the PRC earned after 1 January 2008 will not be distributed in the foreseeable future, then no withholding taxes are provided. Details of the unrecognised deferred tax liabilities in this respect are set out in note 18.

## 4. 重要會計估計及判斷 (續)

## 重要會計估計及假設 (續)

## (viii) 公允值計量

列於本集團財務報表中的若干資產須按公允值計量及／或披露公允值。

本集團的金融及非金融資產的公允值盡可能根據市場可觀察輸入值或不可觀察輸入值及數據計量。在釐定公允值計量時使用的輸入值分為不同級別，而有關級別乃基於在估值技術中使用的輸入值的可觀察程度而定：

- 第一級別： 相同項目在活躍市場中的報價（未經調整）；
- 第二級別： 除第一級別輸入值以外的可觀察直接或間接輸入值；
- 第三級別： 不可觀察輸入值（即並非從市場數據獲得者）。

項目作上述級別分類時乃基於所使用的最低級別輸入值而定，而該輸入值對該項目的公允值計量構成重大影響。項目在不同級別之間的轉移在發生的期間確認。

本集團分別按公允值計入損益及按公允值計入其他全面收益的方式計量投資物業及應收票據。有關上述項目的公允值計量的詳細資料，請參考附註15及20。

## (ix) 貿易應收賬和應收票據減值

本集團使用撥備矩陣計算貿易應收賬的預期信貸虧損。撥備率基於具有類似虧損模式的個別客戶組別之過期日數計算。撥備矩陣初步基於本集團可觀察的過往違約率計算。本集團將校準矩陣，以前瞻性資料調整過往信貸虧損經驗。至於應收票據，預期信貸虧損乃根據12個月預期信貸虧損計量。然而，倘信貸風險自產生以來顯著增加，撥備將根據年限內預期信貸虧損計算。

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

## Critical accounting estimates and assumptions (Continued)

## (viii) Fair value measurement

Certain assets included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets based on market observable inputs or unobservable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are:

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs;
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures investment properties and bills receivable at FVTPL and FVOCI respectively. For more detailed information in relation to the fair value measurement of the items above, please refer to note 15 and note 20.

## (ix) Impairment of trade and bills receivable

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For bills receivable, measurement of ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 4. 重要會計估計及判斷 (續)

#### 重要會計估計及假設 (續)

##### (ix) 貿易應收賬和應收票據減值 (續)

於每個報告日期，會更新可觀察的過往違約率，以及分析前瞻性估計值的變動。就可觀察的過往違約率、預測經濟狀況與預期信貸虧損之間的相關性所作之評估乃屬重要的估計。預期信貸虧損對環境及預測經濟狀況的變化十分敏感。本集團的過往信貸虧損經驗和經濟狀況預測可能無法代表客戶將來的實際違約情況。有關本集團貿易應收賬及應收票據的預期信貸虧損的資料披露已載於財務報表附註41(iii)(c)及(d)。

### 5. 分部資料

截至二零一九年十二月三十一日止年度，本集團的主要經營決策者已認定本集團精細化工產品的研發、製造及銷售為單一經營分部。上述變動對截至二零一八年十二月三十一日止年度之本集團可呈報經營分部之影響可追溯考慮，而本集團之經營分部資料已經重列，猶如本集團於該年度開始時已作為單一經營分部經營。單一經營分部已如附註3(w)所述作出呈報。

銷售精細化工產品的營業額乃於出現以下情況時確認：有證據表明貨物的控制權已轉移給客戶，而客戶對貨物有足夠的控制權，且本集團並無可影響客戶接收貨物的未履行義務。

本集團來自外界客戶之分類營業額劃分為以下地區：

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### Critical accounting estimates and assumptions (Continued)

##### (ix) Impairment of trade and bills receivable (Continued)

At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and bills receivable is disclosed in note 41 (iii)(c) and (d) to the financial statements.

### 5. SEGMENT INFORMATION

For the year ended 31 December 2019, the CODM has identified that the research and development, manufacture and sale of fine chemical products of the Group operates as single operating segment. The impact of this change on the Group's reportable operating segments for the year ended 31 December 2018 is considered retrospectively and the Group's segment information is re-presented as if the Group had been operating as a single operating segment since the beginning of that year. The single operating segment is reported as further described in note 3(w).

Revenue for sale of fine chemical products is recognised at point in time as when there is evidence that the control of goods has been transferred to the customer, the customer has adequate control over the goods and the Group has no unfulfilled obligations that affect customer accepting the goods.

The Group's disaggregated revenue from external customers are divided into the following geographical areas:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
中國(本地)	The PRC (domicile)	1,081,643	871,748
印度	India	88,859	103,152
美國	United States of America	43,489	58,934
西班牙	Spain	21,219	11,509
台灣	Taiwan	20,262	15,111
其他	Others	125,666	118,846
		1,381,138	1,179,300

## 5. 分部資料 (續)

客戶之地區劃分以貨品送達地區為基準。由於大部分非流動資產實際位於中國，故無呈報按地區劃分之非流動資產。

截至二零一九年十二月三十一日止年度，並無單一客戶佔本集團營業額的10%或以上(二零一八年：無)。

## 6. 營業額及其他收入和收益

本集團之主要業務已在附註35披露。本集團年內之主要業務營業額及其他收入和收益已確認如下：

## 5. SEGMENT INFORMATION (Continued)

The geographical location of customers is based on the location at which the goods are delivered. No geographical location of non-current assets is presented as the substantial non-current assets are physically based in the PRC.

There was no single customer that contributed to 10% or more of the Group's revenue for the year ended 31 December 2019 (2018: Nil).

## 6. REVENUE AND OTHER INCOME AND GAINS

The Group's principal activities are disclosed in note 35. Revenue from the Group's principal activities and other income and gains recognised during the year are as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
來自與客戶簽訂合約之 營業額	<b>Revenue from contracts with customers</b>		
銷售精細化工產品	Sale of fine chemical products	<b>1,381,138</b>	1,179,300
<b>其他收入和收益</b>	<b>Other income and gains</b>		
政府補貼(附註(i))	Government grants (note (i))	<b>1,438</b>	779
銀行利息收入	Bank interest income	<b>1,026</b>	1,676
遞延收入撥回(附註30)	Release of deferred income (note 30)	<b>1,302</b>	3,931
租金收入	Rental income	<b>695</b>	706
賠償收入(附註(ii))	Compensation income (note (ii))	<b>—</b>	14,652
匯兌收益，淨額	Exchange gains, net	<b>1,755</b>	—
雜項收入	Sundry income	<b>604</b>	671
		<b>6,820</b>	22,415

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

## 6. 營業額及其他收入和收益 (續)

附註：

- (i) 政府補貼乃指地方當局向本公司位於中國的附屬司提供激勵，以促進本集團的各項業務活動。該等補貼並無未履行條件或或然事項。
- (ii) 於二零一八年，中國地方政府在濰坊高新技術產業開發區（「該區域」）進行公共基礎設施改善工程（「工程」）。本公司兩間附屬公司（「該等附屬公司」）的生產活動座落的土地位於該區域內，因此中國地方政府已收回該土地以促成工程。因此，該等附屬公司賬面淨值分別約為人民幣421,000元（附註14）及人民幣2,807,000元（附註13(i)）的部分預付土地租賃款項及若干樓宇已被撤銷。該等附屬公司位於該土地的若干生產設施已遷移至本集團另一個生產基地，並產生搬遷費用約人民幣1,900,000元。所有有關開支均在綜合收益表確認為行政和其他營運開支。中國地方政府就收回土地向該等附屬公司支付遷拆補償約人民幣14,652,000元。

下表載列來自與客戶簽訂合約之合約負債之資料。

合約負債（附註26）

合約負債主要與來自客戶的預付代價有關。由於已在相應的財政年度內履行履約責任，於二零一八年一月一日及二零一八年十二月三十一日的賬面淨值分別為人民幣6,237,000元及人民幣5,960,000元的合約負債（附註26）已確認為截至二零一八年及二零一九年十二月三十一日止年度的營業額。

於二零一九年十二月三十一日，分配予本集團現有合約訂明的剩餘履約責任的交易價總額為人民幣15,803,000元（二零一八年：人民幣6,917,000元），該金額相當於本集團於預期一年內履行履約義務時將予確認的營業額。

## 6. REVENUE AND OTHER INCOME AND GAINS (Continued)

Notes:

- (i) Government grants represent incentives offered by the local authorities to the subsidiaries of the Company located in the PRC for promoting various business activities of the Group. There are no unfulfilled conditions or contingencies relating to these grants.
- (ii) In 2018, the PRC local government has undergone public infrastructure improvement works (the "Works") in Weifang High Technology Industry Development Zone (the "Zone"). A piece of land for production activities of two subsidiaries of the Company (the "Subsidiaries") was located in the Zone and therefore it was resumed by the PRC local government to facilitate the Works. Consequently, part of prepaid land lease payments and certain buildings of the Subsidiaries with net carrying amounts of approximately RMB421,000 (note 14) and RMB2,807,000 (note 13(i)) respectively were written-off. Certain production facilities of the Subsidiaries situated on the land were relocated to another production site of the Group and incurred relocation expenses of approximately RMB1,900,000. These were recognised in administrative and other operating expenses on the consolidated income statement. The PRC local government made removal compensation of approximately RMB14,652,000 to the Subsidiaries for the resumption of land.

The following table provides information about contract liabilities from contracts with customers.

	二零一九年 十二月三十一日 31 December 2019 人民幣千元 RMB'000	二零一八年 十二月三十一日 31 December 2018 人民幣千元 RMB'000	二零一八年 一月一日 1 January 2018 人民幣千元 RMB'000
合約負債（附註26）	15,803	6,917	7,188

The contract liabilities mainly relate to the advance consideration received from customers. Contract liabilities as of 1 January 2018 and 31 December 2018 with the net carrying amounts of RMB6,237,000 and RMB5,960,000 respectively (note 26) had been recognised as revenue for the years ended 31 December 2018 and 2019 respectively as performance obligations satisfied in the corresponding financial years.

As at 31 December 2019, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB15,803,000 (2018: RMB6,917,000). This amount represents revenue to be recognised by the Group when the performance obligation is completed by the Group within expected one year.



## 7. 財務成本

## 7. FINANCE COSTS

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
銀行借款利息，全部均 載有按要求償還條款 來自一名非控股股東的 預付款的利息	Interest on bank borrowings, of which contain a repayment on demand clause Interest on advances from a non-controlling shareholder	2,606	4,338
來自最終控股公司的 預付款的利息	Interest on advances from the ultimate holding company	-	19
		1,600	271
		4,206	4,628

## 8. 除所得稅前溢利／（虧損）

## 8. PROFIT/(LOSS) BEFORE INCOME TAX

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
除所得稅前溢利／（虧損） 已扣除／（計入）：	Profit/(Loss) before income tax is arrived at after charging/(crediting):		
董事酬金（附註10(a） – 袍金	Directors' remuneration (note 10(a)) – Fees	380	355
– 薪金、酌情花紅及其他福利	– Salaries, discretionary bonus and other benefits	1,680	2,667
– 退休福利計劃供款	– Retirement benefit scheme contributions	57	102
		2,117	3,124
其他僱員成本	Other employee costs	138,379	121,343
退休福利計劃供款	Retirement benefit scheme contributions	9,117	9,727
總僱員成本	Total employee costs	149,613	134,194
核數師酬金	Auditor's remuneration	808	789
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments	-	1,679
資產使用權攤銷（附註(ii）	Amortisation of right-of-use assets (note (ii))	1,479	-
無形資產攤銷	Amortisation of an intangible asset	1,804	1,803
確認為開支之存貨成本 （附註(ii）），包括：	Cost of inventories recognised as an expense (note (ii)), including	1,187,692	1,097,179
– 撇減至可變現淨值之 存貨回撥淨額（附註(iii)）	– Reversals of write-down of inventories to net realisable value, net (note (iii))	(2,810)	(3,761)
物業、廠房及設備折舊	Depreciation on property, plant and equipment	108,227	99,945
匯兌損失，淨額	Exchange losses, net	-	366
物業、廠房及設備撇銷 （附註13）	Write-off of property, plant and equipment (note 13)	34,847	23,538
預付土地租賃款項撇銷	Write-off of prepaid land lease payments	-	421
貿易應收賬減值虧損 （附註41(iii)(c)）	Impairment losses on trade receivables (note 41(iii)(c))	3,759	3,822
出售物業、廠房及設備 虧損	Loss on disposals of property, plant and equipment	1	556
有關短期租賃的租賃付款	Lease payments in respect of short-term leases	2,146	2,277
研究成本（附註(iv)）	Research costs (note (iv))	36,291	5,793

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 8. 除所得稅前溢利／（虧損）（續）

附註：

- (i) 本集團以經修訂追溯法初步應用香港財務報告準則第16號，並調整二零一九年一月一日期初結餘以確認與租賃有關的資產使用權，而該等租賃以往是根據香港會計準則第17號歸類為經營租賃。經二零一九年一月一日初步確認資產使用權後，本集團作為承租人須攤銷該資產使用權。根據以上方式，並未如附註2(a)所述重列比較資料。
- (ii) 存貨成本包括約人民幣103,862,000元（二零一八年：人民幣95,192,000元）之相關折舊開支及約人民幣116,119,000元（二零一八年：人民幣105,682,000元）之相關僱員成本。有關金額亦已計入在上文另行披露的相關總金額中。
- (iii) 回撥的主要原因是於二零一八年及二零一九年十二月三十一日持有的若干製成品的加權平均生產成本下降。
- (iv) 研究成本包括約人民幣762,000元（二零一八年：人民幣798,000元）之相關折舊開支及約人民幣11,082,000元（二零一八年：人民幣2,994,000元）之相關僱員成本。有關金額亦已計入在上文另行披露的相關總金額中。

### 9. 所得稅開支／（抵免）

### 8. PROFIT/(LOSS) BEFORE INCOME TAX (Continued)

Notes:

- (i) The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets at 1 January 2019, the Group as lessee is required to amortise these right-of-use assets. Under this method, the comparative information has not been restated as described in note 2(a).
- (ii) Cost of inventories includes approximately RMB103,862,000 (2018: RMB95,192,000) relating to depreciation expenses and approximately RMB116,119,000 (2018: RMB105,682,000) relating to employee costs. These amounts are included in the respective total amounts disclosed separately above.
- (iii) The reversals are mainly due to decrease of weighted average production cost of certain finished goods held on hand as at 31 December 2018 and 2019.
- (iv) Research costs include approximately RMB762,000 (2018: RMB798,000) relating to depreciation expenses and approximately RMB11,082,000 (2018: RMB2,994,000) relating to employee costs. These amounts are included in the respective total amounts disclosed separately above.

### 9. INCOME TAX EXPENSE/(CREDIT)

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
即期稅項 – 中國企業所得稅	Current tax – PRC Enterprise Income Tax		
– 本年度稅項	– Tax for the year	14,520	3,142
– 過往年度（超額撥備）／ 不足撥備	– (Over)/Under-provision in prior years	(108)	197
支付中國股息預提稅	PRC dividend withholding tax paid	375	10,787
		<b>14,787</b>	14,126
遞延稅項（附註18）	Deferred tax (note 18)		
– 終止確認與以往已確認 稅項虧損相關之 遞延稅項資產	– Derecognition of deferred tax assets in relations to tax losses previously recognised	7,433	–
– 年內計入	– Credited for the year	(3,350)	(19,340)
所得稅開支／（抵免）	Income tax expense/(credit)	<b>18,870</b>	(5,214)

## 9. 所得稅開支／(抵免)(續)

所得稅開支／(抵免)與除所得稅前溢利／(虧損)乘以中國企業所得稅稅率之積之對賬如下：

## 9. INCOME TAX EXPENSE/(CREDIT) (Continued)

Reconciliation between income tax expense/(credit) and profit/(loss) before income tax multiplied by the PRC enterprise income tax rate is as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
除所得稅前溢利／(虧損)	Profit/(Loss) before income tax	30,517	(73,930)
按中國企業所得稅稅率 25% (二零一八年：25%)	Tax at PRC enterprise income tax rate of 25% (2018: 25%)		
計算之稅項		7,629	(18,483)
不可扣稅開支之稅務影響	Tax effect of non-deductible expenses	1,311	6,352
非應課稅收入的稅務影響	Tax effect of non-taxable income	(10,391)	–
中國股息預提稅	PRC dividend withholding tax	375	4,787
利用過往未確認稅務虧損之 稅務影響	Tax effect of utilisation of tax losses not previously recognised	(157)	(443)
未確認稅務虧損之稅務影響	Tax effect of tax losses not recognised	12,720	4,044
終止確認與過往已確認 稅項虧損相關之 遞延稅項資產	Derecognition of deferred tax assets in relations to tax losses previously recognised	7,433	–
過往年度(超額撥備)／ 不足撥備	(Over)/Under-provision in prior years	(108)	197
其他	Others	58	(1,668)
所得稅開支／(抵免)	Income tax expense/(credit)	18,870	(5,214)

由於並無應課稅溢利在香港產生，故無作出香港利得稅撥備。

No provision for Hong Kong Profit Tax has been made as no assessable profit derives from Hong Kong.

在中國成立的附屬公司須按二零一九年之中國企業所得稅稅率 25% (二零一八年：25%) 繳納中國企業所得稅。

The subsidiaries established in the PRC are subject to the PRC Enterprise Income Tax at the rate of 25% for 2019 (2018: 25%).

根據中國企業所得稅法及其相關法規，就中國企業自二零零八年一月一日起所賺取的利潤所得的應收股息，非中國居民企業須按 10% 的稅率繳納預提稅，除因稅收協定／安排而獲得扣減則作別論。於截至二零一九年十二月三十一日止年度，本集團已就中國預提稅採納 10% (二零一八年：10%) 的預提稅稅率。

Pursuant to the PRC Corporate Income Tax Law and its related regulations, non-PRC-resident enterprises are levied withholding tax at 10% (unless reduced by tax treaties/arrangements) on dividends receivable from PRC enterprises for profits earned since 1 January 2008. The Group has adopted 10% (2018: 10%) withholding tax rate for PRC withholding tax purpose for the year ended 31 December 2019.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 10. 董事及高級管理層的酬金

#### (a) 董事酬金

已付或應付予每位董事之酬金如下：

		袍金 Fees 人民幣千元 RMB'000	薪金 Salaries 人民幣千元 RMB'000	其他福利 Other benefits 人民幣千元 RMB'000	酌情花紅 Discretionary bonus 人民幣千元 RMB'000	退休福利 計劃供款 Retirement benefit scheme contributions 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
二零一九年	<b>2019</b>						
執行董事	<b>Executive Directors</b>						
劉揚	Liu Yang	-	500	14	171	24	709
王子江	Wang Zijiang	-	759	31	205	33	1,028
非執行董事	<b>Non-executive Directors</b>						
劉洪亮	Liu Hongliang	10	-	-	-	-	10
郭玉成	Guo Yucheng	10	-	-	-	-	10
獨立非執行董事	<b>Independent Non-Executive Directors</b>						
梁錦雲	Leung Kam Wan	132	-	-	-	-	132
高寶玉	Gao Baoyu	114	-	-	-	-	114
劉晨光	Liu Chenguang	114	-	-	-	-	114
二零一九年合計	Total for 2019	380	1,259	45	376	57	2,117

### 10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

#### (a) Directors' emoluments

Emoluments paid or payable to each Director were as follows:

## 10. 董事及高級管理層的酬金 (續)

## 10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

## (a) 董事酬金 (續)

## (a) Directors' emoluments (Continued)

		袍金 Fees 人民幣千元 RMB'000	薪金 Salaries 人民幣千元 RMB'000	其他福利 Other benefits 人民幣千元 RMB'000	酌情花紅 Discretionary bonus 人民幣千元 RMB'000	退休福利 計劃供款 Retirement benefit scheme contributions 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
<b>二零一八年</b>	<b>2018</b>						
<b>執行董事</b>	<b>Executive Directors</b>						
劉楊	Liu Yang	–	437	–	67	–	504
王子江	Wang Zijiang	–	665	32	65	37	799
鄭明國	Zheng Mingguo						
(於二零一八年 一月一日	(appointed on 1 January 2018						
獲委任，並於 二零一八年	and resigned on 1 August 2018)						
八月一日辭任)		–	350	18	30	21	419
高峰	Gao Feng						
(於二零一八年 八月一日辭任)	(resigned on 1 August 2018)	–	578	26	15	20	639
孫振民	Sun Zhenmin						
(於二零一八年 八月一日辭任)	(resigned on 1 August 2018)	–	350	22	12	24	408
<b>非執行董事</b>	<b>Non-executive Directors</b>						
劉洪亮	Liu Hongliang						
(於二零一八年 八月一日	(appointed on 1 August 2018)						
獲委任)		4	–	–	–	–	4
郭玉成	Guo Yucheng						
(於二零一八年 八月一日	(appointed on 1 August 2018)						
獲委任)		4	–	–	–	–	4
<b>獨立非執行董事</b>	<b>Independent Non-Executive Directors</b>						
梁錦雲	Leung Kam Wan	127	–	–	–	–	127
高寶玉	Gao Baoyu	110	–	–	–	–	110
劉晨光	Liu Chenguang	110	–	–	–	–	110
二零一八年合計	Total for 2018	355	2,380	98	189	102	3,124



## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 10. 董事及高級管理層的酬金 (續)

#### (a) 董事酬金 (續)

年內，本集團並無向任何董事支付任何酬金，作為加入本集團之獎勵或離職補償（二零一八年：無）。

年內，並無任何安排致使任何董事放棄或同意放棄任何酬金（二零一八年：無）。

截至二零一八年及二零一九年十二月三十一日止年度，酌情花紅乃按董事個人表現釐定。

#### (b) 五名最高酬金人士

年內，在本集團最高酬金之五名人士當中，兩名（二零一八年：四名）為董事，彼等酬金之詳情已反映於上文之分析中。年內應付其餘三名（二零一八年：一名）人士之酬金如下：

### 10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

#### (a) Directors' emoluments (Continued)

No emoluments were paid by the Group to any Directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2018: Nil).

There are no arrangements under which a Director waived or agreed to waive any emoluments for the year (2018: Nil).

The discretionary bonus are determined by individual performance of the Directors for the years ended 31 December 2018 and 2019.

#### (b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group during the year included two (2018: four) Directors whose emoluments are reflected in the analysis presented above. Emoluments payable to the remaining three (2018: one) individual during the year are as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
薪金、酌情花紅及其他福利	Salaries, discretionary bonus and other benefits	2,118	1,153
退休福利計劃供款	Retirement benefit scheme contributions	64	15
		<b>2,182</b>	<b>1,168</b>

該人士之酬金屬於以下範圍：

The emoluments of the individuals were within the following bands:

		人數 Number of Individuals	
		二零一九年 2019	二零一八年 2018
薪酬組別	Emoluments band		
零至港幣 1,000,000 元	Nil to HK\$1,000,000	2	—
港幣 1,000,001 元至 港幣 1,500,000 元	HK\$1,000,001 to HK\$1,500,000	1	1

## 11. 股息

## 11. DIVIDEND

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
並無就過往年度 派付末期股息 (二零一八年： 每股港幣0.01元)	No final dividend paid in respect of prior year (2018: HK\$0.01 per share)	-	7,183

董事不建議就截至二零一九年十二月三十一日止年度派付任何股息(二零一八年：無)。

The Directors do not recommend the payment of any dividend for the year ended 31 December 2019 (2018: Nil).

## 12. 每股盈利／(虧損)

## 12. EARNINGS/(LOSS) PER SHARE

本公司擁有人應佔每股基本及攤薄盈利／(虧損)乃根據以下數據計算：

The calculation of basic and diluted earnings/(loss) per share attributable to owners of the Company is based on the following data:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
本公司擁有人應佔本年度 溢利／(虧損)	Profit/(Loss) for the year attributable to owners of the Company	21,507	(61,058)

普通股數目  
Number of ordinary shares

		二零一九年 2019 千股 '000	二零一八年 2018 千股 '000
計算每股基本及攤薄 盈利／(虧損)之 普通股加權平均數	Weighted average number of ordinary shares for the purpose of basic and diluted earnings/(loss) per share	851,954	851,954

截至二零一九年及二零一八年十二月三十一日止年度，本公司擁有人應佔溢利／(虧損)之每股攤薄盈利／(虧損)與每股基本盈利／(虧損)相同。由於本公司購股權的行使價高於股份平均市價，截至二零一九年及二零一八年十二月三十一日止年度並無潛在攤薄普通股。

Diluted earnings/(loss) per share for profit/(loss) attributable to owners of the Company for the year ended 31 December 2019 and 2018 were the same as basic earnings/(loss) per share. There were no dilutive potential ordinary shares for the year ended 31 December 2019 and 2018 because the exercise prices of the Company's share options were higher than the average market prices for shares.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 13. 物業、廠房及設備

### 13. PROPERTY, PLANT AND EQUIPMENT

		樓宇 Buildings 人民幣千元 RMB'000	租賃物業裝修 Leasehold improvements 人民幣千元 RMB'000	廠房及機械 Plant and machinery 人民幣千元 RMB'000	汽車 Motor vehicles 人民幣千元 RMB'000	傢俬、固定 裝置及設備 Furniture, fixtures and equipment 人民幣千元 RMB'000	在建工程 Construction in progress 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
於二零一八年 一月一日	<b>As at 1 January 2018</b>							
成本	Cost	303,813	580	1,044,102	4,564	11,648	224,031	1,588,738
累積折舊及 減值虧損	Accumulated depreciation and impairment losses	(87,875)	(144)	(528,470)	(2,189)	(7,677)	-	(626,355)
<b>賬面淨值</b>	<b>Net carrying amount</b>	<b>215,938</b>	<b>436</b>	<b>515,632</b>	<b>2,375</b>	<b>3,971</b>	<b>224,031</b>	<b>962,383</b>
於二零一八年 一月一日	<b>Net carrying amount As at 1 January 2018</b>							
增加	Additions	4,942	-	25,374	-	741	95,069	126,126
撤銷 (附註(ii))	Write-off (note (ii))	(6,529)	(327)	(16,302)	-	(61)	(319)	(23,538)
出售	Disposals	-	-	(726)	-	-	-	(726)
折舊	Depreciation	(14,833)	(109)	(82,841)	(567)	(1,595)	-	(99,945)
完成後重新分類	Reclassified upon completion	14,077	-	226,511	-	-	(240,588)	-
於二零一八年 十二月三十一日	<b>As at 31 December 2018</b>	<b>213,595</b>	<b>-</b>	<b>667,648</b>	<b>1,808</b>	<b>3,056</b>	<b>78,193</b>	<b>964,300</b>
於二零一八年 十二月三十一日	<b>As at 31 December 2018</b>							
成本	Cost	311,185	35	1,248,067	4,564	12,295	78,193	1,654,339
累積折舊及 減值虧損	Accumulated depreciation and impairment loss	(97,590)	(35)	(580,419)	(2,756)	(9,239)	-	(690,039)
<b>賬面淨值</b>	<b>Net carrying amount</b>	<b>213,595</b>	<b>-</b>	<b>667,648</b>	<b>1,808</b>	<b>3,056</b>	<b>78,193</b>	<b>964,300</b>
於二零一九年 一月一日	<b>Net carrying amount As at 1 January 2019</b>	<b>213,595</b>	<b>-</b>	<b>667,648</b>	<b>1,808</b>	<b>3,056</b>	<b>78,193</b>	<b>964,300</b>
增加	Additions	2,876	-	14,728	-	118	284,552	302,274
出售附屬公司 (附註38(a))	Disposal of a subsidiary (note 38(a))	(14,104)	-	(90)	-	(254)	-	(14,448)
撤銷 (附註(ii))	Write-off (note (iii))	(11,845)	-	(20,071)	-	-	(2,931)	(34,847)
出售	Disposals	-	-	-	(106)	-	-	(106)
折舊	Depreciation	(13,834)	-	(92,822)	(466)	(1,105)	-	(108,227)
轉移	Transfer	-	-	323	(323)	-	-	-
完成後重新分類	Reclassified upon completion	66,741	-	112,363	-	47	(179,151)	-
於二零一九年 十二月三十一日	<b>As at 31 December 2019</b>	<b>243,429</b>	<b>-</b>	<b>682,079</b>	<b>913</b>	<b>1,862</b>	<b>180,663</b>	<b>1,108,946</b>
於二零一九年 十二月三十一日	<b>As at 31 December 2019</b>							
成本	Cost	351,028	35	1,342,298	4,004	11,279	180,663	1,889,307
累積折舊及 減值虧損	Accumulated depreciation and impairment losses	(107,599)	(35)	(660,219)	(3,091)	(9,417)	-	(780,361)
<b>賬面淨值</b>	<b>Net carrying amount</b>	<b>243,429</b>	<b>-</b>	<b>682,079</b>	<b>913</b>	<b>1,862</b>	<b>180,663</b>	<b>1,108,946</b>

## 13. 物業、廠房及設備 (續)

本集團之樓宇位於按中期租賃持有之中國租賃土地。

於二零一八年十二月三十一日，由於完成登記轉讓法定所有權的若干行政程序出現延誤，仍未取得賬面淨值約人民幣31,068,000元之樓宇之房屋所有權證。年內，已成功獲得該等樓宇之房屋所有權證。

附註：

- (i) 若干物業、廠房及設備於二零一八年撇銷，主要包括以下各項：
- 江蘇春曉（該公司於出售事項（附註38(a)）後已不再為本公司附屬公司）賬面淨值為人民幣18,261,000元的若干非核心物業、廠房及設備已關閉，並於二零一八年前撇銷，原因是環保整改工程所需的額外投資成本會超逾日後的經濟收益。其他詳情已載於本公司日期為二零一八年八月十日的公告內。江蘇春曉原定於截至二零一九年十二月三十一日止的財政年度結束前恢復核心生產活動，因此剩餘的物業、廠房及設備在二零一八年內未作減值；及
  - 如附註6所詳述，由於收回土地，本集團賬面淨值為人民幣2,807,000元的若干建築物已於二零一八年撇銷。
- (ii) 於出售事項（附註38(a)）前，董事會決定終止江蘇春曉的生產，原因是在可預見的將來，江蘇春曉將不大可能恢復生產。詳情已載於本公司日期為二零一九年四月十八日的公告內。江蘇春曉與生產活動直接相關的物業、廠房及設備的賬面淨值總額人民幣34,847,000元已於年內撇銷。

## 13. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group's buildings are situated on leasehold lands under medium-term in the PRC.

As at 31 December 2018, building ownership certificates of buildings with net carrying amount of RMB31,068,000 had not yet been obtained due to delay in finalisation of certain administrative process for the transfer of legal title. During the year, these building ownership certificates have all been successfully obtained.

Notes:

- (i) Certain property, plant and equipment were written off in 2018 and this mainly comprised the following:
- Certain non-core property, plant and equipment of Jiangsu Chunxiao, which is no longer be a subsidiary of the Company after the Disposal (note 38(a)), with a net carrying amount of RMB18,261,000 were shut down and they were written off in 2018 because additional investment cost for environmental improvement and rectification work outweighed their future economic benefits. Further details had been set out in the Company's announcement dated 10 August 2018. The core production activities of Jiangsu Chunxiao were originally scheduled to be resumed by the end of the financial year ended 31 December 2019, thus the remaining property, plant and equipment were not impaired in 2018; and
  - As detailed in note 6, as a result of the resumption of land, certain buildings of the Group with a net carrying amount of RMB2,807,000 were written off in 2018.
- (ii) Before the Disposal (note 38(a)), the Board decided to cease the production of Jiangsu Chunxiao because the resumption of its production became highly unlikely in the foreseeable future. Details were set out in the Company's announcement dated 18 April 2019. Total net carrying amount of the property, plant and equipment of Jiangsu Chunxiao directly related to production activities amounting to RMB34,847,000 were written off during the year.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 14. 預付土地租賃款項

### 14. PREPAID LAND LEASE PAYMENTS

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
於十二月三十一日	At 31 December	<b>62,409</b>	64,509
首次應用香港財務報告準則 第16號的影響 (附註)	Impact of initial application of HKFRS 16 (note)	<b>(62,409)</b>	-
於一月一日調整後餘額	Adjusted balance at 1 January	-	64,509
預付土地租賃款項攤銷 撇銷(附註6)	Amortisation of prepaid land lease payments Write-off (note 6)	-	(1,679)
		-	(421)
於十二月三十一日	At 31 December	-	62,409
即期部分(已包括在預付 款項及其他應收款項) (附註21)	Current portion (included in prepayments and other receivables) (note 21)	-	(1,667)
非即期部分	Non-current portion	-	60,742

本集團之預付土地租賃款項乃按中國之中期租賃持有。

The Group's prepaid land lease payments were held under medium-term in the PRC.

附註：本集團已初步應用香港財務報告準則第16號的經修訂追溯法，涉及以往根據香港會計準則第17號歸類為經營租賃的租賃，並調整二零一九年一月一日的期初結餘。在採納香港財務報告準則第16號後，於二零一九年一月一日，以往列為預付土地租賃款項的賬面值人民幣62,409,000元已全額重分類為資產使用權(附註37)。

Note: The Group has initially applied the modified retrospective method under HKFRS 16, in relation to the leases that were previously classified as operating leases applying HKAS17, and adjusted the opening balances at 1 January 2019. Upon the adoption of HKFRS 16, amounts previously stated as prepaid land lease payments with the carrying amount of RMB62,409,000 have been fully reclassified as right-of-use assets (note 37) as at 1 January 2019.

### 15. 投資物業

投資物業的公允值為第三級別的經常性公允值計量。期初和期末的公允值結餘與賬面值變化的對賬概述如下：

### 15. INVESTMENT PROPERTIES

The fair value of investment properties is a Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balances and changes to the carrying amounts is summarised as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
於一月一日	At 1 January	<b>22,500</b>	20,400
投資物業重估增值	Revaluation gain on investment properties	<b>1,400</b>	2,100
於十二月三十一日	At 31 December	<b>23,900</b>	22,500



## 15. 投資物業 (續)

投資物業於二零一九年十二月三十一日由獨立特許測量師行意達專業服務有限公司(「意達」)(擁有近期評估該地同類物業之經驗)進行重估。重估增值人民幣1,400,000元(二零一八年:人民幣2,100,000元)已在本年度損益確認。

本集團之投資物業位於按中期租賃持有之中國租賃土地。

年內,並無於第一級別與第二級別之間的轉移,也沒有轉入或轉出第三級別(二零一八年:無)。

投資物業之公允值乃根據替代原則以直接比較法釐定,而比較乃基於可比較物業之叫價進行。類似大小、規模、性質、特性及位置之可比較物業已進行分析。

## 15. INVESTMENT PROPERTIES (Continued)

Investment properties were revalued as at 31 December 2019 by an independent firm of chartered surveyors, Eidea Professional Services Company Limited ("Eidea"), who has recent experience in the location and category of properties being valued. Revaluation gain of RMB1,400,000 (2018: RMB2,100,000) was recognised in profit or loss for the year.

The Group's investment properties are situated on leasehold lands under medium-term in the PRC.

During the year, there were no transfers between Level 1 and Level 2, and no transfers into or out of Level 3 (2018: Nil).

The fair value of investment properties is determined using direct comparison approach based on the principle of substitution, where the comparison is made based on asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed.

不可觀察輸入值:	Unobservable input(s):	範圍 Range	
		二零一九年 2019	二零一八年 2018
物業特性之溢價	Premium on characteristic of the properties	10% to 19%	15% to 43%

如投資物業特性(包括大小、規模、性質、特徵及位置)的溢價較高,則可導致相應較高之公允值。

Higher premium for the characteristic (including size, scale, nature, character and location) of the investment properties will result in correspondingly higher fair value.

估值技術於年內並無改變。上述物業的公允值計量是基於最高及最佳使用狀態,此舉並無偏離其實際用途。

There were no changes to the valuation techniques during the year. The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 16. 商譽

### 16. GOODWILL

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
於一月一日	At 1 January	-	17,668
減：減值虧損	Less: impairment loss	-	(17,668)
於十二月三十一日	At 31 December	-	-

為就截至二零一八年十二月三十一日止年度進行減值測試，商譽分配至江蘇春曉（於出售事項（附註38(a)）後已不再為本公司附屬公司）的現金產生單位。江蘇春曉的現金產生單位的可收回金額乃根據使用價值釐定，而使用價值乃按經正式批准的五年期預算案的貼現現金流量預測計算。五年期間以後的現金流量按估計加權平均增長率2%（不超過中國化工行業的長期增長率）推算。所使用者為稅前貼現率，並已反映與相關現金產生單位有關的具體風險。

For the purpose of impairment testing for the year ended 31 December 2018, goodwill was allocated to CGU of Jiangsu Chunxiao, which is no longer be a subsidiary of the Company after the Disposal (note 38(a)). The recoverable amount of the CGU of Jiangsu Chunxiao had been determined by value-in-use calculation based on discounted cash flow projections from formally approved budgets covering a five-year period. Cash flows beyond the five-year period were extrapolated using an estimated weighted average growth rate of 2%, which did not exceed the long-term growth rate for the chemical industry in the PRC. The discount rate used was pre-tax and reflect specific risks relating to the relevant CGU.

增長率	Growth rate	2%
稅前貼現率	Pre-tax discount rate	15.7%

二零一八年  
2018

估計及假設乃按管理層根據現金產生單位過往表現及其對市場發展的預期來釐定。江蘇春曉的現金產生單位可收回金額乃由獨立特許測量師行意達估算，該公司具有現金產生單位可收回金額的適當評估資格及經驗。

Estimates and assumptions were determined by management based on the past performance of the CGU and management's expectation for the market development. The recoverable amount of the CGU of Jiangsu Chunxiao was estimated by an independent firm of chartered surveyors, Eidea, who has the appropriate qualification and experience in the valuation of recoverable amount of CGU.

結論是公允值減去出售成本並未超過使用價值。董事認為，以使用價值計算釐定的現金產生單位可收回金額估計為人民幣83,374,000元。由於商譽、物業、廠房及設備、預付土地租賃款項及收購物業、廠房及設備之已付訂金的賬面值分別為人民幣17,668,000元、人民幣68,035,000元、人民幣15,296,000元及人民幣43,000元，導致現金產生單位出現減值虧損人民幣17,668,000元，並已作分配以撇減二零一八年的商譽賬面值。

It was concluded that the fair value less cost of disposal did not exceed the value-in-use. The Directors were of the view that the recoverable amount of the CGU determined by the value-in-use calculation, was estimated to be RMB83,374,000. As the carrying amounts of goodwill, property, plant and equipment, prepaid land lease payments and deposits paid for acquisition of property, plant and equipment amounted to RMB17,668,000, RMB68,035,000, RMB15,296,000 and RMB43,000 respectively, which resulted in an impairment loss of RMB17,668,000 in respect of the CGU was identified and allocated to write down its carrying amounts of goodwill in 2018.

## 17. 無形資產

## 17. INTANGIBLE ASSET

技術知識  
Technical  
knowhow  
人民幣千元  
RMB'000

於二零一八年一月一日	At 1 January 2018	17,586
攤銷	Amortisation	(1,803)
於二零一八年十二月三十一日 及二零一九年一月一日	At 31 December 2018 and 1 January 2019	<b>15,783</b>
攤銷	Amortisation	<b>(1,804)</b>
於二零一九年十二月三十一日	At 31 December 2019	<b>13,979</b>

無形資產意指於二零一七年九月收購的技術知識。技術知識攤銷已按直線法按其估計可使用年期10年計提，並已計入綜合收益表中的行政及其他營運開支。

This represented technical knowhow acquired in September 2017. Amortisation on technical knowhow is charged on straight-line method over their estimated useful life of 10 years and is included in administrative and other operating expenses on the consolidated income statement.

## 18. 遞延稅項

## 18. DEFERRED TAX

本集團已確認以下主要遞延稅項資產／（負債）：

The following is the major deferred tax assets/(liabilities) recognised by the Group:

		減值虧損撥備 Impairment loss	投資物業 Investment properties	遞延收入 Deferred income	海外附屬公司 未分配利潤 Undistributed profits of foreign subsidiaries	預付土地 租賃款項/ 資產使用權 Prepaid land lease payments/ Right-of-use assets	無形資產 Intangible asset	合計 Total	
		稅務虧損 Tax losses							
		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	人民幣千元 RMB'000	
於二零一八年一月一日	At 1 January 2018	16,497	-	(8,823)	2,595	(12,000)	(2,059)	(4,396)	(8,186)
計入損益／（自損益扣除） （附註9）	Credited/(Charged) to profit or loss (note 9)	14,524	-	(1,362)	(325)	6,000	52	451	19,340
於二零一八年 十二月三十一日及 二零一九年一月一日	At 31 December 2018 and 1 January 2019	<b>31,021</b>	-	<b>(10,185)</b>	<b>2,270</b>	<b>(6,000)</b>	<b>(2,007)</b>	<b>(3,945)</b>	<b>11,154</b>
出售附屬公司（附註38(a)） 終止確認與以往已確認的 稅項虧損相關之 遞延稅項資產（附註9）	Disposal of a subsidiary (note 38(a)) Derecognition of deferred tax assets in relations to tax losses previously recognised (note 9)	<b>(2,286)</b>	-	-	-	-	<b>1,981</b>	-	<b>(305)</b>
（自損益扣除）／計入損益 （附註9）	(Charged)/Credited to profit or loss (note 9)	<b>(3,882)</b>	<b>8,055</b>	<b>(973)</b>	<b>(326)</b>	-	<b>26</b>	<b>450</b>	<b>3,350</b>
於二零一九年十二月三十一日	At 31 December 2019	<b>17,420</b>	<b>8,055</b>	<b>(11,158)</b>	<b>1,944</b>	<b>(6,000)</b>	-	<b>(3,495)</b>	<b>6,766</b>

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 18. 遞延稅項 (續)

以下為就綜合財務狀況表所作之遞延稅項結餘分析：

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
遞延稅項資產	Deferred tax assets	27,419	33,291
遞延稅項負債	Deferred tax liabilities	(20,653)	(22,137)
		<b>6,766</b>	11,154

於報告日期，本集團擁有可扣減暫時差額人民幣43,101,000元（二零一八年：人民幣21,060,000元）以抵銷將來的溢利。由於該等附屬公司擁有可扣減的暫時差額，且其未來溢利流不可預測，故並無就人民幣43,101,000元（二零一八年：人民幣21,060,000元）確認任何遞延稅項資產。

由於本公司控制其附屬公司的派息政策，且在可見將來亦不大可能回撥暫時差額，故尚未就將因應若干中國附屬公司於二零零八年一月一日後的未匯出盈利而繳納的預提稅確立遞延稅項負債約人民幣78,075,000元（二零一八年：人民幣97,457,000元）。於二零一九年十二月三十一日，該等未匯出盈利合計約為人民幣780,752,000元（二零一八年：人民幣974,567,000元）。

### 19. 存貨

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
原材料及消耗品	Raw materials and consumables	31,385	47,840
半成品	Work in progress	16,687	20,765
成品	Finished goods	54,334	70,656
		<b>102,406</b>	139,261

### 18. DEFERRED TAX (Continued)

The following is the analysis of the deferred tax balances for the consolidated statement of financial position purposes:

At the reporting date, the Group has deductible temporary differences of RMB43,101,000 (2018: RMB21,060,000) for offsetting against future profits. No deferred tax asset has been recognised in respect of RMB43,101,000 (2018: RMB21,060,000) due to the unpredictability of future profit streams of these subsidiaries which have such deductible temporary differences.

Deferred tax liabilities of approximately RMB78,075,000 (2018: RMB97,457,000) have not been established for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries in the PRC made after 1 January 2008 because the Company controls the dividend policy of its subsidiaries and it is not probable that the temporary differences will reverse in the foreseeable future. Such unremitted earnings totalled approximately RMB780,752,000 as at 31 December 2019 (2018: RMB974,567,000).

### 19. INVENTORIES

## 20. 貿易應收賬及應收票據

## 20. TRADE AND BILLS RECEIVABLE

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
貿易應收賬	Trade receivables	187,562	198,979
應收票據	Bills receivable	106,510	107,849
		<b>294,072</b>	306,828
減：減值虧損撥備 (附註41(iii)(c))	Less: impairment loss allowance (note 41(iii)(c))	<b>(4,068)</b>	(311)
		<b>290,004</b>	306,517

本集團給予貿易客戶之信貸期一般介乎一個月至六個月不等(二零一八年：介乎一個月至六個月不等)。應收票據為不計息之銀行承兌票據，賬齡為發行後一年以內(二零一八年：一年以內)。每位客戶均有本身之最高信貸限額。本集團致力對應收賬結欠維持嚴謹之控制。管理層會定期審視逾期欠款。

於報告日期，貿易應收賬及應收票據(扣除虧損撥備後)按發票日期所作之賬齡分析如下：

The Group allows credit periods normally ranging from one month to six months (2018: one month to six months) to its trade customers. Bills receivable are non-interest bearing bank acceptance bills and aged within a year (2018: within a year) upon issuance. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management.

Ageing analysis of trade and bills receivable (net of loss allowance) at the reporting date, based on the invoice date, is stated as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
0至90日	0 to 90 days	222,001	260,641
91至180日	91 to 180 days	30,998	31,803
181至365日	181 to 365 days	28,138	2,168
超過365日	Over 365 days	8,867	11,905
		<b>290,004</b>	306,517



## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 20. 貿易應收賬及應收票據 (續)

於二零一九年十二月三十一日，本集團向若干供應商背書由中國多家銀行（「發行銀行」）發行之一年內到期（二零一八年：一年內到期）賬面值人民幣702,366,000元（二零一八年：人民幣584,125,000元）之銀行承兌匯票（「背書票據」），以結算應付該等供應商的貿易應付賬及其他應付款項（「背書」）。於二零一九年十二月三十一日，賬面值人民幣340,840,000元（二零一八年：人民幣187,573,000元）的背書票據尚未到期。根據中國票據法，倘發行銀行未能支付，背書票據持有人有權向本集團追償款項（「持續涉及」）。董事認為，與背書票據相關的所有風險及回報均已於背書時實質轉讓。因此，本集團已終止確認背書票據及相關貿易應付賬及其他應付款項的全額賬面值。本集團於背書票據的持續涉及所產生之最高風險及購回該等背書票據之未貼現現金流量相等於其賬面值。董事認為，本集團於背書票據之持續涉及的公允值並不重大。

截至二零一九年及二零一八年十二月三十一日止年度，本集團並無確認因背書票據而產生之任何收益或虧損。無論在年內還是累計年份內，均無就持續涉及確認任何收益或損失。背書在相關年度內全年平均進行。

貿易應收賬及應收票據之賬面值（扣除虧損撥備）按以下貨幣計值：

人民幣	RMB
美元	US\$

於二零一九年十二月三十一日，應收票據人民幣106,510,000元（二零一八年：人民幣107,849,000元）按公允值計入其他全面收益計量。應收票據的公允值為第二級別的公允值計量，乃通過使用條款、信貸風險和剩餘年期相近的工具當前可用之利率貼現預期未來現金流量而計得。年內，並無於第一級別與第二級別公允值之間的轉移，也無轉入或轉出第三級別（二零一八年：無）。

### 20. TRADE AND BILLS RECEIVABLE (Continued)

At 31 December 2019, the Group endorsed bank acceptance bills (the "Endorsed Bills") issued by several banks in the PRC (the "Issuing Banks") with a carrying amount of RMB702,366,000 (2018: RMB584,125,000), with maturity within one year (2018: within one year) to certain of its suppliers for settlement of its trade and other payables due to these suppliers (the "Endorsement"). Among of the Endorsed Bills with a carrying amount of RMB340,840,000 (2018: RMB187,573,000) were not matured as at 31 December 2019. In accordance with the Negotiable Instruments Law of the PRC, a holder of the Endorsed Bills has a right of recourse against the Group if default of payment by the Issuing Banks (the "Continuing Involvement"). In the opinion of the Directors, all risks and rewards relating to the Endorsed Bills have been substantially transferred upon the Endorsement. Accordingly, the Group has derecognised the full carrying amounts of the Endorsed Bills and the associated trade and other payables. The maximum exposure arising from the Group's Continuing Involvement in the Endorsed Bills and the undiscounted cash flows to repurchase these Endorsed Bills equal to their carrying amounts. In the opinion of the Directors, the fair values of the Group's Continuing Involvement in the Endorsed Bills were not significant.

During the years ended 31 December 2019 and 2018, the Group had not recognised any gain or loss arising from of the Endorsed Bills. No gain or loss were recognised from the Continuing Involvement, both during the years or cumulative years. The Endorsement had been made evenly throughout the years.

The carrying amounts of trade and bills receivable (net of loss allowance) are denominated in the following currencies:

	二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
人民幣	239,560	254,725
美元	50,444	51,792
	<b>290,004</b>	306,517

As at 31 December 2019, bills receivable amounting to RMB106,510,000 (2018: RMB107,849,000) was measured at FVOCI. The fair value of bills receivable was at a level 2 fair value measurement which has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. During the year, there was no transfer between level 1 and level 2 fair value hierarchy or transfer into or out of level 3 (2018: Nil).

## 20. 貿易應收賬及應收票據 (續)

於二零一九年十二月三十一日，應收票據包括人民幣6,000,000元（二零一八年：無），已就應付票據人民幣6,000,000元（二零一八年：無）（附註24）作出抵押。

本集團根據附註3(i)所述的會計政策確認減值虧損，詳情載於附註41(iii)(c)及(d)。

## 20. TRADE AND BILLS RECEIVABLE (Continued)

As at 31 December 2019, bills receivable included an amount of RMB6,000,000 (2018: Nil) which was pledged for bills payable of RMB6,000,000 (2018: Nil) (note 24).

The Group recognised impairment loss based on the accounting policy stated in note 3(i), details of which are set out in to note 41(iii)(c) and (d).

## 21. 預付款項及其他應收款項

## 21. PREPAYMENTS AND OTHER RECEIVABLES

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
向供應商墊款	Advances to suppliers	12,938	9,972
可收回的增值稅	Value-added-tax recoverables	24,342	16,845
預付款項	Prepayments	618	613
購買物業，廠房及設備的 已付訂金（附註(a)）	Deposits paid for acquisition of property, plant and equipment (note (a))	–	42,000
應收前附屬公司款項 （附註38(b)）	Amounts due from a former subsidiary (note 38(b))	48,938	–
其他應收款項	Other receivables	1,335	3,316
應收前附屬公司的 前權益持有人款項 （附註(b)）	Amount due from Ex-Equity Holder of a former subsidiary (note (b))	–	8,637
預付土地租賃款項 – 即期部分（附註14）	Prepaid land lease payments – current portion (note 14)	–	1,667
		<b>88,171</b>	83,050
減：應收前附屬公司款項的 減值虧損（附註38(b)）	Less: impairment loss on amounts due from a former subsidiary (note 38(b))	<b>(24,720)</b>	–
		<b>63,451</b>	83,050

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 21. 預付款項及其他應收款項 (續)

附註：

- (a) 根據於二零一七年四月簽訂的多份合同（「該合同」）的條款和條件，本公司之全資附屬公司濰坊濱海石油化工有限公司（「濰坊濱海」）向一名獨立第三方（「甲方」）支付合共人民幣42,000,000元，作為收購多項生產設施及一塊土地的訂金（「訂金」），以供在山東省興建熱電廠之用（「該收購」）。

其後，濰坊濱海發現該等生產設施未能如該合同所述的規格運作，因而違反該合同之基本條款。濰坊濱海在濰坊中級人民法院（「濰坊法院」）提出法律索賠，要求甲方退還訂金並賠償濰坊濱海因甲方違反該等合同的條款和條件所遭受的損失。訂金已於二零一八年十二月三十一日的綜合財務狀況表中確認為流動資產的預付款項及其他應收款項。

年內，濰坊濱海與甲方達成補充協議，甲方同意將該合同的代價降至相當於該合同訂明的生產設施的最新市場價值。同時，由於該收購的生產設施經過進一步修改工作後可以按該合同所述規格運作，故濰坊濱海同意執行該合同。因此，由去年結轉之訂金已轉入於二零一九年十二月三十一日的綜合財務狀況表中的物業、廠房及設備。該收購已於年內最終完成。

### 21. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Notes:

- (a) Weifang Binhai Petro-Chem Co., Ltd (“Weifang Binhai”), a wholly-owned subsidiary of the Company, paid an independent third party (the “Party A”) an aggregate amount of RMB42,000,000 as deposits (the “Deposits”) for acquisitions of various production facilities and a piece of land for the construction of a thermoelectric factory in Shandong (the “Acquisition”) pursuant to the terms and clauses under several contracts executed in April 2017 (the “Contracts”).

Thereafter, Weifang Binhai found that these production facilities could not be functioning according to the Contracts, which led to a fundamental breach to the Contracts. Weifang Binhai filed a legal claim in Weifang Intermediate People’s Court (the “Weifang Court”) against Party A to recover the Deposits and compensate the loss suffered by Weifang Binhai due to Party A’s breach of the terms and conditions of the Contracts. The Deposits were recognised as prepayments and other receivables under current assets in the consolidated statement of financial position as at 31 December 2018 accordingly.

During the year, Weifang Binhai and Party A reached a supplemental agreement that Party A agreed to reduce the consideration of the Contracts to represent the latest market value of the productions facilities under the Contracts. Meanwhile, Weifang Binhai agreed to execute the Contracts as the production facilities under the Acquisition could be functioned according to the Contracts subject to further modification works. Therefore, the Deposits brought forward from previous year are transferred to property, plant and equipment in the consolidated statement of financial position as at 31 December 2019. The Acquisition finally completed during the year.

## 21. 預付款項及其他應收款項 (續)

附註：(續)

- (b) 上海德弘於二零一六年九月完成向獨立第三方(「前權益持有人」)收購江蘇春曉，代價為人民幣39,229,000元。

於二零一七年，江蘇春曉收到常州新北區人民法院(「常州新北法院」)發出之命令，涉及江蘇春曉就貸款協議向前權益持有人全資擁有的公司(「被告甲」)提供擔保之糾紛，而被告甲為貸款協議之借款人。該擔保乃在上海德弘於二零一六年九月收購江蘇春曉前作出。隨後，常州新北法院下令江蘇春曉(作為債務擔保人)因被告甲違約而須共同及個別負責支付未償還本金人民幣5,000,000元及應計利息(「命令甲」)。

於二零一八年八月底，本集團獲悉常州市金壇區人民法院(「常州金壇法院」)於二零一八年七月頒佈另一宗命令，涉及江蘇春曉就貸款協議向其前權益持有人提供兩筆擔保之糾紛，而前權益持有人為貸款協議之借款人。該等擔保乃在上海德弘於二零一六年九月收購江蘇春曉前再次作出。

於二零一八年十月，常州金壇法院下令江蘇春曉(作為貸款擔保人)因前權益持有人違約而須共同及個別負責支付未償還本金人民幣8,000,000元及應計利息(「命令乙」)。

於二零一八年十二月三十一日，已於綜合財務報表就命令甲和命令乙的法律索賠作出總金額人民幣17,141,000元(相當於未償還本金人民幣13,000,000元、截至二零一八年十二月三十一日的應計利息及本集團法律顧問所估算的其他法律開支)的撥備。

21. PREPAYMENTS AND OTHER RECEIVABLES  
(Continued)

Notes: (Continued)

- (b) Shanghai Dehong completed the acquisition of Jiangsu Chunxiao from an independent third party (the "Ex-Equity Holder") for a consideration of RMB39,229,000 in September 2016.

In 2017, Jiangsu Chunxiao received an order from Changzhou Xinbei District People's Court (the "Changzhou Xinbei Court") relating to a dispute on a guarantee given by Jiangsu Chunxiao to a company (the "Defendant A"), which was wholly-owned by the Ex-Equity Holder, for a loan agreement under which Defendant A was the borrower. Such guarantee had been made prior to the acquisition of Jiangsu Chunxiao by Shanghai Dehong in September 2016. Subsequently, the Changzhou Xinbei Court ordered that Jiangsu Chunxiao, as a guarantor capacity of the debt, was jointly and severally liable to pay the outstanding principal of RMB5,000,000 plus accrued interest arising from the default of Defendant A (the "Order A").

At the end of August 2018, the Group was acknowledged that another order issued by the Changzhou Jintan District People's Court (the "Changzhou Jintan Court") in July 2018 relating to disputes on two guarantees given by Jiangsu Chunxiao to its Ex-Equity Holder for loan agreements under which the Ex-Equity Holder was the borrower. Such guarantees were again made prior to the acquisition of Jiangsu Chunxiao by Shanghai Dehong in September 2016.

In October 2018, the Changzhou Jintan Court ordered that Jiangsu Chunxiao, as a guarantor of the loans, was jointly and severally liable to pay the outstanding principal of RMB8,000,000 plus accrued interest arising from the default of the Ex-Equity Holder (the "Order B").

As at 31 December 2018, provision for legal claims in relation to the Order A and Order B in the aggregated amount of RMB17,141,000, representing the total outstanding principals in sum of RMB13,000,000, accrued interest up to 31 December 2018 and other legal expenses estimated by the Group's legal counsel, had been made on the consolidated financial statements.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 21. 預付款項及其他應收款項 (續)

附註：(續)

- (b) 根據上海德弘與前權益持有人於二零一六年訂立的買賣協議(「買賣協議」)的條款及條文，上海德弘有權就上述訴訟案件造成的所有損失獲得前權益持有人的賠償保證。於二零一八年十二月三十一日應付前權益持有人人民幣8,504,000元的款項已全額抵銷法律索賠金額，並導致於二零一八年十二月三十一日應收前權益持有人款項人民幣8,637,000元。

應收前權益持有人款項人民幣8,637,000元由前權益持有人持有的若干住宅物業作抵押，該等物業於二零一八年十二月三十一日的總市值為人民幣11,000,000元。因此，董事認為於二零一八年十二月三十一日毋須作出任何虧損撥備。

出售事項(附註38(a))後，本集團的綜合財務狀況表中終止確認截至二零一九年六月二十八日的應收前權益持有人款項和法律索賠撥備。

### 22. 已抵押銀行存款

於二零一九年十二月三十一日，銀行存款人民幣6,000,000元(二零一八年：無)及人民幣902,000元(二零一八年：人民幣691,000元)已分別為應付票據人民幣6,000,000元(附註24)作出抵押，以及根據中國法院命令被凍結以作為訴訟案件的保證。於二零一八年十二月三十一日，人民幣2,000,000元作為有關地方當局徵收的保證金。

董事認為，由於年期短，已抵押銀行存款之公允值與其賬面值之間並無重大差異。

### 21. PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (b) Under the terms and clause of sale and purchase agreement (the "SPA") entered into between Shanghai Dehong and the Ex-Equity Holder in 2016, Shanghai Dehong was entitled to be indemnified by the Ex-Equity Holder for all losses arising from these legal cases mentioned above. The full amount due to the Ex-Equity Holder amount of RMB8,504,000 as at 31 December 2018 was being off-set against the legal claims amount and resulting in an amount due from the Ex-Equity Holder of RMB8,637,000 as at 31 December 2018.

Amounts due from the Ex-Equity Holder of RMB8,637,000 were secured by certain residential properties held by the Ex-Equity Holder with a total market value of RMB11,000,000 as at 31 December 2018. Hence, the Directors considered that no loss allowance was required as at 31 December 2018.

Upon the Disposal (note 38(a)), amount due from Ex-Equity Holder and provision for legal claims up to 28 June 2019 were derecognised in the Group's consolidated statement of financial position.

### 22. PLEDGED BANK DEPOSITS

As at 31 December 2019, bank deposits of RMB6,000,000 (2018: Nil) and RMB902,000 (2018: RMB691,000) were pledged for bills payable of RMB6,000,000 (note 24) and were frozen to secure a litigation case under the PRC court order respectively. As at 31 December 2018, RMB2,000,000 was imposed by relevant local authorities as security deposits.

The Directors consider that the fair values of the pledged bank deposits are not materially different from their carrying amount because of the short maturity period.



## 23. 銀行及現金結餘

本集團之銀行及現金結餘以人民幣計值，約人民幣143,465,000元（二零一八年：人民幣34,805,000元）。人民幣兌換為外幣時，須按中國之外匯管制條例及結匯、售匯及付匯管理規定辦理。

銀行及現金結餘之賬面值按以下貨幣計值：

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
港幣	HK\$	2,784	2,050
美元	US\$	18,011	12,250
人民幣	RMB	143,465	34,805
歐元	EUR	245	—
		<b>164,505</b>	49,105

## 23. BANK AND CASH BALANCES

The Group's bank and cash balances amounted to approximately RMB143,465,000 (2018: RMB34,805,000) were denominated in RMB. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations.

The carrying amounts of bank and cash balances are denominated in the following currencies:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
港幣	HK\$	2,784	2,050
美元	US\$	18,011	12,250
人民幣	RMB	143,465	34,805
歐元	EUR	245	—
		<b>164,505</b>	49,105

## 24. 貿易應付賬及應付票據

貿易應付賬  
應付票據

貿易應付賬及應付票據的信貸期通常介乎30至270日不等（二零一八年：介乎30至180日不等）。於報告日期，貿易應付賬及應付票據按發票日期所作之賬齡分析如下：

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
貿易應付賬	Trade payables	28,443	45,040
應付票據	Bills payable	16,000	—
		<b>44,443</b>	45,040

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
0至90日	0 to 90 days	25,651	38,449
91至180日	91 to 180 days	11,315	4,551
181至365日	181 to 365 days	6,648	1,096
超過365日	Over 365 days	829	944
		<b>44,443</b>	45,040

## 24. TRADE AND BILLS PAYABLE

Trade and bills payable normally have the credit periods ranging from 30 to 270 days (2018: 30 to 180 days). Ageing analysis of trade and bills payable at the reporting date, based on the invoice date, is as follows:

Trade and bills payable normally have the credit periods ranging from 30 to 270 days (2018: 30 to 180 days). Ageing analysis of trade and bills payable at the reporting date, based on the invoice date, is as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
貿易應付賬	Trade payables	28,443	45,040
應付票據	Bills payable	16,000	—
		<b>44,443</b>	45,040

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
0至90日	0 to 90 days	25,651	38,449
91至180日	91 to 180 days	11,315	4,551
181至365日	181 to 365 days	6,648	1,096
超過365日	Over 365 days	829	944
		<b>44,443</b>	45,040

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 24. 貿易應付賬及應付票據 (續)

於二零一九年十二月三十一日，應收票據及已抵押銀行存款分別為人民幣6,000,000元（附註20）（二零一八年：無）及人民幣6,000,000元（附註22）（二零一八年：無）已就應付票據人民幣12,000,000元（二零一八年：無）作出抵押。應付票據人民幣4,000,000元乃由本公司在中國成立的附屬公司擔保（二零一八年：無）。

貿易應付賬及應付票據的賬面值乃以人民幣計值。所有款項均為短期性質，故貿易應付賬及應付票據的賬面值可合理視作與其公允值相近。

### 25. 應付未付賬款及其他應付款項

### 24. TRADE AND BILLS PAYABLE (Continued)

As at 31 December 2019, bills receivable and pledged bank deposits of RMB6,000,000 (note 20) (2018: Nil) and RMB6,000,000 (note 22) (2018: Nil) respectively were pledged for bills payable of RMB12,000,000 (2018: Nil). Bills payable of RMB4,000,000 are guaranteed by the Company's subsidiaries established in the PRC (2018: Nil).

The carrying amounts of trade and bills payable are denominated in RMB. All amounts are short term and hence the carrying values of trade and bills payable are considered to be a reasonable approximation of their fair values.

### 25. ACCRUALS AND OTHER PAYABLES

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
就購買物業、廠房及 設備應付的款項	Payables for property, plant and equipment	175,377	147,946
應付未付開支	Accrued expenses	12,640	12,259
應付工資及福利	Wages and welfare payables	16,020	6,347
其他應付款項	Other payables	62,066	37,069
遞延收入 – 流動部分 (附註30)	Deferred income – current portion (note 30)	1,302	1,302
		<b>267,405</b>	204,923

### 26. 合約負債

### 26. CONTRACT LIABILITIES

		於二零一九年 十二月三十一日 31 December 2019 人民幣千元 RMB'000	於二零一八年 十二月三十一日 31 December 2018 人民幣千元 RMB'000	於二零一八年 一月一日 1 January 2018 人民幣千元 RMB'000
合約負債產生自：	Contract liabilities arising from:			
銷售精細化工產品	Sale of fine chemical products	15,803	6,917	7,188

本集團就銷售精細化工產品收取的訂金乃屬合約負債，直至貨品交付予客戶為止。

The deposits received by the Group on sales of fine chemical products remain as contract liabilities until such time as goods are delivered to customers.

## 26. 合約負債 (續)

合約負債的變動如下：

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
於一月一日結餘	Balance as at 1 January	6,917	7,188
年內確認為營業額之 淨額 (附註6)	Net amounts recognised as revenue during the year (note 6)	(5,960)	(6,237)
年內從客戶收取的 墊款淨額	Net amounts received in advance from customers during the year	14,846	5,966
於十二月三十一日結餘	Balance at 31 December	15,803	6,917

## 26. CONTRACT LIABILITIES (Continued)

Movement of the contract liabilities is as follows:

## 27. 銀行借款

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
到期償還的部分銀行借款 – 按要求或一年內 (附註)	Portion of bank borrowings due for repayment – On demand or within one year (note)	170,000	20,000

## 27. BANK BORROWINGS

附註：所有銀行借款均以人民幣計值。銀行借款金額人民幣70,000,000元（二零一八年：人民幣20,000,000元）和人民幣100,000,000元（二零一八年：無）分別由本公司在中國成立的附屬公司和獨立第三方作出擔保。

Note: All bank borrowings are denominated in RMB. Bank borrowings amount of RMB70,000,000 (2018: RMB20,000,000) and RMB100,000,000 (2018: Nil) are guaranteed by the Company's subsidiaries established in the PRC and an independent third party respectively.

於二零一九年十二月三十一日，本集團的銀行借款已計劃按貸款協議所載規定償還（不計任何按要求償還條款的影響），詳情如下：

At 31 December 2019, the Group's bank borrowings were scheduled to repay which set out in the loan agreements if ignore the effect of any repayment on demand clause as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
一年內	Within one year	170,000	20,000

本集團銀行借款的實際年利率範圍如下：

The ranges of effective interest rates per annum of the Group's bank borrowings are as follows:

		二零一九年 2019	二零一八年 2018
浮息借款 – 以人民幣計值	Floating-rate borrowings – Denominated in RMB	5.22% to 7.0%	4.97% to 5.22%

董事透過按市場利率將未來現金流量貼現而估計銀行借款的公允值，並認為於各報告日期本集團銀行借款的賬面值與其公允值相近。

The Directors estimate the fair value of the bank borrowings by discounting their future cash flows at the market rate and consider that the carrying amounts of the Group's bank borrowings approximate to their fair values at each reporting date.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 28. 來自一名非控股股東的墊款

來自一名非控股股東的墊款並無抵押、不計息，並於一年內到期償還。

### 28. ADVANCES FROM A NON-CONTROLLING SHAREHOLDER

Advances from a non-controlling shareholder is unsecured, interest free and due for repayment within one year.

### 29. 來自最終控股公司的墊款

來自最終控股公司的墊款主要為本金港幣14,300,000元（相等於人民幣12,836,000元）（二零一八年：港幣14,300,000元，相等於人民幣12,530,000元）及人民幣50,000,000元（二零一八年：人民幣55,000,000元）的貸款，該等貸款並無抵押、按年利率2%計息及於一年內到期償還。

### 29. ADVANCES FROM THE ULTIMATE HOLDING COMPANY

Advances from the ultimate holding company mainly represent loans with principal amounts of HK\$14,300,000 (equivalent to RMB12,836,000) (2018: HK\$14,300,000, equivalent to RMB12,530,000) and RMB50,000,000 (2018: RMB55,000,000), which are unsecured, interest-bearing at 2% per annum, and due for repayment within one year.

### 30. 遞延收入

遞延收入主要指相關地方政府為鼓勵本集團的超低排放設施而授予的環境保護專項資金。該等補助並無未履行條件或或有事項。

### 30. DEFERRED INCOME

Deferred income mainly represents environmental protection special funds granted by the relevant local governments to encourage the Group's ultra-low emission facilities. There are no unfulfilled conditions or contingencies relating to these grants.

為申報目的所作之分析：

Analysed for reporting purpose as:

	二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
流動負債（已包括在應付未付賬款及其他應付款項）（附註25）		
Current liabilities (included in accruals and other payables) (note 25)		
非流動負債		
Non-current liabilities		
	<b>1,302</b>	1,302
	<b>6,473</b>	7,775
	<b>7,775</b>	9,077

年內，一筆為數人民幣1,302,000元（二零一八年：人民幣3,931,000元）的款項已在綜合收益表確認為其他收入和收益。

During the year, an amount of RMB1,302,000 (2018: RMB3,931,000) has been recognised on other income and gains in the consolidated income statement.

## 31. 股本

## 31. SHARE CAPITAL

	股份數目 Number of shares 千股 '000	金額 Amount	
		港幣千元 HK\$'000	人民幣千元 RMB'000
法定： 每股面值港幣0.01元普通股	Authorised: Ordinary shares of HK\$0.01 each		
於二零一八年一月一日、 二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日	As at 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	<b>100,000,000</b>	<b>1,000,000</b>
已發行及繳足： 每股面值港幣0.01元普通股	Issued and fully paid: Ordinary shares of HK\$0.01 each		
於二零一八年一月一日、 二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日	As at 1 January 2018, 31 December 2018, 1 January 2019 and 31 December 2019	<b>851,954</b>	<b>8,520</b>
			<b>7,831</b>

## 32. 儲備

## 32. RESERVES

## 本集團

## Group

本集團之儲備及有關變動在綜合權益變動表呈列。

The Group's reserves and movements therein are presented in the consolidated statement of changes in equity.

## 本公司

## Company

		外幣匯兌儲備 Foreign currency translation reserve				購股權儲備 Share option reserve	保留溢利 Retained profits	合計 Total
		股份溢價 Share premium 人民幣千元 RMB'000 (附註(a)) (note (a))	人民幣千元 RMB'000 (附註(e)) (note (e))	人民幣千元 RMB'000 (附註(f)) (note (f))	人民幣千元 RMB'000			
於二零一八年一月一日結餘	Balance at 1 January 2018	114,822	(36,840)	5,410	128,257	211,649		
已付二零一七年末期股息 (附註11)	2017 final dividend paid (note 11)	-	-	-	(7,183)	(7,183)		
沒收購股權(附註33)	Forfeit of share options (note 33)	-	-	(155)	155	-		
本年度溢利	Profit for the year	-	-	-	94,117	94,117		
其他全面收益	Other comprehensive income	-	11,553	-	-	11,553		
於二零一八年十二月三十一日及 二零一九年一月一日結餘	Balance at 31 December 2018 and 1 January 2019	<b>114,822</b>	<b>(25,287)</b>	<b>5,255</b>	<b>215,346</b>	<b>310,136</b>		
沒收購股權(附註33)	Forfeit of share options (note 33)	-	-	(549)	549	-		
本年度虧損	Loss for the year	-	-	-	(976)	(976)		
其他全面收益	Other comprehensive income	-	5,848	-	-	5,848		
於二零一九年十二月三十一日	Balance at 31 December 2019	<b>114,822</b>	<b>(19,439)</b>	<b>4,706</b>	<b>214,919</b>	<b>315,008</b>		



## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 32. 儲備 (續)

#### 本集團及本公司

##### (a) 股份溢價

根據開曼群島公司法，本公司股份溢價賬內之資金可供分派予本公司擁有人，惟緊隨建議分派股息日期後，本公司須有能力償還於日常業務過程中到期之債務。

##### (b) 特別儲備

特別儲備指根據本集團於二零零四年進行之重組所收購中國附屬公司之實繳註冊資本與為取得該等附屬公司控制權而發行之本公司股份面值間的差額。

##### (c) 盈餘公積金

本集團於中國成立之附屬公司之章程細則規定，該等附屬公司每年須將除所得稅後溢利之若干百分比轉撥至盈餘公積金，直至結餘達到有關附屬公司註冊資本之50%為止。在一般情況下，盈餘公積金僅可作抵償虧損、透過撥作資本轉入註冊資本及擴充附屬公司之生產及經營之用。盈餘公積金撥作資本轉入註冊資本後，儲備之餘額不得少於註冊資本之25%。

##### (d) 公益金

根據於二零零六年一月一日頒佈中國公司法（於二零零五年修訂）前之有關規例，在中國成立之本集團附屬公司須將5%至10%之除所得稅後溢利撥往公益金，而公益金只可為僱員之集體福利而用於屬資本性質之事項。除在進行清盤之情況下，公益金不得分派。

##### (e) 外幣匯兌儲備

外幣匯兌儲備包括換算海外業務之財務報表所產生之所有匯兌差額。該儲備根據附註3(d)所載會計政策處理。

### 32. RESERVES (Continued)

#### Group and company

##### (a) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the owners of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debt as they fall due in the ordinary course of business.

##### (b) Special reserve

This represents the difference between the paid up registered capital of the PRC subsidiaries acquired pursuant to the Group reorganisation in 2004 and the nominal value of the Company's shares issued in exchange for the control in these subsidiaries.

##### (c) Surplus reserve fund

Articles of association of the Group's subsidiaries established in the PRC require the appropriation of certain percentage of their profits after income tax each year to the surplus reserve fund until the balance reaches 50% of their registered capitals. In normal circumstances, the surplus reserve fund shall only be used for making up losses, capitalisation into registered capital and expansion of the subsidiaries' production and operation. For the capitalisation of surplus reserve fund into registered capital, the remaining amount of such reserve shall not be less than 25% of the registered capital.

##### (d) Public welfare fund

Pursuant to relevant regulations before the enactment of Company Law of the PRC (revised in 2005) on 1 January 2006, the Group's subsidiaries established in the PRC made allocation from their profits after income tax at the rate of 5% to 10% to the public welfare fund. Public welfare fund can only be utilised on capital nature items for collective welfare of employees and is not distributable other than in liquidation.

##### (e) Foreign currency translation reserve

This reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 3(d).

## 32. 儲備 (續)

## 本集團及本公司 (續)

## (f) 購股權儲備

累計開支已於向員工授出購股權時按歸屬期確認。

## (g) 其他儲備

兩家(二零一八年: 一家)於中國成立的全資附屬公司已將其保留溢利資本化以增加其註冊資本。

## 33. 以股份支付之款項

本公司於二零零六年十月四日採納購股權計劃(「二零零六年購股權計劃」),並於二零一六年五月二十日採納另一項購股權計劃(「二零一六年購股權計劃」),旨在獎勵及酬謝對本集團之卓越成就作出貢獻之各方,包括本集團任何成員公司或聯營公司之董事、合資格僱員、供應商、客戶、股東或彼等各自之聯繫人或本集團之顧問或諮詢人。二零零六年購股權計劃由二零零六年十月四日起生效,有效期十年。根據二零零六年購股權計劃,可授出最多40,000,000份購股權,賦予其持有人權利認購最多40,000,000股股份。二零零六年購股權計劃已於二零一六年五月二十日終止。按照二零零六年購股權計劃之條款,已授出但尚未行使之購股權將繼續有效及可予行使。於二零一九年十二月三十一日,根據二零零六年購股權計劃已授出但尚未行使之購股權所涉及股份數目為9,864,000股(二零一八年: 10,764,000股),相當於本報告日期本公司已發行股本之1.2%(二零一八年: 1.3%)。二零一六年購股權計劃由二零一六年五月二十日起生效,有效期十年。根據二零一六年購股權計劃,可授出最多84,687,800份購股權,賦予其持有人權利認購最多84,687,800股股份。年內,並無根據二零一六年購股權計劃授出購股權(二零一八年: 無)。

## 32. RESERVES (Continued)

## Group and company (Continued)

## (f) Share option reserve

Cumulative expenses recognised on the granting of share options to the employees over the vesting period.

## (g) Other reserve

Two of wholly-owned subsidiaries (2018: one) established in the PRC had capitalised its retained profits to increase its registered capital.

## 33. SHARE-BASED PAYMENTS

The Company adopted share option schemes on 4 October 2006 (the "2006 Share Option Scheme") and 20 May 2016 (the "2016 Share Option Scheme") for the purpose of providing incentives and rewards to the directors, eligible employees, suppliers, customers, any shareholder of each member of the Group or associated company or any of their respective associates, and advisers or consultants of the Group who contribute to the success of the Group. The 2006 Share Option Scheme became effective for a period of 10 years commencing on 4 October 2006 and up to 40,000,000 options entitling the holders thereof to subscribe for up to 40,000,000 shares may be granted under the 2006 Share Option Scheme, which was terminated on 20 May 2016. The granted outstanding options continue to be valid and exercisable in accordance with the terms of the 2006 Share Option Scheme. As at 31 December 2019, number of shares in respect of which options had been granted and remained outstanding under the 2006 Share Option Scheme was 9,864,000 (2018: 10,764,000), representing 1.2% (2018: 1.3%) of the issued share capital of the Company at the date of this report. The 2016 Share Option Scheme has become effective for the periods of 10 years commencing on 20 May 2016 and up to 84,687,800 options entitling the holders thereof to subscribe for up to 84,687,800 shares may be granted under the 2016 Share Option Scheme. During the year, there was no share option granted under the 2016 Share Option Scheme (2018: Nil).

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 33. 以股份支付之款項 (續)

於二零一九年及二零一八年十二月三十一日，特定類別之尚未行使購股權詳情載列如下：

### 33. SHARE-BASED PAYMENTS (Continued)

Details of the specific categories of options outstanding as at 31 December 2019 and 2018 are as follows:

承授人類別 Category of grantee	授出日期 Date of grant	歸屬日期 Vesting date	行使期間 Exercise period	行使價 Exercise price	尚未行使購股權數目 Number of outstanding share options	
					二零一九年 2019	二零一八年 2018
施惠芳女士 (附註) Ms. Shi Huifang (note)	二零一五年七月十日 10 July 2015	二零一七年七月十日 10 July 2017	二零一七年七月十日 至 二零二三年七月九日 10 July 2017 to 9 July 2023	港幣 1.45 元 HK\$1.45	140,000	140,000
僱員 Employees	二零一五年七月十日 10 July 2015	二零一六年七月十日 10 July 2016	二零一六年七月十日 至 二零二三年七月九日 10 July 2016 to 9 July 2023	港幣 1.45 元 HK\$1.45	3,728,000	3,768,000
	二零一五年七月十日 10 July 2015	二零一七年七月十日 10 July 2017	二零一七年七月十日 至 二零二三年七月九日 10 July 2017 to 9 July 2023	港幣 1.45 元 HK\$1.45	5,996,000	6,856,000
					<b>9,864,000</b>	10,764,000

附註：施惠芳女士乃本公司其中一間附屬公司之僱員，並為董事王子江先生之配偶，因此為王子江先生之聯繫人。

Note: Ms. Shi Huifang is an employee of one the Company's subsidiaries and is the spouse of Mr. Wang Zijiang who is a Director and therefore an associate of Mr. Wang Zijiang.

## 33. 以股份支付之款項 (續)

下表載列本公司購股權的變動和加權平均行使價：

		加權平均 行使價 Weighted average exercise price 二零一九年 2019	購股權數目 Number of share option 二零一九年 2019	加權平均 行使價 Weighted average exercise price 二零一八年 2018	購股權數目 Number of share option 二零一八年 2018
於年初尚未行使	Outstanding at beginning of the years	港幣 1.45 元 HK\$1.45	10,764,000	港幣 1.45 元 HK\$1.45	11,084,000
年內沒收	Forfeited during the years	港幣 1.45 元 HK\$1.45	(900,000)	港幣 1.45 元 HK\$1.45	(320,000)
於年末尚未行使	Outstanding at the end of the years		9,864,000		10,764,000

於年末尚未行使購股權之行使價為港幣 1.45 元 (二零一八年：港幣 1.45 元)，而加權平均尚餘合約期為 3.5 年 (二零一八年：4.5 年)。

在年末尚未行使購股權總數中，有 9,864,000 份購股權 (二零一八年：10,764,000 份購股權) 於年末時已歸屬及可予行使。

## 33. SHARE-BASED PAYMENTS (Continued)

Movements of and weighted average exercise prices of the Company's share options are as follows:

The exercise price of share options outstanding at the end of the year was HK\$1.45 (2018: HK\$1.45) and their weighted average remaining contractual life was 3.5 years (2018: 4.5 years).

Out of the total number of options outstanding at the end of the year, 9,864,000 share options (2018: 10,764,000 shares options) had been vested and were exercisable at the end of the year.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 34. 控股公司於二零一九年十二月三十一日的財務狀況表

### 34. HOLDING COMPANY'S STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	附註 Notes	二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
<b>資產與負債</b>			
<b>非流動資產</b>			
物業、廠房及設備		2	4
於附屬公司之投資		78,217	78,217
		<b>78,219</b>	78,221
<b>流動資產</b>			
應收附屬公司款項		248,493	244,720
應收股息		10,102	9,861
預付款項及其他應收款項		200	196
銀行及現金結餘		2,956	1,622
		<b>261,751</b>	256,399
<b>流動負債</b>			
應付未付賬款及其他應付款項		1,613	924
來自最終控股公司的墊款		13,125	12,614
應付附屬公司款項		2,393	3,115
		<b>17,131</b>	16,653
<b>流動資產淨值</b>		<b>244,620</b>	239,746
<b>總資產減流動負債</b>		<b>322,839</b>	317,967
<b>資產淨值</b>		<b>322,839</b>	317,967
<b>權益</b>			
股本	31	7,831	7,831
儲備	32	315,008	310,136
<b>總權益</b>		<b>322,839</b>	317,967

已於二零二零年三月二十七日獲董事會批准並授權發行，並由其代表簽署：

Approved and authorised for issue by the board of Directors on 27 March 2020 and signed on its behalf by:

劉楊  
LIU YANG  
董事  
Director

王子江  
WANG ZIJIANG  
董事  
Director



## 35. 於附屬公司之權益

於二零一九年及二零一八年十二月三十一日，本集團附屬公司之詳情如下：

## 35. INTERESTS IN SUBSIDIARIES

Particulars of the subsidiaries of the Group as at 31 December 2019 and 2018 are as follows:

名稱 Name	註冊成立/ 成立及營運地點 Place of incorporation/ establishment and operations	已發行普通/ 實繳註冊股本之面值 Nominal value of issued ordinary/ paid-up registered share capital	擁有權益/投票權/ 應佔溢利百分比 Percentage of ownership interests/voting rights/ profit share		主要業務 Principal activities
			直接 Direct	間接 Indirect	
盛泰控股有限公司 Great Growth Holdings Limited	香港 Hong Kong	港幣 1 元 HK\$1	100%	–	投資控股 Investment holding
盛瑞控股有限公司 Great Spirit Holdings Limited	香港 Hong Kong	港幣 1 元 HK\$1	100%	–	投資控股 Investment holding
盛信控股有限公司 Great Promise Holdings Limited	香港 Hong Kong	港幣 1 元 HK\$1	100%	–	投資控股 Investment holding
天德醫療控股有限公司 Tiande Medical Holdings Limited	香港 Hong Kong	港幣 10,000 元 HK\$10,000	70%	–	投資控股 Investment holding
科化有限公司 Tech Chem Limited	香港 Hong Kong	港幣 10,000 元 HK\$10,000	–	100%	銷售精細化工產品 Sales of fine chemical products
智創控股有限公司 Smartcham Holdings Limited	英屬處女群島 The BVI	268 美元 US\$268	–	100%	投資控股 Investment holding
智邦企業有限公司 Smartpoint Enterprises Limited	英屬處女群島 The BVI	1,251 美元 US\$1,251	–	100%	投資控股 Investment holding
智得控股有限公司 Techsmart Holdings Limited	英屬處女群島 The BVI	477 美元 US\$477	–	100%	投資控股 Investment holding
濰坊同業化學有限公司 Weifang Common Chem Co., Ltd.	中國·外商獨資企業 The PRC, WOFE	600,000 美元 US\$600,000	–	100%	銷售及分銷精細化工產品 Selling and distribution of fine chemical products
上海德弘化工有限公司 Shanghai Dehong Chemical Company Limited	中國·外商獨資企業 The PRC, WOFE	人民幣 5,000,000 元 RMB5,000,000	–	100%	銷售及分銷精細化工產品 Selling and distribution of fine chemical products
濰坊柏立化學有限公司 (「濰坊柏立」) Weifang Parasia Chem Co., Ltd (“Weifang Parasia”)	中國·外商獨資企業 The PRC, WOFE	35,200,000 美元 US\$35,200,000	–	100%	研發、製造及銷售精細化工產品 Research and development, manufacture and sales of fine chemical products

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 35. 於附屬公司之權益 (續)

### 35. INTERESTS IN SUBSIDIARIES (Continued)

名稱 Name	註冊成立/ 成立及營運地點 Place of incorporation/ establishment and operations	已發行普通/ 實繳註冊股本之面值 Nominal value of issued ordinary/ paid-up registered share capital	擁有權益/投票權/ 應佔溢利百分比 Percentage of ownership interests/voting rights/ profit share		主要業務 Principal activities
			直接 Direct	間接 Indirect	
濰坊濱海石油化工有限公司 Weifang Binhai Petro-Chem Co., Ltd	中國，外商獨資企業 The PRC, WOFE	20,800,000美元 US\$20,800,000	-	100%	研發、製造及銷售精細化工產品 Research and development, manufacture and sales of fine chemical products
德領醫療器材有限公司 Deling Medical Instruments Co., Limited	中國，外商獨資企業 The PRC, WOFE	人民幣17,675,880元 RMB\$17,675,880	-	100%	研發、製造及銷售醫療器材產品 Research and development, manufacture and sale of medical instrument products
濰坊中贏化工有限公司 Weifang Zhongying Chemical Co., Ltd.	中國 The PRC	人民幣61,408,163元 RMB\$61,408,163	-	51%	研發、製造及銷售精細化工產品 Research and development, manufacture and sale of fine chemical products
德高投資控股有限公司 Dekel Investment Holdings Ltd.	香港 Hong Kong	港幣200元 HK\$200	100%	-	投資控股 Investment holding
濰坊德高新材料有限公司 Weifang Dekel Innovative Materials Co., Ltd	中國，外商獨資企業 The PRC, WOFE	14,051,190美元 US\$14,051,190	-	100%	製造及銷售膠黏劑產品 Manufacture and sales of adhesive products
於年末，概無任何附屬公司發行債務證券 (二零一八年：無)。		None of the subsidiaries had issued any debt securities at the end of the year (2018: Nil).			

### 36. 承擔

於報告日期，本集團之承擔如下：

### 36. COMMITMENTS

The Group's commitments at the reporting date are as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
有關收購物業、 廠房及設備的承擔	Commitments for acquisition of property, plant and equipment	125,156	76,181

## 37. 租賃及資產使用權

## 長期租賃（作為承租人）

參照附註2(a)和附註3(n)A說明，本集團在其經營所在的司法管轄區租賃若干土地。租賃合同的租期一般最長為50年，承租人沒有續簽、延期和終止選項。租期內的定期租金是固定的。截至二零一八年十二月三十一日止年度，土地租賃獲分類為經營租賃。自二零一九年一月一日起，在中國的租賃土地確認為資產使用權，租賃款項已預付，且該租賃並未產生租賃債務。

## 資產使用權

綜合財務狀況表中確認資產使用權的變動如下：

		二零一九年 2019 人民幣千元 RMB'000
於一月一日	At 1 January	62,409
增加	Addition	29,600
攤銷	Amortisation	(1,479)
出售附屬公司（附註38(a)）	Disposal of a subsidiary (note 38(a))	(15,103)
於十二月三十一日	At 31 December	75,427
非流動部分	Non-current portion	75,427

## 短期租賃（作為承租人）

本集團在中國和香港的辦公室處所租賃確認為短期租賃。由於簽訂的租賃合同的租期在初次應用日起12個月內終止，本集團選擇不確認資產使用權和租賃負債，而是將與此等租賃有關的租賃付款在租期內按直線法確認為損益中的支出。

短期租賃開支和未貼現之承諾詳情如下：

		二零一九年 2019 人民幣千元 RMB'000
短期租賃開支（已包括在行政及其他營運開支）	Short-term leases expenses (included in administrative and other operating expenses)	2,146
未貼現的短期租賃承擔總額	Aggregate undiscounted commitments for short-term leases	773

## 37. LEASES AND RIGHT-OF-USE ASSETS

## Long-term leases (in the capacity as lessee)

Referring to note 2(a) and note 3(n)A, the Group leases certain lands in the jurisdictions from which it operates. Rental contracts are typically with lease terms maximum to 50 years, with no renewal, extension and termination options for the lessee. The periodic rent from the leases is fixed over the lease terms. For the financial year ended 31 December 2018, leases of lands were classified as operating leases. From 1 January 2019, leases of lands in the PRC are recognised as right-of-use assets which their lease payments have been prepaid and no lease liabilities arising from those leases.

## Right-of-use assets

Movement of right-of-use assets which recognised in the consolidated statement of financial position is as follows:

## Short-term leases (in the capacity as lessee)

The Group leases of office premises in the PRC and Hong Kong are recognised as short-term leases. Since the lease contracts entered with lease terms ends within 12 months of the date of initial application, the Group has elected not to recognise the right-of-use assets and lease liabilities but recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease terms.

Details of the short-term lease expenses and undiscounted commitments are as follows:

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 37. 租賃及資產使用權 (續)

#### 短期租賃 (作為承租人)(續)

##### 租賃現金流出總額

綜合現金流量表中包括租賃金額如下：

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
已包括在經營現金流量	Within operating cash flows	2,146	2,277

##### 在二零一九年一月一日前作為承租人

於二零一八年十二月三十一日，根據不可撤銷經營租賃，本集團之日後最低租賃付款總額如下：

		二零一八年 2018 人民幣千元 RMB'000
一年內	Within one year	1,110
於第二至第五年內 (包括首尾兩年)	In the second to fifth year inclusive	762
		1,872

經營租賃付款指本集團就其若干辦公室處所應付之租金。租期經洽商後平均為一至三年不等，而於租期內的租金固定，且不包括任何或然租金。

#### 作為出租人

於二零一九年十二月三十一日，根據不可撤銷經營租賃，本集團之日後最低租賃收款總額如下：

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
一年內	Within one year	279	571
於第二至第五年內 (包括首尾兩年)	In the second to fifth year inclusive	-	241
		279	812

根據本集團的經營租賃安排，租期經洽商後平均為一至兩年(二零一八年：一至兩年)不等。租賃條款一般要求租戶支付保證金。

### 37. LEASES AND RIGHT-OF-USE ASSETS (Continued)

#### Short-term leases (in the capacity as lessee) (Continued)

##### Total cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
已包括在經營現金流量	Within operating cash flows	2,146	2,277

##### As lessee prior to 1 January 2019

As at 31 December 2018, the total future minimum lease payments by the Group under non-cancellable operating leases payable are as follows:

		二零一八年 2018 人民幣千元 RMB'000
一年內	Within one year	1,110
於第二至第五年內 (包括首尾兩年)	In the second to fifth year inclusive	762
		1,872

Operating lease payments represent rental payable by the Group for certain of its office premises. Leases are negotiated for an average term of one to three years and rentals are fixed over the lease terms and do not include contingent rentals.

#### As lessor

As at 31 December 2019, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
一年內	Within one year	279	571
於第二至第五年內 (包括首尾兩年)	In the second to fifth year inclusive	-	241
		279	812

Under operating lease arrangements of the Group, the leases are negotiated for an average terms of one to two years (2018: one to two years). The terms of the leases generally require the tenants to pay security deposits.

## 38. 出售附屬公司

- (a) 於二零一九年六月二十七日，上海德弘與買方簽訂出售協議，據此，上海德弘同意以現金代價人民幣990,000元出售其於江蘇春曉的全部股權；江蘇春曉之主要業務是製造及銷售精細化工產品。出售事項已於二零一九年六月二十八日完成。

於出售事項日期，江蘇春曉的負債淨額賬面值總額如下：

## 38. DISPOSAL OF A SUBSIDIARY

- (a) On 27 June 2019, Shanghai Dehong entered into a disposal agreement with the Purchaser pursuant to which Shanghai Dehong agreed to sell entire equity interests in Jiangsu Chunxiao, which is principally engaged in manufacturing and sale of fine chemical products, at a cash consideration of RMB990,000. The Disposal was completed on 28 June 2019.

Total carrying amounts of net liabilities of Jiangsu Chunxiao as at the Disposal Date were as follows:

		人民幣千元 RMB'000
出售負債淨額	Net liabilities disposed of	
物業、廠房及設備(附註13)	Property, plant and equipment (note 13)	14,448
資產使用權(附註37)	Right-of-use assets (note 37)	15,103
存貨	Inventories	15,875
已抵押銀行存款	Pledged bank deposits	657
銀行及現金結餘	Bank and cash balances	4
貿易應收賬及其他應收款項	Trade and other receivables	10,509
遞延稅項資產(附註18)	Deferred tax assets (note 18)	305
貿易應付賬及其他應付款項	Trade and other payables	(19,878)
應付本集團款項(附註(b))	Amounts due to the Group (note(b))	(61,273)
法律索賠撥備	Provision for legal claims	(16,325)
		(40,575)
出售附屬公司收益	Gain on disposal of a subsidiary	41,565
總現金代價	Total cash consideration	990

就出售事項而言現金及銀行結餘淨流入分析：

Analysis of the net inflow of bank and cash balances in respect of the Disposal:

		人民幣千元 RMB'000
根據出售事項出售的銀行及現金結餘	Bank and cash balances disposed of under the Disposal	(4)
收到現金代價	Cash consideration received	990
出售事項的現金流入淨額	Net cash inflow on the Disposal	986

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 38. 出售附屬公司 (續)

(b) 編製綜合財務報表時，江蘇春曉於二零一八年十二月三十一日應付本集團的款項已作對銷。江蘇春曉於二零一九年十二月三十一日應付本集團的款項為人民幣48,938,000元。該結餘包括以江蘇春曉一幅土地及若干存貨作抵押的未償還金額人民幣14,218,000元，而人民幣24,720,000元為無抵押欠款並被視為出現信貸減值。鑑於附註13所載述江蘇春曉目前的財務狀況和暫停生產情況，除非獲得適當的融資來源，否則無抵押未償還餘額人民幣24,720,000元在可預見的將來極可能不可收回。於二零一九年十二月三十一日的綜合財務報表已就該前附屬公司應付款項人民幣24,720,000元作出減值虧損。

(c) 於出售事項日期，江蘇春曉的業務及經營控制權已成功轉讓給予買方，同時買方已相應支付代價。截至本報告日期，買方已向工商局申請變更江蘇春曉的股東、董事和法定代表人以反映出售事項（「備案」），然而行政程序尚未完成。買方已採取多項行動（包括採取法律程序）以完成備案，而上海德弘承諾為買方提供所有必要的協助以完成備案。儘管如此，備案並非完成出售事項的條件，且不會損害買方的合法權益。截至本報告日期，備案仍在進行中。本集團中國法律顧問認為，出售事項具有法律約束力並已完成，而江蘇春曉的控制權及所有權已於出售事項日期成功轉移給買方。

### 38. DISPOSAL OF A SUBSIDIARY (Continued)

(b) The amounts due to the Group by Jiangsu Chunxiao as at 31 December 2018 had been eliminated in preparing the consolidated financial statement. Amounts due to the Group by Jiangsu Chunxiao as at 31 December 2019 was RMB48,938,000. This balance included an amount of outstanding balance of RMB14,218,000, which is secured by a piece of land and certain inventories of Jiangsu Chunxiao whilst the amount of RMB24,720,000 is unsecured and considered as credit impaired. In light of the current financial situation and the suspended production of Jiangsu Chunxiao as set out in note 13, the unsecured outstanding balance of RMB24,720,000 is highly unlikely recoverable in the foreseeable future, unless appropriate amounts of financing sources are obtained, impairment loss on amounts due from this former subsidiary amounting to RMB24,720,000 has been made accordingly on the consolidated financial statements as at 31 December 2019.

(c) On the Disposal Date, the control of the business and operation of Jiangsu Chunxiao has been successfully transferred to the Purchaser, while the Purchaser has also paid the consideration accordingly. Up to the date of this report, the Purchaser has applied to the Industry and Commerce Bureau for changing the details of shareholders, directors and legal representative of Jiangsu Chunxiao to reflect the Disposal (the "Filing") but the administrative processes have not been completed. The Purchaser has taken various actions to complete the Filing included taking legal proceeding while Shanghai Dehong has committed to provide all essential helps to the Purchaser for the Filing. Notwithstanding, the Filing is not a condition for the completion of the Disposal and legitimate interest of the Purchaser will not be impaired. Up to the date of this report, the Filing is still in progress. In the opinion of the PRC legal advisors of the Group, the Disposal is legally binding, completed and the control and ownership of Jiangsu Chunxiao have been successfully transferred to the Purchaser upon the Disposal Date.



## 39. 關聯方交易

本集團與關聯方於年內訂立的交易如下：

## 39. RELATED PARTY TRANSACTIONS

During the year, the Group entered into the following transactions with related parties:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
付予一名(二零一八年：一名)執行董事擁有實益權益並可行使重大影響力的關聯公司的短期租賃開支	Short-term lease expenses to a related company in which one (2018: one) of the executive Director have beneficial interests and can exercise significant influence	514	514
(償還最終控股公司款項)／來自最終控股公司的墊款淨額(附註29)	(Repayment to)/Advances from the ultimate holding company, net (note 29)	(3,142)	67,801

主要管理人員之酬金載於附註10。

The remuneration of key management personnel are set out in note 10.

## 40. 融資活動產生的負債之對賬

下表詳述本集團來自融資活動的負債變動，包括現金及非現金之變動。融資活動產生的負債為現金流量或未來現金流量已於或將於本集團綜合現金流量表中分類為融資活動現金流量的負債。

## 40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below shows detailed changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		銀行借款 Bank borrowings (附註27) (note 27) 人民幣千元 RMB'000	來自一名 非控股股東的墊款 Advances from a non-controlling shareholder (附註28) (note 28) 人民幣千元 RMB'000	來自 最終控股公司的墊款 Advances from the ultimate holding company (附註29) (note 29) 人民幣千元 RMB'000
於二零一九年一月一日	At 1 January 2019	20,000	5,546	67,801
融資現金流入／(流出)：	Financing cash inflows/(outflows):			
新增銀行借款	New bank borrowing raised	170,000	-	-
償還銀行借款	Repayment of bank borrowings	(20,000)	-	-
已付利息	Interest paid	(2,606)	-	(53)
來自最終控股公司的墊款	Advances from the ultimate holding company	-	-	15,000
償還最終控股公司款項	Repayment to the ultimate holding company	-	-	(20,000)
其他變動：	Other changes:			
利息開支	Interest expenses	2,606	-	1,600
匯率調整	Exchange adjustments	-	136	311
於二零一九年十二月三十一日	At 31 December 2019	170,000	5,682	64,659

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 40. 融資活動產生的負債之對賬 (續)

### 40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

		銀行借款 Bank borrowings (附註27) (note 27) 人民幣千元 RMB'000	應付股息 Dividend payables (附註11) (note 11) 人民幣千元 RMB'000	來自一名 非控股股東的 墊款 Advances from a non- controlling shareholder (附註28) (note 28) 人民幣千元 RMB'000	來自 最終控股 公司的墊款 Advances from the ultimate holding company (附註29) (note 29) 人民幣千元 RMB'000
於二零一八年一月一日	At 1 January 2018	194,105	–	5,272	–
<b>融資現金流入/(流出):</b>	<b>Financing cash inflows/(outflows):</b>				
新增銀行借款	New bank borrowings raised	20,000	–	–	–
償還銀行借款	Repayment of bank borrowings	(196,440)	–	–	–
已付利息	Interest paid	(4,338)	–	–	–
來自最終控股公司的墊款	Advances from the ultimate holding company	–	–	–	67,452
已付股息	Dividend paid	–	(7,183)	–	–
<b>其他變動:</b>	<b>Other changes:</b>				
已宣派股息	Dividend declared	–	7,183	–	–
利息開支	Interest expenses	4,338	–	19	271
匯率調整	Exchange adjustments	2,335	–	255	78
於二零一八年十二月三十一日	At 31 December 2018	20,000	–	5,546	67,801

### 41. 金融風險管理

本集團面對之金融風險計有：市場風險（包括貨幣風險及利率風險）、信貸風險及流動性風險。本集團之整體風險管理着重金融市場不可預測之特性，務求盡量降低可能對本集團財務表現帶來之負面影響。董事定期與主要管理層會面及與主要管理層通力合作，以分析及制定管理及監察金融風險的策略。

本集團並未為投機目的而買賣金融資產，亦未有出售期權。本集團所承受最重大的金融風險在下文載述。此外，附註41(v)載有按類別劃分的金融資產及負債概要。

### 41. FINANCIAL RISK MANAGEMENT

The Group is exposed to financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Directors meet periodically and co-operate closely with key management to analyse and formulate strategies to manage and monitor financial risks.

The Group is not engaged in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below. See also note 41(v) for a summary of financial assets and liabilities by category.

## 41. 金融風險管理 (續)

## (i) 外匯風險

由於本集團若干業務交易、資產及負債乃以港幣、美元及歐元計值，故本集團面對外匯風險。本集團現時並無就其他外匯交易、資產及負債制定外匯對沖政策。本集團將密切監察外匯風險，並會考慮於有需要時對沖重大外匯風險。

於二零一九年十二月三十一日，如人民幣兌港幣、美元及歐元的匯價下降／上升5%而所有其他可變因素維持不變，則本集團年內的溢利及保留溢利會增加／減少約人民幣2,691,000元（二零一八年：年內的虧損及保留溢利增加／減少約人民幣2,479,000元），主要原因是以美元計值的貿易應收賬及應收票據所致的匯兌收益／虧損。

本集團自過往年度起一直遵循管理外匯風險的措施，並認為相關措施有效。

## (ii) 利率風險

本集團面對之利率變動風險主要涉及本身之浮息借款。本集團並未使用任何衍生合約對沖利率風險。然而，管理層會監察利率風險，並會考慮於有需要時對沖重大利率風險。

## 敏感度分析

下表顯示由年初開始本集團年度溢利／（虧損）及保留溢利對可能出現的利率變動上下浮0.5%（二零一八年：上下浮0.5%）的敏感度。計算時乃以本集團於報告日期所持的浮息金融資產及負債為基準，而所有其他可變因素維持不變。

		本年度溢利／（虧損）及保留溢利 Profit/(Loss) for the year and retained profits 人民幣千元 RMB'000	
		+0.5%	-0.5%
二零一九年十二月三十一日	31 December 2019	62	(62)
二零一八年十二月三十一日	31 December 2018	125	(125)

## 41. FINANCIAL RISK MANAGEMENT (Continued)

## (i) Foreign currency risk

The Group has exposure to foreign currency risk as certain of its business transactions, assets and liabilities are denominated in HK\$, US\$ and EUR. The Group currently does not have a foreign currency hedging policy in respect of other foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

As at 31 December 2019, if the RMB had weakened/strengthened 5% against HK\$, US\$ and EUR with all other variables held constant, the Group's profit for the year and retained profits would have been approximately RMB2,691,000 (2018: loss for the year and retained profits would have been approximately RMB2,479,000) higher/lower, arising mainly as a result of the foreign exchange gain/loss on trade and bills receivable denominated in US\$.

The measures to manage foreign currency risk have been followed by the Group since prior years and are considered to be effective.

## (ii) Interest rate risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's floating interest rate borrowings. The Group has not used any derivative contracts to hedge its exposure to interest rate risk. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

## Sensitivity analysis

The following table illustrates the sensitivity of the Group's profit/(loss) for the year and retained profits to a possible change in interest rates of +/- 0.5% (2018: +/- 0.5%), with effect from the beginning of the years. The calculations are based on the Group's financial assets and liabilities with floating interest rates held at the reporting dates. All other variables are held constant.

41. 金融風險管理 (續)

(ii) 利率風險 (續)

敏感度分析 (續)

根據對目前市況的觀察所得，假定的利率變動乃視作有合理可能出現，並可作為管理層對利率於未來十二個月期間的合理可能變動所作的評估。

本集團自過往年度起一直遵循管理利率風險的措施，並認為相關措施有效。

(iii) 信貸風險

信貸風險來自按攤銷成本計量的貿易應收賬、訂金、其他應收款項、銀行及現金結餘及已抵押銀行存款、按公允值計入其他全面收益的應收票據，以及客戶的信貸風險，包括未償還應收款項。

(a) 風險管理

本集團已制定政策，以確保向有恰當信貸記錄之客戶銷售貨品。

本集團並無重大的信貸集中風險，有關風險分散至多個客戶及對手方。然而，客戶的所在地主要為中國，佔於二零一九年十二月三十一日的貿易應收賬及應收票據的73%（二零一八年：75%）。為盡量減輕信貸風險，管理層將致力建立遍佈全球的廣泛客戶網絡，從而盡量降低因地區帶來的信貸風險。

(b) 保證

於二零一九年十二月三十一日，為數人民幣8,412,000元（二零一八年：人民幣11,695,000元）的貿易應收賬（附註41(iii)(c)）已過期365天但未作減值，該筆款項乃由債務人擁有的若干土地及物業作保證，倘對手方違反協議條款，則可進行追討。

於二零一九年十二月三十一日，為數人民幣14,218,000元的其他應收款項（附註38(b)）由債務人擁有的土地和若干存貨作保證，倘對手方違反協議條款，則可進行追討。

41. FINANCIAL RISK MANAGEMENT (Continued)

(ii) Interest rate risk (Continued)

Sensitivity analysis (Continued)

The assumed changes in interest rates are considered to be reasonably possible based on observation of current market conditions and represents the management's assessment of a reasonably possible change in interest rate over the next twelve months period.

The measures to manage interest rate risk have been followed by the Group since prior years and are considered to be effective.

(iii) Credit risk

Credit risk arises from trade receivables, deposits, other receivables, bank and cash balances and pledged bank deposits, at amortised cost and bills receivable at FVOCI, as well as credit exposures to customers, including outstanding receivables.

(a) Risk management

The Group has policies in place to ensure that sales are made to customers with an appropriate credit history.

The Group has no significant concentration of credit risk with exposure spread over a number of customers and counterparties. However, the geographical location of customers is mainly on the PRC which accounted for 73% (2018: 75%) of the trade and bills receivable as at 31 December 2019. In order to minimise the credit risk, management will endeavor to build an extensive customer base that spread over the world, which can minimise the credit risk by geographical location.

(b) Securities

As at 31 December 2019, trade receivables amounting to RMB8,412,000 (2018: RMB11,695,000) (note 41(iii)(c)) were past due over 365 days but not impaired are secured by certain lands and properties owned by the debtors which can be called if the counterparty is in default under the terms of the agreement.

As at 31 December 2019, other receivables amounting to RMB14,218,000 (note 38(b)) was secured by a piece of land and certain inventories owned by a debtor which can be called if the counterparty is in default under the terms of the agreement.

41. 金融風險管理 (續)

(iii) 信貸風險 (續)

(b) 保證 (續)

於二零一八年十二月三十一日，一筆為數人民幣8,637,000元的應收前權益持有人款項(附註21(b))由前權益持有人所持的若干住宅物業作保證，倘前權益持有人違反買賣協議條款，則可進行追討。

除上文所述者外，本集團並無持有其他抵押品作為保證。

(c) 貿易應收賬減值評估

截至二零一九年十二月三十一日止年度，不單會在有客觀證據顯示出現減值的情況下確認貿易應收賬的減值虧損，亦會按使用撥備矩陣計算的年限內預期信貸虧損金額進行確認。由於本集團的過往信貸虧損經驗並未顯示不同客戶群的虧損模式存在顯著差異，基於過期狀況作出的虧損撥備並未在本集團不同客戶群之間進一步區分。預期虧損率乃基於過去5年的實際虧損經驗計算。有關比率已作調整，以反映收集過往數據期間的經濟狀況、當前狀況和本集團對應收款項預期年限的經濟狀況的觀點的差異。

下表載列有關本集團的信貸風險及貿易應收賬虧損撥備的資料：

於二零一九年十二月三十一日

		賬面毛額	虧損撥備	專項撥備	賬面淨額	
	預期虧損率	Gross carrying amount	Loss allowance	Specific allowance	Net carrying amount	
	%	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	
當前(未過期)	Current (not past due)	0.00%	160,695	(8)	–	160,687
已過期1-90日	1-90 days past due	0.23%	12,161	(29)	–	12,132
已過期91-180日	91-180 days past due	0.54%	1,017	(5)	–	1,012
已過期181-365日	181-365 days past due	3.88%	828	(32)	–	796
已過期超過365日*	Over 365 days past due*	11.05%	12,861	(689)	(3,305)	8,867
			187,562	(763)	(3,305)	183,494

41. FINANCIAL RISK MANAGEMENT (Continued)

(iii) Credit risk (Continued)

(b) Securities (Continued)

As at 31 December 2018, an amount due from the Ex-Equity Holder of RMB8,637,000 (note 21(b)) was secured by certain residential properties held by the Ex-equity Holder which can be called if the Ex-equity Holder is in default under the terms of the SPA.

Other than stated as above, the Group does not hold collateral as security.

(c) Impairment assessment on trade receivables

For the year ended 31 December 2019, impairment loss is recognised for trade receivables not only when there was objective evidence of impairment, but also at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. Expected loss rates are based on actual loss experience over the past 5 years. These rates are adjusted to reflect differences between economic conditions during the periods over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The following table provides information about the Group's exposure to credit risk and loss allowance of trade receivables as at reporting date:

As at 31 December 2019

	預期虧損率	賬面毛額	虧損撥備	專項撥備	賬面淨額	
	Expected loss rate	Gross carrying amount	Loss allowance	Specific allowance	Net carrying amount	
	%	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	
當前(未過期)	Current (not past due)	0.00%	160,695	(8)	–	160,687
已過期1-90日	1-90 days past due	0.23%	12,161	(29)	–	12,132
已過期91-180日	91-180 days past due	0.54%	1,017	(5)	–	1,012
已過期181-365日	181-365 days past due	3.88%	828	(32)	–	796
已過期超過365日*	Over 365 days past due*	11.05%	12,861	(689)	(3,305)	8,867
			187,562	(763)	(3,305)	183,494

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 41. 金融風險管理 (續)

#### (iii) 信貸風險 (續)

##### (c) 貿易應收賬減值評估 (續)

於二零一八年十二月三十一日

		預期虧損率 Expected loss rate %	賬面毛額 Gross carrying amount 人民幣千元 RMB'000	虧損撥備 Loss allowance 人民幣千元 RMB'000	賬面淨額 Net carrying amount 人民幣千元 RMB'000
當前 (未過期)	Current (not past due)	0.00%	179,581	(9)	179,572
已過期 1-90 日	1-90 days past due	0.23%	5,159	(12)	5,147
已過期 91-180 日	91-180 days past due	0.56%	1,949	(11)	1,938
已過期 181-365 日	181-365 days past due	3.97%	111	(4)	107
已過期超過 365 日 *	Over 365 days past due*	9.53%	12,179	(275)	11,904
			198,979	(311)	198,668

\* 於二零一九年十二月三十一日，已過期超過 365 日但未作減值的貿易應收賬人民幣 8,412,000 元 (二零一八年：人民幣 11,695,000 元) (附註 41(iii)(b))，乃由債務人擁有的若干土地及物業作保證。

年內，有關貿易應收賬的撥備賬的變動如下：

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
於一月一日結餘	Balance at 1 January	311	9,714
減值虧損的匯兌虧損	Exchange loss on impairment losses	-	151
年內確認減值虧損	Impairment losses recognised during the year	452	311
年內確認專項減值虧損	Specific impairment loss recognised during the year	3,307	3,511
		4,070	13,687
年內撤銷	Write off during the year	(2)	(13,376)
於十二月三十一日結餘	Balance at 31 December	4,068	311

由於並無合理預期可向貿易債務人收回合約現金流量，故於本年度撤銷人民幣 2,000 元 (二零一八年：人民幣 13,376,000 元)。

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### (iii) Credit risk (Continued)

##### (c) Impairment assessment on trade receivables

(Continued)

As at 31 December 2018

		預期虧損率 Expected loss rate %	賬面毛額 Gross carrying amount 人民幣千元 RMB'000	虧損撥備 Loss allowance 人民幣千元 RMB'000	賬面淨額 Net carrying amount 人民幣千元 RMB'000
當前 (未過期)	Current (not past due)	0.00%	179,581	(9)	179,572
已過期 1-90 日	1-90 days past due	0.23%	5,159	(12)	5,147
已過期 91-180 日	91-180 days past due	0.56%	1,949	(11)	1,938
已過期 181-365 日	181-365 days past due	3.97%	111	(4)	107
已過期超過 365 日 *	Over 365 days past due*	9.53%	12,179	(275)	11,904
			198,979	(311)	198,668

\* As at 31 December 2019, trade receivables amounting to RMB8,412,000 (2018: RMB11,695,000) (note 41(iii)(b)) were past due over 365 days but not impaired are secured by certain land and properties owned by the debtors.

Movement in the allowance account in respect of trade receivables during the year is as follows:

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
於一月一日結餘	Balance at 1 January	311	9,714
減值虧損的匯兌虧損	Exchange loss on impairment losses	-	151
年內確認減值虧損	Impairment losses recognised during the year	452	311
年內確認專項減值虧損	Specific impairment loss recognised during the year	3,307	3,511
		4,070	13,687
年內撤銷	Write off during the year	(2)	(13,376)
於十二月三十一日結餘	Balance at 31 December	4,068	311

Amounted to RMB2,000 (2018: RMB13,376,000) were written off during the year since there is no reasonable expectation of recovering the contractual cash flows from the trade debtors.



## 41. 金融風險管理 (續)

## (iii) 信貸風險 (續)

**(d) 對按公允值計入其他全面收益的債務工具進行減值評估**

於二零一九及二零一八年十二月三十一日，於12個月內到期的應收票據已分類為按公允值計入其他全面收益的債務工具。虧損撥備僅按12個月的預期信貸虧損計量。管理層認為信貸風險較低，原因是違約風險較低，且因到期時間較短，所產生的貨幣時間價值影響有限。年內並無確認任何減值虧損（二零一八年：無）。

**(e) 對按攤銷成本計量的其他金融資產進行減值評估**

銀行及現金結餘及已抵押銀行存款亦須遵守香港財務報告準則第9號的減值規定。由於以上各項均存於具有良好信貸評級的金融機構，故已識別的減值虧損並不重大。訂金及其他應收款項被視為信貸風險較低，故虧損撥備僅按12個月的預期信貸虧損計量。管理層認為信貸風險較低，原因是違約風險較低。已計入預付款項及其他應收款中的應收前附屬公司款項約人民幣24,720,000元被視為出現信貸減值，並已計提減值撥備（附註38(b)）（二零一八年：無）。

## (iv) 流動性風險

在管理流動性風險時，本集團會監察及維持管理層認為充裕的現金及現金等值項目，作為本集團營運所需的資金，以及紓緩現金流量波動的影響，方式是不斷監察預測及實際的現金流量及使到期的金融資產與到期的金融負債互相配合。

由於本集團的短期銀行借款可由本集團在銀行批准的限額內酌情決定按年延續，董事認為，計及本集團目前可用的融資額度及內部財政資源後，本集團擁有充裕的營運資金，足以應付目前所需。本集團已取得若干銀行借款、來自一名非控股股東的墊款及來自最終控股公司的墊款，作為其流動性的來源。

## 41. FINANCIAL RISK MANAGEMENT (Continued)

## (iii) Credit risk (Continued)

**(d) Impairment assessment on debt instruments at FVOCI**

As at 31 December 2019 and 2018, bills receivable is classified as debt instruments at FVOCI, which are matured within 12 months. The measurement of loss allowance was based on 12 months ECLs. Management considered as low credit risk since it has a low risk of default and limited impact of time value of money due to short maturity period. No impairment loss is recognised during the year (2018: Nil).

**(e) Impairment assessment on other financial assets at amortised cost**

Bank and cash balances and pledged bank deposits are also subjected to the impairment requirements of HKFRS 9. The identified impairment loss was immaterial since they are placed at financial institutions with good credit rating. For deposits and other receivables, which are considered to have low credit risk, the measurement of loss allowance was therefore based on 12 months ECLs. Management considered as low credit risk since they have a low risk of default. Amounts due from a former subsidiary which is included in prepayments and other receivable approximately of RMB24,720,000 is considered as credit-impaired and provision for impairment loss is made accordingly (note 38(b)) (2018: Nil).

## (iv) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

As the Group has short-term bank borrowings which could be renewed on an annual basis at the discretion of the Group within limit approved by banks, the Directors are of the opinion that, taking into account the presently available facilities and internal financial resources of the Group, the Group has sufficient working capital for its present requirements. The Group obtained certain bank borrowings, advances from a non-controlling shareholder and advances from the ultimate holding company as source of liquidity.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 41. 金融風險管理 (續)

#### (iv) 流動性風險 (續)

下表概述按合約未貼現付款分析的金融負債到期情況：

		三個月內或 按要求 Within 3 months or on demand 人民幣千元 RMB'000	三個月至 一年內 Between 3 months to 1 year 人民幣千元 RMB'000	未貼現總額 Total undiscounted amount 人民幣千元 RMB'000	賬面值 Carrying amount 人民幣千元 RMB'000
<b>二零一九年</b>	<b>2019</b>				
貿易應付賬、應付票據、 其他應付款項及 應付未付賬款	Trade, bills and other payables and accruals	142,352	168,194	310,546	310,546
銀行借款*	Bank borrowings*	-	170,000	170,000	170,000
來自一名非控股股東的墊款	Advances from a non-controlling shareholder	-	5,682	5,682	5,682
來自最終控股公司的墊款	Advances from the ultimate holding company	-	64,659	64,659	64,659
<b>合計</b>	<b>Total</b>	<b>142,352</b>	<b>408,535</b>	<b>550,887</b>	<b>550,887</b>
<b>二零一八年</b>	<b>2018</b>				
貿易應付賬、其他應付款項及 應付未付賬款	Trade, other payables and accruals	96,473	152,188	248,661	248,661
法律索賠撥備	Provision for legal claims	-	17,141	17,141	17,141
銀行借款*	Bank borrowings*	20,000	-	20,000	20,000
來自一名非控股股東的墊款	Advances from a non-controlling shareholder	-	5,546	5,546	5,546
來自最終控股公司的墊款	Advances from the ultimate holding company	-	67,801	67,801	67,801
<b>合計</b>	<b>Total</b>	<b>116,473</b>	<b>242,676</b>	<b>359,149</b>	<b>359,149</b>

\* 結餘包括附帶按要求償還條款的銀行借款。

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### (iv) Liquidity risk (Continued)

The table below summarises the maturity profile of the financial liabilities based on contractual undiscounted payments:

		三個月內或 按要求 Within 3 months or on demand 人民幣千元 RMB'000	三個月至 一年內 Between 3 months to 1 year 人民幣千元 RMB'000	未貼現總額 Total undiscounted amount 人民幣千元 RMB'000	賬面值 Carrying amount 人民幣千元 RMB'000
<b>二零一九年</b>	<b>2019</b>				
貿易應付賬、應付票據、 其他應付款項及 應付未付賬款	Trade, bills and other payables and accruals	142,352	168,194	310,546	310,546
銀行借款*	Bank borrowings*	-	170,000	170,000	170,000
來自一名非控股股東的墊款	Advances from a non-controlling shareholder	-	5,682	5,682	5,682
來自最終控股公司的墊款	Advances from the ultimate holding company	-	64,659	64,659	64,659
<b>合計</b>	<b>Total</b>	<b>142,352</b>	<b>408,535</b>	<b>550,887</b>	<b>550,887</b>
<b>二零一八年</b>	<b>2018</b>				
貿易應付賬、其他應付款項及 應付未付賬款	Trade, other payables and accruals	96,473	152,188	248,661	248,661
法律索賠撥備	Provision for legal claims	-	17,141	17,141	17,141
銀行借款*	Bank borrowings*	20,000	-	20,000	20,000
來自一名非控股股東的墊款	Advances from a non-controlling shareholder	-	5,546	5,546	5,546
來自最終控股公司的墊款	Advances from the ultimate holding company	-	67,801	67,801	67,801
<b>合計</b>	<b>Total</b>	<b>116,473</b>	<b>242,676</b>	<b>359,149</b>	<b>359,149</b>

\* Balances include bank borrowings with a repayment on demand clause.

## 41. 金融風險管理 (續)

## (iv) 流動性風險 (續)

下表概述按貸款協議所載的議定還款時間表就附帶按要求償還條款的銀行借款所作的到期日分析。金額包括以合同利率計算的利息付款。因此，該等金額較第144頁所載的到期情況分析中「按要求」時段中披露的金額為高。考慮到本集團的財務狀況，董事認為銀行不大可能會酌情要求立即還款。董事相信，該等銀行貸款將根據貸款協議所載的預定還款日期償還。

## 41. FINANCIAL RISK MANAGEMENT (Continued)

## (iv) Liquidity risk (Continued)

The table below summarises the maturity analysis of bank borrowings with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the “on demand” time band in the maturity analysis contained in page 144. Taking into account the Group’s financial position, the Directors do not consider that it is probable that the bank will exercise its discretion to demand immediate repayment. The Directors believe that such bank loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

		合同未貼現 現金流量合計 Total contractual undiscounted cash flow 人民幣千元 RMB'000	一年內或按要求 Within 1 year or on demand 人民幣千元 RMB'000
	賬面值 Carrying amount 人民幣千元 RMB'000		
二零一九年十二月三十一日	31 December 2019	170,000	178,236
二零一八年十二月三十一日	31 December 2018	20,000	20,287

本集團自過往年度起一直遵循管理流動性風險的措施，並認為相關措施有效。

The measures to manage liquidity risk have been followed by the Group since prior years and are considered to be effective.

## 財務報表附註

# Notes to the Financial Statements

截至二零一九年十二月三十一日止年度 For the year ended 31 December 2019

### 41. 金融風險管理 (續)

#### (v) 按類別劃分的金融資產及負債概要

此外，於二零一九年及二零一八年十二月三十一日的已確認金融資產及負債的賬面值可作以下分類。至於有關金融工具的類別如何影響其後的計量，請參閱附註3(i)的說明。

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### (v) Summary of financial assets and liabilities by category

The carrying amounts of the financial assets and liabilities recognised as at 31 December 2019 and 2018 may also be categorised as follows. See note 3(i) for explanations about how the category of financial instruments affects their subsequent measurement.

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
<b>金融資產</b>	<b>Financial assets</b>		
按攤銷成本計量的金融資產：	Financial assets at amortised cost:		
– 貿易應收賬	– Trade receivables	<b>183,494</b>	198,668
– 訂金及其他應收款項	– Deposits and other receivables	<b>25,553</b>	53,953
– 已抵押銀行存款	– Pledged bank deposits	<b>6,902</b>	2,691
– 銀行及現金結餘	– Bank and cash balances	<b>164,505</b>	49,105
按公允值計入其他全面收益的 金融資產：	Financial asset at FVOCI:		
– 應收票據	– Bills receivable	<b>106,510</b>	107,849
<b>合計</b>	<b>Total</b>	<b>486,964</b>	412,266
<b>金融負債</b>	<b>Financial liabilities</b>		
按攤銷成本計量的金融負債：	Financial liabilities measured at amortised cost:		
– 貿易應付賬及應付票據	– Trade and bills payable	<b>44,443</b>	45,040
– 應付未付賬款及其他應付款項	– Accruals and other payables	<b>266,103</b>	203,621
– 法律索賠撥備	– Provision for legal claims	<b>–</b>	17,141
– 銀行借款	– Bank borrowings	<b>170,000</b>	20,000
– 來自一名非控股股東的墊款	– Advances from a non-controlling shareholder	<b>5,682</b>	5,546
– 來自最終控股公司的墊款	– Advances from the ultimate holding company	<b>64,659</b>	67,801
<b>合計</b>	<b>Total</b>	<b>550,887</b>	359,149

## 42. 資本管理

本集團的資本管理目標在於確保本集團有能力持續經營，以及可因應風險水平就貨品作相應定價，從而為股東帶來理想回報。

本集團會基於經濟狀況的變動及相關資產的風險特性，管理及調整資本結構。為維持或調整資本結構，本集團可調整向股東派息的款額、發行新股、向股東退回資本、借取新債務融資或出售資產減債。

本集團乃根據債務對經調整資本之比率監察本身之資本，此比率的計算方式載於下表。

於報告日期的債務權益比率如下：

		二零一九年 2019 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000
銀行借款	Bank borrowings	170,000	20,000
來自一名非控股股東的墊款的 本金金額	Principal amount of the advances from a non-controlling shareholder	5,520	5,389
來自最終控股公司的墊款的 本金金額	Principal amount of advances from the ultimate holding company	62,836	67,530
總債務	Total debts	238,356	92,919
減：銀行及現金結餘 已抵押銀行存款	Less: Bank and cash balances Pledged bank deposits	(164,505) (6,902)	(49,105) (2,691)
資產淨值	Net assets	66,949	41,123
權益總額	Total equity	1,303,836	1,292,400
債務權益比率	Debt-to-equity ratio	5%	3%

## 42. CAPITAL MANAGEMENT

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing goods commensurately with the level of risk.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debts.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as set out in the table below.

The debt-to-equity ratio at the reporting date was as follows:

## 43. 訴訟

## (a) 有關追討物業，廠房和設備的已付訂金的索賠的法律程序

訴訟詳情載於附註21(a)。年內已獲得完全解決。

## (b) 有關作為擔保人的糾紛的法律程序

訴訟詳情載於附註21(b)。出售事項（附註38(a)）後，該訴訟不會對本集團的財務報表有任何影響。

## 43. LITIGATIONS

## (a) Legal proceedings of claim in relations to recovery of a deposit paid for property, plant and equipment

Details of litigations are set out in note 21(a). This has been fully resolved during the year.

## (b) Legal proceedings of disputes as guarantor

Details of litigations are set out in note 21(b). This lawsuit has no impact to the Group's financial statements as a result of the Disposal (note 38(a)).

43. 訴訟 (續)

(c) 有關未償付貿易應付賬的爭議的法律程序

於二零一八年，本集團附屬公司濰坊柏立收到法院發出之命令，涉及清償應付其供應商的未付結餘約人民幣4,980,000元。隨後，由於該供應商違反多項供應合同的條款，濰坊柏立提出反訴索償，並根據供應合同條款索取相當於合同總額5%的人民幣800,000元作為賠償金。

於二零一九年，法院命令濰坊柏立應支付總額人民幣5,043,000元，其中包括截至償付日期的未償還結餘及應計利息，同時該供應商應根據反訴索償向濰坊柏立支付人民幣278,000元作為賠償金。據此，該賠償金已在綜合損益表中確認為其他收入，而所有未付款項已於二零一九年十二月三十一日與該供應商結清。該案已在年內解決。

(d) 違反支付績效獎金義務的法律程序

於二零一九年十二月十二日，江蘇春曉前權益持有人（定義見附註21(b)）在上海浦東新區人民法院提出法律索賠，要求上海德弘和江蘇春曉賠償人民幣15,000,000元（連同自二零一九年十一月一日起計的應計利息），涉及根據於二零一七年十月二十日簽署的補充協議中加插的手寫條款，江蘇春曉實現利潤時須向前權益持有人支付的績效獎金（惟上海德弘或江蘇春曉未有簽字以表示接受該手寫條款）。

經過深入調查後，董事申明該補充協議中的績效獎金乃偽造條款。

於二零二零年一月初已進行第一次開庭審理，第二次開庭預計於二零二零年內。本集團的法律顧問認為，鑑於江蘇春曉自被收購以來一直蒙受累計虧損，有關獎金的指控並無法律依據、不合邏輯且有違商業理性。因此，法院命令上海德弘向前權益持有人支付績效獎金的可能性很低，故截至二零一九年十二月三十一日的綜合財務報表並未計提任何撥備金額。

43. LITIGATIONS (Continued)

(c) Legal proceeding of dispute in relations to unsettlement of a trade payable

In 2018, Weifang Parasia, a subsidiary of the Group, received a court order in relation to the settlement of the outstanding balances due to a supplier with approximately RMB4,980,000. Subsequently, Weifang Parasia counterclaimed this supplier for breaching the terms of various supply contracts and requested 5% of the aggregate contracted amounts of RMB800,000 as compensation according to the terms of supply contracts.

In 2019, it was held by the court that Weifang Parasia should pay a total sum of RMB5,043,000 which include the outstanding balances and accrued interest up to the date of settlement, whereas this supplier should pay the compensation of RMB278,000 to Weifang Parasia under its counterclaim. Accordingly, the compensation is recognised as other income on the consolidated income statement and all outstanding amounts have been settled to this supplier as at 31 December 2019. This case has been resolved during the year.

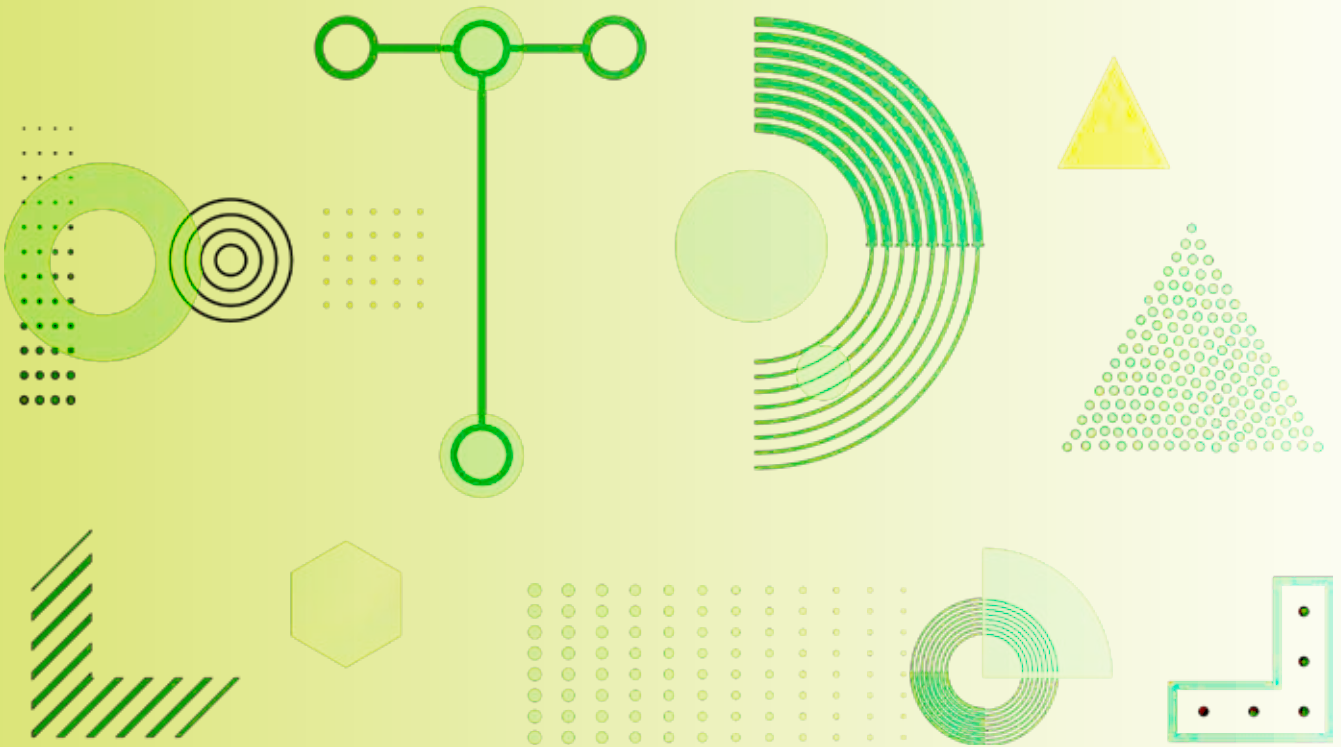
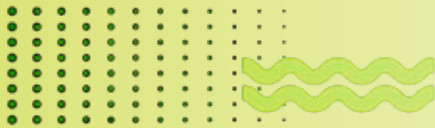
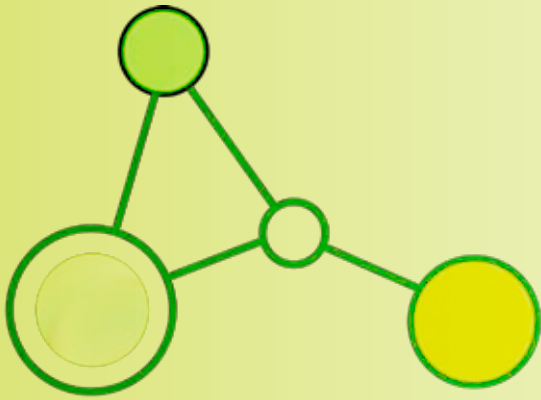
(d) Legal proceedings of breach of obligation to pay performance bonus

On 12 December 2019, the Ex-Equity Holder of Jiangsu Chunxiao (as defined in note 21(b)) filed a legal claim to Pudong New District People's Court against Shanghai Dehong and Jiangsu Chunxiao for a fee of RMB15,000,000, (together with accrued interest from 1 November 2019) in relation to the performance bonus payable to the Ex-Equity Holder on profit achievement of Jiangsu Chunxiao under a handwritten clause, without countersigned by either Shanghai Dehong or Jiangsu Chunxiao to signify acceptance, inserted in a supplementary agreement dated on 20 October 2017.

After thorough investigation, the Directors declared that the bonus clause on the supplementary agreement is bogus.

The first hearing has been held in early January 2020 and the second hearing is expected to be carried out in 2020. The Group's legal consultant is of the opinion that in view of the facts that Jiangsu Chunxiao had made accumulated losses since it was acquired and the bonus allegation has no legal basis, illogical and no business rational. Thus, the probability of Shanghai Dehong will be ordered by the court to pay the performance bonus to Ex-Equity Holder is remote, and no provision has been provided in the consolidated financial statement as at 31 December 2019.





**天德化工控股有限公司**  
**TIANDE CHEMICAL HOLDINGS LIMITED**

香港中環夏慤道12號美國銀行中心 22 字樓 2204A 室  
Room 2204A, 22nd Floor, Bank of America Tower,  
12 Harcourt Road, Central, Hong Kong