



# 興發鋁業控股有限公司 XINGFA ALUMINIUM HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(HKEX stock code: 98)

(香港交易所股份代號: 98)

Annual Report

年報

# 2019



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## Corporate Information 公司資料

### Directors and Board Committees

#### Directors

##### Executive Directors

LIU Libin (*Chairman*)  
LIAO Yuqing (*Chief Executive Officer*)  
ZHANG Li (*Chief Financial Officer*)  
LAW Yung Koon  
WANG Zhihua  
LUO Jianfeng

##### Non-executive Directors

ZUO Manlun  
XIE Jingyun

##### Independent Non-executive Directors

CHEN Mo  
HO Kwan Yiu  
LAM Ying Hung, Andy  
LIANG Shibin

#### Board Committees

##### Audit Committee

LAM Ying Hung, Andy (*Chairman*)  
CHEN Mo  
HO Kwan Yiu  
XIE Jingyun

##### Remuneration Committee

HO Kwan Yiu (*Chairman*)  
CHEN Mo  
LAM Ying Hung, Andy  
LIU Libin  
LIAO Yuqing

##### Nomination Committee

LIU Libin (*Chairman*)  
CHEN Mo  
HO Kwan Yiu  
LAM Ying Hung, Andy  
ZUO Manlun

##### Company Secretary

WONG Tik

### 董事及董事委員會

#### 董事

##### 執行董事

劉立斌 (*主席*)  
廖玉慶 (*行政總裁*)  
張莉 (*財務總監*)  
羅用冠  
王志華  
羅建峰

##### 非執行董事

左滿倫  
謝景雲

##### 獨立非執行董事

陳默  
何君堯  
林英鴻  
梁世斌

#### 董事委員會

##### 審核委員會

林英鴻 (*主席*)  
陳默  
何君堯  
謝景雲

##### 薪酬委員會

何君堯 (*主席*)  
陳默  
林英鴻  
劉立斌  
廖玉慶

##### 提名委員會

劉立斌 (*主席*)  
陳默  
何君堯  
林英鴻  
左滿倫

##### 公司秘書

黃荻

## Corporate Information 公司資料

### Authorised Representatives

LIU Libin  
LIAO Yuqing  
WONG Tik (alternate to LIU Libin)  
WANG Zhihua (alternate to LIAO Yuqing)

### Registered Office

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

### Head Office and Principal Place of Business in the PRC

No. 5, Zone D  
Central Science and Technology Industrial Park  
Sanshui District, Foshan City  
Guangdong Province  
China

### Principal Place of Business in Hong Kong

Unit 605, 6/F  
Wing On Plaza  
62 Mody Road  
Tsim Sha Tsui East  
Kowloon  
Hong Kong

### Principal Bankers

Bank of China, Foshan Branch  
Agriculture Bank of China, Foshan Nanzhuang Sub-branch  
China Construction Bank Corporation, Foshan Branch

### 授權代表

劉立斌  
廖玉慶  
黃荻 (劉立斌之替任代表)  
王志華 (廖玉慶之替任代表)

### 註冊辦事處

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

### 中國總辦事處及主要營業地點

中國  
廣東省  
佛山市三水區  
中心科技工業園  
D區5號

### 香港主要營業地點

香港  
九龍  
尖沙咀東部  
麼地道62號  
永安廣場  
6樓605室

### 主要往來銀行

中國銀行佛山分行  
中國農業銀行佛山南莊支行  
中國建設銀行股份有限公司佛山分行

## Corporate Information 公司資料

### Legal Adviser

#### As to Hong Kong law:

LCH Lawyers LLP

#### As to Cayman Islands law:

Conyers Dill & Pearman

### Auditors

KPMG  
Public Interest Entity Auditor registered in accordance with the  
Financial Reporting Council Ordinance  
8th Floor, Prince's Building  
10 Chater Road  
Central  
Hong Kong

### Share Registrars

#### Principal Share Registrar and Transfer Office in the Cayman islands

SMP Partners (Cayman) Limited  
Royal Bank House  
3rd Floor, 24 Shedden Road  
P.O. Box 1586  
Grand Cayman, KY1-1110  
Cayman Islands

#### Branch Share Registrar and Transfer Office in Hong Kong

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### WEBSITE

[www.xingfa.com](http://www.xingfa.com)

### STOCK CODE

00098.HK

### 法律顧問

#### 香港法律:

呂鄭洪律師行有限法律責任合夥

#### 開曼群島法律:

Conyers Dill & Pearman

### 核數師

畢馬威會計師事務所  
於《財務匯報局條例》下的註冊公眾利益實體  
核數師  
香港  
中環  
遮打道10號  
太子大廈8樓

### 股份過戶登記處

#### 開曼群島股份過戶登記總處

SMP Partners (Cayman) Limited  
Royal Bank House  
3rd Floor, 24 Shedden Road  
P.O. Box 1586  
Grand Cayman, KY1-1110  
Cayman Islands

#### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心54樓

### 網址

[www.xingfa.com](http://www.xingfa.com)

### 股份代號

00098.HK



## Chairman's Statement 主席報告



I am pleased to present the 2019 annual results of Xingfa Aluminium Holdings Limited (the “Company” and, together with its subsidiaries, the “Group”, “our Group”, “we”, “us”, “our”, “Xingfa” or “Xingfa Aluminium”).

2019 was another milestone year for Xingfa Aluminium. With the support of our customers and partners, coupled with the joint efforts from all staff of Xingfa, the sales revenue of the Group achieved the “10 billion” mark in 2019 for the first time, and its profits grew for eight consecutive years, representing a compound annual growth rate of 59.03% from 2011 to 2019.

In 2019, our Group’s revenue increased by 13.7% to approximately RMB11,280.8 million (2018: RMB9,924.5 million), sales volume rose by approximately 18.2% to 612,223 tonnes (2018: 517,982 tonnes), net profit attributable to shareholders increased by 22.4% to approximately RMB606.1 million (2018: RMB495.2 million). The Directors recommended the payment of a final dividend of HKD0.28 per ordinary share of the Company (“Share”) for the year ended 31 December 2019 (2018: HKD 0.20).

本人欣然呈報興發鋁業控股有限公司（「本公司」，連同其附屬公司統稱「本集團」、「我們」、「興發」或「興發鋁業」）二零一九年之年度業績。

二零一九年是興發鋁業又一里程碑，在廣大客戶及合作夥伴的支持，以及興發全體同人的共同努力下，本集團二零一九年銷售額首次破百億，利潤更錄得連續八年增長，二零一一年至二零一九年複合增長高達59.03%。

於二零一九年，營業額增加13.7%至約人民幣11,280,800,000元（二零一八年：人民幣9,924,500,000元），銷售量上升約18.2%至612,223噸（二零一八年：517,982噸），股東應佔純利上升22.4%至約人民幣606,100,000元（二零一八年：人民幣495,200,000元）。董事建議派付截至二零一九年十二月三十一日止年度之末期股息每股本公司普通股（「股份」）0.28港元（二零一八年：0.20港元）。

## Chairman's Statement 主席報告

Looking back into 2019, the Group continued its dual-direction-orientated strategies of internal extension and external expansion to enhance its sales in China and overseas markets as well as improve its internal production and management efficiency.

In terms of external expansion, following the adjustments of its marketing model and marketing channel expansion in 2018, further benefits were emerged in 2019 with both its strategic centralized procurement and dealers' sales volume hit new high. We also proactively expanded our sales into the overseas markets and had successfully stepped into three important markets such as Egypt, Chile and Japan by Xingfa in 2019 after achieving great successes in Vietnam, Australia, Indonesia, Cambodia, Myanmar, South Africa, West Africa, Singapore, Thailand and other countries.

For internal extension, the Group continued its commitment to production and internal management reform. In 2019, the Group entered into a consultant contract with Siemens to start advancing its IT top-level design and digitalized factory projects for the purpose of establishing the digitalized foundation of Xingfa's product and management in future. The Group also engaged Aon Hewitt to provide technical support for the Group's human resources system upgrade, so as to reinforce our internal management foundation.

Looking forward into future, even though we expect we will face more challenges, the Group will continue to devote its efforts in research and development, optimize product mix, broaden sales network, as well as enhance operation efficiency and manage its finances under a prudent approach, and determine its presence in construction aluminum profiles business, achieve breakthroughs in industrial aluminum profiles development, and extend the industrial chain. Our management team will lead Xingfa to build a leading company in aluminum processing sector with innovative drivers, smart manufacturing, green recycling and rational product structure by leveraging the experience we cumulated in the past 36 years.

回顧二零一九年，本集團持續內延外拓的雙軌戰略，加強國內及海外市場的銷售及提升內部生產及管理效益。

外拓方面，繼二零一八年調整營銷模式及拓寬銷售渠道後，二零一九年進一步體現其效益，戰略集中採購及經銷商的銷量再創新高。我們也積極開拓海外銷售，繼於越南、澳洲、印度尼西亞、柬埔寨、緬甸、南非、西非、新加坡、泰國等國家取得佳績，興發於二零一九年成功再開拓埃及、智利及日本等三個重要市場。

內延方面，本集團繼續致力於生產及內部管理方面的改革。二零一九年，本集團與西門子公司簽訂顧問合同，開始推進IT頂層設計及數字化工廠項目，為未來興發的生產及管理打造數字化基礎；本集團亦聘請了怡安翰威特公司為集團人力資源體系升級提供技術支持，夯實內部管理基礎。

展望未來，我們預期面臨的挑戰將會愈來愈大，但本集團將繼續投入研發，優化產品組合，擴闊銷售網絡，同時提升管理效益及審慎管理財務，並確定立足建築鋁型材、突破工業鋁型材，延伸產業鏈。興發的管理團隊將借力過去36年的經驗累積，帶領興發，打造成為創新驅動、智能製造、綠色循環、產品結構合理的鋁材加工的領先企業。

## Chairman's Statement 主席報告

On behalf of the Group, I would like to take this opportunity to thank every member of the board of directors of the Company, management and staff of the Group for contributing to the success of the Group. Last but not the least, I would like to express my sincere appreciation to the customers and business partners of the Group and shareholders for their continuing support.

Special note to COVID-19 pandemic: The Group strictly implements the epidemic prevention measures in accordance with the central and local government regulations, there is neither any suspected nor confirmed case of COVID-19 among all our employees. Since 10 February 2020, the Company gradually resumed its production with over 95% of its staff returned to work at the date hereof. The management will pay close attention to the changes in epidemic situation both in China and overseas and adjust our corporate operational strategy in a timely manner based on its development.

**LIU Libin, Chairman**

Foshan China, 26 March 2020

本人謹藉此機會代表本集團衷心感謝本公司董事會各位成員、本集團管理層及員工對本集團之成就所作出之貢獻。最後，本人謹此對本集團客戶、業務夥伴及股東一直以來之支持表示謝意。

有關新冠肺炎疫情之特別說明：本集團嚴格按照中央政府及當地政府的規定執行疫情防護措施，公司全員無一例新冠肺炎疑似及確診病例。2020年2月10日開始，公司逐步復產，於本報告日期已有超過95%的員工回到工作崗位。管理層會密切關注國際國內疫情的變化，並根據形勢的發展及時調整公司運營策略。

主席，劉立斌

中國佛山，二零二零年三月二十六日



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



### Industry and Business Overview

#### Industry Review

In 2019, the PRC economy continued its growth momentum despite encountering multiple adverse factors such as the Sino-US trade frictions and global economic slowdown. According to the National Bureau of Statistics of the People's Republic of China ("PRC" or "China"), gross domestic product of the PRC increased by 6.1% year-on-year in 2019. The peoples' living standards continued to improve with the support of ongoing economic growth, which had stimulated the urbanization development in China. Following the Chinese government put forward the facilitation of settling 100 million non-registered residents in cities and supported the high-quality development of new urbanization, as at the end of 2019, the State Council of China further proposed full abolition on urban settlement restrictions of urban areas with less than 3 million permanent residents, involving about 60 cities. Driven by governmental policy, urban constructions, such as expansion of commercial streets, construction of public facilities and transportation infrastructure establishment were accelerated in various regions, and had propelled the demand for the aluminium profile products of the Group.

### 行業及業務概覽

#### 行業回顧

二零一九年，儘管在中美貿易磨擦、全球經濟放緩等多重不利因素夾擊下，中國經濟依然延續了增長勢頭。中華人民共和國（「中國」）國家統計局數據顯示，中國在二零一九年的國民生產總值（GDP）按年增長6.1%。人民的生活水平在持續經濟增長的支持下不斷提高，刺激了中國城鎮化發展。繼中國政府提出推動一億非戶籍人口在城市落戶，以支持新型城鎮化高質量發展後，中國國務院在二零一九年底再提出，全面取消城區常住人口300萬以下的城市落戶限制，涉及約60個城市。在政策推動下，各地加速城市建設，例如擴展商業街、興建公共設施及建立運輸基建等，促進對本集團鋁型材產品的需求。

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

During the year under review, China's real estate market developed at a steady pace, and "houses are for living and not for speculation" became the vision of the PRC government in controlling the real estate market. It was mentioned at the Central Economic Work Conference held at the end of 2019 that such vision should be adhered to and the regulating mechanisms in respect of land prices and property prices as well as the expectations should be implemented. Local governments had adopted more measures to ensure the stable development of real estate market, and solve the housing problems of new immigrants and young generations. With many rounds of adjustments and control, hundreds of small and medium-sized real estate enterprises were closed down due to capital chain problems. On the contrary, the real estate market accelerated its inclinations towards clustering on leading real estate enterprises due to the higher risk tolerance capabilities of larger enterprises. Among the top 20 real estate enterprises in China, Vanke, Country Garden, Sunac, China Overseas, China Resources, Greentown, Seazen, China Fortune, Shimao Property, Jinke and Agile are customers of the Group, in which we have close and long-term partnership relationships. We also co-operated with other major real estate enterprises in certain projects. Therefore, the continuous integration of the real estate market helped to consolidate sales of construction aluminium profiles of the Group.

Currently, the aluminium profile market in China is relatively fragmented, and industry integration is conducive to facilitate the business consolidation of the Group. With years of development of the aluminium profile industry, and the growing demand for high-end products sectors including green construction, lightweight automobile development and railway transportation, industry peers with relatively backward technological standards will be eliminated, and orders will gradually be transferred to leading enterprises with more technological and research and development advantages, thereby accelerating industry integration. At the same time, downstream customers such as real estate developers tend to co-operate and enter into construction aluminium profiles contracts with aluminium profiles suppliers which have higher production capacity and stable product quality, thereby accelerating the inclinations towards clustering on leading real estate enterprises. As China's leading aluminium profile manufacturer, we continue to benefit under the new round of industry integration.

回顧全年，中國房地產市場穩定發展，「房住不炒」成為中國政府對樓市調控的主調。去年底的中 央經濟工作會議提到，堅持有關思想，並落實穩地 價、穩房價及穩預期的調控機制。各地政府採取 更多措施確保房屋市場平穩發展，解決新移居人 口、年輕群體的住屋問題。而在多輪調控下，數以 百計的中小型房企因為資金鏈問題倒閉；反之， 規模較大的企業抵抗風險能力較高，令房地產市 場加速向頭部靠攏。在中國頭二十大房企中，萬 科、碧桂園、融創、中海、華潤、綠城、新城、華夏 幸福、世貿房地產、金科及雅居樂等都是本集團 客戶，並與我們有緊密且長久的夥伴關係，而其 他大型房企亦跟本集團就個別項目合作。因此， 房地產市場持續整合，有助本集團鞏固建築鋁型 材銷售。

目前，中國鋁型材市場相對分散，行業整合有助 本集團鞏固業務。鋁型材行業經歷多年的發展， 高端產品領域包括綠色建築、汽車輕量化及軌道 交通等的需求日益增長，技術水平相對落後的同 業面臨被淘汰的命運，訂單逐漸轉移至更具技術 及研發優勢的龍頭企業，加速行業整合。與此同 時，下游客戶例如房產商傾向與擁有生產規模較 大、產品質量穩定的鋁型材供貨商合作並訂立建 築鋁型材合同，都加速了鋁型材行業向頭部靠攏 的情況。本集團作為中國領先的鋁型材製造商， 持續受惠這一輪行業整合。

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

### Business Review

Xingfa Aluminium is one of the leading aluminium profiles manufacturers in the PRC and is principally engaged in the manufacture and sale of aluminium profiles which are being used as construction and industrial materials. Since 2002, the Group has been awarded the “No. 1 of the National Construction Aluminium Profiles Enterprise” by China Non-Ferrous Metals Fabrication Industrial Association for three consecutive sessions. As of the end of 2019, the Group had obtained more than 1,300 national patents and participated in the drafting of over 90 national and industry standards. Currently, we are also one of the world’s largest suppliers of electricity conductive aluminium profiles for metro vehicles. Leveraging our advanced research and development capability and commitment to quality, the Group has established extensive and stable sales networks in the PRC and overseas for the past 36 years. In recent three years, the Group has focused on establishing our sales outlets in the prefecture-level cities in Southern China and Eastern China, and at the same time has invested its resources to establish sales outlets in key cities of relatively underdeveloped regions, and apparent positive results were seen from their regional sales data.

### 業務回顧

興發鋁業是中國領先鋁型材製造商之一，主要從事製造及銷售用作建築及工業材料之鋁型材。從二零零二年起，本集團連續三屆被中國有色金屬加工工業協會評定為「中國建築鋁型材企業第一名」。截至2019年底，本集團已獲得超過1,300項國家專利，也參與起草國家標準和行業標準超90項。目前，我們亦是全球最大的地鐵機車導電鋁型材供貨商之一。過去三十六年，本集團憑借先進研發能力及對質量之重視，於中國及海外建立廣泛及穩定之銷售網絡。近三年來，集團著重在華南及華東區域將銷售網點逐步開設至地級市層級，同時投入資源加大在相對欠發達地區以重點城市為核心開設銷售網點，從區域銷售數據來看，成效明顯。

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

In 2019, the Group continued to facilitate the development of the two principal businesses of construction aluminium profiles and industrial aluminium profiles. Over the years, our revenue mainly derived from the sales of construction aluminium profiles products. In recent years, new buildings stressed on green construction through pursuing energy conservation and environmental protection in every detail, so as to meet the national environmental protection requirements and trends, especially the system door and window profiles with heat insulation function, which are being widely used in new buildings. The “Xingfa System”, “Xingfa Doors and Windows” and “Paxdon System”(帕克斯頓系統) developed by the Group meet the high standards for energy conservation and environmental protection. At the same time, in response to national and social attention to environmental protection, as well as the market demand for products relating to lightweight transportation, the Group continued to promote the production and sales of aluminium profile products in lightweight transportation. The Group also noticed that the industrial aluminium profiles market has gradually become matured in recent years, however, owing to its fragmented market nature, the technical requirements of each kind of product are relatively higher. The Group is determined to leverage the advantages of its construction aluminium profiles to expand the industrial aluminium profiles market to achieve the dual-engine development of these two segments. The construction of precision manufacturing base located in Guangdong Sanshui Industrial Zone is stepping up, which is planned to produce high-end industrial aluminium profiles for use in sectors such as high-end electronic communication equipment, radiator materials, medical apparatus and instruments and military engineering applications, making notable stride in the implementation of the dual-engine development by the Group.

In terms of overseas sales, the Group expanded the markets in Egypt, Chile and Japan last year. With the growing global demand for aluminium profiles, significant results were achieved in other overseas markets which the Group has expanded into earlier, including Vietnam, Australia, Indonesia, Cambodia, Myanmar, South Africa, West Africa, Singapore and Thailand, of which the annual sales volume via domestic distributor in Vietnam increased by more than 37% year-on-year.

二零一九年，本集團繼續推動建築鋁型材及工業鋁型材兩大主營業務發展。多年來，本集團的收入主要來自建築鋁型材銷售。近年新建樓宇均以綠色建築為主導向，從各細節追求節能環保，以符合國家環保要求及趨勢，特別是能有效隔熱的系統門窗型材，正廣泛應用於新建樓宇。本集團的「興發系統」、「興發門窗」及「帕克斯頓系統」正符合節能環保的高標準。同時，本集團繼續推動交通輕量化鋁型材產品生產及銷售，以響應國家和社會對環保的重視，以及市場對交通輕量化產品的需求。本集團亦留意到，近年工業鋁型材市場逐漸成熟，惟細分市場多，對每項產品的技術要求都比較高。本集團銳意憑借其在建築鋁型材的優勢，開拓工業鋁型材市場，實現以建築鋁型材及工業鋁型材作雙引擎發展。位於廣東三水工業園的精密製造基地正在加緊建築，該基地規劃為生產高端電子通訊設備、散熱器材、醫療器械及軍工應用等領域的高端工業鋁型材，為本集團落實雙引擎發展踏出重要一步。

海外銷售方面，本集團在去年開拓埃及、智利及日本的市場。隨著全球對鋁型材需求持續上升，我們在早已開拓的海外市場，包括越南、澳洲、印度尼西亞、柬埔寨、緬甸、南非、西非、新加坡、泰國等國家均取得佳績，其中，本集團（通過國內經銷商）在越南的全年銷量同比更增長超過37%。



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

Innovation and scientific research were the drivers for Xingfa in expanding its new markets. The Group strives to participate in various industry exchanges and seminars, and has established long-term and stable co-operative relationships with local universities, research institutes and enterprises in the peer industry to jointly solve the common technical problems in the industry or carry out new technology research, and actively improve the quality and functions of aluminium profiles of the Group. Moreover, as an industry pioneer, we actively participate and take the lead in the drafting and formulation of international, national and industry standards for the aluminium alloy profile industry, and promotes the implementation of a series of standards. During the year, Xingfa participated in industry exchange conferences and forums including the Aluminium Processing Industry Green Manufacturing Technology Exchange Conference in Guangdong-Hong Kong-Macao-Greater Bay Area and the Fifth National Non-ferrous Metal Structural Material Preparation, Processing and Application Technology Exchange Conference. The Group participated in the drafting of industry standards including GB/T 27685-2019 “Portable Aluminium Alloy Ladder” and GB/T 8005.1-2019 “Aluminium and Aluminum Alloy Terminology Part 1: Products and Processing Technology”. Furthermore, as a principal drafting party, the Group also participated in the drafting of ISO 28340: 2013 “Aluminium Laminated Coatings Technical Requirements for Laminated Coatings and Electrophoretic Organic Coatings on Aluminium Surface and Anodic Oxide Coatings (鋁表面複合膜鋁表面電泳有機膜與陽極氧化膜的複合膜技術要求)”, the first international standard for aluminium profile industry in the PRC. Such participation has greatly improved our influence and right to speak on international stage as an PRC aluminium profile enterprise. The Group was also awarded the titles of “National Standards Development and Innovation Demonstration Base” and “International Standards Development and Innovation Demonstration Base”.

創新與科研是興發開拓新市場的推動器。本集團致力於通過參加各類行業交流和研討會，並與國內高校、科研院所以及同行業企業建立長期穩定的合作關係，共同解決行業共性技術難題或開展新技術研究，並積極提高本集團鋁型材的質量及功能。此外，作為行業先驅者，我們積極參與並主導鋁合金型材行業國際、國家及行業標準的起草制定工作，推動一系列標準的實施。本年度，興發參加了粵港澳大灣區鋁加工產業綠色製造技術交流會、第五屆全國有色金屬結構材料制備、加工及應用技術交流會等行業交流會議和論壇。本集團參與起草了GB/T 27685-2019《便攜式鋁合金梯》以及GB/T 8005.1-2019《鋁及鋁合金術語第1部分：產品及加工處理工藝》等行業標準。此外，本集團更以主要起草單位身份，參與我國首個鋁型材行業國際標準ISO 28340：2013《鋁表面複合膜鋁表面電泳有機膜與陽極氧化膜的複合膜技術要求》，極大地提高了我國鋁型材企業在國際舞台上的影響力和話語權，而本集團亦獲授予「國家標準研製創新示範基地」以及「國際標準研製創新示範基地」稱號。



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

During the Year, the Group continued to promote self-transformation, aiming to transform its production processes and internal management to become a leading modern aluminium profile manufacturer in the PRC. In mid-2019, the Group entered into a consultancy contract with Siemens AG in respect of the provision of technical support on IT top-level planning and advancement of digital plants. In terms of internal management, the Group continued its management reform. The Group will continue to conduct reforms in various aspects such as production and marketing integration, reforms in human resources and business department to improve internal management standards.

In response to the national green manufacturing development plan, the Group integrated the requirements of ISO 14000 environmental management system certification and ISO 50001 energy management system certification, and formulated the environmental protection system. During the Year, the Group invested over RMB5 million in environmental protection, which was mainly used for renovation, upgrade, repair and maintenance of environmental protection facilities, hazardous waste treatment, environmental impact assessment and environmental inspection of development projects, so as to further strengthen the monitoring and control of environmental protection and sewage.

### Revenue

For the year ended 31 December 2019, the revenue and sales volume of the Group increased by 13.7% and 18.2% to approximately RMB11,280.8 million and 612,223 tonnes respectively (2018: RMB9,924.5 million and 517,982 tonnes respectively), of which, the sales of construction aluminium profiles and industrial aluminium profiles accounted for 77.4% and 19.6% of the revenue respectively. The gross profit of the Group for the year increased by 10.3% year-on-year to approximately RMB1,489.8 million (2018: RMB1,350.8 million). The gross profit margin was 13.2% (2018: 13.6%), and such a decrease was mainly due to the fierce market competition and the slight decline in product selling price. During the Year, the profit attributable to owners of the Company was approximately RMB606.1 million (2018: RMB495.2 million), representing an increase of 22.4% year-on-year.

期內，本集團繼續推動自我變革，務求在生產流程及內部管理蛻變，成為國內首屈一指的現代化鋁型材生產商。去年中，本集團與德國西門子公司簽訂顧問合同，就IT頂層規劃、數字化工廠推進等提供技術支持。內部管理方面，本集團正繼續管理變革，本集團將持續開展產銷一體化、人力資源變革、事業部等多方面變革，提升內部管理水平。

為響應國家綠色製造發展規劃，本集團結合了ISO 14000環境管理體系和ISO 50001能源管理體系認證的要求，制訂了環境保護制度。年內，本集團在環保方面投入超過人民幣五百萬元，主要用於環保設施改造、升級、維護及保養、危險廢物處理、開展項目環評及環境檢測等方面，進一步加強對環保及排污方面的監控。

### 營業額

截至二零一九年十二月三十一日止年度，本集團之營業額及銷量分別增加13.7%及18.2%至約人民幣11,280,800,000元及612,223噸（二零一八年：分別為人民幣9,924,500,000元及517,982噸），其中建築鋁型材及工業鋁型材銷售分別佔營業額的77.4%及19.6%。年內毛利錄得約人民幣1,489,800,000元（二零一八年：人民幣1,350,800,000元），同比增加10.3%。毛利率為13.2%（二零一八年：13.6%），毛利率下跌主要是市場競爭激烈，產品售價輕微下降所致。年內，公司擁有人應佔溢利約為人民幣606,100,000元（二零一八年：人民幣495,200,000元），同比增加22.4%。

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

### Construction aluminium profiles

The construction aluminium profiles are aluminium profiles with surface finishing, which are mainly used for construction and installation of doors and windows, curtain walls, ceilings and blinds and other decorative products.

In 2019, the revenue of construction aluminium profiles increased by 21.0% to approximately RMB8,733.5 million (2018: RMB7,220.3 million), and sales volume increased by 24.2% to 473,305 tonnes (2018: 381,233 tonnes).

### Industrial aluminium profiles

The industrial aluminium profiles are mainly plain aluminium profiles, which can be used as container box, such as new conductive profiles of urban railway locomotives and ship components etc. Moreover, the industrial aluminium profiles can also be produced in other different forms and shapes, such as central processing unit (CPU) and display thermal sinks and electronic consumer product frames.

The revenue of industrial aluminium profiles in 2019 decreased by 0.2% to approximately RMB2,210.7 million (2018: RMB2,216.0 million), and sales volumes increased by 1.5% to 136,395 tonnes (2018: 134,406 tonnes).

### Prospect

Looking forward 2020, the Sino-US trade frictions have gradually reduced, while the outbreak of coronavirus disease 2019 (“COVID-19”) and slowdown of the economic growth in China will have potential negative impact on our business. As this year is a year of transformation for the Group, we will seize opportunity and focus on internal management reforms. A number of management reform plans that were proposed last year will be implemented one after another in this year, which cover areas on talent training, product standardization, electronic information planning and production base expansion. It is expected that the Group will be able to improve its production processes, strengthen cost control and enhance operating efficiency through those series of reforms, and together with a continuous capacity expansion plan to enhance the competitiveness of the Group.

### 建築鋁型材

建築鋁型材是經表面處理的鋁型材，主要用作建造及安裝門窗、幕牆、天花板及百葉窗等裝飾成品。

於二零一九年，建築鋁型材營業額增加21.0%至約人民幣8,733,500,000元（二零一八年：人民幣7,220,300,000元），而銷量增加24.2%至473,305噸（二零一八年：381,233噸）。

### 工業鋁型材

工業鋁型材主要為光身鋁型材，可用作集裝箱的箱框，例如城市鐵路機車的新導電型材及船舶組件等；另外，亦可製成不同形式及形裝，例如中央處理器(CPU)及顯示器的散熱片及電子消費產品框架。

工業鋁型材營業額於二零一九年減少0.2%至約人民幣2,210,700,000元（二零一八年：人民幣2,216,000,000元），而銷量增加1.5%至136,395噸（二零一八年：134,406噸）。

### 前景

展望二零二零年，雖然中美貿易糾紛漸趨緩和，惟新冠肺炎（「COVID-19」）引起的疫情及中國經濟增長放緩對業務帶來潛在負面影響。適逢今年是集團的轉變之年，我們會把握機會，聚焦內部管理變革。去年開展的多項管理變革計劃，陸續會在今年落實，涵蓋人才培養、產品標準化、電子信息規劃及生產基地拓展等領域。本集團期望，透過一系列變革，能夠從管理上改善生產流程、加強成本控制、提升經營效率；結合持續的產能擴張計劃雙管齊下，提升集團之競爭力。

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

In the future, the Group will continue to take construction aluminium profiles and industrial aluminium profiles as our dual-engine development direction. The application of industrial aluminium profiles has achieved tremendous progress in recent years, covering fields such as electronic home appliances, printing, transportation and aerospace, which demonstrated its market potential. However, there is still room for improvement in the technical standard and capacity of industrial aluminium profiles. The Group will continue to invest in the industrial aluminium profiles sector, set up the Xingfa Research Institute (興發研究院), and work with academic institutions to explore new applications of industrial aluminium profiles. It is expected to raise the proportion of revenue derived from the sale of industrial aluminium profiles and deep-processing products to 40% of the Group's total revenue in next three to five years. At the same time, we notice there are different merger and acquisition opportunities in the market, and the Group will first consider our peers in industrial aluminium profiles sector.

In terms of overseas sales, the Group will continue to explore new sales points and expand into more markets. Following the year-on-year increase in sales volume in the Vietnam market, we plan to further expand such market to seize a larger market share. In addition, the Group completed an in-depth survey in Southeast Asia last year. In review of the region has a population of 600 million with strong economic growth and is full of development opportunities, the Group will increase its investment in Southeast Asia.

In the long run, external uncertainties including the Brexit and Sino-US trade frictions will continue to impose more instabilities to the macro economy. The Group will remain cautious and optimistic about the prospects of the aluminium profile markets. As the market becoming gradually matured, smaller-scale peers will be eliminated due to issues relating to pollution treatment, research and development technology standards and industrial chain integration, and leading enterprises will benefit from the continuous capacity integration. Meanwhile, the development of urbanization continues to bring appropriate support to the industry, and the application of industrial aluminium profiles will become more extensive in future, which will have a positive impact on the Group's business. The Group will continue to develop under a balanced approach in both its external business expansion and internal operation efficiency enhancement, so as to bring greater returns to shareholders and stakeholders.

未來，本集團會繼續以建築鋁型材及工業鋁型材作雙引擎發展。工業鋁型材的應用近年取得長足發展，覆蓋電子家電、印刷、交通及航空航天等領域，充滿市場潛力，惟我們在工業鋁型材的技術水平及產能仍有一定的提升空間。本集團會繼續投資在工業鋁型材領域，成立興發研究院，與學術機構攜手開拓工業鋁型材產品的新應用；期望在未來三至五年，把工業鋁型材及深加工產品的收入佔比提升至四成水平。同時，留意到市場出現了不同的併購機會，本集團將優先考慮工業鋁型材領域的同業。

海外銷售方面，本集團將會持續開拓新銷售點，佈局至更多不同市場。繼去年越南市場的銷量同比大幅增加後，我們計劃進一步開拓該市場，在當地搶佔更大的市場份額。此外，本集團去年在東南亞地區完成深度調研，該地區人口高達六億，經濟增長強勁，充滿發展機遇。本集團將加大在東南亞地區的投入。

長遠而言，外圍不明朗因素包括英國脫歐、中美貿易磨擦等將會繼續為宏觀經濟增添不確定性，本集團對鋁型材市場前景將保持審慎樂觀。當市場逐漸成熟，規模較少的同業陸續會因為污染治理、研發技術水平及產業鏈整合等原因遭到淘汰，龍頭企業會受惠於持續的產能整合。與此同時，城鎮化發展繼續為行業帶來適量支撐，加上工業鋁型材的應用未來會變得更廣泛，均對本集團業務帶來正面作用。本集團將繼續於外部業務拓展及內部營運效率提升兩方面平衡發展，為股東及持份者帶來更大的回報。

## Management Discussion and Analysis

### 管理層討論及分析

#### Financial Review

##### Revenue

The revenue and sales volume of the Group for the Year were increased by 13.7% and 18.2% year-on-year to approximately RMB11,280.8 million and 612,223 tonnes respectively (2018: RMB9,924.5 million and 517,982 tonnes respectively). The growth was attributable to the increase in sales orders during the Year.

The sales volume of construction aluminium profiles for the Year increased by 24.2% to 473,305 tonnes (2018: 381,233 tonnes). Meanwhile, the sales volume of industrial aluminium profiles for the Year also increased by 1.5% to 136,395 tonnes (2018: 134,406 tonnes).

The following table sets forth the details of our revenue by reportable segments for the years ended 31 December 2019 and 2018:

#### 財務回顧

##### 營業額

於本年度，本集團之營業額及銷量按年分別增加13.7%及18.2%至約人民幣11,280,800,000元及612,223噸（二零一八年：分別為人民幣9,924,500,000元及517,982噸）。該增長乃主要由於年內銷售訂單增加所致。

於本年度，建築鋁型材銷量增加24.2%至473,305噸（二零一八年：381,233噸）。與此同時，於本年度，工業鋁型材銷量增加1.5%至136,395噸（二零一八年：134,406噸）。

下表載列本集團於截至二零一九年及二零一八年十二月三十一日止年度按可呈報分部劃分的營業額詳情：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Manufacturing and sale of aluminium profiles	生產及銷售鋁型材		
– Construction aluminium profiles	– 建築鋁型材	8,733,486	7,220,262
– Industrial aluminium profiles	– 工業鋁型材	2,210,691	2,215,995
		<b>10,944,177</b>	9,436,257
Property development	物業發展	81,599	301,164
Others (Note)	其他 (附註)	255,072	187,096
Total	總計	<b>11,280,848</b>	9,924,517

Note: Our Group's other revenue represented revenue generated from service contracts and sale of aluminium panels, aluminium alloy, moulds and spare parts.

附註：本集團其他營業額指服務合約及銷售鋁板、鋁合金、模具及零部件所產生之營業額。

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

### Gross profit and gross profit margin

The gross profit of the Group for the Year increased by 10.3% year-on-year to approximately RMB1,489.8 million (2018: RMB1,350.8 million).

The overall gross profit margin for the Year of the Group remained stable at 13.2% (2018: 13.6%), while the sales to production ratio increased slightly to 99% (2018: 98%).

The following table sets forth the gross profit margin of our aluminium profiles in 2019 and 2018:

		2019 二零一九年	2018 二零一八年
Construction aluminium profiles	建築鋁型材	12.7%	11.9%
Industrial aluminium profiles	工業鋁型材	9.7%	12.4%

The gross profit margin of construction aluminium profiles increased slightly to 12.7% for the Year as compared to that of 2018. This was mainly attributable to the gross profit margin of certain sales to new customers, being property developers, is comparatively higher than that of the existing customers.

The gross profit margin of industrial aluminium profiles decreased to 9.7% for the Year as compared to that of 2018. Under the intensified market competition, the Group lowered its selling price of certain products in order to maintain its market share. In addition, as the production capacity was fully loaded during the Year, the Group outsourced some of the sales orders to external sub-contractors, which increased the overall production costs.

### Other income

The other income of the Group for the Year increased significantly by 92.9% year-on-year to approximately RMB106.0 million (2018: RMB54.9 million), which was mainly attributable to the increase in interest income on accounts receivables and the net foreign exchange gain.

### 毛利及毛利率

於本年度，本集團之毛利按年增加10.3%至約人民幣1,489,800,000元（二零一八年：人民幣1,350,800,000元）。

於本年度，本集團之整體毛利率維持穩定在13.2%（二零一八年：13.6%），而銷售生產比率略微增加至99%（二零一八年：98%）。

下表載列本集團於二零一九年及二零一八年鋁型材之毛利率：

建築鋁型材於本年度之毛利率較二零一八年略微上升至12.7%。此乃主要由於向若干新客戶（即物業發展商）銷售之毛利率相對高於向現有客戶之銷售。

工業鋁型材於本年度之毛利率較二零一八年下降至9.7%。於激烈的市場競爭下，本集團降低其若干產品之售價以維持市場份額。此外，由於本年度內產能已滿負荷，本集團外判若干銷售訂單予外部分包商，其增加整體生產成本。

### 其他收益

於本年度，本集團之其他收益按年大幅增加92.9%至約人民幣106,000,000元（二零一八年：人民幣54,900,000元），乃主要由於應收賬款之利息收入及外匯收益淨額增加所致。



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

### Distribution costs

The distribution costs of the Group for the Year increased by 5.1% to approximately RMB293.1 million (2018: RMB278.9 million), which accounted for 2.6% of the revenue (2018: 2.8%). The increase was due to the significant increase in sales volume which led to the corresponding increase in transportation costs and staff costs.

### Administrative expenses

Due to business expansion of the Group, the number of management staff increased, resulting in an increase in staff costs during the Year. The provision for trade and other receivables also increased given the market conditions of the Year in addition to the Group's business expansion. As a result, the administrative expenses of the Group for the Year increased by 19.4% to approximately RMB430.3 million (2018: RMB360.4 million), which accounted for 3.8% of the revenue (2018: 3.6%).

### Finance costs

Finance costs decreased by 7.8% to approximately RMB151.5 million for the Year (2018: RMB164.2 million) mainly due to the decrease in average loans and borrowings during the Year.

### Profit for the Year and net profit margin

The profit attributable to shareholders of the Company ("Shareholders") for the Year increased by 22.4% year-on-year to approximately RMB606.1 million (2018: RMB495.2 million). The increase was primarily attributable to the increase in sales orders during the Year.

### 分銷成本

於本年度，本集團之分銷成本增加5.1%至約人民幣293,100,000元（二零一八年：人民幣278,900,000元），佔營業額之2.6%（二零一八年：2.8%）。該增加乃由於銷量大幅增加，導致運輸成本及員工成本相應增加。

### 行政開支

由於本集團之業務拓展，管理員工人數增加，導致本年度員工成本增加。交易及其他應收款項撥備亦在本集團業務拓展下和本年度之市場情況下有所增加。因此，於本年度，本集團之行政開支增加19.4%至約人民幣430,300,000元（二零一八年：人民幣360,400,000元），佔營業額之3.8%（二零一八年：3.6%）。

### 財務成本

財務成本減少7.8%至約人民幣151,500,000元（二零一八年：人民幣164,200,000元），乃主要由於本年度平均貸款及借貸減少所致。

### 本年度溢利及純利率

本公司股東（「股東」）應佔本年度溢利按年增加22.4%至約人民幣606,100,000元（二零一八年：人民幣495,200,000元）。該增加乃主要由於本年度銷售訂單增長所致。

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

### Analysis of Financial Position

#### Current and quick ratios

The following table sets out our Group's current and quick ratios as at 31 December 2019 and 2018:

		2019 二零一九年	2018 二零一八年
Current ratio ( <i>Note i</i> )	流動比率 (附註 <i>i</i> )	1.19	1.13
Quick ratio ( <i>Note ii</i> )	速動比率 (附註 <i>ii</i> )	0.93	0.86

Notes:

- (i) Current ratio is calculated based on the total current assets divided by the total current liabilities at the end of the year.
- (ii) Quick ratio is calculated based on the difference between the total current assets and the inventories divided by the total current liabilities at the end of the year.

### 財務狀況分析

#### 流動及速動比率

下表載列本集團於二零一九年及二零一八年十二月三十一日之流動及速動比率：

		2019 二零一九年	2018 二零一八年
Current ratio ( <i>Note i</i> )	流動比率 (附註 <i>i</i> )	1.19	1.13
Quick ratio ( <i>Note ii</i> )	速動比率 (附註 <i>ii</i> )	0.93	0.86

附註：

- (i) 流動比率以年末之流動資產總值除以流動負債總額計算。
- (ii) 速動比率以年末之流動資產總值與存貨之差額除以流動負債總額計算。

Current ratio increased slightly for the Year as compared to that of 2018 due to the increase in cash balances as at 31 December 2019.

於本年度，流動比率較二零一八年略微上升乃由於二零一九年十二月三十一日之現金結餘增加所致。

Quick ratio was improved for the Year as compared to that of 2018 which was mainly due to the decrease in bank loan balances as at 31 December 2019 as compared to that as at 31 December 2018.

於本年度之速動比率較二零一八年有所提高乃主要由於二零一九年十二月三十一日銀行貸款結餘較二零一八年十二月三十一日減少所致。

#### Gearing ratio

The following table sets out our Group's gearing ratio as at 31 December 2019 and 2018:

		2019 二零一九年	2018 二零一八年
Gearing ratio ( <i>Note</i> )	負債比率 (附註)	21.9%	26.0%

Note:

Gearing ratio is calculated based on the loans and borrowings divided by total assets and multiplied by 100%.

#### 負債比率

下表載列本集團於二零一九年及二零一八年十二月三十一日之負債比率：

		2019 二零一九年	2018 二零一八年
Gearing ratio ( <i>Note</i> )	負債比率 (附註)	21.9%	26.0%

附註：

負債比率以貸款及借貸除以資產總值再乘以100%計算。

## Management Discussion and Analysis

### 管理層討論及分析

The gearing ratio was improved for the Year as compared to that of 2018 which was mainly due to the decrease in bank loan balances as at 31 December 2019.

於本年度之負債比率較二零一八年有所改善，乃主要由於二零一九年十二月三十一日的銀行貸款結餘減少所致。

#### Inventory turnover days

#### 存貨周轉期

The following table sets out our Group's inventory turnover days during the years ended 31 December 2019 and 2018:

下表載列本集團於截至二零一九年及二零一八年十二月三十一日止年度之存貨周轉：

		2019 二零一九年	2018 二零一八年
Inventory turnover days (Note)	存貨周轉期 (附註)	42	51

#### Note:

Inventory turnover days is calculated based on the average of the beginning and ending inventory balance before provision for the periods divided by the total cost of sales during the years multiplied by 365 days.

#### 附註：

存貨周轉期以計提撥備前之期初及期終之存貨結餘平均數除以年內之銷售成本總額再乘以365日計算。

The production efficiency was improved due to better arrangement on production plans, leading to a reduction in inventory backlog and the inventory turnover days for the Year.

生產效率因更好的生產計劃安排而有所提升，導致本年度積壓存貨及存貨周轉期減少。

#### Debtors' turnover days

#### 應收賬款記賬期

The following table sets out our Group's debtors' turnover days during the years ended 31 December 2019 and 2018:

下表載列本集團於截至二零一九年及二零一八年十二月三十一日止年度之應收賬款記賬期：

		2019 二零一九年	2018 二零一八年
Debtors' turnover days (Note)	應收賬款記賬期 (附註)	88	85

#### Note:

Debtors' turnover days is calculated based on the average of the beginning and ending balance of trade and bills receivables (net of allowance for doubtful debts) for the periods divided by revenue during the years multiplied by 365 days.

#### 附註：

應收賬款記賬期以期初及期終之交易應收款項及應收票據結餘(扣除呆賬撥備)之平均數除以年內之營業額再乘以365日計算。

The debtors' turnover days remained steady for the Year as compared to that of 2018.

於本年度之應收賬款記賬期較二零一八年維持穩定。

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

### Creditors' turnover days

The following table sets out our Group's creditors' turnover days during the years ended 31 December 2019 and 2018:

		2019 二零一九年	2018 二零一八年
Creditors' turnover days (Note)	應付賬款記賬期 (附註)	75	63

Note:

Creditors' turnover days is calculated based on the average of the beginning and ending balance of trade and bills payables for the periods divided by the total cost of sales during the years multiplied by 365 days.

The creditors' turnover days for the Year increased as compared to that of 2018. This was mainly because longer credit period was granted by the main suppliers due to better negotiation power of the Group.

### Loans and borrowings

As at 31 December 2019, the Group's loans and borrowings amounted to approximately RMB1,698.4 million (31 December 2018: RMB1,845.7 million), among which approximately RMB878.3 million were at fixed interest rates.

Further details of the Group's loans and borrowings at the balance sheet date, including the maturity profile, are set out in note 22 in notes to the consolidated financial statements in this annual report.

### Banking facilities and guarantee

As at 31 December 2019, the banking facilities of the Group amounted to approximately RMB7,690.4 million (31 December 2018: RMB6,151.8 million), of which approximately RMB2,599.1 million were utilised (31 December 2018: RMB2,472.9 million).

No banking facilities were guaranteed by related parties of the Group.

### Capital expenditure

Capital expenditure was used for acquisition of property, plant and equipment and lease prepayment. During the Year, our Group's capital expenditure amounted to approximately RMB560.5 million (2018: RMB345.5 million). The significant capital expenditures during the Year were mainly for the acquisition of equipment and lease prepayment for our production plants.

### 應付賬款記賬期

下表載列本集團於截至二零一九年及二零一八年十二月三十一日止年度之應付賬款記賬期：

	2019 二零一九年	2018 二零一八年
應付賬款記賬期	75	63

附註：

應付賬款記賬期以期初及期終之交易應付款項及應付票據結餘之平均數除以年內之銷售成本總額再乘以365日計算。

於本年度，應付賬款記賬期較二零一八年上升。此乃主要由於談判能力增強，本集團獲主要供應商給予較長之記賬期。

### 貸款及借貸

於二零一九年十二月三十一日，本集團之貸款及借貸約為人民幣1,698,400,000元（二零一八年十二月三十一日：人民幣1,845,700,000元），其中約人民幣878,300,000元按固定利率計息。

有關本集團於結算日貸款及借貸之進一步詳情（包括到期概況）載於本年報綜合財務報表附註之附註22。

### 銀行信貸額度及擔保

於二零一九年十二月三十一日，本集團之銀行信貸額度約為人民幣7,690,400,000元（二零一八年十二月三十一日：人民幣6,151,800,000元），其中約人民幣2,599,100,000元（二零一八年十二月三十一日：人民幣2,472,900,000元）已動用。

並無銀行信貸額度已獲本集團關連方擔保。

### 資本開支

資本開支乃用作購買物業、廠房及設備及預付租金。於本年度，本集團之資本開支約為人民幣560,500,000元（二零一八年：人民幣345,500,000元）。本年度之大額資本開支乃主要用作購置生產廠房之設備及預付租金。

## Management Discussion and Analysis

### 管理層討論及分析

#### Capital structure

As at 31 December 2019, the Company had 418,000,000 ordinary shares of HK\$0.01 each in issue. No shares of the Company has been issued or repurchased during the Year.

#### Treasury Policies

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserve of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in both short term and long term.

Certain sales and purchases of inventories of the Group are denominated in US dollars and HK dollars. Furthermore, certain trade receivables, trade payables, bank balances and bank loans are denominated in US dollars and HK dollars, therefore exposing the Group to the currency risk of US dollars and HK dollars. During the Year, the Group has entered into a cross-currency interest rate swap contract to hedge against the interest rate risk and foreign currency risk in respect of a short-term loan in US dollars.

#### Cash Flow Highlights

The following table sets out our Group's cash flow highlights during the years ended 31 December 2019 and 2018:

#### 資本結構

於二零一九年十二月三十一日，本公司已發行 418,000,000 股每股面值 0.01 港元之普通股。於本年度，概無發行或回購本公司之股份。

#### 庫務政策

本集團之政策為定期監察流動資金需求及遵守借貸契諾，以確保其維持充裕現金儲備及向大型金融機構取得足夠的承諾資金額度，從而滿足其短期及長遠流動資金需要。

本集團若干存貨之買賣乃以美元及港元計值。此外，由於若干交易應收賬款、交易應付賬款、銀行結餘及銀行貸款乃以美元及港元計值，因而令本集團面臨美元及港元貨幣風險。於本年內，本集團已就對沖有關美元短期貸款之利率風險及外幣風險訂立交叉貨幣掉期利率合約。

#### 現金流量摘要

下表截列本集團於截至二零一九年及二零一八年十二月三十一日止年度之現金流量摘要：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net cash generated from operating activities	經營活動所得現金淨額	953,574	1,253,984
Interest received	已收利息	42,734	7,813
Payment for purchase of property, plant and equipment	購買物業、廠房及設備之付款	(560,535)	(345,308)
Interest paid	支付利息	(161,264)	(163,605)
Net decrease in bank borrowings	銀行借貸減少淨額	(146,619)	(636,972)
Dividends paid to equity shareholders of the Company	已付本公司權益股東之股息	(73,465)	(70,483)



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

We generally finance our operations through internally generated cash flows, bank borrowings and our cash and cash equivalents. Our Directors believe that on a long-term basis, our liquidity will be funded from operations and, if necessary, additional equity financing or bank borrowings.

As at 31 December 2019, the Group had cash and cash equivalents of RMB528.0 million (31 December 2018: RMB448.8 million), among which 2.4% was held in US dollars, 3.2% was held in HK dollars and the remaining balance was held in RMB.

### Property Development

“Xingfa Plaza”(興發大廈), a property project wholly-owned by the Group, is located at the northern side of Jihua Road and western side of Changang Road, Chancheng District, Foshan City, Guangdong Province, the PRC. The land use rights of the property were granted for a term of 40 years expiring on 19 May 2050 for commercial service, office, culture and entertainment uses. The property comprises a parcel of land with a site area of approximately 16,961.36 sq.m. and a gross floor area of approximately 123,527.29 sq.m..

During the Year, 72 units of “Xingfa Plaza”(興發大廈) had been sold and delivered. The revenue recognized from such sale for the Year amounted to approximately RMB81.6 million (2018: RMB301.2 million), with gross profit margin at 53.3% (2018: 40.2%).

### Human Resources

As at 31 December 2019, our Group employed a total of approximately 7,650 full time employees in the PRC and Hong Kong which included management staff, technicians, salespersons and workers. In 2019, our Group’s total expenses on the remuneration of employees were approximately RMB837.6 million, represented approximately 7.4% of the revenue of our Group. Our Group’s emolument policies are formulated on the performance of individual employees, which will be reviewed regularly every year. Apart from the provident fund scheme (according to the provisions of the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees), housing fund, medical insurance, unemployment insurance and other relevant insurance (according to the PRC rules and regulations for PRC employees), discretionary bonuses and employee share options are also awarded to employees according to the assessment of individual performance. In-house and external training programmes are provided as and when required.

本集團一般透過內部產生之現金流量、銀行借貸及現金及現金等價物為營運提供資金。董事相信，長遠而言，本集團之流動資金將以來自營運及（如有需要）額外股本融資或銀行借貸撥資。

於二零一九年十二月三十一日，本集團擁有現金及現金等價物人民幣528,000,000元（二零一八年十二月三十一日：人民幣448,800,000元），其中2.4%以美元持有、3.2%以港元持有及餘額以人民幣持有。

### 物業發展

興發大廈（由本集團全資擁有之物業項目）位於中國廣東省佛山市禪城區季華路以北及禪港路以西。該物業之土地使用權獲授年期40年，於二零二零年五月十九日屆滿，用作商業服務、辦公、文化及娛樂用途。該物業包括一幅地盤面積約16,961.36平方米的土地及建築面積約123,527.29平方米。

於本年度，興發大廈有72個單元已出售及交付。於本年度確認之有關銷售營業額約為人民幣81,600,000元（二零一八年：人民幣301,200,000元），毛利率為53.3%（二零一八年：40.2%）。

### 人力資源

於二零一九年十二月三十一日，本集團於中國及香港聘用合共約7,650名全職僱員，包括管理員工、技術人員、銷售人員及工人。於二零一九年，本集團之僱員薪酬總開支約為人民幣837,600,000元，佔本集團營業額約7.4%。本集團之酬金政策乃按個別僱員之表現而制定，並會每年進行定期檢討。除根據強制性公積金計劃條例之規定為香港僱員設立公積金計劃，或根據中國之條例及規定為中國僱員參與住房公積金、醫療保險、失業保險及其他相關保險外，本集團亦會根據個別表現評估結果向僱員提供酌情花紅及僱員購股權作為獎勵。本集團亦按需要提供內部及外界培訓計劃。

## Directors and Senior Management 董事及高級管理人員

### Directors

#### Executive Directors



**Mr. Liu Libin**, aged 48, was appointed as the Chairman of the Company (“Chairman”) since 8 September 2011. Mr. Liu Libin obtained a Degree of Executive Master of Business Administration from South China University of Technology and has held various senior positions in financial, marketing and governmental fields. Mr. Liu Libin had been the vice section chief (副科長) of finance division of Department of Foreign Trade and Economic Cooperation of Guangdong Province, finance manager and deputy general manager of Sinomart Development Co. Limited (經貿國際有限公司), director and general manager of the finance department of Goldsland Holdings Company Limited (廣新控股有限公司), deputy chairman of Guangdong Advertisement Co., Ltd. (廣東省廣告有限公司) and chairman of Guangdong Guangxin PACO Technology Co., Ltd. (廣東廣新柏高科技有限公司), a subsidiary of Guangdong Guangxin Holdings Group Ltd. (廣東省廣新控股集團有限公司) (“Guangxin Holdings”). Mr. Liu Libin is the chairman of the board of directors of Guangdong Xingfa Aluminium Co., Ltd. (廣東興發鋁業有限公司) (“Guangdong Xingfa”, together with its subsidiaries as “Guangdong Xingfa Group”), a wholly-owned subsidiary of the Company and an executive director of Foshan Xingfa Real Estate Co., Ltd. (“Xingfa Real Estate”), a wholly owned subsidiary of the Company.



**Mr. Liao Yuqing** (“Mr. Liao”), aged 51, is an executive Director and the chief executive officer of the Company. He is in charge of the sales and marketing activities of the Group and is responsible for the planning, development, implementation and evaluation of the marketing strategies of the Group. Mr. Liao joined the Group in January 1993. Prior to that, Mr. Liao was in the military between 1986 to 1991. Mr. Liao worked at the Agricultural Bank of China Jiujiang Branch from 1991 to 1992. Mr. Liao is the director of Guangdong Xingfa and executive director of Foshan Xingfa Trading Co., Ltd.. Mr. Liao is the son-in-law of Mr. Luo Su, the Honourable Adviser of the Group.

### 董事

#### 執行董事

**劉立斌先生**，48歲，自二零一一年九月八日起擔任本公司的主席（「主席」）。劉立斌先生於華南理工大學取得高級管理人員工商管理碩士學位(EMBA)，並於金融、市場推廣及政府領域擔任多個高級職位。劉立斌先生曾擔任廣東省對外經濟貿易合作廳財務處之副科長、經貿國際有限公司之財務經理及副總經理、廣新控股有限公司董事兼財務部總經理、廣東省廣告有限公司之副董事長及廣東省廣新控股集團有限公司（「廣新控股」）之附屬公司廣東廣新柏高科技有限公司之主席。劉立斌先生亦為本公司全資附屬公司廣東興發鋁業有限公司（「廣東興發」，連同其附屬公司「廣東興發集團」）之董事會主席及本公司全資附屬公司佛山市興發房地產開發有限公司（「興發房地產」）之執行董事。

**廖玉慶先生**（「廖先生」），51歲，本公司之執行董事及行政總裁。彼負責本集團銷售及市場推廣活動，並且負責規劃、開展、執行及檢討本集團之市場推廣策略。廖先生於一九九三年一月加入本集團。加入本集團前，廖先生於一九八六年至一九九一年服兵役，於一九九一年至一九九二年任職於中國農業銀行九江分行。廖先生為廣東興發之董事及佛山市興發商貿有限公司之執行董事。廖先生為本集團榮譽顧問羅蘇先生之女婿。

## Directors and Senior Management 董事及高級管理人員

**Ms. Zhang Li (“Ms. Zhang”)**, aged 40, has been appointed as an executive Director and the chief financial officer of the Company since 10 May 2018. Ms. Zhang is also a director of Guangdong Xingfa. Ms. Zhang has extensive business management experience, before joining the Group, she has worked in various departments of the group companies of Guangxin Holdings since July 2001. She worked at the finance department of Guangdong Dong Fang Import and Export Corp.\* (廣東省東方進出口公司) as an accountant from July 2001 to December 2003 and was then promoted to be the deputy manager from January 2004 to December 2004. She then joined the clearings department of Guangxin Holdings as the deputy head from January 2005 to December 2006 and was promoted to be the head of the clearings department from January 2007 to April 2013. Ms. Zhang worked for the capital management department of Guangxin Holdings as an assistant to the head from May 2013 to June 2014 and as the deputy head of the capital management department from June 2014 to April 2018. She has also been a director of Guangxin Shipbuilding & Heavy Industry Co., Ltd.\* (廣新海事重工股份有限公司) since September 2014. Ms. Zhang was accredited as a senior accountant in the PRC in April 2011. Ms. Zhang obtained a bachelor’s degree in economics from Central University of Finance and Economics in the PRC in 2001 and a master’s degree in accounting from Sun Yat-Sen University in the PRC in 2009.

**Mr. Law Yung Koon (“Mr. Law”)**, aged 62, has been appointed as an executive Director since 28 April 2009. He is responsible for the sales and marketing of our products in overseas market. Prior to joining the Group, Mr. Law was the general manager of Hang Fat Aluminium Profiles Company Limited, which was the sole distributor of the Group in Hong Kong and Macau and one of the suppliers of aluminium ingots.

張莉女士(「張女士」)，40歲，自二零一八年五月十日起擔任本公司執行董事及財務總監。張女士亦為廣東興發之董事。張女士具有豐富的業務管理經驗，她在加入本集團之前，由二零零一年七月起於廣新控股之集團公司的多個部門工作。由二零零一年七月至二零零三年十二月，彼於廣東省東方進出口公司之財務部擔任會計師，其後於二零零四年一月至二零零四年十二月獲晉升為副經理。隨後，由二零零五年一月至二零零六年十二月期間，彼加入廣新控股之結算中心出任副主管，並由二零零七年一月至二零一三年四月期間獲晉升為結算中心主管。由二零一三年五月至二零一四年六月期間，張女士曾於廣新控股之資金管理部擔任部長助理，並由二零一四年六月至二零一八年四月期間於資金管理部擔任副部長。自二零一四年九月起，彼亦為廣新海事重工股份有限公司之董事。於二零一一年四月，張女士獲認可為中國高級會計師。張女士於二零零一年在中國中央財經大學獲得經濟學學士學位，並於二零零九年在中國中山大學獲得會計學碩士學位。



羅用冠先生(「羅先生」)，62歲，自二零零九年四月二十八日起擔任執行董事，負責本集團產品於海外市場之銷售及市場推廣。於加入本集團前，羅先生為恆發鋁型材有限公司之總經理，該公司為本集團於香港及澳門之唯一分銷商，並為鋁錠供應商之一。



\* For identification purpose only

## Directors and Senior Management 董事及高級管理人員



**Mr. Wang Zhihua (“Mr. Wang”)**, aged 49, is an executive Director. Prior to joining the Group in January 2003, from 1992 to 1997, Mr. Wang worked at Guanglian Industrial Co., Ltd. and the Guangzhou Branch of Huaxia Securities Co., Ltd. Mr. Wang obtained a bachelor’s degree in statistics from the Jiangxi University of Finance and Economics in 1992. Mr. Wang was certified as a securities agent for the period from September 2001 to September 2004 by the Securities Association of China. Mr. Wang is also an executive director of Xingfa Aluminium (Chengdu) Co., Ltd..

王志華先生（「王先生」），49歲，執行董事。二零零三年一月加入本集團前，王先生自一九九二年至一九九七年於廣聯實業有限公司及華夏證券有限公司廣州分公司工作。王先生於一九九二年獲頒發江西財經大學統計學學士學位，於二零零一年九月至二零零四年九月期間獲中國證券業協會認可證券代理之資格。王先生亦為興發鋁業（成都）有限公司之執行董事。



**Mr. Luo Jianfeng (“Mr. Luo”)**, aged 48, has been appointed as an executive Director since 16 April 2018. Mr. Luo has approximately 27 years of experience in accounting and finance. He worked in (i) Shunde City Accounting Firm from July 1993 to March 1996; (ii) Guangdong Dezheng Accounting Firm with Limited Liability from April 1996 to December 2001; (iii) Guangdong Gongcheng Accounting Firm from January 2002 to December 2007. He then worked in Foshan City Zhongzhengcheng Accounting Firm Co., Limited as a certified public accountant from January 2008 to April 2016. In addition, Mr. Luo was the independent non-executive director of Bestsun Energy Co. Ltd. (百川能源股份有限公司) (stock code: 600681), the shares of which are listed on the Shanghai Stock Exchange, from June 2009 to June 2015. Mr. Luo obtained a bachelor’s degree in economics from Guangdong University of Business Studies in the PRC in June 1993 and is a non-practising member of The Chinese Institute of Certified Public Accountants. Mr. Luo is an executive director of China Lesso Group Holdings Limited (中國聯塑集團控股有限公司) (stock code: 2128) (“China Lesso”), the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”). He is also a director/general manager/supervisor of various companies in China Lesso and its subsidiaries (“China Lesso Group”).

羅建峰先生（「羅先生」），48歲，自二零一八年四月十六日起擔任執行董事。羅先生於會計及財務方面擁有約27年經驗，(i)於一九九三年七月至一九九六年三月任職於順德市會計師事務所；(ii)於一九九六年四月至二零零一年十二月任職於廣東德正有限責任會計師事務所；(iii)於二零零二年一月至二零零七年十二月任職於廣東公誠會計師事務所。彼其後於二零零八年一月至二零一六年四月任職佛山市中正誠會計師事務所有限公司（擔任註冊會計師）。此外，羅先生曾於二零零九年六月至二零一五年六月在百川能源股份有限公司（股份代號：600681，其股份於上海證券交易所上市）出任獨立非執行董事。羅先生於一九九三年六月取得中國廣東商學院的經濟學學士學位，現為中國註冊會計師協會非執業會員。羅先生為中國聯塑集團控股有限公司（「中國聯塑」，其股份於香港聯合交易所有限公司（「聯交所」）主板上市（股份代號：2128））之執行董事。彼亦為中國聯塑及其附屬公司（「中國聯塑集團」）內多間公司之董事／總經理／監事。



## Directors and Senior Management 董事及高級管理人員

### Non-executive Directors

**Mr. Zuo Manlun (“Mr. Zuo”)**, aged 47, has been appointed as a non-executive Director since 16 April 2018. Mr. Zuo has approximately 20 years of experience in the industry of plastic pipe. Mr. Zuo has extensive business management experience. He is the chief executive officer of China Lesso Group and was appointed as an executive director of China Lesso in February 2010. He is also a director/general manager/supervisor of various companies in China Lesso Group. Mr. Zuo’s expertise was recognised by several awards including “Outstanding Worker of the Plastic Industry in the PRC” accredited by China Plastics Processing Industry Association in 2009 and “Senior Plastic Product Engineer (Technical Entrepreneur)” accredited by Guangdong Human Resources and Social Security Department in 2019.

**Ms. Xie Jingyun (“Ms. Xie”)**, aged 39, has been appointed as a non-executive Director since 6 December 2018. Ms. Xie is experienced in strategic investment and capital operation and is currently the head of the capital operation department of Guangxin Holdings. Ms. Xie first joined the Guangxin Holdings group in 2003. She became the deputy department head of the investment development department of Guangxin Holdings in 2008 and was subsequently promoted as the department head. She then joined the capital operation department of Guangxin Holdings as an assistant to department head in 2015 and was promoted as the deputy department head and department head in 2016 and 2018 respectively. Ms. Xie obtained a bachelor’s degree in business administration from the Guangdong University of Foreign Studies in 2003. Ms. Xie is also a director of (i) Guangdong Advertising Group Co., Limited\* (廣東省廣告集團股份有限公司), a company established in the PRC whose shares are listed on the Shenzhen Stock Exchange (stock code: 002400); and (ii) Guangdong Shengyi Technology Co., Ltd.\* (廣東生益科技股份有限公司), a company established in the PRC whose shares are listed on the Shanghai Stock Exchange (stock code: 600183).

\* For identification purpose only

### 非執行董事

左滿倫先生(「左先生」), 47歲, 自二零一八年四月十六日起擔任非執行董事。左先生於塑料管行業擁有約20年經驗。左先生擁有豐富之業務管理經驗。彼為中國聯塑集團行政總裁及於二零一零年二月獲委任為中國聯塑執行董事。彼亦為中國聯塑集團之董事/總經理/監事。左先生之專業曾獲多個獎項認可, 包括於二零零九年獲中國塑料加工工業協會評為「中國塑料行業先進工作者」及於二零一九年獲廣東省人力資源及社會保障廳認證為「高級塑料產品工程師(技術企業家)」。



謝景雲女士(「謝女士」), 39歲, 自二零一八年十二月六日起擔任為本公司非執行董事。謝女士具有豐富的戰略投資及資本運營經驗, 目前於廣新控股出任資本運營部長。於二零零三年, 謝女士首次加入廣新控股集團。彼於二零零八年成為廣新控股之投資發展部副部門主管, 隨後獲晉升為部門主管。彼其後於二零一五年加入廣新控股之資本運營部擔任部長助理, 並分別於二零一六年及二零一八年獲晉升為副部長及部長。謝女士於二零零三年在廣東外語外貿大學取得工商管理學士學位, 謝女士亦為(i)廣東省廣告集團股份有限公司(於中國成立之公司), 其股份於深圳證券交易所上市(股份代碼: 002400); 及(ii)廣東生益科技股份有限公司(於中國成立之公司, 其股份於上海證券交易所上市(股份代碼: 600183))之董事。





## Directors and Senior Management 董事及高級管理人員



### Independent non-executive Directors

**Mr. Chen Mo** (“Mr. Chen”), aged 55, was appointed as an independent non-executive Director on 29 February 2008. He obtained the lawyer qualification certificate issued by the Guangdong Provincial Department of Justice in June 1989. Mr. Chen has been a practicing lawyer in the PRC since 1993 and has been a partner of (i) Goldsun Law Firm (國信聯合律師事務所) from 1998 to 2011; and (ii) Guangdong King & Land Law Firm (廣東君厚律師事務所) from 2011 to March 2019. Mr. Chen was admitted as a lawyer by the Department of Justice of Guangdong Province in June 1989 and obtained 三級律師資格 (Third Grade Lawyer) from the Department of Personnel of Guangdong Province in 1999. Mr. Chen graduated from the Political Education Department of South China Normal University (華南師範大學) in 1986. He has been granted the 《律師從事證券法律業務資格證書》 (Certificate of Engaging in Securities Law Business) jointly by the Ministry of Justice and China Securities Regulatory Commission in 1996, the 《律師從事集體科技企業產權界定法律業務資格證書》 (Certificate of Engaging in Delimitation of Property Rights of Collective Science and Technology Enterprises) jointly by the Ministry of Justice, the Ministry of Science and Technology of the PRC and the State-owned Asset supervision and Administration Commission of the State Council in 1998, and the 《上市公司獨立董事培訓結業證》 (Certificate of Completion of Training on Independent Directors of Listed Companies) by the China Securities Regulatory Commission and the School of Management of Fudan University jointly in 2001. Mr. Chen joined Guangdong Lianyue Law Firm (廣東連越律師事務所) in April 2019.

### 獨立非執行董事

陳默先生(「陳先生」)，55歲，於二零零八年二月二十九日獲委任為本公司獨立非執行董事。一九八九年六月獲得廣東省司法廳頒發的律師執業資格證書。陳先生自一九九三年起為中國執業律師，及由(i)一九九八年至二零一一年為國信聯合律師事務所合夥人；及(ii)二零一一年至二零一九年三月為廣東君厚律師事務所合夥人。陳先生於一九八九年六月獲委任為廣東省司法廳律師，其後於一九九九年獲得廣東省人事廳三級律師資格。陳先生於一九八六年畢業於華南師範大學政治教育系，於一九九六年獲司法部及中國證券監督管理委員會聯合頒發《律師從事證券法律業務資格證書》，於一九九八年獲司法部、中國科學技術部及國務院國有資產監督管理委員會頒發《律師從事集體科技企業產權界定法律業務資格證書》，於二零零一年獲中國證券監督管理委員會及復旦大學管理學院聯合頒發《上市公司獨立董事培訓結業證》。陳先生於二零一九年四月加入廣東連越律師事務所。

## Directors and Senior Management 董事及高級管理人員

**Mr. Junius K. Y. Ho (“Mr. Ho”)**, aged 57, was appointed as an independent non-executive Director on 29 February 2008. He is a Senior Partner of Messrs. K.C. Ho & Fong, Solicitors & Notaries where he is the head of the Litigation and Commercial Department. He is also the Principal Representative of the Guangzhou Office. Having studied at Anglia Ruskin University in the United Kingdom (formerly known as Chelmer Institute of Higher Education), Mr. Ho obtained his Bachelor of Laws Degree in 1984. He then joined the University of Hong Kong for the Postgraduate Certificate in Laws. Mr. Ho was further awarded with the honorary degree of Doctor of Laws by China University of Political Science and Law in 2019.

Mr. Ho was admitted as a solicitor in Hong Kong in 1988. He was subsequently admitted in Singapore, England and Wales in 1995 and 1997 respectively. In 2003, he was appointed as a China-Appointed Attesting Officer.

Mr. Ho has over 30 years of legal experience. Being the Past President (2011-2012) and the Council Member (1995-2017) of The Law Society of Hong Kong, he is committed in serving the community and contributing to the economic co-operation between Hong Kong and Mainland China. Apart from serving the legal profession, he also serves on various government and public boards as follows:

1. Justice of the Peace of the Hong Kong Special Administrative Region (2016-present);
2. New Territories Justice of the Peace of the Hong Kong Special Administrative Region (2016-present);
3. Member of Legislative Council of the Hong Kong Special Administrative Region (2016-2020);

何君堯先生(「何先生」)，57歲，於二零零八年二月二十九日獲委任為本公司獨立非執行董事。彼為何君柱律師樓的高級合夥人，主理訴訟及商業部門，亦同時兼任廣州辦事處首席代表。於英國安格利亞魯斯金大學(前稱州瑪高等教育學院)學習後，何先生於一九八四年取得法律學士學位。之後他攻讀香港大學法學專業證書。於二零一九年，何先生進一步獲中國政法大學頒授法學名譽博士學位。



何先生於一九八八年取得香港執業律師資格，其後分別在一九九五年及一九九七年取得新加坡，英格蘭及威爾斯律師資格。於二零零三年，彼獲委任為中國委託公證人。

何先生擁有逾30年之法律工作經驗，作為香港律師會之前任會長(二零一一年至二零一二年)及理事(一九九五年至二零一七年)，他致力於服務社區及促進香港與內地經貿合作。除投身於其本身法律專業外，何先生亦擔任下列之多項政府及公共部門之工作：

1. 香港特別行政區太平紳士(二零一六年至今)；
2. 香港特別行政區新界太平紳士(二零一六年至今)；
3. 香港特別行政區立法會議員(二零一六年至二零二零年)；

## Directors and Senior Management 董事及高級管理人員

- |     |   |     |  |
|-----|---|-----|--|
| 4.  | Elected Member of Lok Tsui District of Tuen Mun District Council (2016-2019);   | 4.  | 屯門區樂翠區區議員 (二零一六年至二零一九年) ;                    |
| 5.  | Founder of International Probono Legal Services Association Limited (1988-present);   | 5.  | 國際公益法律服務協會有限公司創辦人 (一九八八年至今) ;                |
| 6.  | Member of the Council of Lingnan University of Hong Kong (2015-present);  | 6.  | 香港嶺南大學校董 (二零一五年至今) ;                         |
| 7.  | Member of the Panel of Adjudicators of the Obscene Articles Tribunal (2013-present);  | 7.  | 管制淫褻及不雅物品審裁小組委員 (二零一三年至今) ;                  |
| 8.  | Ex-officio Executive Councillor of Heung Yee Kuk (2016-present);  | 8.  | 新界鄉議局當然執行委員 (二零一六年至今) ;                      |
| 9.  | Spokesman of New Territories Concern Group (2013-present);  | 9.  | 新界關注大聯盟發言人 (二零一三年至今) ;                       |
| 10. | Indigenous Village Representative of Leung Tin Village (2011-present);  | 10. | 屯門良田村原居民村代表 (二零一一年至今) ;                      |
| 11. | Director and Chairman of Yan Oi Tong (1993-1997) and Advisory Board Member of Yan Oi Tong (1997-present);                                       | 11. | 仁愛堂主席及董事 (一九九三年至一九九七年) 及仁愛堂諮議局成員 (一九九七年至今) ; |
| 12. | Founder of Butterflyers Association Limited (a charitable organization) (2010-present);   | 12. | 匯蝶公益有限公司創辦人 (慈善組織) (二零一零年至今) ;               |
| 13. | Independent Director of Hong Kong Football Association (2011-2019);   | 13. | 香港足球總會獨立董事 (二零一一年至二零一九年) ;                   |
| 14. | Arbitrator of Zhengzhou Arbitration Commission (2009-2018);   | 14. | 鄭州仲裁委員會國際仲裁院仲裁員 (二零零九年至二零一八年) ;              |
| 15. | Arbitrator of South China International Economic and Trade Arbitration Commission (Shenzhen Court of International Arbitration) (2012-present); | 15. | 華南國際經濟貿易仲裁委員會 (深圳國際仲裁院) 仲裁員 (二零一二年至今) ;      |
| 16. | Special Adviser of "One Belt One Road" Legal Services Research Centre of the Guangdong Lawyers Association (2017-present); and                  | 16. | 廣東省律師協會「一帶一路」法律服務研究中心特別顧問 (二零一七年至今) ; 及      |
| 17. | Part-time Tutor of Master of Public Administration, China University of Labor Relations (2018-present).   | 17. | 中國勞動關係學院公共管理碩士兼職研究生導師 (二零一八年至今) 。            |

## Directors and Senior Management 董事及高級管理人員

**Mr. Lam, Ying Hung Andy (“Mr. Lam”)**, aged 55, was appointed as an independent non-executive Director on 29 February 2008. He is an associate member of various professional organisations, namely The Institute of Chartered Secretaries and Administrators, The Hong Kong Institute of Company Secretaries and The Hong Kong Institute of Bankers. Mr. Lam is also a fellow member of The Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He obtained his master’s degree in professional accounting from The Hong Kong Polytechnic University. Mr. Lam has over 30 years of experience in the accounting, banking and finance sectors and currently is the managing consultant of Lontreprise Consulting Limited. Mr. Lam was also the president of Dragon Junior Chamber, a local chamber affiliated with Junior Chamber International Hong Kong in 2004 and was elected as the national vice president of the Junior Chamber International Hong Kong in 2005. He is currently an independent non-executive director of each of Brilliant Circle Holdings International Limited (stock code: 1008), Synertone Communication Corporation (stock code: 1613) and Weiye Holdings Limited (stock code: 1570), the shares of which are listed on the Main Board of the Stock Exchange.

林英鴻先生（「林先生」），55歲，於二零零八年二月二十九日獲委任為獨立非執行董事。林先生為多家專業機構之會員，包括英國特許秘書及行政人員公會、香港公司秘書公會及香港銀行學會，亦是英國特許公認會計師公會及香港會計師公會資深會員。林先生在香港理工大學取得專業會計碩士學位，擁有逾30年會計、銀行和金融行業經驗，目前為龍企諮詢有限公司之首席顧問。林先生於二零零四年擔任騰龍青年商會會長，該商會是國際青年商會香港總會之地方分支機構，並於二零零五年獲選為國際青年商會香港總會副會長。彼目前為貴聯控股國際有限公司（股份代號：1008）、協同通信集團有限公司（股份代號：1613）及偉業控股有限公司（股份代號：1570）之獨立非執行董事，該等公司股份均於聯交所主板上市。



## Directors and Senior Management

### 董事及高級管理人員



**Mr. Liang Shibin** (“Mr. Liang”), aged 80, was appointed as an independent non-executive Director on 14 December 2013. He completed the programme of Nonferrous Metal and Heat Treatment in the Department of Special Metallurgy from 中南礦冶學院 (unofficial English translation being Central South Institute of Mining and Metallurgy) (now known as 中南大學 (Central South University)). From 1965 to 1982, Mr. Liang had worked in the special workshop of 東北輕合金加工廠 (unofficial English translation being Northeast Light Alloy Processing Factory) first as technician and later as engineer and specialized in atomic reactor technical matters. From 1982 to 1992, Mr. Liang had worked in 廣東省有色金屬加工廠 (unofficial English translation being Guangdong Nonferrous Metal Processing Factory) first as workshop manager, and later as deputy factory general manager and then factory general manager. From 1988 to 1992, he also served as the president of 廣東省鋁型材協會 (unofficial English translation being Guangdong Aluminium Profile Association). From 1992 to 2003, he first served as the general manager of 杭州宏昌鋁業公司 (unofficial English translation being Hangzhou Hongchang Aluminium Company) and later as the deputy general manager and chief engineer of 寧波鋁業公司 (unofficial English translation being Ningbo Aluminium Company). From 2003 to 2011, he served as a senior consultant of 福建省閩發鋁業股份有限公司 (Fujian Minfa Aluminium Co., Ltd.) (a company listed on Small and Medium-sized Enterprise Board of Shenzhen Stock Exchange with stock code: 002578). From 2008 to 2013, Mr. Liang was an independent director of 福建省閩發鋁業股份有限公司 (Fujian Minfa Aluminium Co., Ltd.).

梁世斌先生（「梁先生」），80歲，於二零一三年十二月十四日獲委任為獨立非執行董事。彼自中南礦冶學院（現名中南大學）特種冶金系的有色金屬及熱處理專業畢業。自一九六五年至一九八二年，梁先生曾任職於東北輕合金加工廠特殊車間，首先出任技術員，隨後出任工程師，專注於原子反應堆技術事宜。自一九八二年至一九九二年，梁先生曾任職於廣東省有色金屬加工廠，首先出任車間主任，隨後出任工廠副總經理及工廠總經理。自一九八八年至一九九二年，彼亦擔任廣東省鋁型材協會會長。自一九九二年至二零零三年，彼首先擔任杭州宏昌鋁業公司之總經理，隨後擔任寧波鋁業公司之副總經理兼總工程師。自二零零三年至二零一一年，彼擔任福建省閩發鋁業股份有限公司（一間於深圳證券交易所中小企業板上市之公司，股份代號：002578）之高級顧問。自二零零八年至二零一三年，梁先生擔任福建省閩發鋁業股份有限公司之獨立董事。



## Directors and Senior Management 董事及高級管理人員

### Senior Management

**Mr. Lin Yan (“Mr. Lin”)**, aged 51, is the deputy general manager of Guangdong Xingfa Group. Mr. Lin is responsible for the sales operation of the Group. Prior to joining Xingfa Aluminium, Mr. Lin worked in a state-owned enterprise, Guangdong Metals & Minerals Import & Export Group Corporation (廣東省五金礦產進出口集團公司), with more than 20 years of experience in international trade. He was awarded a certificate of Economist by Ministry of Human Resources of the PRC in 1996. Mr. Lin held a Bachelor Degree in Economics from Jinan University, the Degree of Executive Master of Business Administration (EMBA) at South China University of Technology.

**Mr. Liu Yuntang**, aged 51, is the deputy general manager of Guangdong Xingfa Group and is responsible for production management of the Group. Mr. Liu Yuntang joined Guangdong Xingfa Aluminium Profiles Factory in 1993. Prior to joining the Group in October 1993, Mr. Liu Yuntang worked at Nanhai Guangdong Cable Factory Co., Ltd. from 1991 to 1993. Mr. Liu Yuntang was granted a bachelor’s degree in engineering by the Guangdong Mechanics Institute in 1991. He was certified as assistant engineer in 1993 by the Nanhai City Science Technology Committee and certified as engineer in 2001 by the Foshan City Human Resources Bureau. He was awarded as senior engineer by Guangdong Human Resources and Social Security Department on 4 May 2015, and was granted a senior Executive Master in Business Administration Degree by Sun Yat-sen University on 29 December 2015.

### 高級管理人員

**林嚴先生(「林先生」)**，51歲，擔任廣東興發集團之副總經理，負責本集團銷售業務。林先生加入興發鋁業前，於大型國有企業廣東省五金礦產進出口集團公司工作，有二十多年從事國際貿易的經驗。彼於一九九六年獲全國人力資源部經濟師資格。林先生持有暨南大學經濟學學士學位，華南理工大學高級工商管理碩士學位(EMBA)。

**劉允棠先生**，51歲，廣東興發集團之副總經理，負責本集團之生產管理。劉允棠先生於一九九三年加入廣東興發鋁型材廠。於一九九三年十月加入本集團前，劉允棠先生於一九九一年至一九九三年任職於南海廣東電纜廠。劉允棠先生於一九九一年獲廣東機械學院授予工程學士學位。劉允棠先生於一九九三年獲南海市科學技術委員會評為助理工程師，於二零零一年獲佛山市人力資源局評為工程師。二零一五年五月四日獲廣東省人力資源和社會保障廳評為高級工程師，二零一五年十二月二十九日獲中山大學授予高級管理人員工商管理碩士學位。

## Directors and Senior Management 董事及高級管理人員

**Mr. Chen Wensi (“Mr. Chen”)**, aged 49, is the deputy general manager of Guangdong Xingfa Group. Mr. Chen is responsible for the technology research and development, quality control and safety in environmental protection of the Group. Mr. Chen joined Guangdong Xingfa Aluminum Profiles Factory in 1997. Prior to joining the Group in January 1997, Mr. Chen worked for Guangdong Chang’e Thermal Insulation Container Factory (廣東嫦娥保溫器皿廠) from 1995 to 1996. Mr. Chen graduated from Guangzhou Zhongkai Institute of Agricultural Technology (廣州仲愷農業技術學院) in 1995. He was qualified as a senior engineer in mechanical engineering in 2018. He is also a member of the Measurement Technology Committee of China Non-ferrous Metals Industry Association and an expert of the Expert Committee of China Non-ferrous Metals Processing Industry Association. Mr. Chen has participated in the development, management and standardization of scientific research projects from various national, provincial, municipal and district governments. He has won 5 excellence awards in patents in China, 3 first prizes of the excellence awards in technical standards by the National Non-ferrous Metals Standardization Technical Committee, and 2 progress awards in science and technology by Guangdong Province.

**Mr. Guan Dubiao (“Mr. Guan”)**, aged 49, is the deputy general manager of Guangdong Xingfa Group. Mr. Guan, senior CPA is currently the council member of Foshan City CPA Institute and Foshan City Association of Chief Financial Officers. His education background is undergraduate, studying business management (accounting) and economic management. Prior to joining the Group, Mr. Guan started his accounting career in the business department of Foshan Nanzhuang Economic Development Company. Subsequently, Mr. Guan served as different important financial positions, such as chief accountant, chief of finance, etc., within several group companies of Foshan Nanzhuang Economic Development Company. Mr. Guan joined the Group in 1999 as deputy head of finance department and chief accountant and subsequently promoted as head of finance department. He was further promoted as deputy general manager of Guangdong Xingfa Group since September 2011.

### COMPANY SECRETARY

**Ms. Wong Tik (“Ms. Wong”)**, aged 48, is the company secretary of the Company. Ms. Wong is a certified public accountant and an associate member of the Hong Kong Institute of Certified Public Accountants and has over 20 years of experience in the field of accounting and has worked in a number of listed companies in Hong Kong. Ms. Wong obtained the Honours Diploma in Accounting from Hong Kong Shue Yan College in 1995. Ms. Wong joined our Group on 29 March 2018.

**陳文泗先生 (「陳先生」)**，49歲，廣東興發集團之副總經理，負責本集團技術研發、質量管控與安全環保。陳先生於一九九七年加入廣東興發鋁型材廠。一九九七年一月加入本集團前，陳先生於一九九五年至一九九六年任職於廣東嫦娥保溫器皿廠。陳先生於一九九五年畢業於廣州仲愷農業技術學院，於二零一八年獲機械工程高級工程師資格，兼任中國有色金屬工業協會計量技術委員會委員及中國有色金屬加工工業協會專家委員會專家。陳先生參與多項國家、省、市、區各級政府科研項目開發管理工作及標準編製工作，獲中國專利優秀獎5項、全國有色金屬標準化技術委員會技術標準優秀獎一等獎3項、廣東省科技進步獎2項等多項科技獎勵。

**關道標先生 (「關先生」)**，49歲，廣東興發集團之副總經理。關先生，高級會計師，現任佛山市會計學會及佛山市總會計師協會常務理事。學歷：本科，攻讀企業管理（財會類）專業和經濟管理專業。加入本集團前，關先生於佛山南莊經濟發展總公司經營部任會計工作，其後在佛山南莊經濟發展總公司之下屬多間公司擔任主管會計、財務科長等不同的主要財務職務。關先生於一九九九年加入本集團並任職財務部副部長兼主管會計，次年升任至財務部部長，二零一一年九月升任為廣東興發集團之副總經理。

### 公司秘書

**黃荻女士 (「黃女士」)**，48歲，為本公司之公司秘書。黃女士為執業會計師及香港會計師公會會員，於會計領域擁有逾二十年經驗，並曾於香港多家上市公司任職。黃女士於一九九五年取得香港樹仁學院之會計學榮譽文憑。黃女士於二零一八年三月二十九日加入本集團。

## Report of the Directors 董事會報告

The directors (“Directors”) of Xingfa Aluminium Holdings Limited (“Company”) present their report together with the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”), for the year ended 31 December 2019 (“Year”).

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of other members of the Group are set out in note 3(a) in notes to the consolidated financial statements.

There were no significant changes in the nature of the Group’s principal activities during the year ended 31 December 2019.

### RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss on page 175 of the annual report.

### FINAL DIVIDEND

The Directors recommended the payment of a final dividend of HKD0.28 per ordinary share for the year ended 31 December 2019 (2018: HKD0.20).

### CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the right to attend the forthcoming annual general meeting (“Annual General Meeting”) to be held on Thursday, 28 May 2020, the register of members of the Company will be closed from Monday, 25 May 2020 to Thursday, 28 May 2020 (both days inclusive). During such period, no transfer of the shares in the Company will be registered. In order to qualify for the attendance in the Annual General Meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 4:30 p.m. on Friday, 22 May 2020.

興發鋁業控股有限公司(「本公司」)董事(「董事」)會呈報其報告，連同本公司及其附屬公司(統稱「本集團」)截至二零一九年十二月三十一日止年度(「本年度」)之經審計綜合財務報表。

### 主要業務

本公司之主要業務為投資控股。本集團其他成員公司之主要業務詳情載於綜合財務報表附註之附註3(a)。

於截至二零一九年十二月三十一日止年度內，本集團之主要業務性質並無重大變動。

### 業績及分配

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年報第175頁綜合損益表。

### 末期股息

董事建議就截至二零一九年十二月三十一日止年度派發末期股息每股普通股0.28港元(二零一八年:0.20港元)。

### 暫停辦理股份過戶登記手續

為釐定出席將於二零二零年五月二十八日(星期四)舉行的應屆股東週年大會(「股東週年大會」)之權利，本公司將由二零二零年五月二十五日(星期一)起至二零二零年五月二十八日(星期四)止(包括首尾兩日)暫停辦理股份過戶登記手續，於該期間內本公司將不會辦理任何股份過戶。為符合資格出席股東週年大會，所有過戶文件連同相關股票必須最遲於二零二零年五月二十二日(星期五)下午四時三十分前送達本公司之香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓。

## Report of the Directors

### 董事會報告

For the purpose of determining the entitlement to the final dividend, the register of members of the Company will be closed from Wednesday, 10 June 2020 to Friday, 12 June 2020 (both days inclusive). During such period, no transfer of the shares in the Company will be registered. In order to qualify for the final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at the above address not later than 4:30 p.m. on Tuesday, 9 June 2020.

### FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five years is set out on page 340.

### LOANS AND BORROWINGS

Details of the Group's loans and borrowings as at the balance sheet date are set out in note 22 in notes to the consolidated financial statements.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 11 in notes to the consolidated financial statements.

### SHARE CAPITAL

Details of the Company's paid-in capital for the year ended 31 December 2019 are set out in note 27 in notes to the consolidated financial statements.

### DONATIONS

The Group made donation of RMB380,000 (2018: RMB590,000) for charitable or any other purposes during the Year.

### EQUITY-LINKED AGREEMENT

Details of the equity-linked agreements entered into during the Year or subsisting at the end of the Year are set out below.

為釐定享有末期股息之權利，本公司將自二零二零年六月十日（星期三）起至二零二零年六月十二日（星期五）（包括首尾兩日）暫停辦理股份過戶登記手續。於該期間內，將不會辦理任何本公司股份之過戶。為符合收取末期股息之資格，所有過戶文件連同相關股票須不遲於二零二零年六月九日（星期二）下午四時三十分按上述地址送交予本公司之香港股份過戶登記分處卓佳證券登記有限公司。

### 財務概要

本集團於過往五年之業績、資產及負債概要載於第340頁。

### 貸款及借貸

本集團於結算日之貸款及借貸詳情載於綜合財務報表附註之附註22。

### 物業、廠房及設備

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註之附註11。

### 股本

本公司截至二零一九年十二月三十一日止年度之實繳股本詳情載於綜合財務報表附註之附註27。

### 捐款

於本年度，本集團作出人民幣380,000元（二零一八年：人民幣590,000元）之慈善捐款或作任何其他用途。

### 股權掛鈎協議

於本年內訂立或於本年末存續之股權掛鈎協議詳情載於下文。

## Report of the Directors 董事會報告

### SHARE OPTION SCHEME

The Company conditionally adopted a new share option scheme (“Share Option Scheme”) on 29 December 2017. The Share Option Scheme became effective for 10 years commencing from 5 January 2018.

The purpose of the Share Option Scheme is to enable the Group to grant options to eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested entity in which the Group holds an equity interest (“Invested Entity”).

Eligible participants under the Share Option Scheme include directors and employees of the Group or any Invested Entity; any suppliers, customers, advisers or consultants of the Group or any Invested Entity; any persons or entities that provide research development or other technological support to the Group or any Invested Entity; any holders of securities issued by any member of the Group or any Invested Entity; any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and any other groups or classes of participants whom the Board considers have contributed or will contribute to the Group.

The principal terms of the Share Option Scheme are summarised as follows:

The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the shares of the Company in issue from time to time.

### 購股權計劃

本公司已於二零一七年十二月二十九日有條件採納一項新購股權計劃（「購股權計劃」）。購股權計劃自二零一八年一月五日起10年內有效。

購股權計劃旨在讓本集團向合資格參與者授出購股權作為彼等對本集團貢獻之鼓勵或獎勵及／或讓本集團招聘及留聘優秀僱員，並吸引對本集團及本集團持有股權之任何實體（「投資實體」）有價值之人力資源。

購股權計劃計劃項下之合資格參與者包括本集團或投資實體之董事及僱員；本集團或任何投資實體之任何供應商、客戶、顧問或諮詢人；向本集團或任何投資實體提供研發或其他科技支援之任何人士或實體；本集團任何成員公司或任何投資實體所發行證券之任何持有人；本集團任何成員公司或任何投資實體任何業務範疇或業務發展之任何顧問（專業或其他）；及任何董事會認為對本集團已或將作出貢獻之其他組別或類別之參與者。

購股權計劃之主要條款概述如下：

根據購股權計劃及本集團採納之任何其他計劃將予授出之授出而尚未行使之所有購股權獲行使時而可予配發及發行之最高普通股數目合共不得超過本公司不時已發行股份之30%。



## Report of the Directors 董事會報告

The total number of shares of the Company which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 41,800,000 shares, being 10% of the shares in issue as at the date of approval of the Share Option Scheme by the Shareholders at the extraordinary general meeting held on 29 December 2017. As at the date of this report, the total number of ordinary shares available for issue under the Share Option Scheme is 37,620,000 shares, which represents 9% of the issued shares of the Company as at the date of this report.

The maximum number of shares of the Company issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of Group to each eligible participant (including exercised and outstanding options) in any 12-month period shall not exceed 1% of the issued shares of the Company from time to time.

The subscription price for shares of the Company under the Share Option Scheme shall be a price determined by the directors of the Company, but shall not be less than the highest of (i) the closing price of shares of the Company as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the shares on the offer date, which must be a business day; (ii) the average closing price of shares of the Company as stated in the Stock Exchange's daily quotations sheets for trade in one or more board lots of the shares for the five business days immediately preceding the offer date; and (iii) the nominal value of a share of the Company.

Upon acceptance of the grant of an option, the grantee shall pay HK\$1.00 to the Company as nominal consideration for the grant.

The Company has granted 4,180,000 share options pursuant to the Share Option Scheme on 15 October 2018. The closing price of the shares of the Company immediately before the date of grant of share options was HK\$5.39.

因行使所有根據本集團購股權計劃及任何其他購股權計劃而授出的購股權（不包括就根據本集團購股權計劃及任何其他購股權計劃條款已失效的購股權）而可配發及發行之本公司股份總數合共不得超過41,800,000股，相當於股東於二零一七年十二月二十九日舉行的股東特別大會上批准購股權計劃當天本公司已發行股份的10%。於本報告日期，根據購股權計劃可予以發行的普通股總數為37,620,000股，其相當於本公司於本報告已發行股份的9%。

於任何12個月期間根據購股權計劃及本集團任何其他購股權計劃授予每名合資格參與者之購股權（包括已行使及未行使購股權）獲行使而已發行及將予發行本公司股份之最高數目，不得超過本公司不時已發行股份之1%。

購股權計劃項下本公司股份之認購價將由本公司董事釐定，惟不得低於下列之最高者：(i)本公司股份於發售日期（必須為營業日）按一手或多手買賣單位交易時於聯交所之每日報價表所示之收市價；(ii)緊接發售日期前五個營業日本公司股份按一手或多手買賣單位交易時於聯交所每日報價表所示之平均收市價；及(iii)本公司股份面值。

於接納授出購股權後，承授人須向本公司支付1.00港元作為授出之名義代價。

本公司已於二零一八年十月十五日根據購股權計劃授出4,180,000份購股權。本公司緊接購股權授出日期前之股份收市價為5.39港元。

## Report of the Directors 董事會報告

Details of the outstanding share options and the movements of the share options during the year ended 31 December 2019 are as follows:

於截至二零一九年十二月三十一日止年度尚未行使的購股權及購股權變動詳情如下：

Category of grantees	Date of grant	Outstanding as at 1 January 2019 於 二零一九年 一月一日 尚未行使	Exercised during the Year 本年度 已行使	Cancelled during the Year 本年度 已註銷	Lapsed/ expired during the Year 本年度 已失效/ 屆滿	Outstanding as at 31 December 2019 於 二零一九年 十二月 三十一日 尚未行使
<b>Directors</b>						
<b>董事</b>						
LIU Libin 劉立斌	15.10.2018	229,000	-	-	-	229,000
WANG Zhihua 王志華	15.10.2018	192,000	-	-	-	192,000
ZHANG Li 張莉	15.10.2018	192,000	-	-	-	192,000
<b>Sub-total</b> 小計		613,000	-	-	-	613,000
<b>Employees of the Group</b> 本集團僱員	15.10.2018	3,567,000	-	-	-	3,567,000
<b>Total</b> 總計		4,180,000				4,180,000

No share option was granted, exercised, cancelled or lapsed under the Share Option Scheme during the Year.

概無購股權於本年度已根據購股權計劃授出、行使、註銷或失效。

Note:

附註：

In relation of each grantee of the share options granted on 15 October 2018, 1,393,334 share options will vest on 15 October 2020, 1,393,333 options will vest on 15 October 2021 and 1,393,333 options will vest on 15 October 2022 and the share options vested are then exercisable on or before 14 October 2023. The exercise price per share is HK\$5.46.

就於二零一八年十月十五日授出購股權的各承授人而言，1,393,334份購股權將於二零二零年十月十五日歸屬、1,393,333份購股權將於二零二一年十月十五日歸屬及1,393,333份購股權將於二零二二年十月十五日歸屬及已歸屬的購股權屆時可於二零二三年十月十四日或之前行使。每股股份的行使價為5.46港元。

Further details of the options granted under the Share Option Scheme are set out in note 25 in notes to the consolidated financial statements.

購股權計劃項下授出購股權之進一步詳情載於綜合財務報表附註之附註25。

## Report of the Directors 董事會報告

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association ("Articles") or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2019.

### RESERVES

Details of movements in the reserves of the Group during the Year are set out in note 27 in notes to the consolidated financial statements and in the consolidated statement of changes in equity.

### DISTRIBUTABLE RESERVES

As at 31 December 2019, the Company's reserves available for distribution calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands amounted to RMB618,633,000 (2018: RMB604,722,000).

### CONTINGENT LIABILITIES

Details of the contingent liabilities of the Group as at 31 December 2019 are set out in note 30 in notes to the consolidated financial statements.

### 優先購買權

本公司之組織章程細則（「細則」）或開曼群島（即本公司註冊成立之司法權區）法例並無優先購買權之規定，致使本公司必須按比例向現有股東提呈發售新股份。

### 購買、出售或贖回本公司上市證券

於截至二零一九年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

### 儲備

本集團儲備於年內之變動詳情載於綜合財務報表附註之附註27及綜合權益變動表。

### 可供分派儲備

於二零一九年十二月三十一日，本公司根據開曼群島法例第22章公司法（一九六一年第3號法例，經綜合及修訂）計算並可用作分派之儲備達人民幣618,633,000元（二零一八年：人民幣604,722,000元）。

### 或然負債

於二零一九年十二月三十一日，本集團或然負債之詳情載於綜合財務報表附註之附註30。

## Report of the Directors 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2019, sales to the Group's five largest customers accounted for 19.9% (2018:18.8%) of the Group's revenue where sales to the largest customer accounted for 5.6% (2018: 7.1%) of the Group's revenue.

For the year ended 31 December 2019, purchases from the Group's five largest suppliers accounted for 75.7% (2018: 74.4%) of the Group's total cost of purchase whereas purchases from the largest supplier accounted for approximately 32.8% (2018: 40.2%) of the Group's total cost of purchase.

None of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or five largest suppliers during the year ended 31 December 2019.

### BUSINESS REVIEW

Below is a business review of this report as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The discussion on a fair review of the Group's business, financial key performance indicators and performance indicators and performance and indication of future development of the Group for the year ended 31 December 2019 can be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" in this annual report. Those discussions form part of this report of the Directors.

### 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，本集團向五大客戶之銷售額佔本集團營業額19.9%（二零一八年：18.8%），而向最大客戶之銷售額佔本集團營業額5.6%（二零一八年：7.1%）。

截至二零一九年十二月三十一日止年度，向五大供應商之採購額佔本集團總採購成本約75.7%（二零一八年：74.4%），而向最大供應商之採購額佔本集團總採購成本約32.8%（二零一八年：40.2%）。

於截至二零一九年十二月三十一日止年度內，董事或彼等任何緊密聯繫人士或任何股東（就董事所深知，擁有本公司已發行股本5%以上）概無擁有本集團五大客戶或五大供應商之任何實益權益。

### 業務回顧

以下為按香港法例第622章公司條例附表5規定所作出的本報告業務回顧。有關截至二零一九年十二月三十一日止年度對本集團業務、關鍵財務績效指標及表現以及預計日後發展的討論載於本年報「主席報告」及「管理層討論及分析」章節。該等討論組成本董事會報告一部分。

## Report of the Directors 董事會報告

### PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

The Group is exposed to various risks and uncertainties. The effects of such risks may vary over time. The following sets forth material risks classified by the Group and the relevant alleviating measures for each material risk for the management of such risks.

#### Business risks

Firstly, most of the Group's revenue was generated from customers in the PRC. Should there be any material adverse change in the political, economic, legal or social conditions in the PRC and the Group is unable to divert sales to other markets outside of the PRC, the turnover, profitability and prospects may be adversely affected.

In order to alleviate such risk, the Group will put efforts to expand overseas market and increase the proportion of overseas sales. During the Year, we have export sales to Australia and Vietnam. The Group will also continue to review competitive edges of the Group in the industry and market trend.

Secondly, the Group's production activities of aluminium profiles rely on, among other things, sufficient and uninterrupted supply of aluminium ingots, being our principal raw materials. The Group procures such principal raw materials from several major suppliers and has not entered into any long-term purchase contracts with any of our major suppliers of aluminium ingots for flexibility in purchasing aluminium ingots at competitive prices at various times.

In order to alleviate such risk, the Group will conduct investigation and assessment on suppliers periodically to ensure stable supply source of raw materials.

### 本集團面臨之主要風險及不明朗因素

本集團面臨若干風險及不明朗因素。該等風險之影響可不時發生變動。下表載列本集團分類之重大風險及就各重大風險的相關應對措施，以管理有關風險。

#### 業務風險

首先，本集團大部分營業額產生自中國客戶。倘中國政治、經濟、法律或社會環境出現任何重大不利變動，而本集團未能將銷售轉移至中國境外的其他市場，則營業額、盈利能力及前景可能受到不利影響。

為降低有關風險，本集團將致力拓展海外市場及增加海外銷售比例。於本年度，我們的銷售出口至澳洲及越南。本集團亦將繼續檢討本集團於業內之競爭優勢及市場趨勢。

其次，本集團鋁型材的生產活動依賴（其中包括）主要原材料鋁錠的充足及不間斷供應。本集團自若干主要供應商採購有關主要原材料，及並未與任何主要鋁錠供應商訂立任何長期購買合約，以於不同時期可按具競爭力價格靈活購買鋁錠。

為降低有關風險，本集團將定期對供應商進行調查及評估以確保原材料供應來源的穩定。



## Report of the Directors 董事會報告

### Financial risks

Delayed payments of customers who were granted credit period by the Group will increase the Group's exposure to financial risks and have an impact on financial performance and operating cash flows of the Group.

In order to alleviate such risk, the Group will review accounts receivables due from major customers on a regular basis and control over it to an appropriate level. The Group will also manage and maintain strict control internally and put additional efforts to collect trade receivables overdue.

### KEY RELATIONSHIPS

#### 1. Employees

Human resources are the most valuable asset of the Group. Developing and retaining talents are vital to our success. The Group is committed to providing our employees with a safe, pleasant and healthy working environment. The Group rewards and recognises employees by competitive remuneration package and implements a key performance index scheme with appropriate incentives, and promote career development and progression by providing opportunities for career advancement to employees.

In addition, each department of the Group is responsible for determining its training needs for employees in its department and any suggested applicable training courses either arranged internally or by external service providers shall be submitted to the senior management of the Group for approval. Knowledge, skills and capacities of employees are vital to continuous business growth and success of the Group. The Group strives to ensure that all employees can fulfill the relevant job requirements in terms of education, training, technical and work experience.

### 金融風險

獲授予本集團信貸期的客戶若延遲付款將令本集團面臨的金融風險增加及對本集團之財務表現及營運現金流產生影響。

為降低有關風險，本集團將定期審閱應收主要客戶之賬款並將其控制在適當水平。本集團亦實施嚴密的內部管理及監控並盡力收回逾期應收賬款。

### 主要關係

#### 1. 職員

人力資源是本集團最具價值之資產。培養及留聘人才對我們的成功至關重要。本集團致力於為我們的僱員提供安全、舒適及健康的工作環境。本集團透過提供有競爭力的薪酬待遇獎勵及認可我們的僱員，實施附帶適當激勵的主要業績指標計劃，通過為僱員提供晉升機會促進僱員職業生涯發展。

此外，本集團各部門負責確定本部門僱員培訓需求，內部安排或外界服務提供商建議的任何相關培訓課程須交由本集團高級管理層批准。僱員的知識、技能及能力對於本集團業務持續增長及成功至關重要。本集團致力確保所有僱員在教育、培訓、技術及工作經驗方面均符合相關工作要求。

## Report of the Directors 董事會報告

### 2. Suppliers

We have developed long-standing relationships with a number of our suppliers and take great care to ensure that they share our commitment to quality and ethics. We carefully select our suppliers and require them to satisfy certain assessment criteria including track record, experience, financial strength, reputation, ability to produce high-quality products and quality control effectiveness.

### 3. Distributors and customers

We sell our products to distributors and customers. We require our distributors and customers to comply with the relevant laws and regulations and our sales and marketing policies, including but not limited to selling price, promotional activities and usage of our ERP system. We also monitor the financial condition and repayment history of our distributors and customers, and their sales performance.

## ENVIRONMENTAL POLICIES AND PERFORMANCES

As a supporter of environmental protection and taking into account of the national green manufacturing development plan and guided by enterprise strategy, the Group formulated the Xingfa Aluminium Protection System. The primary mission for the Group's environmental production policy is to govern production emissions by relying on technology, comprehensive utilisation of production waste residue, reduce environmental pollution and develop clean production.

The Group has been in compliance with the relevant environmental laws and regulations in both PRC and Hong Kong.

A further discussion of the environmental policies of the Group is contained in the Environmental, Social and Governance Report of the Company.

### 2. 供應商

我們已與多名供應商建立長期的合作關係，並盡力確保其遵守我們對質素及道德的承諾。我們審慎挑選供應商，並要求其滿足若干評估標準，包括往績記錄、經驗、財務實力、聲譽、生產高質素產品的能力及質量控制效力。

### 3. 分銷商及客戶

我們向分銷商及客戶銷售我們的產品。我們要求分銷商及客戶遵守相關法律法規以及我們的銷售及市場政策（包括但不限於銷售價格、推廣活動以及我們的ERP系統的使用）。我們亦會監控分銷商及客戶之財務狀況及過往付款情況，以及彼等的銷售表現。

## 環境政策及表現

作為環保擁護者，並結合國家綠色製造發展規劃，以企業戰略為導向，本集團制定了興發鋁業環境保護制度。集團環境保護的主要任務是依靠科技治理生產排放，生產廢渣綜合利用，減少環境污染及發展潔淨生產。

本集團已遵守中國及香港兩地的相關環境法律法規。

有關本集團環境政策的進一步討論載於本公司環境、社會及管治報告。

## Report of the Directors 董事會報告

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with relevant requirements could lead to adverse impact on business operation and financial position of the Group. The Board as a whole is responsible to ensure the Group is in compliance with relevant laws and regulations that have a significant impact on the Company. During the course of the business operations, the Group shall comply with different laws and regulations, including i) laws regarding employee recruitment and benefits, such as the “Labor Law of the PRC”, the “Labor Contract Law of the PRC”, and the “Rulings of Implementing the Labor Contract Law of the PRC”; and ii) the PRC national and local laws and regulations with respect of environmental protection, including the Environmental Protection Law of the PRC. For the year ended 31 December 2019, the Group was in strict compliance with these said laws and regulations.

### DIRECTORS

The Directors during the year ended 31 December 2019 and as at date of this report were:

#### Executive Directors:

Mr. LIU Libin (*Chairman*)  
Mr. LIAO Yuqing (*Chief Executive Officer*)  
Ms. ZHANG Li (*Chief Financial Officer*)  
Mr. LAW Yung Koon  
Mr. WANG Zhihua  
Mr. LUO Jianfeng

#### Non-executive Directors:

Mr. ZUO Manlun  
Ms. XIE Jingyun

#### Independent non-executive Directors:

Mr. CHEN Mo  
Mr. HO Kwan Yiu  
Mr. LAM Ying Hung, Andy  
Mr. LIANG Shibin

### 遵守相關法律及法規

本集團深明遵守監管規定的重要性及不遵守相關規定會對本集團業務營運及財務狀況帶來不利影響之風險。董事會整體負責確保本集團遵守對本公司有重大影響之相關法律及法規。於業務營運過程中，本集團須遵守各類法律法規，包括i)有關員工招募及福利的法律，如《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及《中華人民共和國勞動合同法實施條例》；及ii)有關環境保護的中國國家及地方法律法規，包括《中華人民共和國環境保護法》。本集團於截至二零一九年十二月三十一日止年度已嚴格遵守上述法律法規。

### 董事

於截至二零一九年十二月三十一日止年度內及截至本報告日期之董事如下：

#### 執行董事：

劉立斌先生 (*主席*)  
廖玉慶先生 (*行政總裁*)  
張莉女士 (*財務總監*)  
羅用冠先生  
王志華先生  
羅建峰先生

#### 非執行董事：

左滿倫先生  
謝景雲女士

#### 獨立非執行董事：

陳默先生  
何君堯先生  
林英鴻先生  
梁世斌先生

## Report of the Directors 董事會報告

In accordance with Articles 108(A) and 108(B) of the Articles, each of Ms. ZHANG Li, Mr. LUO Jianfeng, Mr. ZUO Manlun and Mr. CHEN Mo will retire from the office of Director by rotation and each of them, being eligible, will offer himself/herself for re-election at the Annual General Meeting.

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

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and the Company considered all the independent non-executive Directors to be independent.

### DIRECTORS’ AND SENIOR MANAGEMENT’S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 24 to 34 of the annual report.

根據細則第108(A)及108(B)條，張莉女士、羅建峰先生、左滿倫先生及陳默先生各自將輪席退任董事職務，而彼等各自將合資格並願意於股東週年大會上膺選連任。

概無董事與本公司或其任何附屬公司訂立本集團不可於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

本公司已根據聯交所證券上市規則（「上市規則」）第3.13條自每名獨立非執行董事取得有關其獨立性之年度確認書，而本公司認為全體獨立非執行董事均為獨立人士。

### 董事及高級管理層履歷

本集團董事及高級管理層之履歷詳情載於年報第24至34頁。

## Report of the Directors 董事會報告

### CONTRACT OF SIGNIFICANCE

Save as disclosed in note 31 in notes to the consolidated financial statements and in paragraph headed “Connected transactions” in this report, (i) there is no transaction, arrangement or contract of significance subsisting during or at the end of the Year in which a Director or an entity connected with a Director is or was materially interested, either directly or indirectly; (ii) no other contract of significance was entered into by, and/or subsisted between the Company or any of its subsidiaries with the controlling shareholder or any of its subsidiaries during the Year; and (iii) no other contract of significance in relation to provision of services to the company or any of its subsidiaries by the controlling shareholder or any of its subsidiaries during the Year.

### DIRECTORS’ INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2019, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Cap. 571, Laws of Hong Kong) (“SFO”)) as recorded in the register required to be kept by the Company under section 352 of the SFO, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules (“Model Code”), to be notified to the Company and the Stock Exchange, were as follows:

### 重大合約

除綜合財務報表附註之附註31及本報告「關連交易」一段所披露者外，(i)本公司於本年度內或於本年度末概無存在任何董事或董事之關連實體於其中直接或間接擁有或曾擁有重大權益之重大交易、安排或合約；(ii)本公司或其任何附屬公司與控股股東或其任何附屬公司之間概無於年內訂立、及／或存在任何其他重大合約；及(iii)年內概無涉及控股股東或任何附屬公司向本公司或其任何附屬公司提供服務之任何其他重大合約。

### 董事於本公司及其相聯法團之股份、 相關股份及債權證中之權益

於二零一九年十二月三十一日，按本公司根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第352條須予保存之登記冊所記錄，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）必須知會本公司及聯交所之資料，各董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證之權益及淡倉如下：



## Report of the Directors

### 董事會報告

#### Long position

#### 好倉

Name of directors	Capacity	Ordinary shares of the Company 本公司普通股	Underlying shares of the Company 本公司相關股份	Total 總數	Percentage of interest in the Company 佔本公司權益百分比
董事姓名	身份				
LIAO Yuqing 廖玉慶	Founder of a discretionary trust who can influence how the trustee exercises his discretion 全權信託創立人，可影響受託人行使其酌情權之方式	48,200,100	–	48,200,100	11.53%
LAW Yung Koon 羅用冠	Beneficial owner 實益擁有人	19,050,000	–	19,050,000	4.56%
	Interest of spouse 配偶權益	1,719,000	–	1,719,000	0.41%
LIU Libin 劉立斌	Beneficial owner 實益擁有人	–	229,000	229,000	0.05%
ZHANG Li 張莉	Beneficial owner 實益擁有人	–	192,000	192,000	0.05%
WANG Zhihua 王志華	Beneficial owner 實益擁有人	–	192,000	192,000	0.05%

Save as disclosed above, as at 31 December 2019, none of the Directors or the chief executive of the Company had registered an interest or short positions in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一九年十二月三十一日，董事或本公司主要行政人員概無登記於本公司或其任何相聯法團之股份、相關股份中擁有的根據證券及期貨條例第352條須予記錄或根據標準守則須知會本公司及聯交所之權益或淡倉。

## Report of the Directors 董事會報告

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Other than the share options granted under the share option scheme disclosed in note 25 in notes to the consolidated financial statements, at no time during the year ended 31 December 2019 were rights to acquire benefits by means of the acquisitions of Shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the Director to acquire such rights in any other body corporate.

### DIRECTOR'S INTERESTS IN COMPETING BUSINESS

Save as disclosed in the prospectus of the Company dated 17 March 2008, none of the Directors hold any interests in any business apart from the Company's business, which competes or is likely to compete, either directly or indirectly, with the Company's business for the year ended 31 December 2019.

### SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS WHO ARE REQUIRED TO DISCLOSE THEIR INTERESTS PURSUANT TO PART XV OF THE SFO

As at 31 December 2019, the following persons, other than a Director or the chief executive of the Company, had interests or short positions in the shares and underlying shares of the Company which are required to be recorded in the register required to be kept by the Company under section 336 of the SFO:

### 董事購買股份或債權證之權利

除綜合財務報表附註之附註25披露之購股權計劃項下授出之購股權外，於截至二零一九年十二月三十一日止年度內任何時間概無授予任何董事或彼等各自之配偶或未成年子女可透過購入本公司股份或債權證而獲益之權利，或由彼等行使任何該等權利；或由本公司或其任何附屬公司訂立任何安排致使董事可於任何其他法人團體獲得該等權利。

### 董事於競爭業務之權益

除本公司於二零零八年三月十七日刊發之售股章程所披露者外，截至二零一九年十二月三十一日止年度，董事概無於與本公司業務直接或間接構成競爭或可能構成競爭之任何業務（本公司業務除外）中擁有任何權益。

### 根據證券及期貨條例第XV部須披露彼等之權益之主要股東及其他人士

於二零一九年十二月三十一日，下列人士（董事或本公司行政人員除外）於本公司之股份及相關股份中擁有須記於本公司根據證券及期貨條例第336條而存置之登記冊內之權益或淡倉：

## Report of the Directors

### 董事會報告

#### Long position

好倉

Name of entities	Capacity	Total number of ordinary shares of the Company 本公司之普通股總數	Percentage of interest in the Company 佔本公司權益百分比
實體名稱	身份		
Guangxin Aluminium (HK) Limited 香港廣新鋁業有限公司	Beneficial owner 實益擁有人	132,382,000	31.67%
Guangdong Guangxin Holdings Group Ltd* 廣東省廣新控股集團有限公司	Interest of controlled corporation 受控制法團權益	132,382,000	31.67%
State-owned Assets Supervision and Administration Commission of The People's Government of Guangdong Province* 廣東省人民政府國有資產監督管理委員會	Interest of controlled corporation 受控制法團權益	132,382,000	31.67%
Lesso Group Holdings Limited 領尚集團控股有限公司	Beneficial owner 實益擁有人	109,842,900	26.28%
China Lesso Group Holdings Limited 中國聯塑集團控股有限公司	Interest of controlled corporation 受控制法團權益	109,842,900	26.28%
New Fortune Star Limited New Fortune Star Limited	Interest of controlled corporation 受控制法團權益	109,842,900	26.28%

**Report of the Directors**  
**董事會報告**

Name of entities 實體名稱	Capacity 身份	Total number of ordinary shares of the Company 本公司之 普通股總數	Percentage of interest in the Company 佔本公司 權益百分比
Xi Xi Development Limited 西溪發展有限公司	Interest of controlled corporation 受控制法團權益	109,842,900	26.28%
UBS Trustees (B.V.I.) Limited UBS Trustees (B.V.I.) Limited	Interest of controlled corporation 受控制法團權益	109,842,900	26.28%
WONG Luen Hei 黃聯禧	Founder of a discretionary trust who can influence how the trustee exercises his discretion 全權信託創立人，可影響 受託人行使其酌情權之 方式	109,842,900	26.28%
Sure Keen Limited 利順有限公司	Beneficial owner 實益擁有人	48,200,100	11.53%
Glorious Joy Limited Glorious Joy Limited	Interest of controlled corporation 受控制法團權益	48,200,100	11.53%
TMF (Cayman) Ltd. TMF (Cayman) Ltd.	Trustee 受託人	48,200,100	11.53%

Save as disclosed above and in the paragraph headed “Directors’ interests in shares, underlying shares and debentures of the Company and its associated corporations” above, as at 31 December 2019, no other person had interests or short positions in the shares and underlying shares of the Company which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

除上文及於「董事於本公司及其相聯法團之股份、相關股份及債權證中之權益」一段所披露者外，於二零一九年十二月三十一日，概無其他人士於本公司之股份及相關股份中擁有須記錄於本公司根據證券及期貨條例第336條而存置之登記冊內之權益或淡倉。

## Report of the Directors 董事會報告

### CONNECTED TRANSACTIONS

### 關連交易

A. The following entities are connected parties of the Company and had connected transactions and/or continuing connected transactions with the Group during the year ended 31 December 2019:

A. 以下實體為本公司之關連人士，並於截至二零一九年十二月三十一日止年度內與本集團進行關連交易及／或持續關連交易：

Name of the entity 實體名稱	Connection with the Company 與本公司之關係
Guangdong Xingfa Curtain Wall, Door & Window Co., Ltd. ("Xingfa Curtain Wall") 廣東興發幕牆門窗有限公司 (「興發幕牆」)	Owned as to 21% by Mr. LIAO Yuqing, an executive Director, and as to 46% by Mr. LUO Su, the Honourable Adviser of the Group and the father-in-law of Mr. LIAO Yuqing. 由執行董事廖玉慶先生擁有21%權益及本集團榮譽顧問及廖玉慶先生的岳父羅蘇先生擁有46%權益。
Jin Wo International Leasing Limited ("KW Leasing") 金沃國際融資租賃有限公司 (「金沃融資租賃」)	An associate of Guangdong Province Guangxin Holdings Group Ltd., a controlling shareholder of the Company indirectly holding, through its wholly-owned subsidiary, Guangxin Aluminium (HK) Limited, approximately 31.67% of the issued shares of the Company as at the date of this report. 廣東省廣新控股集團有限公司之聯營公司，並為於本報告日期通過其全資附屬公司香港廣新鋁業有限公司間接持有本公司已發行股份約31.67%之本公司控股股東。
China Lesso Group Holdings Limited ("China Lesso") 中國聯塑集團控股有限公司 (「中國聯塑」)	A substantial shareholder of the Company, holding, through its wholly-owned subsidiary, approximately 26.28% of the issued shares of the Company as at the date of this report. 本公司主要股東透過其全資附屬公司於本報告日期持有本公司已發行股份之約26.28%。
江西省景興鋁模板製造有限公司 (in English for identification only, Jiangxi Province Jingxing Aluminium Panel Manufacturing Co., Ltd. "Jiangxi Jingxing") 江西省景興鋁模板製造有限公司 (「江西景興」)	Owned as to 80% by the Company through its wholly-owned subsidiary, and has become a connected subsidiary of the Company since 9 July 2019, the date on which Guangzhou Jingxing (as defined below) has become a non-wholly owned subsidiary of China Lesso. 由本公司透過其全資附屬公司擁有80%權益，及自二零一九年七月九日(廣州景興(定義見下文)於當天成為中國聯塑之非全資擁有之附屬公司)成為本公司之關連附屬公司。
廣州景興建築科技有限公司 (in English for identification only, Guangzhou Jingxing Construction Technology Company Limited "Guangzhou Jingxing") 廣州景興建築科技有限公司 (「廣州景興」)	A 20% shareholder of Jiangxi Jingxing and has become a non-wholly owned subsidiary of China Lesso since 9 July 2019. 江西景興之20%權益股東及自二零一九年七月九日成為中國聯塑之非全資擁有之附屬公司。



## Report of the Directors 董事會報告

- B. During the year ended 31 December 2019, the following continuing connected transactions were non-exempt continuing connected transactions and are subject to the reporting, announcement, annual review and independent shareholders' approval requirements.
- B. 於截至二零一九年十二月三十一日止年度，下列持續關連交易為非豁免持續關連交易，並須遵守報告、公佈、年度審閱及獨立股東批准規定。

1. The following is a brief description of the continuing connected transactions:

Sale of aluminium profiles by Guangdong Xingfa to Xingfa Curtain Wall  
廣東興發向興發幕牆銷售鋁型材

Guangdong Xingfa and Xingfa Curtain Wall entered into a new master supply agreement dated 22 September 2017 in relation to the supply of aluminium profiles to Xingfa Curtain Wall by Guangdong Xingfa, for a term from 1 January 2018 to 31 December 2020. The construction materials purchased by Xingfa Curtain Wall were further processed into window and curtain wall and sold to its customers.

廣東興發與興發幕牆訂立一份日期為二零一七年九月二十二日之新主供應協議，內容有關由廣東興發向興發幕牆供應鋁型材，協議期限自二零一八年一月一日起至二零二零年十二月三十一日止。興發幕牆將購入之建材再加工為門窗及幕牆後向其客戶出售。

For the year ended 31 December 2019, Guangdong Xingfa sold construction materials to Xingfa Curtain Wall for approximately RMB127.1 million.

截至二零一九年十二月三十一日止年度，廣東興發銷售予興發幕牆之建材約人民幣127,100,000元。

2. Set out below is the annual cap for the year ended 31 December 2019 of the continuing connected transaction set out above:

2. 下文載列上文所載持續關連交易於截至二零一九年十二月三十一日止年度之年度上限：

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

Sale of aluminium profiles by Guangdong Xingfa to Xingfa Curtain Wall  
廣東興發向興發幕牆銷售鋁型材

RMB250,000,000  
人民幣250,000,000元

## Report of the Directors

### 董事會報告

#### 3. Internal control procedures

The Group has complied with the following internal control measures to monitor the pricing and terms of the transactions in relation to the sale of aluminium profiles by Guangdong Xingfa to Xingfa Curtain Wall and ensure that the prices and terms offered by Guangdong Xingfa to Xingfa Curtain Wall will be no less favourable than prices and terms offered to independent customers and that the annual cap is not exceeded:

- (a) monitoring the prevailing price of aluminium as quoted on the Shanghai Nonferrous Metals Price Index and the prevailing spot prices of aluminium as quoted on London Metal Exchange Limited on a daily basis;
- (b) comparing the price and terms of the supply to Xingfa Curtain Wall with the prices and terms of aluminium profiles supplied by the Group in China as agreed with independent customers on a regular basis;
- (c) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the price and terms of supply of aluminium profiles offered by the Group to Xingfa Curtain Wall to ensure that they shall be no less favourable than those offered by the Group to independent customers; and
- (d) periodic financial report which contains information on all connected transactions carried out by the Group including the continuing connected transactions under the master supply agreement was submitted to the Board.

#### 3. 內部監控程序

本集團已遵守以下內部監控措施以監察有關廣東興發向興發幕牆銷售鋁型材之交易之定價及條款，並確保廣東興發向興發幕牆提供之價格及條款將不遜於向獨立客戶提供之價格及條款及並無超出年度上限：

- (a) 每日監察於上海有色金屬價格指數所報之現行鋁價及於倫敦金屬交易所有限公司所報之現行鋁現貨價格；
- (b) 定期將向興發幕牆供應之價格及條款與本集團經與獨立客戶協定於中國供應之鋁型材之價格及條款進行比較；
- (c) 秉承本集團有關關連交易之相關內部監控政策監察本集團向興發幕牆提供之供應鋁型材之價格及條款，確保其將不遜於本集團向獨立客戶所提供者；及
- (d) 已向董事會提交載有關於本集團進行之所有關連交易（包括主供應協議項下之持續關連交易）之資料之定期財務報告。

## Report of the Directors 董事會報告

#### 4. Views of the independent non-executive Directors

The independent non-executive Directors have reviewed the above continuing connected transactions and considered the information referred to in section “3. Internal control procedures” above, and confirmed that the transactions have been entered into:

- (a) in the ordinary and usual course of business of the Company;
- (b) on normal commercial terms or terms no less favourable to the Company than terms available to or from independent third parties; and
- (c) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

The Company also confirmed that it has followed the pricing policies and guidelines when determining the price and terms of the transactions during the Year.

#### 4. 獨立非執行董事之觀點：

獨立非執行董事已審閱上述持續關連交易及考慮上文「3.內部監控程序」一節所述之資料，並確認該等交易乃：

- (a) 於本公司一般及日常業務過程中訂立；
- (b) 按一般商業條款或不遜於本公司向獨立第三方提供或取得之條款訂立；及
- (c) 根據規管該等交易之相關協議並按公平合理之條款訂立，且符合股東之整體利益。

本公司亦確認其已於年內在釐定交易之價格及條款時遵守定價政策及指引。

## Report of the Directors 董事會報告

5. The auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its letter to the Board containing its findings and conclusions in respect of the continuing connected transactions as set out in this section "B" above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange of Hong Kong Limited which stated that:
- (a) nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors;
- (b) for transactions involving the provision of goods or services by the Group, nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (c) nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions;
5. 根據香港核證委聘準則第3000號(經修訂)「歷史財務資料審核或審閱以外之核證委聘」並參考香港會計師公會發佈之實務說明第740號「香港上市規則規定之持續關連交易之核數師函件」,本公司核數師已受聘對本集團持續關連交易作出報告。根據上市規則第14A.56條,核數師已就上文「B」節所載之持續關連交易向董事會發出載有其調查結果及結論之函件。本公司已向香港聯合交易所有限公司提供核數師函件之副本,當中表明:
- (a) 核數師並無發現任何事項,令其相信所披露持續關連交易並未獲本公司董事會批准;
- (b) 就涉及本集團提供貨物或服務之交易而言,核數師並無發現任何事項,令其相信該等所披露持續關連交易於所有重大方面並未根據本集團之定價政策進行;
- (c) 核數師並無發現任何事項,令其相信該等所披露持續關連交易於所有方面並未根據規管該等交易之相關協議進行;

## Report of the Directors 董事會報告

(d) with respect to the aggregate amount of the continuing connected transactions, nothing has come to the attention of the auditor that causes the auditor to believe the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

(d) 就持續關連交易之總額而言，核數師並無發現任何事項，令其相信該等所披露持續關連交易已超出本公司所設定之年度上限。

C. During the year ended 31 December 2019, the following connected transactions were non-exempt connected transactions and are subject to the reporting and announcement requirements.

C. 於截至二零一九年十二月三十一日止年度，以下關連交易為非豁免關連交易及須受申報及公告規定所規限。

1. On 26 June 2018, Jiangxi Jingxing, a limited liability company established in the PRC and owned as to 80% by the Group and KW Leasing entered into a factoring contract (“Factoring Contract I”), pursuant to which KW Leasing had agreed to provide factoring services relating to factoring finance and management of account receivables to Jiangxi Jingxing for a term of 12 months commencing from 26 June 2018.

1. 於二零一八年六月二十六日，江西景興（一間於中國成立之有限公司，及由本集團擁有80%權益）與金沃融資租賃訂立保理合同（「保理合同一」），據此，金沃融資租賃已同意向江西景興提供有關保理融資及應收賬款管理之保理服務，由二零一八年六月二十六日起計為期12個月。

Under the Factoring Contract I, Jiangxi Jingxing applied for the assignment of account receivables in the sum of RMB32,305,918.54 and requested for the factoring finance service and in response to the request, KW Leasing had approved and granted the provision of factoring finance service in the amount of RMB29,705,326.69.

根據保理合同一，江西景興就轉讓應收賬款合共金額人民幣32,305,918.54元要求保理融資服務，而金沃融資租賃已應要求批准及授出提供保理融資服務金額為人民幣29,705,326.69元。



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2. On 31 July 2018, Jiangxi Jingxing and KW Leasing entered into a factoring contract (“Factoring Contract II”), pursuant to which KW Leasing had agreed to provide factoring services relating to factoring finance and management of account receivables to Jiangxi Jingxing for a term of 13 months commencing from 31 July 2018.

Under the Factoring Contract II, Jiangxi Jingxing applied for the assignment of account receivables in the sum of RMB72,420,318.74 and requested for the factoring finance service and in response to the request, KW Leasing had approved and granted the provision of factoring finance service in the amount of RMB42,000,000.

- D. During the year ended 31 December 2019, the following connected transactions were non-exempt continuing connected transactions and are subject to the reporting, announcement and annual review requirements.

1. Master Supply Agreement A

- (i) Brief description of the continuing connected transactions under the Master Supply Agreement A

On 12 July 2019, Guangdong Xingfa and China Lesso entered into a master supply agreement (“Master Supply Agreement A”) pursuant to which Guangdong Xingfa and its subsidiaries (“Guangdong Xingfa Group”), as suppliers, would supply and China Lesso and its subsidiaries (“China Lesso Group”), as purchasers, would purchase aluminium profiles and/or panels supplied by Guangdong Xingfa Group members on an on-going basis for a term from 9 July 2019 to 31 December 2019 (both dates inclusive).

2. 於二零一八年七月三十一日，江西景興與金沃融資租賃訂立保理合同（「保理合同二」），據此，金沃融資租賃已同意向江西景興提供有關保理融資及應收賬款管理之保理服務，由二零一八年七月三十一日起計為期13個月。

根據保理合同二，江西景興就轉讓應收賬款合共金額人民幣72,420,318.74元要求保理融資服務，而金沃融資租賃已應要求批准及授出提供保理融資服務金額為人民幣42,000,000元。

- D. 於截至二零一九年十二月三十一日止年度，以下關連交易為非豁免持續關連交易及須受申報、公告及年度審核規定所規限。

1. 總供應協議A

- (i) 總供應協議A項下之持續關連交易簡介

於二零一九年七月十二日，廣東興發與中國聯塑訂立總供應協議（「總供應協議A」），據此，廣東興發及其子公司（「廣東興發集團」）（作為供應商）將供應及中國聯塑及其子公司（「中國聯塑集團」）（作為買方）將採購由廣東興發集團成員公司按持續基準供應之鋁型材及／或鋁製模板，期限由二零一九年七月九日至二零一九年十二月三十一日（包括首尾兩日）。

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- |  |   |
|--|---|
| <p>(ii) Annual Cap</p> <p>The annual cap in respect of the transactions contemplated under the Master Supply Agreement A for the Year (commencing from 9 July 2019) was RMB125 million, and the actual aggregate amount of sale transactions was approximately RMB113.6 million for the Year (commencing from 9 July 2019).</p>  | <p>(ii) 年度上限</p> <p>本年度(自二零一九年七月九日開始)有關總供應協議A項下擬進行之交易之年度上限為人民幣125,000,000元,及本年度之實際銷售交易總金額約為人民幣113,600,000元(自二零一九年七月九日開始)。</p> |
| <p>(iii) Internal control procedures</p> <p>During the Year, the Group has complied with the following internal control measures to monitor the pricing and terms of the transactions under the Master Supply Agreement A and ensure that the prices and terms offered by Guangdong Xingfa Group to China Lesso Group were no more favourable than prices and terms offered to independent customers and that the annual cap was not exceeded:</p> | <p>(iii) 內部監控程序</p> <p>於本年度,本集團已遵守以下內部監控措施以監察有關總供應協議A項下之交易之定價及條款,並確保廣東興發集團向中國聯塑集團提供之價格及條款將不優於向獨立客戶提供之價格及條款及並無超出年度上限:</p>      |
| <p>(a) monitoring the prevailing average price of aluminium ingots as quoted on Guangdong Nanhai Nonferrous Metals Market on a daily basis;</p>  | <p>(a) 每日監察於廣東南海有色(靈通)所報之現行平均鋁錠價格;</p>  |
| <p>(b) comparing the prices and terms of the supply to China Lesso Group with the prices and terms of aluminium profiles and/or panels supplied by the Group in the PRC as agreed with independent customers on a regular basis;</p>   | <p>(b) 定期將向中國聯塑集團供應之價格及條款與本集團經與獨立客戶協定於中國供應之鋁型材及/或鋁製模板之價格及條款進行比較;</p>  |
| <p>(c) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the prices and terms of supply of aluminium profiles offered by Guangdong Xingfa Group to China Lesso Group to ensure that they would be no more favourable than those offered by the Group to independent customers; and</p>   | <p>(c) 秉承本集團有關關連交易之相關內部監控政策監察廣東興發集團向中國聯塑集團提供之供應鋁型材之價格及條款,確保其將不優於本集團向獨立客戶所提供者;及</p>  |

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(d) periodic financial report containing information on all connected transactions carried out by the Group including the continuing connected transactions under the Master Supply Agreement A was submitted to the Board.

(d) 已向董事會提交載有關於本集團進行之所有關連交易（包括總供應協議A項下之持續關連交易）之資料之定期財務報告。

#### 2. Master Supply Agreement B

(i) Brief description of the continuing connected transactions under the Master Supply Agreement B

On 12 July 2019, Guangdong Xingfa and Jiangxi Jingxing entered into a master supply agreement (“Master Supply Agreement B”) pursuant to which Guangdong Xingfa Group members, as suppliers, would supply and Jiangxi Jingxing, as purchaser, would purchase aluminium profiles supplied by Guangdong Xingfa Group members on an on-going basis for a term from 9 July 2019 to 31 December 2019 (both dates inclusive).

(ii) Annual Cap

The annual cap in respect of the transactions contemplated under the Master Supply Agreement B for the Year (commencing from 9 July 2019) was RMB72 million, and the actual aggregate amount of sale transactions was approximately RMB7.9 million for the Year (commencing from 9 July 2019).

#### 2. 總供應協議B

(i) 總供應協議B項下之持續關連交易簡介

於二零一九年七月十二日，廣東興發與江西景興訂立總供應協議（「總供應協議B」），據此，廣東興發集團成員公司（作為供應商）將供應及江西景興（作為買方）將採購由廣東興發集團成員公司按持續基準供應之鋁型材，期限由二零一九年七月九日至二零一九年十二月三十一日（包括首尾兩日）。

(ii) 年度上限

本年度（自二零一九年七月九日開始）有關總供應協議B項下擬進行之交易之年度上限為人民幣72,000,000元，及本年度之實際銷售交易總金額約為人民幣7,900,000元（自二零一九年七月九日開始）。

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### (iii) Internal control procedures

During the Year, the Group has complied with the following internal control measures to monitor the pricing and terms of the transactions under the Master Supply Agreement B and ensure that the prices and terms offered by Guangdong Xingfa Group to Jiangxi Jingxing were no more favourable than prices and terms offered to independent customers and that the annual cap was not exceeded:

- (a) monitoring the prevailing average price of aluminium ingots as quoted on Guangdong Nanhai Nonferrous Metals Market on a daily basis;
- (b) comparing the prices and terms of the supply to Jiangxi Jingxing with the prices and terms of aluminium profiles supplied by the Group in the PRC as agreed with independent customers on a regular basis;
- (c) adhering to the relevant internal control policy of the Group on connected transactions in monitoring the prices and terms of supply of aluminium profiles offered by Guangdong Xingfa Group to Jiangxi Jingxing to ensure that they would be no more favourable than those offered by the Group to independent customers; and
- (d) periodic financial report containing information on all connected transactions carried out by the Group including the continuing connected transactions under the Master Supply Agreement B was submitted to the Board.

### (iii) 內部監控程序

於本年度，本集團已遵守以下內部監控措施以監察有關總供應協議B項下之交易之定價及條款，並確保廣東興發集團向江西景興提供之價格及條款將不優於向獨立客戶提供之價格及條款及並無超出年度上限：

- (a) 每日監察於廣東南海有色（靈通）所報之現行平均鋁錠價格；
- (b) 定期將向江西景興供應之價格及條款與本集團經與獨立客戶協定於中國供應之鋁型材之價格及條款進行比較；
- (c) 秉承本集團有關關連交易之相關內部監控政策監察廣東興發集團向江西景興提供之供應鋁型材之價格及條款，確保其將不優於本集團向獨立客戶所提供者；及
- (d) 已向董事會提交載有關於本集團進行之所有關連交易（包括總供應協議B項下之持續關連交易）之資料之定期財務報告。

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#### 3. Licence and Service Agreement

- (i) Brief description of the continuing connected transactions under the Licence and Service Agreement

On 1 January 2019, Jiangxi Jingxing and Guangzhou Jingxing entered into a licence and service agreement (“Licence and Service Agreement”) pursuant to which Guangzhou Jingxing agreed to grant to Jiangxi Jingxing a right to use certain design patents and utility patents owned by Guangzhou Jingxing and provide other related technologies and services.

- (ii) Annual Cap

The annual cap in respect of the transactions contemplated under the Licence and Service Agreement for the Year (commencing from 9 July 2019) was RMB3.5 million, and the actual aggregate licence and service fee was approximately RMB3.0 million for the Year (commencing from 9 July 2019).

- (iii) Internal control procedures

During the Year, the Group has complied with the following internal control measures to monitor the continuing connected transactions under the Licence and Service Agreement were conducted in accordance with the terms of the Licence and Service Agreement, on normal commercial terms and in accordance with the pricing policy of the Group and that the annual cap was not exceeded:

- (a) instructed its finance department to supervise the continuing connected transactions in accordance with the Company’s internal control procedures on continuing connected transactions; and

#### 3. 授權及服務協議

- (i) 授權及服務協議項下之持續關連交易簡介

於二零一九年一月一日，江西景興及廣州景興訂立授權及服務協議（「授權及服務協議」），據此，廣州景興同意向江西景興授出使用若干設計專利及實用專利之權利並提供其他相關技術及服務。

- (ii) 年度上限

本年度（自二零一九年七月九日開始）有關授權及服務協議擬進行之交易之年度上限為人民幣3,500,000元，及本年度之實際授權及服務費總金額約為人民幣3,000,000元（自二零一九年七月九日開始）。

- (iii) 內部監控程序

於本年度，本集團已遵守以下內部監控措施以監察授權及服務協議項下進行之持續關連交易乃根據授權及服務協議之條款，按一般商業條款根據本集團之定價政策進行，且並無超出年度上限：

- (a) 指示其財務部根據本公司有關持續關連交易之內部監控程序監管持續關連交易；及



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- (b) instructed its finance department to follow and collect the data of the continuing connected transactions to ensure that the annual cap was not exceeded.

#### 4. Views of the independent non-executive Directors

The independent non-executive Directors have reviewed the continuing connected transactions carried out pursuant to Master Supply Agreement A, Master Supply Agreement B and Licence and Service Agreement, and have considered the information on internal control procedures referred to in sections D.1(iii), D.2(iii) and D.3(iii) above, and confirmed that the transactions have been entered into:

- (i) in the ordinary and usual course of business of the Company;
- (ii) on normal commercial terms or terms no less favourable to the Company than terms available to or from independent third parties; and
- (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

- (b) 指示其財務部跟進及收集持續關連交易之數據，以確保並無超出年度上限。

#### 4. 獨立非執行董事之觀點

獨立非執行董事已審閱根據總供應協議A、總供應協議B及授權及服務協議進行之持續關連交易，及考慮上文D.1(iii)、D.2(iii)及D.3(iii)節所述之有關內部監控程序之資料，並確認該等交易乃：

- (i) 於本公司一般及日常業務過程中訂立；
- (ii) 按一般商業條款或不遜於本公司向獨立第三方提供或取得之條款訂立；及
- (iii) 根據規管該等交易之相關協議並按公平合理之條款訂立，且符合股東之整體利益。

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5. The auditor of the Company was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its letter to the Board containing its findings and conclusions in respect of the continuing connected transactions as set out in this section "D" above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange of Hong Kong Limited which stated that:
- (i) nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors;
- (ii) for transactions involving the provision of goods or services by the Group, nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (iii) nothing has come to the attention of the auditor that causes the auditor to believe that the disclosed continuing connected transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions;
- (iv) with respect to the aggregate amount of the continuing connected transactions, nothing has come to the attention of the auditor that causes the auditor to believe the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.
5. 根據香港核證委聘準則第3000號(經修訂)「歷史財務資料審核或審閱以外之核證委聘」並參考香港會計師公會發佈之實務說明第740號「香港上市規則規定之持續關連交易之核數師函件」,本公司核數師已受聘對本集團持續關連交易作出報告。根據上市規則第14A.56條,核數師已就上述本章節「D」所載之持續關連交易向董事會發出載有其調查結果及結論之函件。本公司已向香港聯合交易所有限公司提供核數師函件之副本,當中表明:
- (i) 核數師並無發現任何事項,令其相信所披露持續關連交易並未獲本公司董事會批准;
- (ii) 就涉及本集團提供貨物或服務之交易而言,核數師並無發現任何事項,令其相信該等所披露持續關連交易於所有重大方面並未根據本集團之定價政策進行;
- (iii) 核數師並無發現任何事項,令其相信該等所披露持續關連交易於所有方面並未根據規管該等交易之相關協議進行;
- (iv) 就持續關連交易之總額而言,核數師並無發現任何事項,令其相信該等所披露持續關連交易已超出本公司所設定之年度上限。

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6. The 2020 Master Supply Agreement A, 2020 Master Supply Agreement B and 2020 Licence and Service Agreement (collectively as the “2020 CCT Agreements”)

Given that the parties to each of the Master Supply Agreement A, Master Supply Agreement B and the Licence and Service Agreement expected that the continuing connected transactions contemplated thereunder would continue on an on-going basis, on 30 December 2019:

- (i) Guangdong Xingfa and China Lesso entered into a new master supply agreement (“2020 Master Supply Agreement A”) for a term from 1 January 2020 to 31 December 2020 (both dates inclusive);
- (ii) Guangdong Xingfa and Jiangxi Jingxing entered into a new master supply agreement (“2020 Master Supply Agreement B”) for a term from 1 January 2020 to 31 December 2020 (both dates inclusive); and
- (iii) Jiangxi Jingxing and Guangzhou Jingxing entered into a new licence and service agreement (“2020 Licence and Service Agreement”) for a term from 1 January 2020 to 31 December 2020 (both dates inclusive).

The terms and conditions of each of the 2020 Master Supply Agreement A, 2020 Master Supply Agreement B and 2020 Licence and Service Agreement (including the pricing policies) are substantially similar to those of the Master Supply Agreement A, Master Supply Agreement B and Licence and Service Agreement. Further details of the 2020 CCT Agreements were disclosed in the announcement of the Company dated 30 December 2019.

6. 二零二零年總供應協議A、二零二零年總供應協議B及二零二零年授權及服務協議（統稱「二零二零年持續關連交易協議」）

鑑於總供應協議A、總供應協議B及授權及服務協議各自訂約方預期該等協議項下擬進行之持續關連交易將按持續基準進行，於二零一九年十二月三十日：

- (i) 廣東興發與中國聯塑訂立新總供應協議（「二零二零年新總供應協議A」），年期自二零二零年一月一日至二零二零年十二月三十一日（包括首尾兩日）；
- (ii) 廣東興發與江西景興訂立新總供應協議（「二零二零年新總供應協議B」），年期自二零二零年一月一日至二零二零年十二月三十一日（包括首尾兩日）；及
- (iii) 江西景興與廣州景興訂立新授權及服務協議（「二零二零年授權及服務協議」），年期自二零二零年一月一日至二零二零年十二月三十一日（包括首尾兩日）。

二零二零年總供應協議A、二零二零年總供應協議B及二零二零年授權及服務協議各自的條款及條件（包括定價政策）大部分與總供應協議A、總供應協議B及授權及服務協議的條款及條件相似。二零二零年持續關連交易協議的進一步詳情披露於本公司日期為二零一九年十二月三十日之公佈。

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E. The Directors confirm that the material related party transactions as disclosed in note 31 to the consolidated financial statements (except the transactions with Jiangxi Jingxing) fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules. The Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

### CONDITIONAL MANDATORY CASH OFFERS

References are made to (i) the announcement jointly issued by Guangxin Aluminium (HK) Limited (“Offeror”) and the Company dated 13 February 2019; and (ii) the composite offer and response document (“Composite Document”) jointly despatched by the Offeror and the Company dated 2 April 2019 in relation to the conditional mandatory cash offers (“Offers”); and (iii) the announcement jointly issued by the Company and the Offeror dated 23 April 2019. Unless otherwise the context requires, capitalised terms used in this section shall have the same meanings as those defined in the Composite Document.

On 13 February 2019, Huatai Financial Holdings (Hong Kong) Limited, for and on behalf of the Offeror, made the Offers to acquire all of the Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) and to cancel all the outstanding share options of the Company in accordance with Rule 26.1 and Rule 13 of the Codes on Takeovers and Mergers of Hong Kong. As set out in the Composite Document, the share offer price for acquiring each offer share was HK\$5.60 (in cash) and the price for cancelling each share option was HK\$0.14 (in cash).

On 23 April 2019, the Offeror and the Company jointly announced that the Offers had lapsed and no extension or revision of the Offers would be made.

E. 董事確認，綜合財務報表附註31所披露之重大關連方交易（與江西景興的交易除外）屬於上市規則第14A章定義下之「關連交易」或「持續關連交易」（視情況而定）。董事確認，本公司已遵守上市規則第14A章之披露規定。

### 有條件強制性現金要約

茲提述(i)香港廣新鋁業有限公司（「要約人」）及本公司日期為二零一九年二月十三日共同刊發的公佈；及(ii)要約人及本公司就有條件強制性現金要約（「要約」）於二零一九年四月二日共同寄發的綜合要約及回應文件（「綜合文件」）；及(iii)本公司及要約人於二零一九年四月二十三日共同刊發的公佈。除文義另有所指外，本章節所用詞彙與綜合文件所界定者具有相同涵義。

於二零一九年二月十三日，華泰金融控股（香港）有限公司（為及代表要約人）作出要約以根據香港收購及合併守則第26.1條及第13條收購本公司所有股份（不包括由要約人及其一致行動人士已擁有或同意將予收購之股份）及註銷所有本公司尚未行使之購股權。誠如綜合文件所載，收購各要約股份的股份要約價為5.60港元（以現金方式）及註銷各購股權的價格為0.14港元（以現金方式）。

於二零一九年四月二十三日，要約人及本公司共同宣佈要約已失效及將不會就要約作出延期或修訂。

## Report of the Directors 董事會報告

### CORPORATE GOVERNANCE

In the opinion of the Directors, save as set out in the Company's corporate governance report in this annual report, the Company had complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules for year ended 31 December 2019.

### MODEL CODE

The Company adopted a set of code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules ("Model Code") as its own code of conduct for securities transactions. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standards set out in the Model Code and its code of conduct regarding directors' securities transactions during the year ended 31 December 2019.

### PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in section 9 of the Companies (Directors' Report) Regulation (Chapter 622D of the Laws of Hong Kong)) for the benefit of the Directors is currently in force and was in force throughout the Year.

### EVENTS AFTER THE END OF THE FINANCIAL YEAR

The outbreak of COVID-19 pandemic since early 2020 has brought about additional uncertainties to the Group's operating environment and has impacted the Group's operations and financial position.

The Group has been closely monitoring the impact of the developments on the Group's businesses and has put in place contingency measures. These contingency measures include but not limited to assessing our suppliers' readiness, improving our production process, negotiating with distributors on delivery schedule, continuously monitoring the operations of distributors of the Group and strengthening cost control. The Group will keep its contingency measures under review as the situation evolves.

### 企業管治

董事認為，除本年報內本公司之企業管治報告所載者外，本公司於截至二零一九年十二月三十一日止年度內一直遵守上市規則附錄14所載之企業管治守則之全部守則條文。

### 標準守則

本公司已就董事進行之證券交易採納一套條款並不較上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）所載之規定標準寬鬆之操守守則作為其本身之證券交易操守守則。經向全體董事作出具體查詢後，全體董事確認彼等於截至二零一九年十二月三十一日止年度內已遵守標準守則所載之規定標準及董事進行證券交易之操守守則。

### 獲准許的彌償條文

為董事訂立之獲准許的彌償條文（定義見香港法例第622D章《公司（董事報告）規例》第9條）現正有效並於本年度一直有效。

### 財政年度結束後事項

自二零二零年年初爆發的COVID-19大流行已對本集團的經營環境產生其他不明朗因素並對本集團的營運及財務狀況造成影響。

本集團一直密切監察疫情發展對本集團業務造成的影響並採取應急措施。該等應急措施包括但不限於評估供應商的準備程度、改進生產流程、與分銷商磋商交付時間表、持續監控本集團分銷商的經營並加強成本控制。本集團將根據事態的發展不斷檢討其應急措施。



## Report of the Directors 董事會報告

As far as the Group's businesses are concerned, the outbreak of the COVID-19 pandemic has caused the delays of production and delivery, and impacted certain debtors' repayment schedules as well as inventory turnover in the first quarter of 2020. The Group's management has set a plan for catching up the aforesaid delayed schedules in the remaining financial year ending 2020. As the extent to which the COVID-19 pandemic will continue is uncertain, it is not practicable to estimate the full financial effect that the COVID-19 pandemic may have on the Group's businesses as at the date of this report.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float as at the date of this report.

### AUDITORS

The financial statements have been audited by KPMG who shall retire and, being eligible, will offer themselves for re-appointment at the forthcoming Annual General Meeting. A resolution will be proposed at the forthcoming Annual General Meeting to re-appoint KPMG as auditors of the Company.

There has been no change of auditors of the Company in any of the preceding three financial years.

On behalf of the Board of Directors

**LIU Libin**

*Chairman*

Foshan China, 26 March 2020

就本集團的相關業務而言，於二零二零年第一季度COVID-19大流行已造成生產及交付的延遲、影響若干債務人的還款時間表以及存貨周轉。本集團管理層已制定計劃以於截至二零二零年餘下之財政年度追趕上述之延遲時間表。由於對COVID-19大流行的持續程度尚未明確，因此，於本報告日期，估計COVID-19大流行可能對本集團業務產生的全面財務影響乃不切實際。

### 足夠公眾持股量

根據本公司可獲提供之公開資料及就董事所知，於本報告日期，本公司一直維持足夠公眾持股量。

### 核數師

財務報表已由畢馬威會計師事務所審計，而畢馬威會計師事務所將於即將舉行之股東週年大會上告退，並符合資格且願意膺選連任。於應屆股東週年大會上將提呈一項決議案以續聘畢馬威會計師事務所為本公司核數師。

本公司於過往三個財政年度並無變更核數師。

代表董事會

主席

**劉立斌**

中國佛山，二零二零年三月二十六日

## Corporate Governance Report 企業管治報告

### CORPORATE GOVERNANCE REPORT

The Company has adopted the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. In the opinion of the Directors, save as mentioned in this Corporate Governance Report, the Company had complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules for the year ended 31 December 2019.

The Directors are committed to upholding the corporate governance of the Company to ensure that formal and transparent procedures are in place to protect and maximise the interests of the Shareholders.

Set out below is a detailed discussion of the corporate governance practices adopted and observed by the Company throughout the year ended 31 December 2019.

#### A. DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted a set of code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules ("Model Code") as its own code of conduct for securities transactions. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standards set out in the Model Code and its code of conduct regarding directors' securities transactions during the year ended 31 December 2019.

### 企業管治報告

本公司已採納上市規則附錄14所載之企業管治守則。董事認為，除於本企業管治報告所述者外，本公司於截至二零一九年十二月三十一日止年度內一直遵守上市規則附錄14所載之企業管治守則之全部守則條文。

董事致力維持本公司之企業管治，確保具有正式及具透明度程序保障及為股東謀求最大利益。

下文載列本公司於截至二零一九年十二月三十一日止整個年度內所採納及遵守之企業管治常規之詳細討論。

#### A. 董事進行之證券交易

本公司已就董事進行證券交易採納一套條款並不較上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）所載之規定標準寬鬆之操守守則作為其本身之證券交易操守守則。經向全體董事作出具體查詢後，全體董事確認彼等於截至二零一九年十二月三十一日止年度內已遵守標準守則所載之規定標準及董事進行證券交易之操守守則。

## Corporate Governance Report 企業管治報告

### B. BOARD OF DIRECTORS

#### (i) Board composition

The Board currently comprises a combination of executive Directors and non-executive Directors. As at the date of this report, the Board consisted of the following Directors:

##### *Executive Directors:*

Mr. LIU Libin (*Chairman*)  
Mr. LIAO Yuqing (*Chief Executive Officer*)  
Ms. ZHANG Li (*Chief Financial Officer*)  
Mr. LAW Yung Koon  
Mr. WANG Zhihua  
Mr. LUO Jianfeng

##### *Non-executive Directors:*

Mr. ZUO Manlun  
Ms. XIE Jingyun

##### *Independent non-executive Directors:*

Mr. CHEN Mo  
Mr. HO Kwan Yiu  
Mr. LAM Ying Hung Andy  
Mr. LIANG Shibin

The executive Directors, with the assistance from the senior management, form the core management team of the Company. The executive Directors have the overall responsibility for formulating the business strategies and development plan of the Group and the senior management are responsible for supervising and executing such plans of the Group.

### B. 董事會

#### (i) 董事會之組成

董事會現時由執行董事及非執行董事組成。於本報告日期，董事會包括以下董事：

##### *執行董事：*

劉立斌先生 (主席)  
廖玉慶先生 (行政總裁)  
張莉女士 (財務總監)  
羅用冠先生  
王志華先生  
羅建峰先生

##### *非執行董事：*

左滿倫先生  
謝景雲女士

##### *獨立非執行董事：*

陳默先生  
何君堯先生  
林英鴻先生  
梁世斌先生

在高級管理層之協助下，執行董事組成本公司之核心管理隊伍。執行董事肩負為本集團制訂業務策略及發展計劃之整體責任，高級管理層則負責監察及執行本集團之相關計劃。

## Corporate Governance Report 企業管治報告

### (ii) Board meetings

During the Year, there were three full board meetings held, at which, among other matters:

- the Directors approved the annual results of the Group for the year ended 31 December 2018 and reviewed and related results announcement, annual report and the circular to the Shareholders in relation to the general mandate proposal and re-election of the Directors retiring by rotation;
- the Directors approved the interim results of the Group for the six months ended 30 June 2019 and reviewed the related results announcement; and
- the Directors approved the master supply agreements and licence and service agreement entered into by the Group on 30 December 2019 and the continuing connected transactions contemplated thereunder.

During the Year, the Board also discussed and approved the Group's affairs by way of circulation of written resolutions.

Prior notices convening the Board meetings were despatched to the Directors setting out the matters to be discussed. At the meetings, the Directors were provided with the relevant documents to be discussed and approved. The company secretary of the Company is responsible for keeping minutes of the Board meetings.

### (ii) 董事會會議

於本年度，曾舉行三次董事會全體會議，會上（其中包括）：

- 董事批准本集團截至二零一八年十二月三十一日止年度之全年業績，並審閱相關業績公佈、年報、有關一般授權建議及重選輪席退任之董事而致股東之通函；
- 董事批准本集團截至二零一九年六月三十日止六個月之中期業績，並審閱相關業績公佈；及
- 董事批准本集團於二零一九年十二月三十日訂立的總供應協議及授權及服務協議及其項下擬進行之持續關連交易。

於本年度，董事會亦通過提呈書面決議案的形式討論及批准本集團事宜。

載有將於董事會會議上商討事項之通告已在會議召開前寄發予董事。會議上，董事獲提供將予考慮及批准之有關文件。本公司之公司秘書負責將董事會會議記錄存檔。

## Corporate Governance Report

### 企業管治報告

#### (iii) Attendance record

The following is the attendance record of the board meetings held by the Board and general meeting held during the year ended 31 December 2019:

#### (iii) 出席紀錄

以下為董事會於截至二零一九年十二月三十一日止年度所舉行之董事會會議及股東大會出席紀錄：

		Attendance at meeting 會議出席率	
		Board Meetings 董事會會議	General Meeting 股東大會
<b>Executive Directors:</b>		<b>執行董事：</b>	
Mr. LIU Libin ( <i>Chairman</i> )	劉立斌先生 (主席)	3/3	1/1
Mr. LIAO Yuqing ( <i>Chief Executive Officer</i> )	廖玉慶先生 (行政總裁)	3/3	1/1
Ms. ZHANG Li ( <i>Chief Financial Officer</i> )	張莉女士 (財務總監)	3/3	1/1
Mr. LAW Yung Koon	羅用冠先生	3/3	1/1
Mr. WANG Zhihua	王志華先生	3/3	1/1
Mr. LUO Jianfeng	羅建峰先生	3/3	1/1
<b>Non-executive Directors:</b>		<b>非執行董事：</b>	
Mr. ZUO Manlun	左滿倫先生	3/3	1/1
Ms. XIE Jingyun	謝景雲女士	3/3	1/1
<b>Independent non-executive Directors:</b>		<b>獨立非執行董事：</b>	
Mr. CHEN Mo	陳默先生	3/3	1/1
Mr. HO Kwan Yiu	何君堯先生	3/3	1/1
Mr. LAM Ying Hung Andy	林英鴻先生	3/3	1/1
Mr. LIANG Shibin	梁世斌先生	3/3	0/1

According to the code provision A.1.1 of the Corporate Governance Code, the Board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. During the year ended 31 December 2019, the Board has held three full board meetings. The Company has deviated from this code provision as the Board has discussed matters of the Company through exchange of emails and informal meetings among the Directors and has obtained board consent through circulating written resolutions.

根據企業管治守則之守則條文第A.1.1條，董事會須定期召開會議及須至少每年舉行四次董事會會議，大概每季舉行一次。於截至二零一九年十二月三十一日止年度，董事會已舉行三次董事會全體會議。本公司已偏離此守則條文，原因為董事會已透過於董事間之電郵交流及非正式會議討論本公司事宜及透過傳閱書面決議案取得董事會同意。



## Corporate Governance Report 企業管治報告

### (iv) Independent non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, the Company has appointed three independent non-executive Directors. The Board considers that all independent non-executive Directors have appropriate the sufficient industry or finance experience and qualifications to carry out their duties so as to protect the interests of shareholders of the Company. One of the independent non-executive Directors, Mr. LAM Ying Hung, Andy, has over 25 years in the accounting, banking and finance sectors and is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

The Company has received the annual written confirmations from all independent non-executive Directors in respect of their independence. The Board considers that all independent non-executive Directors are being considered to be independent. Particular consideration is paid in assessing the independence of those independent non-executive Directors who have been serving on the Board for more than 9 years and seeking re-election in the annual general meeting. When appropriate, reasons will be given in the annual general meeting circular to explain why the Board believes those independent non-executive Directors are still independent and should be re-elected.

### (iv) 獨立非執行董事

為符合上市規則第3.10(1)條，本公司委任三名獨立非執行董事。董事會認為，全體獨立非執行董事均具有合適及充足之業界或財務經驗及資格，以履行彼等之職責，以保障本公司股東之權益。其中一名獨立非執行董事林英鴻先生，在會計、銀行及金融業擁有逾25年經驗，並為英國特許公認會計師公會及香港會計師公會資深會員。

本公司已接獲全體獨立非執行董事就其獨立性而發出之年度書面確認。董事會認為全體獨立非執行董事均被視為獨立人士。於評估該等在董事會任職超過九年及擬於股東週年大會上尋求重選之獨立非執行董事的獨立性時應給予特別考慮。股東週年大會通函內將列出理由闡述董事會為何仍認為該等獨立非執行董事具獨立性及應予以重選（如適用）。

## Corporate Governance Report 企業管治報告

### (v) Relationship among members of the Board

Mr. LIAO Yuqing, an executive Director and the chief executive officer of the Company, is the son-in-law of Mr. LUO Su, the Honourable Adviser of the Group. Save as aforesaid, there is no other family relationship between any of the Directors and chief executive officer of the Company. All of them are free to exercise their independent judgement.

### (vi) Continuous professional development

During the year ended 31 December 2019, the Company has provided regular updates to Directors on material changes to regulatory requirements applicable to the Directors and the Company and on the latest business development of the Company. The Directors confirmed that they have complied with code provision A.6.5 of the Corporate Governance Code on directors' training. During the year ended 31 December 2019, all Directors, namely Mr. LIU Libin, Mr. LIAO Yuqing, Ms ZHANG Li, Mr. LAW Yung Koon, Mr. WANG Zhihua, Mr. LUO Jianfeng, Mr. ZUO Manlun, Ms. XIE Jingyu, Mr. CHEN Mo, Mr. HO Kwan Yiu, Mr. LAM Ying Hung, Andy and Mr. LIANG Shibin, have participated in continuous professional development by attending in-house briefing and/or reading materials to develop and refresh their knowledge and skills in areas related to their roles, functions and duties of Directors such as corporate governance, regulatory updates and topics related to aluminium industry, and provided a record of training to the Company.

### (v) 董事會成員間之關係

執行董事廖玉慶先生為本公司執行董事兼行政總裁為本集團榮譽顧問羅蘇先生之女婿。除上述者外，任何本公司董事或主要行政人員之間概無任何其他家族關係。彼等全體均可作出獨立判斷。

### (vi) 持續專業發展

於截至二零一九十二月三十一日止年度，本公司已就董事及本公司適用之規管規定之重大變動以及有關本公司最新業務發展向董事提供定期更新資料。董事確認，彼等已遵守企業管治守則之守則條文第A.6.5條有關董事培訓之規定。於截至二零一九年十二月三十一日止年度，全體董事（即劉立斌先生、廖玉慶先生、張莉女士、羅用冠先生、王志華先生、羅建峰先生、左滿倫先生、謝景雲女士、陳默先生、何君堯先生、林英鴻先生及梁世斌先生）已透過參加內部簡報會及／或閱讀各種資料之方式參與持續專業發展，以發展及更新有關其作為董事之角色、職能及職責之知識及技能，如企業管治、最新規管資料及鋁材行業相關資料等，並已向本公司提供培訓記錄。

## Corporate Governance Report 企業管治報告

### C. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and the chief executive officer are segregated. Mr. LIU Libin is the chairman of the Board. The Chairman is chiefly responsible for managing the Board. Mr. LIAO Yuqing is the chief executive officer of the Company who takes charge of the supervision of the execution of the policies determined by the Board. The Chairman also chairs the Board meetings and briefs the Board members on the issues discussed at the Board meetings.

Code provision A.2.7 of the Corporate Governance Code requires the Chairman to hold meetings at least annually with the independent non-executive Directors without the presence of other Directors. During the Year, Mr. LIU Libin, the Chairman, did not hold any meeting with the independent non-executive Directors without the presence of other Directors. However, the Chairman held meetings with the independent non-executive Directors with the presence of other Directors periodically during the Year to understand their concerns, to discuss pertinent issues and to ensure that there was access to adequate and complete information. The independent non-executive Directors could have direct contacts with the Chairman after meetings if necessary.

### C. 主席及行政總裁

主席及行政總裁兩者角色分立。劉立斌先生為董事會主席。主席主要負責管理董事會。廖玉慶先生則為本公司行政總裁，負責監察及落實董事會釐定之政策。主席亦主持董事會會議，並向董事會成員簡介於董事會會議上商討之事項。

企業管治守則之守則條文第A.2.7條規定，主席須至少每年在其他董事並無出席情況下與獨立非執行董事舉行會議。於本年度，主席劉立斌先生概無與獨立非執行董事在無其他董事出席情況下舉行會議。然而，於本年度，主席已定期與獨立非執行董事在其他董事出席情況下舉行會議，以了解其關注、討論相關事務及確保可獲得足夠及完備的資料。如有必要，獨立非執行董事於會議結束後可直接與主席聯繫。

## Corporate Governance Report 企業管治報告

### D. INDEPENDENT NON-EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTORS

Each of Mr. CHEN Mo, Mr. HO Kwan Yiu and Mr. LAM Ying Hung, Andy has been appointed for a fixed term of three years commencing from 1 March 2018 and each of their appointment has been renewed for a fixed term of three years commencing from 1 April 2020.

Mr. ZUO Manlun has been appointed for a fixed term of three years commencing from 16 April 2018 and such appointment has been renewed for a fixed term of three years commencing from 1 April 2020.

Ms. XIE Jingyun has been appointed for a fixed term of three years commencing from 6 December 2018 and such appointment has been renewed for a fixed term of three years commencing from 1 April 2020.

Mr. LIANG Shibin has been appointed for a fixed term of three years commencing from 14 December 2018 and such appointment has been renewed for a fixed term of three years commencing from 1 April 2020.

The independent non-executive Directors have attended the Board meetings and provided independent judgement on the issues discussed.

### E. REMUNERATION OF DIRECTORS

The Company established a remuneration committee with written terms of reference in compliance with the Corporate Governance Code. During the year ended 31 December 2019, the remuneration committee comprised Mr. HO Kwan Yiu (Chairman), Mr. CHEN Mo, Mr. LAM Ying Hung, Andy, Mr. LIU Libin and Mr. LIAO Yuqing. The primary duties of the remuneration committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management.

It is the Company's policy that the remuneration package of each Director and senior management shall be determined by reference to the duties, responsibilities, experience and qualifications of each candidate.

### D. 獨立非執行董事及非執行董事

陳默先生、何君堯先生及林英鴻先生各自之固定委任年期由二零一八年三月一日開始，為期三年及彼等各自之委任已續新，自二零二零年四月一日起計固定期限三年。

左滿倫先生之固定委任年期由二零一八年四月十六日開始，為期三年及該委任已續新，自二零二零年四月一日起計固定期限三年。

謝景雲女士之固定委任年期由二零一八年十二月六日開始，為期三年及該委任已續新，自二零二零年四月一日起計固定期限三年。

梁世斌先生之固定委任年期由二零一八年十二月十四日開始，為期三年及該委任已續新，自二零二零年四月一日起計固定期限三年。

獨立非執行董事已出席董事會會議，並就所商討之事項提供獨立判斷。

### E. 董事薪酬

本公司已遵守企業管治守則，成立薪酬委員會，並以書面界定其職權範圍。於截至二零一九年十二月三十一日止年度，薪酬委員會由何君堯先生（主席）、陳默先生、林英鴻先生、劉立斌先生及廖玉慶先生組成。薪酬委員會之主要職責為檢討及釐定薪酬組合、花紅及其他應付董事及高級管理層之酬金之條款。

根據本公司政策，每名董事及高級管理層之薪酬組合須參考各候選人之職責、責任、經驗及資格而釐定。

## Corporate Governance Report 企業管治報告

The following is the attendance record of the committee meeting held by the remuneration committee during the year ended 31 December 2019:

以下為薪酬委員會於截至二零一九年十二月三十一日止年度舉行委員會會議之出席記錄：

		Attendance at meeting 會議出席率
Mr. HO Kwan Yiu	何君堯先生	2/2
Mr. CHEN Mo	陳默先生	2/2
Mr. LAM Ying Hung, Andy	林英鴻先生	2/2
Mr. LIU Libin	劉立斌先生	2/2
Mr. LIAO Yuqing	廖玉慶先生	2/2

### F. NOMINATION OF DIRECTORS

The Company established a nomination committee with written terms of reference in compliance with the Corporate Governance Code. During the year ended 31 December 2019, the nomination committee comprised Mr. LIU Libin (Chairman), Mr. HO Kwan Yiu, Mr. CHEN Mo, Mr. LAM Ying Hung, Andy and Mr. ZUO Manlun. The primary duties of the nomination committee are to make recommendations to the Board on the nominees for appointment as Directors and senior management of the Group.

During the year ended 31 December 2019, no Directors was appointed and no nomination committee meeting has been held.

According to the articles of association of the Company, one-third of the Directors are subject to retirement by rotation or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from the office and offer themselves for re-election. The Directors to be retired by rotation shall be those who have been longest in office since their last appointment. At a full Board meeting held on 26 March 2019, the Directors have reviewed the performance of the Directors who would retire at the annual general meeting of the Company held on 30 May 2019 and approved to recommend the re-election of such Directors at the annual general meeting of the Company.

### F. 提名董事

本公司已遵守企業管治守則，成立提名委員會，並以書面界定其職權範圍。於截至二零一九年十二月三十一日止年度，提名委員會由劉立斌先生（主席）、何君堯先生、陳默先生、林英鴻先生及左滿倫先生組成。提名委員會之主要職責為就提名委任為本集團董事及高級管理層之人士向董事會作出推薦意見。

截至二零一九年十二月三十一日止年度，並無委任董事，亦無舉行提名委員會會議。

根據本公司之組織章程細則，三分之一董事須輪席退任，如數目並非三或三之倍數，則為最接近但不少於三分之一之整數須退任並可重選連任。將予輪席退任之董事須為自彼等上一次獲委任起計任期為最長者。在二零一九年三月二十六日舉行之董事會全體會議上，董事已檢討會於本公司在二零一九年五月三十日舉行之股東週年大會上退任董事之表現，並批准推薦該等董事於本公司之股東週年大會上重選連任。



## Corporate Governance Report 企業管治報告

The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognizes and embraces the benefits of diversity in the Board. The Board has adopted a Board Diversity Policy (“Board Diversity Policy”) to comply with the code provisions of the Corporate Governance Code which was effective from 1 September 2013. The Company believes that a diversity of perspectives can be achieved through consideration of a number of factors including, but not limited to, skills, regional and industry experience, cultural and educational background, race, gender and other qualities. In informing its perspective on diversity, the Company will also take into account factors based on its own business model and specific needs from time to time. The composition, experience and balance of skills on the Board retains core members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring fresh perspectives and diverse experiences to the Board. The process for the nomination of Directors is led by the nomination committee, which has been made on a merit basis. A nomination policy (“Nomination Policy”) was adopted on 31 December 2018 and became effective on 1 January 2019, which serves to improve the transparency of the process and criteria in selecting and recommending candidates as directors of the Company for the Board’s approval from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. The Directors and the nomination committee will consider and nominate candidates according to the Nomination Policy based on objective criteria with due regard to the benefits of diversity as set out in the Board Diversity Policy, to the Board for approval. In identifying individuals and making recommendations for nominations, the nomination committee considers whether such individuals have the appropriate qualifications, ability and perspectives that would enable them to effectively fulfill their roles and responsibilities as directors of the Company. The Board will review the Board Diversity Policy and the Nomination Policy on a regular basis to ensure their continued effectiveness. During the year ended 31 December 2019, the nomination committee was satisfied with the diversity of the existing Board composition and did not, for the time being, set any measurable objective regarding board diversity.

本公司不斷尋求提升董事會之效率及維持最高水平之企業管治，且了解及認同董事會多元化之裨益。董事會採納董事會多元化政策（「董事會多元化政策」）以符合於二零一三年九月一日生效之企業管治報告之守則條文。本公司認為多元化觀點可透過考慮若干因素而達致，包括但不限於技能、區域及行業經驗、文化及教育背景、種族、性別及其他質素。於達致於多元化觀點時，本公司亦將根據本身不時之業務模式及特別需要事宜作考慮。董事會組成、經驗及技能平衡將維持對本集團具有長期認識之核心成員以及為董事會帶來嶄新觀點及不同經驗之不時獲委任之新董事。提名委員會主導以優點為基準作出之提名董事程序。本公司於二零一八年十二月三十一日採納一項提名政策（「提名政策」），及該政策於二零一九年一月一日起生效，該政策旨在提高於甄選及推薦本公司董事候選人以供董事會不時批准以及隨時委任任何人士為董事以填補董事會臨時空缺或作為新董事方面的程序透明度及標準。董事及提名委員會將根據提名政策基於客觀標準，並經妥為計及董事會多元化政策所載之多元化之裨益後，審議及提名候選人以供董事會批准。於物色個人及就提名作出推薦意見，提名委會考慮有關個人是否擁有合適資格、能力及觀點使其能有效履行其作為本公司董事之職責及責任。董事會將定期檢討董事會多元化政策及提名政策，以確保其持續有效。於截至二零一九年十二月三十一日止年度，提名委員會信納現有董事會構成之多元化，及暫時並無就董事會之多元化設立任何可衡量之目標。

## Corporate Governance Report 企業管治報告

### G. AUDITORS' REMUNERATION

For the year ended 31 December 2019, KPMG, the Group's external auditors, provided annual audit services and other non-audit services to the Company. A breakdown of the remuneration of the Group's external auditors is as follows:

### G. 核數師酬金

於截至二零一九年十二月三十一日止年度，本集團外部核數師畢馬威會計師事務所向本公司提供年度核數服務及其他非核數服務。本集團外部核數師之酬金明細如下：

For the year ended  
31 December 2019  
截至二零一九年  
十二月三十一日  
止年度  
(RMB'000)  
(人民幣千元)

Audit service	核數服務	
Annual audit services	年度審計服務	1,355
Other non-audit services (among others, for reviewing the interim financial information of the Group)	其他非審計服務 (包括審閱本集團中期財務資料)	760

### H. AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference based upon the code provisions and recommended practices of the Corporate Governance Code. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control systems of the Group. During the year ended 31 December 2019, members of the audit committee comprised Mr. LAM Ying Hung, Andy (Chairman), Mr. CHEN Mo and Mr. HO Kwan Yiu, being the independent non-executive Directors, and Ms. XIE Jingyun being the non-executive Director.

### H. 審核委員會

本公司已根據企業管治守則之條文及建議常規成立審核委員會，並以書面界定其職權範圍。審核委員會之主要職責為審閱及監察本集團之財務申報程序及內部監控系統。於截至二零一九年十二月三十一日止年度，審核委員會由獨立非執行董事林英鴻先生（主席）、陳默先生及何君堯先生以及一名非執行董事謝景雲女士組成。

## Corporate Governance Report

### 企業管治報告

During the year ended 31 December 2019, the audit committee has held two meetings, at which:

- the audit committee members have reviewed and discussed with the external auditors of the Company the Group's consolidated financial statements for the year ended 31 December 2018, who is of the opinion that such statements complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures have been made;
- the audit committee have reviewed the reasonableness and fairness of the continuing connected transactions of the Company for the year ended 31 December 2018; and
- the audit committee members have reviewed and discussed with the external auditors of the Company the Group's unaudited consolidated financial statements for the six months ended 30 June 2019.

The following is the attendance record of the committee meetings held by the audit committee during the year ended 31 December 2019:

於截至二零一九年十二月三十一日止年度，審核委員會已舉行兩次會議，會上：

- 審核委員會成員已對本集團截至二零一八年十二月三十一日止年度之綜合財務報表作出審閱，並與本公司外聘核數師進行商討，其認為該報表符合適用會計準則、上市規則及法例規定，亦已作出足夠披露；
- 審核委員會亦已檢討本公司截至二零一八年十二月三十一日止年度之持續關連交易之合理性及公平性；及
- 審核委員會成員已與本公司外部核數師審閱及討論本集團截至二零一九年六月三十日止六個月之未經審核綜合財務報表。

以下為審核委員會於截至二零一九年十二月三十一日止年度舉行委員會會議之出席記錄：

		<b>Attendance at meeting 會議出席率</b>
Mr. LAM Ying Hung, Andy	林英鴻先生	2/2
Mr. CHEN Mo	陳默先生	2/2
Mr. HO Kwan Yiu	何君堯先生	2/2
Ms. XIE Jingyun	謝景雲女士	2/2

## Corporate Governance Report 企業管治報告

### I. DIRECTORS' ACKNOWLEDGEMENT

All Directors acknowledge their responsibility for preparing the accounts for the year ended 31 December 2019.

### J. RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibilities for maintaining a sound and effective risk management and internal control system of the Group. The Board has not established a risk management committee. Instead, the full Board is responsible for performing the risk management function, including establishing and approving the overall risk management strategies of the Group from time to time, overseeing senior management's implementation of those strategies to align with the Company's risk profile, overseeing risk management framework structure, reviewing key risks and mitigation strategies and ensuring risk management effectiveness.

A bottom-up and top-down approach is utilised to ensure a holistic risk management process. The bottom-up approach is supported by key business units to identify and prioritise risks while the top-down approach reviews and assesses if risks are comprehensively identified, prioritised, and properly addressed by key business units to accomplish the Group's objectives. The management team is regularly monitoring emerging risks for continuous risk assessment purpose and for building the risk-management based internal audit plan and periodically assesses the adequacy and effectiveness of risk management and internal controls for ongoing risk assurance purposes. This enhances the effectiveness of the Group's risk and control framework.

### I. 董事確認

所有董事均已確認彼等編製截至二零一九年十二月三十一日止年度賬目之責任。

### J. 風險管理及內部監控

董事會整體負責維持本集團穩健而有效之風險管理及內部監控系統。董事會未成立風險管理委員會。董事會整體負責行使風險管理功能，包括不時建立及通過本集團整體的風險管理戰略，監督高級管理層對該等戰略的實施以符合本公司整體的業務目標，監督風險管理框架結構，審核主要風險及緩解戰略及保障風險管理的有效性。

本集團利用自下而上及自上而下的方式，確保擁有一套完善的風險管理程序。自下而上的方式由核心業務單位支持以識別風險及確定風險評級；而自上而下的方式則檢討及評估核心業務單位於實現本集團的目標時是否已全面識別風險、為風險劃分級別及予以妥善處理。管理層團隊為持續評估風險定期監測新出現的風險，建立以風險管理為基礎的內部審核計劃，並以現時的風險擔保為目的週期性評估風險管理及內部控制的適當性及有效性。此舉提高了本集團風險及控制框架的有效性。

## Corporate Governance Report 企業管治報告

The Group's risk management and internal control system is designed to reduce risks, safeguard the Group's assets, prevent and detect fraud and protect shareholders' investment as well as to ensure that proper accounting records are maintained and applicable legislation and regulations are complied with. During the year end review, through discussions with the management, the internal audit team and external auditors and with reference to a report submitted by the internal audit team and a risk assessment report prepared by a professional audit firm, the Board has conducted assessments and reviews of the effectiveness of the Group's risk management and internal control system in various perspective, including, among others, financial control, operational and compliance controls and risk management. The risk management and internal control systems are reviewed by the Board annually and each review covers a whole financial year.

The internal audit unit of the Company, which is subordinated to the Board, formulates the internal audit plan of the Group based on the strategic objectives analysis, business flow analysis, risk assessment and performance evaluation and the self-inspection mechanism with comprehensive risk management functions under the authority of the Board and the guidance of the audit committee. It regularly reports to the audit committee and the Board for its audit findings and recommendations on internal control. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

本集團設立風險管理及內部監控系統，旨在減低風險、保障本集團資產、防止及偵查欺詐及保障股東權益，確保維持適當會計記錄，遵守合適法規及規例。於回顧年度，董事會透過與管理層、內部審計團隊及外聘核數師進行討論，及參考內部審計團隊所呈交報告及由專業審計公司編製的風險評估報告，來評估與在各不同角度檢討本集團風險管理及內部監控系統之有效性，其中包括財務監控、營運與合規監控以及風險管理。風險管理及內部控制系統每年由董事會審核且每次審核覆蓋整個財政年度。

本公司內部審計單位—稽核室隸屬董事會，在董事會之授權範圍內及審核委員會指導下，透過戰略目標分析、業務流程分析、風險評估、績效衡量，結合全面風險管理的內部控制自查機制，擬定本集團內部稽核工作計劃，並定期就查核結果與內控建議向審核委員會及董事會彙報。該系統旨在就重大錯誤陳述或損失提供合理而非絕對之保障，並管理而非完全消除本集團營運系統失效之風險，以達致本集團之業務目標。



## Corporate Governance Report 企業管治報告

During the year under review, the internal audit unit of the Company continuously optimized job responsibilities and functions of different departments according to the annual audit plan approved by the Board. Such audit work covered financial, operation, statutory compliance and connected transactions, etc., of the Group. During the year under review, the Board has reviewed the effectiveness of the Group's risk management and material internal controls system. Based on information furnished to it and on its own observations, the Board is satisfied with the present risk management and internal control systems of the Group and considers them effective and adequate. During the year under review and up to the date of this annual report, nothing has been found which requires substantial improvement.

The Company has formulated policies on information disclosure and regularly reminded Directors and employees to properly comply with relevant policies on inside information while notifying the Directors (who are also the senior management of the Group) and employees the latest guidance announced by the regulatory body on such information disclosure from time to time to keep all of them abreast of the latest information.

### K. CORPORATE GOVERNANCE FUNCTIONS

The Board has taken up the corporate governance functions in accordance with code provision D.3.1 of the Corporate Governance Code and has reviewed the Company's policies and practices on corporate governance and compliance; has reviewed and monitored the training and continuous professional development of the Directors and senior management; has reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements; and has reviewed the Company's compliance with the Corporate Governance Code during the Year as well as the disclosures in this Corporate Governance Report.

於回顧年度，本公司稽核室在不斷完善部門崗位職責之前提下，遵循董事會通過之年度稽核計劃，對本集團進行項目審計，審計範圍涵蓋財務、營運、法規遵循以及關連交易等。於回顧年度，董事會已檢閱本集團的風險管理及重大內部監控系統。根據董事會所獲得資料及其本身觀察，董事會滿意本集團現行之風險管理及內部監控系統及認為該系統是有效及充分。於回顧年度及截至本年報的日期，並無發現有重大事項需要改進。

本公司已制定信息披露政策，並定期提醒董事及員工適當遵守內幕消息的相關政策，並會不時知會董事（彼等亦為本集團的高級管理層）及員工有關監管機構公佈的上述信息披露最新指引，以令彼等全體獲得最新的資訊。

### K. 企業管治職能

董事會根據企業管治守則之守則條文第D3.1條負責企業管治職能，並已審閱本公司企業管治及遵例方面之政策及常規；審閱及監察董事及高級管理層之培訓及持續專業發展；審閱及監察本公司遵守法定及規管規定之政策及常規；以及審閱本公司於本年度遵守企業管治守則之情況及於企業管治報告中之披露。

## Corporate Governance Report 企業管治報告

### L. COMPANY SECRETARY

During the Year, Ms. WONG Tik was the company secretary of the Company (“Company Secretary”). In delivering her service as Company Secretary, Ms. WONG directly reported to the Chairman. Ms. WONG has confirmed that for the year under review, she has taken no less than 15 hours of relevant professional training.

### M. SHAREHOLDERS’ RIGHTS AND INVESTOR RELATIONS

Pursuant to article 64 of the Company’s articles of association, any one or more shareholder(s) 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 extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself(themselfs) 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. The written requisition must state the objects of the meeting, and must be signed by the relevant shareholder(s) and deposited to the Company Secretary at the Company’s principal place of business, which is presently situated at Unit 605, 6/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong. Any shareholder enquiry may be directed to the Board through the Company Secretary by sending to the Company’s principal place of business in Hong Kong.

### L. 公司秘書

於本年內，黃荻女士為本公司公司秘書（「公司秘書」）。於作為本公司之公司秘書提供其服務時，黃女士直接向主席報告。黃女士確認彼已於回顧年度接受不少於15小時之相關專業培訓。

### M. 股東權利及投資者關係

根據本公司之組織章程細則第64條，任何一名或以上之股東，倘於提交要求日期，持有本公司繳足股本（附有股東於本公司股東大會上之投票權）不少於十分之一，則有權隨時向董事會或本公司秘書提交書面要求，要求董事會召開股東特別大會，以處理該要求書中指明之任何事宜，而該大會應於提交該要求書後兩個月內舉行。倘於提交書面要求後二十一日內，董事會未能落實召開該大會，則提出要求之人士可以相同方式自行召開大會，而因董事會未能應要求行事而導致提出要求之人士產生之所有合理費用，應由本公司向其歸還。書面要求須載明大會目的，且須由有關股東簽署及送交公司秘書，地址為本公司之主要營業地點，其現時位於香港九龍尖沙咀東麼地道62號永安廣場6樓605室。任何股東可透過公司秘書以寄往本公司之香港主要營業地點之方式直接向董事會查詢。

## Corporate Governance Report 企業管治報告

There is no provision allowing shareholders to put forward proposals at the general meeting under the Company's articles of association or under the Companies Law, Chapter 22 of the Laws of the Cayman Islands (Law 3 of 1961, as consolidated and revised). Shareholders may follow the procedures set out above to convene an extraordinary general meeting for any business specified in such written requisition.

During the year ended 31 December 2019, there was no change in the Company's constitutional documents.

本公司之組織章程細則或根據開曼群島法例第22章公司法（一九六一年第3號法例，經綜合及修訂）並無准許股東於股東大會提呈建議之條文。股東可按上文所載程序召開股東特別大會，以處理有關書面要求中指明之任何事項。

截至二零一九年十二月三十一日止年度，本公司之公司組織章程文件並無變動。

On behalf of the Board of Directors

**LIU Libin**  
*Chairman*

Foshan China, 26 March 2020

代表董事會

主席  
**劉立斌**

中國佛山，二零二零年三月二十六日

## Environmental, Social and Governance Report 環境、社會及管治報告

### 1. MESSAGE FROM THE CHAIRMAN

The year 2019 is the 70th anniversary of the founding of new China, it is also a crucial year to become a well-off society nationwide and achieve the goal of the first century. The economy of China has changed from high-speed growth to high quality development with remarkable results seen in the construction of pollution treatment and ecological civilization. Meanwhile, global trade frictions are constantly escalating and international situation is becoming increasingly complex. Against this background, Xingfa always believes that stringent quality control, unremitting scientific and technological innovation and strong talent construction are the keys to the Company's long-term development. Therefore, we founded based on construction aluminium profiles, achieved breakthrough in industrial aluminium profiles, developed more high-tech, green and environmentally friendly products, accelerated the industrialization of patented products, extended industrial chains and enhanced value chains, enhanced core competitiveness, and focused on IT strategic planning. A number of key projects including data centre construction, precision manufacturing projects, capacity expansion, professional marketing service system construction, product and process standardization, and human resource management system construction were pushed forward to ensure the stable running and high-quality development of Xingfa.

### 1. 主席致辭

2019年是新中國成立70周年，也是全面建成小康社會、實現第一個百年奮鬥目標的關鍵之年。中國經濟已由高速增長轉向高質量發展，污染治理和生態文明建設也取得了顯著成效。同時，全球貿易摩擦不斷升級，國際形勢日趨錯綜複雜。在此大背景下，興發始終相信，嚴格的質量控制、不懈的科技創新和強有力的人才建設，是企業長足發展的關鍵。因此，我們立足建築鋁型材，突破工業鋁型材，開發更多科技含量高、綠色環保的產品，加快專利產品產業化，延伸產業鏈和提升價值鏈，強化企業核心競爭力，圍繞IT戰略規劃、數據中心建設、精密製造項目、產能拓展、專業化營銷服務體系建設、產品及工藝標準化規範、人力資源管理體系建設等多個重點項目展開佈局工作，確保興發穩健經營，向高質量發展。

## Environmental, Social and Governance Report 環境、社會及管治報告

High quality product is the assurance of sustainable development. Xingfa Aluminium cares a lot about product innovation and scientific research, and has obtained over 1,300 national patents as at the end of 2019. With the construction aluminium profiles and industrial aluminium profiles as the two key products of Xingfa Aluminium, we embed the principle of sustainable development into the development and planning of our products. With construction aluminium profiles as our traditional key product, we position such product as green, environmentally-friendly, energy-saving and recyclable aluminium profile products as well as invest more efforts to research and develop our products to become more sophisticated and intelligent, so as to save energy consumption and improve quality. With the lightweight and durable characteristics, industrial aluminium profiles have a strong potential in the transformation and energy conservation of social materials. In 2019, the investment in and construction of industrial aluminium production lines had reached a stage of substantial development. As the Group advances its digital factory project, we will adjust the construction of precision manufacturing projects that industrial aluminium profiles are rested upon and expect to expand the business of industrial aluminium profiles and deep processing products to 40% of the overall business within the next three to five years to make it become the second core major business. At the same time, in response to national and social attention to on environmental protection as well as the market demand for lightweight transportation, the Group continued to promote the production and sales of aluminium profile products for lightweight transportation in 2019.

高質量的產品是可持續發展的保障。興發鋁業注重產品研發和創新，截至2019年結束已獲得超過1,300項國家專利。建築鋁型材和工業鋁型材是興發鋁業的兩大主要產品，我們緊扣可持續發展的宗旨制定適用於相應產品的發展規劃。作為集團的傳統主打產品，我們將建築鋁型材定位為綠色、環保、節能、可循環使用的鋁型材產品，並在此基礎上大力研發更加成品化、智慧化的產品，從而節省能耗、提高質量。工業鋁型材以其輕便、耐用的特性為社會材料的轉型和節能帶來新的潛力，2019年工業鋁型材生產線的投入和建設已步入實質性發展階段，隨著集團推進數字化工廠項目，我們將調整工業鋁型材所依托的精密製造項目建設，期望在未來三至五年內將工業鋁型材及深加工產品佔比提升至整體業務的40%，使之成為第二大核心主業。同時，為響應國家和社會對環保的重視，以及市場對交通輕量化產品的需求，2019年本集團繼續推進交通輕量化鋁型材產品的生產和銷售。



## Environmental, Social and Governance Report 環境、社會及管治報告

Reducing hazardous emissions and utilisation of non-hazardous waste are the essential elements to sustainable development. In 2019, the Group had already obtained the relevant disposal licence issued by Guangdong Provincial Department of Ecological Environment, and will further promote the recycling, reduction and non-hazardous treatment of hazardous wastes through commercial operations, recycling and use of etching solution and mold die cavity solution and heavy metal chromium-nickel waste residue, turning waste into treasure. For wastewater and exhaust gas discharge, we strictly monitored pollutant purification process and renovated and replaced certain environmental protection facilities to ensure emission compliance. The utilization of non-hazardous wastes is something that cannot be ignored. We subdivided the classification of non-hazardous wastes for recycling, for example, aluminum slag from casting workshop can be used as raw materials for high aluminum cement.

In order to lower costs and strengthen product quality and industry competitiveness, the Group continued to focus on lean production and diversified such concept into the entire process of enterprise production and operation, expanded the scope and depth of lean production. In 2019, the lean production lines of the Group's manufacturing bases were operated in full form. Through publicity, training, and independent improvement, the foundation work of lean production was continuously pragmatic: Sanshui Company carried out the "single flow" process on surface packaging and thermal break production line. The packaging efficiency was improved by 10% to 15% under the "single flow" process reducing labour force by 26 workers. The powder quality inspection at source by supplier has effectively solved the impact of powder return cycle and unstable quality on production continuity. The Jiangxi Company has effectively improved production continuity through the implementation of pre-arrangement of molds and storage location management. It conducted special research on "compensation rate of aluminium profiles" and achieved apparent results. It has reduced the number of repeated mold installations on machine and reduced production costs. The Chengdu Company has achieved rapid growth in both production and sales through measures such as optimized production plans, equipment TPM (Total Productive Maintenance) management, and elimination of waste consumption. The product delivery cycle was shortened by 3 days when compared to 2018.

降低有害排放和對無害廢物進行利用是可持續發展的關鍵。2019年，本集團已經獲得廣東省生態環境廳頒發的相關處置牌照，將通過商業營運進一步推進有害廢棄物的資源化、減量化和無害化處理，回收利用鹼蝕液、模具煲模槽液及重金屬鉻鎳廢渣等有害廢棄物，變廢為寶。在廢水和廢氣排放方面，我們嚴格監控污染物淨化處理過程並改造更新部分環保設施，確保達標排放。對無害廢物的利用同樣不容忽視，我們細化無害廢棄物的分類並進行回收處理，例如熔鑄車間中的鉛渣可作為高鋁水泥的原料使用。

為降低成本，鞏固產品質量和行業競爭力，本集團繼續以精益生產為導向，將精益理念貫穿至企業生產經營的全過程，擴大精益生產的實施範圍和深度。2019年集團各生產基地精益生產戰線全面鋪開，通過宣傳、培訓、自主改善，不斷夯實精益生產的基礎工作：三水公司以流程再造的方式在表面包裝、斷橋插膠生產線開展「一個流」生產模式，改善後包裝效率提高10%~15%，節省勞動力26人；在供應商的源頭進行粉末質量檢驗，有效解決了粉末回廠週期與質量不穩定對生產連續性的影響。江西公司通過推行模具預排產以及庫位管理，有效提高了生產的連續性，對「鋁型材補壓率」進行專項攻關並取得明顯成效，減少了模具的重複上機次數，節約了生產成本。成都公司通過開展優化生產計劃、設備TPM(Total Productive Maintenance)管理、消除浪費等措施，使產量及銷量均實現快速增長，產品交貨週期較2018年縮短了3天。

## Environmental, Social and Governance Report 環境、社會及管治報告

In the future, the Group will continue to give full play to its advantages and strive to build up its development model and products that meet the needs of modern society. The Group will continue to innovate and surpass, strive to promote industrial modernization, improve manufacturing standards, and promote industry exchanges, cooperation and co-development.

未來，本集團將繼續發揮自身優勢，致力於打造符合現代社會需求的發展模式和產品，不斷創新、不斷超越，努力推進工業現代化，提高製造業水平，促進行業的交流合作與共同發展。

### 2. ABOUT THIS REPORT

#### 2.1 Basis of Preparation

This 2019 Environmental, Social And Governance (“ESG”) Report of Xingfa Aluminium is prepared in accordance with the requirements of the “Environmental, Social and Governance Reporting Guide” of Hong Kong Stock Exchange, covering the reporting period from 1 January 2019 to 31 December 2019 (the “Year” or “Reporting Period”). This report is prepared in Chinese and the English version is the translation version. If there is any discrepancy between Chinese and English, the Chinese version shall prevail. Unless otherwise stated, the denominated currency in the report is in Renminbi. For the content of corporate governance, please refer to the Corporate Governance Report in the 2019 annual report of the Group.

#### 2.2 Business of the Group

Founded in 1980s’, the headquarters of the Group is situated in Foshan City, Guangdong Province and is one of the earliest enterprises specializing in aluminium profiles production in Mainland China. During the Reporting Period, the Group mainly specialised in the production and sales of construction aluminium profiles and industrial aluminium profiles.

### 2. 關於本報告

#### 2.1 編製基礎

本報告是興發鋁業2019年度環境、社會及管治（「ESG」）報告，依據香港聯交所《環境、社會及管治報告指引》的要求編製，報告期間為2019年1月1日至2019年12月31日（「本年度」或「報告期」）。本報告以中文編製，英文版為譯本，如中、英文有任何不符之處，概以中文為準。報告涉及金額如無特別說明，均以人民幣為計量單位。有關企業管治的內容，請參閱本集團2019年年報中的《企業管治報告》。

#### 2.2 集團業務

本集團總部位於廣東省佛山市，創立於1980年代，是中國大陸最早專業生產鋁型材的企業之一。報告期內，集團的核心業務為建築鋁型材和工業鋁型材的製造及銷售。

## Environmental, Social and Governance Report 環境、社會及管治報告

### 2.3 Scope of the Report

The subject that this report covers the activities of Xingfa Aluminium Holdings Limited and its subsidiaries and focuses on reporting the environment and social policies relating to the Group's core business during the Reporting Period. The board of directors of Xingfa Aluminium is fully responsible for the Group's sustainable development strategy, its reporting and risk management. During the Reporting Period, we made disclosures regarding our important environmental and social issues key performance indicators (see Appendix II), covering four subsidiaries located in Sanshui ("Sanshui Company"), Chengdu ("Chengdu Company"), Jiangxi ("Jiangxi Company") and Henan ("Henan Company") of the PRC.

### 2.4 Information and Feedback

We value your suggestions or opinions in seeking constant improvement. If you have any comments about this report, please send your enquiry to the Company Secretary at the Company's principal place of business in Hong Kong.

### 2.3 報告範圍

本報告的主體範圍為興發鋁業控股有限公司及下屬子公司，著重於匯報報告期內與本集團核心業務相關的環境和社會政策。興發鋁業董事會對本集團的可持續發展戰略和報告及風險管理負全面責任。報告期內，我們披露了有關重要環境和社會議題的關鍵績效指標（請參閱附錄二），涵蓋了位於中國三水（「三水公司」）、成都（「成都公司」）、江西（「江西公司」）及河南（「河南公司」）的四間附屬公司。

### 2.4 信息及反饋

我們重視閣下提出的建議或意見，以不斷求進。若閣下對本報告有任何意見，請按本公司於香港之主要營業地點發送至公司秘書。

## Environmental, Social and Governance Report 環境、社會及管治報告

### 3. SUSTAINABLE DEVELOPMENT MANAGEMENT

#### 3.1 Sustainable Development Strategy

The Group adheres to the corporate mission of “let aluminium industry bring excellence for better human life”. Our sustainable development strategy refers to always maintaining constant profit growth and improvement in overall capabilities amid the already leading competitive sector and operation environment of future expansion in pursuing for enterprise self-survival and sustainable development after taking into consideration of operation goals and market positions. In our sustainable development strategy, we placed great emphasis on internal management, information management, customer management, personnel management and market management, and established sustainable development plans in terms of networking, diversification and forward-looking. We formulated formal sustainable development strategy in the environmental, social and governance aspects, which covered the followings:

In order to enhance our flexibility and adaptive capability, we aim at reducing management expenses and improving management efficiency and focus on motivating staff enthusiasm and creativity in terms of management models. Whilst the organisational structure of the Group shifted from the pyramid type to more horizontal-direction structure, the structure of each department needs to be adjusted according to development needs. We have established and are continuing to enhance the mechanisms relating to decision-making, monitoring, interests, risks, code of conduct, investment, capital raising, audit, information disclosure, capital structure and equity management, incentive-tagging, etc, with the purpose of improving human and capital efficiency.

### 3. 可持續發展管理

#### 3.1 可持續發展策略

本集團秉持「讓鋁業為人類美好生活添精彩」的企業使命。我們的可持續發展策略是指在追求企業自我生存和永續發展的過程中，在考慮經營目標和市場地位的基礎上，在已領先的競爭領域和未來擴張的經營環境中始終保持持續的盈利增長、提高整體能力。本集團在可持續發展策略中強調的是內部管理、信息管理、客戶管理、人員管理、市場管理，並建立網絡式、多元化的、具備前瞻性的可持續發展計劃。我們在環境、社會及管治方面制定了正式的可持續發展策略，涵蓋以下內容：

為增強集團的靈活性和應變能力，我們以降低管理費用、提高管理效率為目標，管理模式注重調動員工的積極性、創造性。集團的組織結構從金字塔式向更加扁平化方向轉變，各部門結構根據發展需要進行調整。我們建立並持續完善如決策、監督、利益、風險、行為規範、投資、籌資、審計、信息披露、資本結構和股權管理、激勵約束等機制，以不斷提高人和資本的效率。

## Environmental, Social and Governance Report 環境、社會及管治報告

The key to product sustainable development lies on continuous innovation and optimisation. We insist on integrating the concept of sustainable development into production process and continue to advance the path of environmental protection and energy conservation. We have utilised clean energy for production, and continued to input a lot of resources in environmental protection. Our manufacturing base does not only satisfy the national environmental protection requirements, it is also the model unit in the aluminium profile industry. Through research and development, we launch more low-carbon and energy-saving environmental protection products, including aluminium panels substituting wooden panels operation, solar aluminium frame derived from photovoltaic new energy and a variety of industrial profiles clinging on environmental protection. On the other hand, the establishment of a complete sales service process is also the key to the sustainable development of our products. To produce aluminium panels to the satisfaction of our customers, we insist on constant sample testing and adjusting, from preliminary product design according to customer needs to the testing of customized profile, then further to subsequent optimal design. We value after-sales service and persist on providing professional and perfect service integrating customer-oriented sales concept, which enables the reputation of our “Xingfa Brand” well-received both within and outside the industry.

產品可持續發展的關鍵在於不斷的創新和優化。我們堅持將可持續發展理念融入生產過程，在環保節能的路上不斷前行。我們已將清潔能源用於生產，並於環保方面持續投入大量資源。我們的生產基地不僅滿足國家環境保護要求，還成為鋁型材行業的模範單位。我們持續研發和推出更多低碳節能環保型的產品，包含替代木模板營運而生的鋁模板、光伏新能源催生的太陽能鋁邊框以及各種以環保著稱的工業型材。另一方面，構建一條完整的銷售服務流程是我們產品可持續發展的重點。從前期根據客戶需求構思產品，到試驗定制生產出來的型材實施方案，再到後續的最優化設計，我們堅持不斷地試樣和調整，生產出滿足客戶需求的鋁型材。我們注重產品售後服務，堅持專業、完善的服務結合以客為主的銷售理念，使得「興發牌」在行業內外有口皆碑、長盛不衰。

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The sustainable development of our talent resources is mainly focused on remuneration design, performance appraisal, job analysis, quality model, incentive-tagging, competition, recruitment, training and development, etc., with an aim to fully motivate the enthusiasm and cohesion of our staff. Based on the job position requirements, we make adjustments to talent resources introduction policies, introduce talent resources through various channels and attract talents by adopting sustainable development human resources policies.

### 3.2 Stakeholder Engagement

The main internal stakeholders of the Group include our staff (from management to front-line staff), while the main external stakeholders include suppliers, customers, etc. We attach importance to the opinions and demands of stakeholders and conduct effective communication with stakeholders through various channels to continuously improve the Group's ability in fulfilling its responsibilities in the environmental, social and governance aspects.

我們的人才可持續發展主要集中在薪酬設計、績效考核、工作分析、素質模型、激勵約束、競爭淘汰、招聘引進、培訓開發等方面，目的是充分調動員工的積極性、凝聚力和向心力。我們根據崗位需求，調整人才引進政策，積極通過各種管道引進人才，用可持續發展的人力政策吸收人才。

### 3.2 利益相關方參與

本集團的主要內部利益相關者包括內部員工（從管理層到一線員工），主要外部利益相關者包括供貨商、客戶等。我們重視利益相關方的意見和訴求，通過多種渠道與利益相關方展開有效溝通，不斷提升本集團於環境、社會及管治方面的履責能力。



## Environmental, Social and Governance Report

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Stakeholder category 利益相關方類別	Main expectations 主要期望	Main communication methods 主要溝通方式
Employees 員工	Employee rights 員工權益 Salary and benefits 薪酬福利 Employee Development 員工發展 Occupational health and safety 職業健康與安全	Intranet 公司內網 Training and employee activities 培訓及員工活動 Trade union and workers congress 工會及職工代表大會 Various seminars 各類座談會
Governments and regulatory institutions 政府和監管機構	Compliance operation 合規運營 Tax compliance 依法納稅 Job creation 創造就業 Promote local economic development 促進地方經濟發展	Regular reporting 定期匯報 Supervision and inspection 監督檢查
Investment institutions/ shareholders 投資機構／股東	Corporate governance 公司治理 Business performance 企業經營業績 Shareholders' equity 股東權益 Information disclosure 信息披露	Company announcements 公司公告 General meetings 股東大會 Site visits 實地考察 Roadshow and reverse roadshow 路演及反向路演 Strategy meeting 策略會 Email, telephone, WeChat and corporate website 電郵、電話、微信及公司網站

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Stakeholder category 利益相關方類別	Main expectations 主要期望	Main communication methods 主要溝通方式
Suppliers/outsourced producers 供應商／外包生產商	Long-term stable cooperation 長期穩定合作 Integrity and honesty 誠實守信	Bidding and tender 招投標 Review and evaluation meeting 審查與評估會 Regular communication 定期交流溝通 Email, telephone, WeChat and corporate website 電郵、電話及微信及公司網站
Customers 客戶	Brand influence 品牌影響力 Product quality 產品質量 Service standard 服務水平 Customer opinion 客戶意見	Customer opinion survey 客戶意見調查 Customer centre and hotline 客服中心和熱線 Customer visit 客戶拜訪 Exhibition fairs 展覽會
Industry 行業	Comply with industry regulations 遵守行業規範 Promote industry development 促進行業發展 Industrial innovation 產業創新	Industry forums and exchanges 行業論壇和交流會 Site visit 實地到訪參觀 Research 調研
Media 媒體	Information disclosure 信息公開 Social contributions 社會貢獻	Result announcement conference 業績發佈會 Media open day 媒體開放日 Special report 專題報道
Local community 當地社區	Support public welfare 支持公益事業 Create a harmonious community 營造和諧社區	Community activities 社區活動

## Environmental, Social and Governance Report 環境、社會及管治報告

### 3.3 Materiality Assessment

During the Reporting Period, to enhance the depth and breadth of stakeholder communication, we further expanded the scope of stakeholder surveys and conducted online questionnaire surveys through an independent third-party institution to identify the most important issues of the Group's business operations. The specific procedures include:

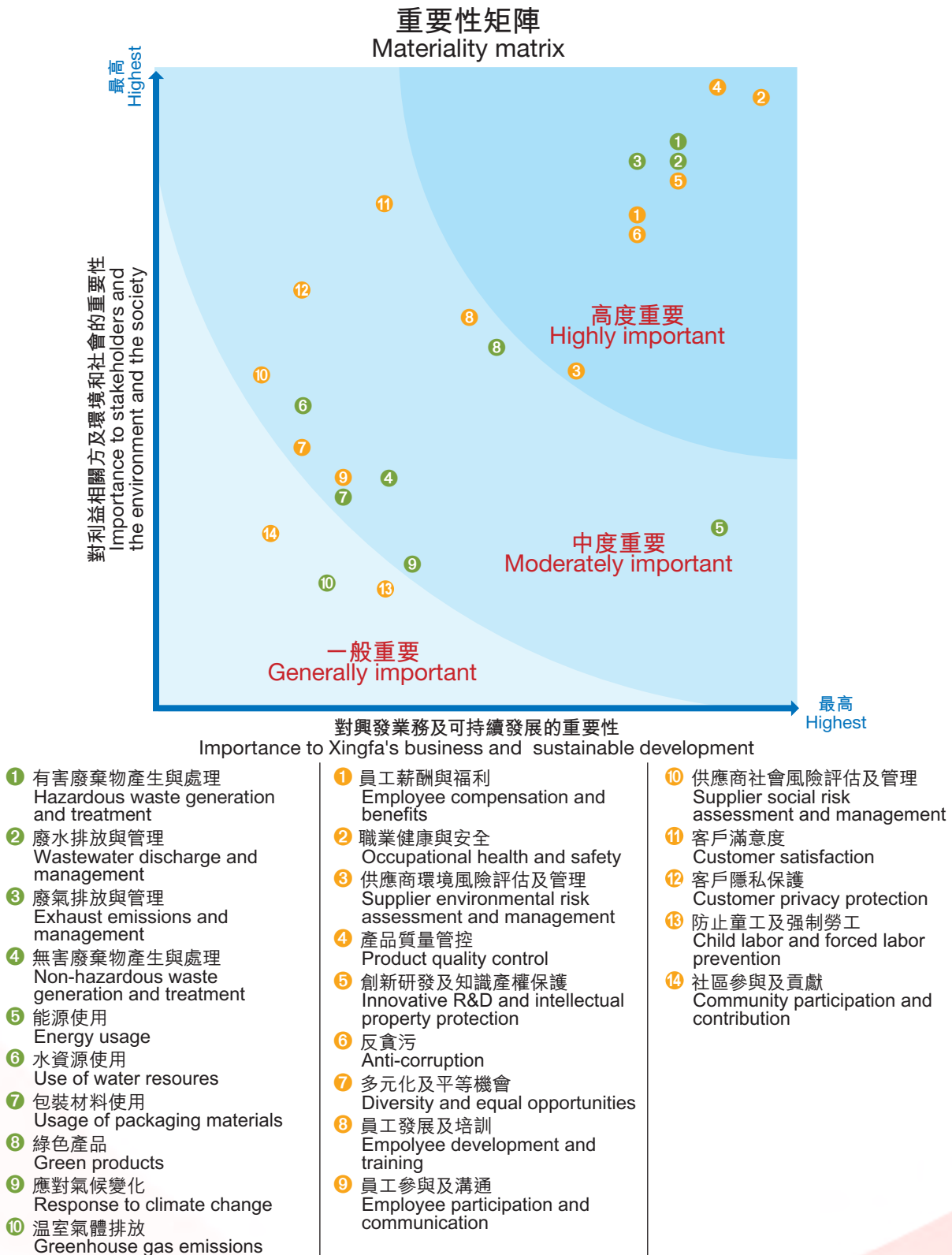
- Initially identifying the ESG issues related to Xingfa's operations by combining the ESG Reporting Guide of the Stock Exchange, issues of peer companies and sustainable development trends while basing on stakeholder surveys and interviews in 2018;
- Inviting internal and external stakeholders (including directors, employees, investors, customers, suppliers, distributors of the Group) to fill in online questionnaires and collected their ratings regarding the importance of ESG issues;
- Analyzing the 62 scoring results collected and establishing a two-dimensional matrix of "Importance to Xingfa's business and sustainable development" and "Importance to stakeholders and the environment and society" to determine the priority of various ESG issues and obtain confirmation by the management ultimately.

### 3.3 重要性評估

報告期內，為提升利益相關方溝通的深度和廣度，我們進一步擴大了利益相關方調研的範圍，通過獨立第三方機構開展在線問卷調查，以識別在本集團業務運營過程中最為重要的議題。具體步驟包括：

- 在2018年利益相關方調研及訪談的基礎上，綜合聯交所《ESG報告指引》、同業公司議題以及可持續發展趨勢，初步識別出與興發運營相關的ESG議題；
- 邀請內部及外部利益相關方（包括集團董事、員工、投資者、客戶、供貨商、經銷商）填寫在線調查問卷，收集其對ESG議題重要性的評分；
- 分析收集到的62份評分結果，建立對「興發業務及可持續發展的重要性」及「對利益相關方及環境和社會的重要性」二維矩陣，確定各項ESG議題的優先次序並由管理層最終確認。

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The following sets out the degree of importance of various issues identified from the Group's materiality assessment during the Year:

本年度，本集團重要性評估得到的議題重要性如下：

Importance degree 重要程度	Environment Aspect 環境範疇	Social Aspect 社會範疇
Highly important 高度重要	Hazardous waste generation and treatment 有害廢棄物產生與處理 Wastewater discharge and management 廢水排放與管理 Exhaust emissions and management 廢氣排放與管理	Employee compensation and benefits 員工薪酬及福利 Occupational health and safety 職業健康與安全 Supplier environmental risk assessment and management 供應商環境風險評估及管理 Product quality control 產品質量管控 Innovative R&D and intellectual property protection 創新研發及知識產權保護 Anti-corruption 反貪污
Moderately important 中度重要	Non-hazardous waste generation and treatment 無害廢棄物產生與處理 Energy usage 能源使用 Use of water resources 水資源使用 Use of packaging materials 包裝材料使用 Green products 綠色產品 Response to climate change 應對氣候變化	Diversity and equal opportunities 多元化及平等機會 Employee development and training 員工發展及培訓 Employee participation and communication 員工參與及溝通 Supplier social risk assessment and management 供應商社會風險評估及管理 Customer satisfaction 客戶滿意度 Customer privacy protection 客戶隱私保護
Generally important 一般重要	Greenhouse gas emissions 溫室氣體排放	Child labor and forced labor prevention 防止童工及強制勞工 Community participation and contribution 社區參與及貢獻

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### 4. ENVIRONMENTAL PROTECTION

Integrating with the national green manufacturing development plan and guided by enterprise strategy, in integrating with the requirements of ISO 14000 environmental management system certification and ISO 50001 energy management system certification, we formulated the environmental protection system which clearly stated that the primary mission for the Group's environmental protection is to govern production emissions by relying on technology, comprehensive utilization of production waste residue, prevent environmental pollution and develop clean production. We actively excel our infrastructure construction and system improvement, intensify our efforts in energy resources devotion and clean production process, and introduce ecological design concept. At the same time, we implement environmental protection target-oriented accountability system, set up safety and environment office to lead and take charge of our environmental protection works. The environmental protection management personnel of each production workshop is responsible for carrying out specific environmental protection works. We implemented the reward and penalty system for environmental protection to reward on environmental protection employees with outstanding performance or penalise employees who violated regulations in respect of environmental protection.

### 4. 環境保護

我們結合國家綠色製造發展規劃，以企業戰略為導向，結合ISO 14000環境管理體系和ISO 50001能源管理體系認證的要求，制定了環境保護制度，明確了集團環境保護的主要任務是依靠科技治理生產排放，生產廢渣綜合利用，防治環境污染，發展潔淨生產。我們積極做好基礎設施建設，完善體系制度，加大能源資源投入力度，潔淨生產流程，引入生態設計理念，同時實行環境保護目標責任制，設立安全環境辦公室領導並負責集團的環保工作。各生產車間環保管理人員負責執行車間具體的環保工作，並實行環保工作獎懲制度，對在環保方面表現突出或違反規定的員工，給予獎勵或處罰。



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During the Year, the Group invested a total of RMB5.36 million in environmental protection, which was mainly used for environmental protection facilities renovation, upgrade, maintenance, hazardous waste disposal, project environmental assessment, and environmental inspection and testing. On the basis of abiding by relevant laws and regulations such as the Environmental Protection Law of the People's Republic of China ("PRC") and the Environmental Impact Assessment Law of the PRC, the Company continued to improve the environmental management system, enrich the environmental management mechanism, insist on carrying out environmental emergency drills, and improve employee energy conservation awareness and working capability. The Sanshui Company carried out emergency training drills for non-contract leakage. The Jiangxi Company revised and updated the Environmental Protection Management Manual, added the Company's environmental rectification plan, launched the environmental and workshop 7S rectification activities for each workshop, and regulated management training on industrial hazardous waste for workshop managers. The mold workshop organized liquid ammonia leakage emergency drills. The Chengdu Company carried out training activities such as environmental protection management, hazardous waste management, and comprehensive business of hazardous waste management. The Henan Company arranged team leader level personnel or above to participate in clean production training. According to the requirements of local environmental protection departments, new electricity supervision equipment was added to gas-related pollutant discharge units, new requirements for unorganized emission management and control were added, vehicle information identification was implemented, and network was connected with the provincial platform of the ecology and environment department.

本年度，本集團於環保方面總投入536萬元，主要用於環保設施改造、升級、維護及保養、危險廢物處理、開展項目環評、環境檢測等方面。各公司在遵守《中華人民共和國環境保護法》《中華人民共和國環境影響評價法》等相關法律法規的基礎上，繼續完善環境管理制度，健全環境管理機制，堅持開展環境應急演練，提高員工節能環保意識和工作能力：三水公司開展了不按包洩漏應急培訓演練活動。江西公司修訂更新了《環境保護管理手冊》，新增了公司環境整治方案，為各車間展開了環境及車間7S整治活動以及車間管理人員工業危險廢物規範化管理培訓，模具車間組織開展液氨洩露應急演練。成都公司開展了環境保護管理、危廢管理、危廢管理綜合業務等培訓活動。河南公司組織公司班組長及以上人員參加了清潔生產培訓；根據當地環保部門要求，對涉氣排污單位新增用電監管設備，新增無組織排放管控要求，實施車輛信息識別，並與省生態環境廳平台聯網。

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During the Reporting Period, the Group did not violate any laws and regulations related to environmental emissions, nor received any notice of violation from the environmental protection department of the PRC government.

### 4.1 Emissions Management

#### 4.1.1 Exhaust Gas Emissions

Exhaust gas emissions generated during the production and operation of the Group include nitrogen oxide, particulates, sulphur dioxide and organic waste gas. We strictly complied with the relevant laws and regulations, such as the Atmospheric Pollution Prevention and Control Law of the PRC. In our environmental policies, the Group requires stringent restriction of exhaust gas and particulates emission into the atmosphere. Prior to emissions, exhaust gas must undergo purification treatment and shall not exceed the specified standard prescribed by the national or local environmental protection bureau.

報告期內，本集團未發生任何違反環境排放相關的法律法規的行為，未收到中國政府環保部門的違法公告。

### 4.1 排放物管理

#### 4.1.1 廢氣排放

本集團生產運營中產生的廢氣包括氮氧化物、粉塵、二氧化硫及有機廢氣等。我們嚴格遵守《中華人民共和國大氣污染防治法》等相關法律法規，於環境政策中要求嚴格限制向大氣排放有毒有害的廢氣，需排放的廢氣必須經過淨化處理，不得超過國家或當地環保局規定的排放標準。

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Nitrogen oxide and particulates are mainly generated from casting workshop. The Group has purchased natural gas energy transforming equipment and used natural gas as production energy to effectively reduce exhaust gas emission in workshops. At the same time, the Company also has an aerobic bag dust removal system in casting workshops to ensure the production facilities are operated simultaneously with the environmental protection equipment. Organic exhaust gas is mainly generated from paint spraying process in fluorocarbon workshop. Through integrating the technology of recycled activated carbon absorption and catalytic combustion, and exhaust gas recycling, organic exhaust gas finally transforms into carbon dioxide, water and certain heat energy. During the Year, Sanshui Company upgraded the exhaust gas purification and treatment facilities by transforming the bag-cast pulse equipment. The Chengdu Company installed a new bag-type dust removal device for casting and installation and a new exhaust gas treatment facility for horizontal spraying installation. The Jiangxi Company replaced the cloth bag dust removal equipment to improve the dust removal effect of the melt casting workshop. At the same time, the slag and cold ash system was regularly maintained, equipment were inspected and sealing parts were replaced to ensure that slag and cold ash were not overflowed.

氮氧化物和粉塵主要來源於熔鑄車間。本集團已通過採購天然氣能源改造設備，使用天然氣作為生產能源以有效減少車間廢氣排放。同時，熔鑄車間還設有脈衝布袋除塵系統，確保生產設備與環保設備同步運行。有機廢氣主要產生於氟碳車間的噴漆過程，通過活性炭吸附和催化燃燒結合的再生廢氣處理方式，最終轉化為二氧化碳、水和部分的熱量。本年度，三水公司通過改造熔鑄布袋脈衝設備，升級廢氣淨化處理設施。成都公司安裝了熔鑄安裝新布袋除塵器和臥式噴塗安裝新廢氣處理設施。江西公司更換了布袋除塵設備，提升熔鑄車間除塵效果，同時對炒渣冷灰系統進行定期維護、設備點檢和密封配件更換，確保炒渣和冷灰無塵溢出。

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During the plant construction process, we strictly complied with national and local environmental protection laws and regulations, and controlled floating dust through a series of environmental protection measures. During the Year, Jiangxi Company constructed a new finished goods workshop, and formulated and implemented a scientific construction plan during construction of the workshop, which included: enhancing construction management, advocating civilized construction; strengthening transportation management, and prevention of material loss and leakage measures on material transportation and usage to ensure that materials are not jammed together during transportation or overflow and transport vehicles are travelling at medium speed to prevent loss and dust floating during transportation, and the speed limit of entering and leaving the construction site is limited to 5 kilometres per hour. A simple work shed was set up to store powder, and outdoor storage was strictly prohibited. The construction waste should be reasonably piled up and cleaned in time, and dry construction waste should be sprinkled to reduce dust pollution during loading, unloading and transportation; watering the earthwork and roads in operation area, or regularly clearing road soil to minimize the impact on ambient air. The Henan Company constructed a new finished product warehouse. During the construction period, the construction site was surrounded by a sprinkler system, and vehicle washing device was installed. The excavation work was carried out by wet work measures. The slag vehicle was sealed, the ground at the construction site was hardened, and materials on site were covered as required to reduce the impact of dust pollution on the environment.

在廠房建設過程中，我們嚴格遵守國家及當地環保法規，通過一系列環保措施對揚塵加以管控。本年度，江西公司新建了新成品車間，在施工期間制定並實施了科學的施工計劃，包括：加強施工管理，提倡文明施工；加強運輸管理，做好材料運輸和使用過程中的防散失、防洩漏措施，確保物料運輸不堆尖、不滿出車廂，運輸車輛中速行駛，防止沿途散失和塵土飛揚，且限制進出場地時車速小於5公里／小時；設置簡易工棚儲存粉料，嚴禁露天堆放，建築垃圾做到合理堆放、及時清運，對乾燥建築垃圾進行灑水，減輕裝卸和運輸過程產生的揚塵污染；在作業區土方及道路灑水，或定期清理道路積土，使施工期環境空氣影響降至最小。河南公司新建了成品倉庫，施工期間通過於施工工地周邊全部圍擋並設置噴淋系統，設置進出車輛沖洗裝置，開挖土作業進行濕法作業，渣土車輛密閉運輸，對施工現場地面進行硬化，工地物料按要求覆蓋等措施，減少工地揚塵對環境的影響。

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### 4.1.2 Wastewater Discharge

Industrial wastewater generated by each of the Group's production lines mainly consists of acidic and alkaline wastewater, chromium wastewater and nickel wastewater. We strictly abide by the Water Pollution Prevention and Control Law of the PRC and other relevant laws and regulations. Our environmental policy requires strengthening the wastewater treatment to reduce its discharge volume. The policy also requires good maintenance of the closed-circuit circulation and integrated treatment of production wastewater, including:

- Oily, acidic, alkaline and highly toxic wastewater is prohibited from discharging into the water body. Discharging pollutants into the water system is strictly restricted to prevent pollution.
- Cleaning of vehicles and containers that contained greasy or poisonous substances with water body is forbidden.
- Testing centre is responsible for conducting daily sewage inspection, strictly controlling wastewater discharge within standards, as well as preparing inspection reports.
- The safety and environment office of the Group as well as the environmental protection management personnel of production workshop shall cooperate and accept inspection by the environmental protection agency on waste gas emission, and wastewater discharge from time to time.

### 4.1.2 廢水排放

本集團各生產車間產生的工業廢水主要包括酸鹼污水、鉻廢水、鎳廢水三類。我們嚴格遵守《中華人民共和國水污染防治法》等相關法律法規，於環境政策中要求加強廢水治理，減少廢水排放，並要求堅持做好生產廢水閉路循環和生產廢水綜合處理工作，包括：

- 禁止向水體排放油類、酸類、鹼液、劇毒廢液，嚴格限制向水體排放、傾倒污染物，防止水體污染；
- 禁止在水體清洗裝貯污染物的過油類或者有毒車輛和容器；
- 檢測中心負責實行每天的污水檢測工作，嚴格控制水體的達標排放，做好記錄並上報檢查報告；
- 由安全環境辦公室及生產車間環保管理人員配合接受環保局不定期的水體排放檢測工作。

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At the same time, we operate and upgrade wastewater treatment and purification facilities to ensure wastewater discharged externally meets the national or local industrial wastewater discharge standards. In the Year, Sanshui Company built a new COD treatment system, in which it is effective in reducing pollutant emissions and stabilizing emissions. The Jiangxi Company treated the rainwater and sewage network visually by installing new rainwater and sewage network nameplates; transformed the domestic wastewater pipe network in the production area, added biological reagents to the domestic wastewater for preliminary treatment, and connected to production wastewater for central treatment and discharge. The Jiangxi Company also entered into a supplemental industrial wastewater service agreement with a development zone sewage treatment plant. The Company's industrial wastewater discharge has complied with the relevant standards in the "Integrated Wastewater Discharge Standard" (GB8978-1996), and the second-type pollutants discharge refers to the third-level standards in the second period. The Henan Company added a new defluorination process to the wastewater treatment station, added a dosing tank and maintained the wastewater sedimentation tank.

Moreover, to reduce the environmental impact from construction site, Jiangxi Company took the following measures during the construction of new finished goods workshop: during the construction process, avoid any leakage in manual transportation of cement mortar and clean up leaking cement mortar in time, place containers and other appliances in one place and clean up in time, and rinse water into grit pool and set up intercepting trenches around the construction yard to reduce construction materials loss.

同時，我們通過運行和升級改造廢水處理和淨化設施，確保向外界排放的廢水達到國家或地方的工業廢水排放標準。本年度，三水公司新建一套COD處理系統，對於減少污染物排放和穩定達標排放，將發揮良好效果。江西公司對雨污管網進行了可視化處理，新增雨污管網標識牌；對生產區生活廢水管網進行改造，生活廢水加入生物試劑初步處理，接入生產廢水統一處理排放；以及與開發區污水處理廠補充簽訂工業廢水納管服務協議，公司工業廢水按《污水綜合排放標準》(GB8978-1996)中相關標準，第二類污染物參照第二時段三級標準。河南公司於廢水處理站新增除氟工藝，增加加藥池並對廢水沉澱池進行維護。

此外，為減少工地廢水對環境的影響，江西公司於新建新成品車間期間採取了以下措施：在施工過程中，人工運輸水泥砂漿時避免洩漏，及時清理洩漏水泥砂漿，運漿容器等用具盡量集中放置、及時清洗，沖洗水引入沉砂池；在施工堆場四周設截流溝，減少施工物質流失。



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### 4.1.3 Hazardous Waste Management

The hazardous waste generated by the Group's production and operation mainly includes waste corrosive liquid, waste washing liquid, waste tank liquid, tank slag, wastewater treatment sludge, waste engine oil, etc. We strictly abide by relevant laws and regulations such as the Law of the PRC on the Prevention and Control of Environmental Pollution Caused by Solid Waste and the Measures on the Management of Hazardous Waste Manifests, and specify the management requirements for hazardous wastes in the environmental policy. Hazardous waste is disposed of by third party companies with hazardous waste disposal qualifications pursuant to the contractual arrangements with us. For production units producing solid waste, we require them choosing the ways and facilities that meet the requirements of environmental protection in collection, transportation, storage and treatment of solid waste produced. At the same time, the Group took preventive steps on flooding, loss and leakage and other measures to prevent pollution, and prohibited to place, pile up and discharge of solid waste at will. When pollution incidents may occur or have occurred, emergency measures must be taken immediately to prevent pollution from spreading out, alleviate and even eliminate the impact of incidents. Major incidents or emergent events should be reported to the safety and environment office of the Company for investigation within two hours after occurrence.

### 4.1.3 有害廢棄物管理

本集團生產運營中產生的有害廢棄物主要包括廢腐蝕液、廢洗滌液、廢槽液、槽渣、廢水處理污泥、廢機油等。我們嚴格遵守《中華人民共和國固體廢物污染環境防治法》《危險廢物轉移聯單管理辦法》等相關法律法規，並於環境政策中詳細規定了對有害廢棄物的管理要求。我們通過與具備有害廢棄物處理資質的第三方公司簽訂合同，由其回收並處理有害廢棄物。對於有害廢棄物產生單位，我們要求其選擇符合環保規定的方式與設施，收集、運輸、儲存、處置產生的廢物，同時採取防揚散、防流失、防滲漏和其他防止污染的措施，不得隨意異置、堆放、傾倒；在可能或者已經發生污染事故時，應當立即採取應急措施，控制污染蔓延，減輕、消除事故影響；在重大事故或者突發性事件發生後2小時內，應向公司安全環境辦公室報告，接受調查。

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During the Year, the Group continued to propel the process of hazardous waste recycling, reduction and non-hazardous treatment. The Sanshui Company focused on environmental protection projects for the comprehensive utilization of wastewater and sludge. It recycled etching liquid and mold liquid to the comprehensive pool, and used filtered sludge as raw materials for water purification agent, turning waste into valuable use. The Jiangxi Company transformed the temporary storage warehouse for hazardous wastes by adding new overflow tanks. The hazardous wastes were stringently packed for moving into and moving out of the warehouse.

### 4.1.4 Non-hazardous Waste Management

The non-hazardous waste generated by the Group's production and operation mainly includes aluminium slag, scrap steel, construction waste, office and domestic waste, etc. The Group also attaches great importance to non-hazardous waste treatment, especially the recycling of waste materials and non-hazardous waste residue. Some of the waste materials can be directly used for production after being processed, for example, the product scraps can be used as raw materials after recycling to the furnace. Other waste materials such as mold steel can be handed over to the steel plant for recycling and reuse after recycling. The main components of non-hazardous waste slag such as aluminium slag in casting workshop are alumina powder, aluminium powder and refractory particles, which can be used as raw materials for high-aluminium cement production after being handed over to the cement plant for treatment.

本年度，本集團繼續推進有害廢棄物資源化、減量化和無害化處理的進程。三水公司重點開展了綜合廢水污泥資源化利用的環保項目，對鹼蝕液及煲模液實施回收到綜合池處理，將壓濾後的污泥用作淨水劑原料，變廢為寶。江西公司對危廢暫存倉庫進行了改造，新增溢流槽，危廢嚴格按打包入庫、出庫。

### 4.1.4 無害廢棄物管理

本集團生產運營中產生的無害廢棄物主要包括鋁渣、廢鋼、建築施工垃圾、辦公及生活垃圾等。本集團同樣重視無害廢棄物的處理，特別是廢舊材料和無害廢渣的回收處理。部分廢舊材料被處理後可直接用於生產，例如產品邊角料回爐後可重新作為原材料；其它廢舊材料如模具鋼，可在回收後交由鋼鐵廠進行處理並重新利用。無害廢渣例如熔鑄車間鋁渣的主要成分為氧化鋁粉、鋁粉和耐火材料顆粒，交由水泥廠處理後可作為高鋁水泥的生產原料使用。

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During the plant construction process, we strictly abided by national and local environmental protection laws and regulations and control construction waste through a series of environmental protection measures. During the Year, during the process of building a new finished goods workshop, Jiangxi Company collected construction waste and domestic waste, and strictly prohibited mixing them for transportation. A small part of the generated construction waste was collected in time for the relevant departments to handle, and disposal at will was strictly forbidden to reduce the environmental impact from construction waste.

### 4.2 Use of Resources

#### 4.2.1 Use of Energy

Since the Group's energy management center system was launched, it has fully put into play the measurement and trend analysis of water, electricity, gas and other resources, enabling each production base to monitor resource consumption in real time, and timely debug and repair controlling equipment to improve resource efficiency.

在廠房建設過程中，我們嚴格遵守國家及當地環保法規，通過一系列環保措施對建築垃圾加以管控。本年度，江西公司在新建新成品車間的過程中，妥善收集建築垃圾和生活垃圾，嚴禁混裝混運，產生的少部分建築垃圾及時收集交由相關部門處理，嚴禁隨意丟棄，以減少建築垃圾對環境的影響。

### 4.2 資源使用

#### 4.2.1 能源使用

本集團的能源管理中心系統自啟用以來，充分發揮了水、電、氣等資源的計量和趨勢分析作用，使各生產基地得以實時監測資源消耗情況，及時調試修理控制設備，從而提升資源使用效率。

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The Group took effective measures to increase the utilization of electricity resources, including using LED lamps, using energy-efficient equipment, replacing electrical machine with new and highly efficient motors, reclaiming waste heat of boiler, installing solar PV power generation equipment on plant roof top. In addition, the Group also made full use of the energy generated during the production process, such as applying the heat generated from the operation of the air compressor in the workshop in heating the technology groove in the oxidation workshop, and also hot water supply for employees for daily use, in order to effectively reduce the use of electricity resources and natural gas, and reduce safety problems caused by the use of liquefied gas facilities.

During the Year, different companies continued to use pragmatic production activities to reduce process waste and improved operating efficiency, thereby reducing energy consumption per unit of product. At the same time, Sanshui Company carried out simplified automation innovation and upgraded its equipment. After transforming two 1800T machines with short strokes, replacing servo motors and mold furnaces, the electricity consumption was reduced by 100 kWh/ton year-on-year. The vehicle speed plate of Jiangxi Company's factory uses solar panels; and energy-saving renovation of spraying workshop was carried out. After the transformation, about 100,000 cubic meters of natural gas can be saved each year. The Henan Company has eliminated inverters having high-energy consumption and used inverters for newly installed extruders and high-energy consumption equipment to reduce energy consumption.

本集團提高能源使用效率的舉措包括：採用LED燈、使用節能設備、將電機更換為新的高效電機、鍋爐餘熱回收供水、於廠房屋頂安裝太陽能光伏發電設備等。同時，本集團還充分利用生產過程中產生的能源，例如將車間空壓機運行產生的熱量用於加熱氧化車間工藝槽以及日常生活中員工的熱水供應，以有效減少用電和天然氣的使用，並降低使用液化氣設施所引發的安全問題。

本年度，各公司繼續通過精益生產活動，減少過程浪費，提高運行效率，從而減少單位產品的能源消耗。同時，三水公司開展了設備的簡易自動化創新以及升級改造，對2台1800T機改造短行程、更換伺服電機以及模具爐後，電耗同比減少100千瓦時／噸。江西公司廠內交通工具測速牌利用太陽能電池板；並對噴塗車間進行了節能改造，改造後每年可節省約10萬立方天然氣。河南公司通過淘汰高能耗電機，對新安裝的擠壓機及高能耗設備使用變頻器，以減少能耗。

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### 4.2.2 Use of Water Resources

Water resources are of vital importance to our production process as it is indispensable in every process such as squeezing and casting. The Group uses both municipal water and water from its own well, so as to ensure there is no suspension in production due to water supply shortage. The ratio of the municipal water use to well water use is approximately 8:2.

In order to save water and improve usage efficiency, the Group continued to implement the water reclaim system, and reuse reclaimed water for daily life activities such as watering, toileting, and cooling water production in facilities through water towers and water tanks. During the Year, Sanshui Company reused about 150,000 tons of water. The electrophoresis workshop of Jiangxi Company has the reclaimed water reuse equipment in place and its reclaimed water reuse rate was 100%.

### 4.2.2 水資源使用

水資源對本集團的生產過程十分重要，每一個前工序如擠壓、熔鑄等都要用水。本集團使用市水的同時自備水井，兩種用水比例大約為8:2，確保不會因停水而停產。

為節約用水、提升使用效益，本集團繼續實施中水回用制度，通過循環水塔、回水池等設施將中水回用於澆灌、如廁等日常生活，以及設備冷卻水等生產工序。本年度，三水公司中水回用約15萬噸。江西公司電泳車間有中水回用設備，中水回用率為100%。

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### 4.2.3 Use of Packaging Materials

We source from packaging materials suppliers that meet the requirements of relevant national laws and regulations. For sourcing products packaging materials, the Group formulated the group-level sourcing management plan as its principal policy. Packaging materials suppliers are selected by tender, which the Group has already established long-term cooperative partnership with them. In view of the good protecting function of non-woven cotton and its recyclable features, in 2018, the Group used non-woven cotton instead of pearl cotton in its packaging materials. We recycle iron frame for export and the wooden boxes for containers from our customers by using our returned trucks after delivery. During the Year, the Sanshui Company recycled 1,586 way-out iron frames and container wooden boxes from customers.

### 4.2.3 包裝材料使用

我們採用符合國家相關法律法規要求的包裝材料供貨商。針對產品包裝材料的採購，本集團制定了集團層面的採購管理方案作為主要的政策，包裝材料供貨商通過招標方式採用，並建立長期合作夥伴關係。鑒於無紡棉良好的保護性及可循環利用的特點，2018年本集團已全面使用無紡棉代替珍珠棉。同樣可循環利用的包裝材料還有出口的鐵框和集裝箱的木箱，我們利用回頭車將它們從客戶處進行回收。本年度，三水公司從客戶處回收了1,586個出口鐵框和集裝箱木箱。



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### 4.3 Green and Low-carbon Operation

#### 4.3.1 Greenhouse Gas Emissions and Management

From 2012 to 2015, we checked carbon emission periodically and reported to Provincial National Development and Reform Commission (NDRC) according to government requirements, and provided NDRC with raw data to formulate carbon emission indicators in the future. As greenhouse gas emission is not the most important issue of the Group, and that the PRC government has not issued any specific carbon emission reporting requirements and carbon trading indicators since 2016, therefore, the Group currently has no plan to calculate carbon emissions. In future, we will continue to pay attention to the relevant regulations and trends regarding carbon emissions reporting and update our disclosures.

In order to reduce direct and indirect greenhouse gas emissions in production operations, in addition to energy-conservation reconstruction of production facilities, the Group continued to use natural gas as one of the energy supplies for production operations during the Year. The Sanshui Company has launched the official seal management system. All the processes involving seals have used online processes, and no longer operates paper-based processes. By reducing the amount of paper used, carbon emissions are reduced. According to the guidance of the Group, Jiangxi Company launched the electronic approval process to reduce the amount of paper used in the office process. The Henan Company promotes paperless office by scanning electronic version in issuing orders to production units, double-sided printing, and business approval through Office Automation System.

### 4.3 綠色低碳運營

#### 4.3.1 溫室氣體排放與管理

2012年至2015年期間，我們依照政府部門要求定期進行碳排放審計並報告至省發改委，向發改委提供原始數據用於制定未來的碳排放指標。由於溫室氣體排放並非本集團最重要的議題，且2016年以來政府尚未頒布具體的碳排放報告要求和碳交易指南，本集團暫時未有有計劃地計算碳排放量。未來，我們將繼續留意碳排放報告的相關法規及趨勢，適時更新相關披露。

為減少生產運營中的直接和間接溫室氣體排放，除了對生產設施進行節能改造之外，本年度，本集團繼續使用天然氣作為生產運營的能源供應之一。三水公司上線了公章管理系統，所有用章流程使用線上流程，不再走紙質版流程，通過減少用紙的方式，減少碳排放。江西公司根據集團的指導上線了電子審批流程，以減少辦公流程中紙張的使用量。河南公司通過採用掃描電子版將訂單下發各生產單位、雙面打印、在辦公室自動化系統上進行業務審批等方式推行無紙化辦公。

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### 4.3.2 Green Products Promotion

Compared with traditional metal materials, aluminium profiles possess excellent characteristics in energy conservation and environmental protection, and are regarded as green metals in modern industry and construction industry. Based on its excellent performance in reducing automobile weight and fuel consumption, the Group vigorously facilitates the research and development, production and promotion of lightweight traffic products. At the same time, the Group also continued to produce and optimize energy-saving and environmentally friendly construction aluminium products and their production processes, and strived to continuously improve green building construction technology to promote the sustainable development of the industry. The green products that we have launched in recent years are:

### 4.3.2 綠色產品推廣

與傳統金屬材料相比，鋁型材在節能環保方面具備優異特性，被視為現代工業、建築業中的綠色金屬。基於在減輕汽車自重、降低油耗等方面的優秀性能，本集團大力推進交通輕量化產品的研發、生產及推廣。與此同時，本集團亦繼續生產和優化具有節能環保效益的建築鋁型材產品及其生產工藝，致力不斷完善綠色建築施工技術，推動產業可持續發展。近年來我們推出的綠色產品主要有：

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- **Aluminium alloy profiles for motor shells of electric vehicles:** Lightweight automobile is the key measure for energy conservation and emission reduction in automobiles. Aluminium alloy possesses high strength, light weight, good heat dissipation, good sealing performance, high stability, strong durability, easy-to-shape processing, easy to recycle, pollution free, economical and practical characteristics, making it the best choice for lightweight automobile applications. The water-cooled aluminium alloy motor shell developed by Xingfa Aluminium has the advantages of large heat exchange surface area, high heat dissipation power and energy saving and environmental protection. It is manufactured by hot extrusion technology, which avoids inner-hole cutting and greatly reduces processing costs. It has gained market recognition and customer trust. We have mastered the independent intellectual property rights of aluminium alloy profiles for motor shells of electric vehicles. At present, we have applied for the invention patent on “a new energy automobile motor shell mold” and formulated the industry standard of “aluminium alloy extruded profiles used for motor shells”. With new energy motor vehicles becoming an important direction for the transformation of the automobile industry, such product will have tremendous market prospects and social benefits in the future.
- **純電動車電機外殼用鋁合金型材:** 汽車輕量化是汽車節能減排的主要手段。鋁合金強度高、重量輕、散熱性好、密封性能好、穩定性高、耐久性強、易定型加工、易回收、無污染、經濟實用的特點，使其成為汽車輕量化應用的最佳選擇。興發鋁業開發的水冷式鋁合金電機外殼具有換熱面積大、散熱功率高和節能環保的優點，採用熱擠壓工藝製造，避免了內孔切削，大大降低了加工成本，已得到市場的認可和客戶的信任。我們已掌握純電動車電機外殼用鋁合金型材自主知識產權，目前已申請發明專利《一種新能源汽車電機外殼模具》並制訂行業標準《電機外殼用鋁合金擠壓型材》。隨著新能源汽車成為汽車工業變革的重要方向，該產品未來將具有巨大的市場前景及社會效益。

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- **Aluminium panel system for green environmental protection construction:** Aluminium alloy panels system has special features including light weight, convenient dismantling and assembling, high rigidity, less joints, good stability, high precision, smooth and clean pouring concrete, long service life, high recycle value, high construction efficiency, safe and neat construction site, low dependence on machinery, etc. Dozens of countries around the world such as the United States, Canada, and the United Arab Emirates have generally adopted aluminium alloy panel system in construction. In recent years, the coastal provinces and cities in China, Hong Kong, Macau, and Taiwan regions have gradually begun to promote the use of aluminium alloy panel systems. Xingfa Aluminium has also followed the trend and set up a project to carry out the research and development of aluminium panels for green and environmentally friendly construction.
- **綠色環保建築用鋁模板系統:** 鋁合金模板系統具有重量輕、拆裝方便、剛度高、拼縫少、穩定性好、精度高、澆築的混凝土平整光潔、使用壽命長、回收價值高、施工效率高、施工現場安全整潔、對機械依賴程度低等特點。美國、加拿大、阿聯酋等全球幾十個國家已普遍在建築施工中採用，近幾年中國沿海省市及港澳台地區也逐步開始推廣使用鋁合金模板系統。興發鋁業也順應趨勢，立項開展綠色環保建築用鋁模板的研究開發。

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- **Environmental protection, energy-conservation and heat-insulating doors, windows and curtain walls series:** “Energy-conservation heat-insulating high-end system doors and windows” that are independently developed by Xingfa Aluminium are of higher quality than other ordinary sliding doors and windows. All the performance indicators have reached international advanced standards and their market share have reached over 50%, highlighting the end of the traditional era that China’s mid-to-high-end doors and windows have all along been copying from the European door and window system; and the “Chinese door and window system” market, which is more adaptive to national conditions, has entered into a new era of independent intellectual property rights systems. Another product that is independently developed is the smart “hook-up” building curtain wall system, which can save up about 30% of aluminium as compared to unitized curtain walls and about 10% to 20% of aluminium as compared to component curtain walls, brought about noticeable comprehensive economic benefit.
- **環保節能隔熱門窗幕牆系列:**興發鋁業獨立研發的「節能型隔熱高端系統門窗」的品質比其他普通推拉門窗產品較好,各項性能指標均達到國際先進水平,市場佔有率已達50%以上,標誌著中國中高檔門窗一直以來照搬歐洲門窗系統的傳統時代已經結束,更適應國情的「中國門窗系統」市場進入自主知識產權系統新時代。獨立研發的另一款產品智慧型「掛鉤式」建築幕牆系統,比單元式幕牆用鋁量可節省約30%左右,比構件式幕牆用鋁量節省約10%~20%,綜合經濟效益十分顯著。

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- **Environmental protection, energy conservation, low temperature curing polyester powder sprayed aluminium profiles:** In view of the current problems of high curing temperature, long time span, and curing agent toxicity of powder coatings for aluminium profiles, Xingfa Aluminium has conducted the “research and development and application of adjusting the usage of energy saving, low temperature and curing powder coatings and coating technology for aluminium profiles” and adjusted the curing process parameters from 200 °C/10-15min to 160 °C/10min, saving about 30% of energy consumption, reducing spraying time by 33%, and improving equipment utilization and labor efficiency, in which it has greatly saved production costs and solved the current key problems in limiting the development of electrostatic powder coating technology. Compared with the traditional TGIC (triglycidyl isocyanurate) system, the developed new curing agent is safe, non-toxic, green and environmentally friendly, which has significantly reduced the health impact of front-line production and construction personnel. The products were awarded with the “Second Prize of China Nonferrous Metals Industry Science and Technology Award”, “Third Prize of Foshan Science and Technology” and “Chancheng District Science and Technology Innovation Project” and other honors.
- **環保節能低溫固化聚酯粉末噴塗鋁型材:** 針對目前鋁型材用粉末塗料固化溫度、時間長、固化劑毒性大等問題，興發鋁業進行了「節鋁型材用環保節能低溫固化聚酯粉末塗料及塗裝工藝研發與應用」的研究，使得固化工藝參數由200 °C/10-15min調整為160 °C/10min，節省30%左右的能耗，噴塗時間減少33%，提高了設備利用率和勞動效率，大大節約生產成本，解決了目前制約靜電粉末噴塗技術發展的關鍵問題。與傳統的TGIC（異氰尿酸三縮水甘油酯）體系相比，開發的新型固化劑安全無毒，綠色環保，大大降低了對一線生產和施工人員身體健康產生影響。產品獲得「中國有色金屬工業科學技術獎二等獎」、「佛山市科學技術三等獎」、「禪城區科技創新項目」等榮譽。



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### 4.3.3 *Caring for Climate Change*

Climate change has become a major global challenge of general concern to the international community. In recent years, the PRC government has actively participated in global climate governance and earnestly implemented national strategies to combat climate change. As a manufacturing enterprise, Xingfa actively responded to the call by Ministry of Industry and Information Technology to construct a green manufacturing system. In 2017, it was selected as the first batch of green manufacturing demonstration lists by Ministry of Industry and Information Technology in 2017 and ranked among the first 201 “green factories” in the PRC. Our project of Aluminium Profile Production Line Air Pollutant Emission Reduction Technology Reform won the National Industrial Clean Production Demonstration Project of Ministry of Industry and Information Technology, and Xingfa was the only company in Guangdong Province that won the project. It has also won the “Guangdong Province Clean Production Enterprise” and the “First batch of resource-saving and environment-friendly enterprise piloting” in Guangdong Province and other honorary titles.

In the future, we will further optimize the management system related to green factories, continuously improve the environment and energy management system, and leverage fully our corporate technology, resources and external collaboration conditions to make Xingfa Aluminium the advanced and smart green factories with high energy efficiency, low pollution and low emission, helping the nation’s green and low-carbon transformation and development.

### 4.3.3 關注氣候變化

氣候變化已成為國際社會普遍關心的重大全球性挑戰。近年來，中國政府積極參與全球氣候治理，認真實施應對氣候變化的國家戰略。作為製造型企業，興發積極響應工信部提出的綠色製造體系建設號召，2017年已入選工信部2017年第一批綠色製造示範名單，躋身國家首批201家「綠色工廠」之列。我們的「鋁型材生產線大氣污染物減排技術改造」項目獲得工信部的「國家工業清潔生產示範項目」，成為廣東省唯一一家獲得該項目的企業；也先後榮獲「廣東省清潔生產企業」和「第一批廣東省資源節約型和環境友好型企業試點」等榮譽稱號。

未來，我們將進一步優化綠色工廠相關的管理制度，持續改進環境、能源管理體系，並充分利用公司技術、資源和外部協作條件，把興發鋁業打造成一個高能效、低污染、低排放的先進智慧化綠色工廠，助力國家綠色低碳轉型發展。

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### 5. PRODUCT RESPONSIBILITY AND OPERATION

#### 5.1 Sustainable Supply Chain

##### 5.1.1 Supply Chain Environmental Risk Management

The raw materials used in products production of the Group are mainly aluminium ingots and aluminium rods. Most of its upstream suppliers are highly-polluted and high energy-consumption enterprises. Their production operations may exert significant impact on the ecological environment. Therefore, Xingfa attaches great importance to the suppliers' environmental risk management. In order to reduce the impact of the upstream supply chain on the environment and promote suppliers to fulfill their environmental protection responsibilities, we have put forward specific requirements for our supply chain partners in terms of environment, including compliance with relevant environmental laws and regulations. Our environmental and social risk management policies for supply chain include the followings:

- In respect of investigation on bidder's qualifications, the policy states that bidder must provide product specifications, quality certificate, quality system certification (including environmental management system), credit certificate, etc.

### 5. 產品責任及營運

#### 5.1 可持續供應鏈

##### 5.1.1 供應鏈環境風險管理

本集團產品生產所用原材料主要是鋁錠、鋁棒，其上游供應商大多為高污染、高耗能企業，其生產運營對生態環境可能造成重大影響，因此興發非常重視供應商的環境風險管理。為減少上游供應鏈對環境的影響，推動供應商履行環保職責，我們對供應鏈合作夥伴在環境方面提出了包括遵守環境相關的法律法規在內的具體要求。我們的供應鏈環境風險管理政策涵蓋以下內容：

- 在投標方資格審查方面，規定投標者必須提供產品說明書、質量證明書、各質量體系認證證書（含環境管理體系）、信譽證書等材料。

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- The policy requires suppliers to satisfy the requirements of regulatory, reporting and operational measures. For chemical materials purchased, general safety will be enhanced through strengthening environmental management, preventing environmental pollution incident, and integrating supplier environmental risk management and supply chain management to achieve “overall safety”.
- Supplier assessment covers the assessment of risks associated with the supplier, in which aspects relating to product quality and hazardous material control, supplier environment and safety control accounted for 40% of the overall risk assessment.
- Letters of guarantee are to be entered into with suppliers on exclusion of environmentally hazardous substances so as to ensure all materials and components provided by suppliers are free from hazardous substances. All of those materials and components are required to pass the tests conducted by professional testing organization, and testing report with official seal shall be provided.
- 要求供貨商滿足監管、報告和運營措施的規定，並對採購的化工類物資加強環境管理，預防環境污染事故，將供貨商環境風險管理與供應鏈管理相結合，實現「整體安全」。
- 供貨商評估涵蓋對供貨商的風險評估，其中對供貨商產品質量及有害物管控、供貨商環境及安全管控方面的評估分值佔到了供貨商整體風險評估分值的40%。
- 與供貨商簽訂環境有害物質不適用保證書，要求供貨商提供的所有材料、零部件必須通過專業檢測機構檢測，並提交加蓋公章的檢測報告。

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Based on such policy, companies formulate and implement supply chain environmental risk management measures based on actual production and operation conditions. For example, when Chengdu Company organizes its supplier files every year, it requires suppliers to confirm that they are not accountable for any safety and environmental incidents in previous year. Whether the suppliers passed the environmental impact and safety evaluation is the key inspection item of the Company in evaluating suppliers. If any supplier fails to pass the evaluation, no procurement contract will be signed with the supplier by the Company.

### 5.1.2 Supply Chain Social Risk Management

The Group has established supplier evaluation control procedures, major raw and auxiliary materials inspection procedures, major raw and auxiliary materials procurement procedures, quality objectives management and statistical regulations for the specification and control of supplier evaluation processes and procurement. The Group's tender purchasing team is led by senior management, comprising of the sourcing director and head of each branch companies and department. The main method of purchasing raw materials is by tender invitation.

各公司在此政策的基礎上，根據實際生產運營狀況制定並實施供應鏈的環境風險管理措施。例如，成都公司每年在整理供應商檔案時，都要求供應商確認在上一年中無安全環保事故責任。供應商是否通過環評和安全評價是公司在審核供應商時重點檢查的項目；如果沒有，則不會與其簽訂採購合同。

### 5.1.2 供應鏈社會風險管理

本集團已制定供貨商評價控制程序、主要原輔料檢驗規程、主要原輔料採購規程、質量目標管理及統計規定，以用於規範和控制供貨商評估流程和採購工作的執行。本集團的招標採購小組由高級管理層領導，由採購總監及各分公司與部門主管組成，原材料採購以招標為主要方式。

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In order to decrease the social risk in supply chain, our social risk management policies for supply chain include the followings:

- **Investigation on bidder's qualifications:** The policy states that bidder must be an entity incorporated in the PRC, and meets the legal person capacity required by bidding units and holds an enterprise business license and tax registration certificate. Bidder must provide product specifications, quality certificate, quality system certification (including environmental management system), credit certificate, etc.
- **Corporate Social Responsibility Management:** The policy requires the suppliers of the Group to satisfy social sustainability.

為減少供應鏈的社會風險，我們的供應鏈社會風險管理政策涵蓋以下內容：

- **投標方資格審查：**政策規定投標者必須是中國註冊單位，並符合招標單位有關要求的法人資格，具有企業營業執照和稅務登記證。必須提供產品說明書、質量證明書、各質量體系認證證書（含環境管理體系）、信譽證書等材料。
- **企業社會責任管理：**政策要求本集團供貨商滿足社會可持續性。

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### 5.2 Products and Services

#### 5.2.1 Product Quality Control

Our product quality control strictly abides by the ISO9001 quality management system, government recognized laboratory management system, measurement and certification management system, military certification system and other systems. Our requirements for product quality are higher than industry average. On one hand, we introduced world-advanced production equipment to optimize the physical and chemical properties of our products. On the other hand, we controlled process quality stringently. We had quality control points in every segment from casting, extrusion, molds, surface treatment to ex-warehouse delivery, and continue to improve while preventing defective products from flowing into the next process. We also strictly controlled every detail of the operation process, carefully checked whether there were quality problems such as grooves, rough lines, and scratches on profile surface, and check the profile angle and flatness through square ruler.

### 5.2 產品與服務

#### 5.2.1 產品質量管理

本集團對產品質量的控制嚴格遵守ISO9001質量管理體系、國家認可實驗室管理體系、計量認證管理體系、軍工認證體系等體系，對產品質量的要求高於行業平均標準。一方面，我們通過引進世界先進生產設備，優化產品的物理性能及化學性能優越。另一方面，我們嚴格控制過程質量，從熔鑄、擠壓、模具、表面處理到出倉發貨的各個環節均設有質量控制點，杜絕不良品流入下個工序的同時持續改進。我們亦嚴控作業過程的每個細節，細緻檢查型材表面是否存在拉溝、粗紋、拉傷等質量問題，並通過角尺對型材角度對平面度進行檢查。



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Our “Xingfa Aluminium Product Quality Management Manual” emphasizes product quality management, which includes the provision of satisfactory products to customers, protection of ecological environment and protection of staff safety and health. The general manager of the Company convened dealers’ meeting once every year, visited key customers from time to time every month, and extensively seeking opinions on product quality and improvement from customers. For those faulty products, we implemented “Control Procedure on Faulty Products” to regulate and manage faulty products for recycling. In order to improve quality control level, Sanshui Company revised and updated the “Quality Department Management Plan”, “Bad Quality Behavior, Process Specification Supervision and Deduction Treatment System”, “QUASCAP Pearlescent Electrophoresis Profile Inspection Regulations” and the first part of round ingot for aluminum alloy extrusion of “Internal Control Standards” during the Year.

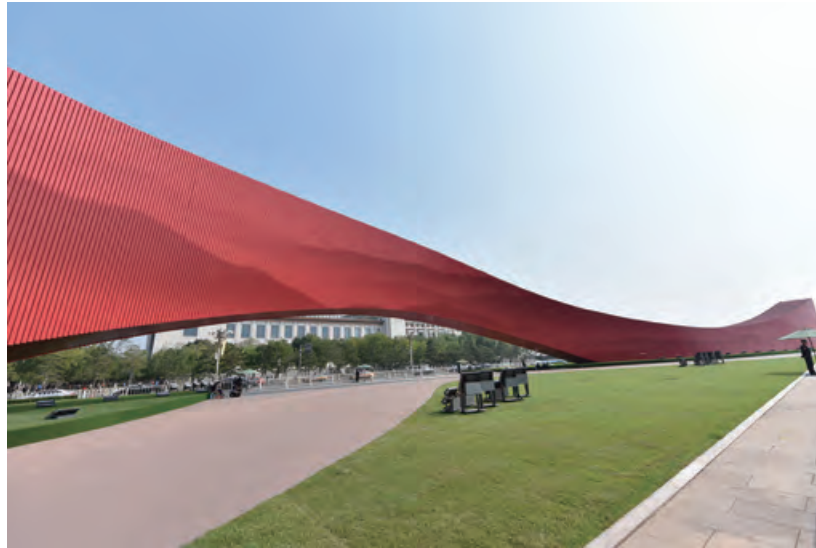
我們在《興發鋁業產品質量管理手冊》中強調產品質量管理包括向顧客提供滿意的產品、保護生態環境以及維護員工安全與健康。公司總經理每年召開一次經銷商會議，每月不定期走訪重點客戶，廣泛徵求客戶對產品質量以及改進方面的意見。針對不合格的產品，我們實施《不合格品控制程序》，以規範和管理不合格產品的回收處理。為提升品質管控水平，本年度，三水公司修訂更新了《質量部管理方案》《不良質量行為、工藝規範監督和扣罰處理制度》《QUASCAP珠光電泳型材檢驗規程》及《內控標準》第一部分鋁合金擠壓用圓鑄錠。

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In the Year, we continued to consolidate pragmatic production, breakthrough production bottlenecks, and improve product quality. For example, Sanshui Company carried out powder quality pre-inspection work and conducted powder quality inspection from the supplier at source, and had effectively solved problems that affect production due to factory return of unstable powder quality. The external consulting company of Jiangxi Company provided the lean management reform design plan and follow-up implementation for lean process optimization, production management system, on-site management system construction, TPM management system, human resource management system, customized training, etc. The Henan Company has carried out post-process operation standardization management, promoted and implemented 15 post-standardized operation instructions, optimized and standardized mold polishing and nitriding heat treatment process operations, improved mold programme control quality, and improved mold on-board qualification rate and service life. Two major quality and process inspections, led by general manager, department heads and process technicians, are conducted monthly to rectify quality-related problems.

本年度我們繼續夯實精益生產，擊破生產瓶頸，改善產品質量，例如：三水公司開展了粉末的質量前置工作，在供應商的源頭進行粉末質量檢驗，有效解決了粉末回廠質量不穩定而影響生產的問題。江西公司外聘諮詢公司針對精益流程優化、生產管理系統、現場管理體系的建設、TPM管理系統、人力資源管理系統、定制式培訓等方面，提供精益變革管理設計方案並跟進實施。河南公司開展了崗位工藝操作標準化管理，推廣實施15項崗位標準化作業指導書；對模具拋光和氮化熱處理工藝操作進行優化規範，提高模具過程控制質量，提升模具上機合格率和使用壽命；每月2次開展由總經理帶隊，部門主管和工藝技術人員參加的質量、工藝大檢查，對發現影響質量的問題進行整改。

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Xingfa as the sole supplier of Red Ribbon aluminium profile products to celebrate the 70th anniversary of the establishment of new China at Tiananmen Square.

During the Reporting Period, there was no regulatory and legal non-compliance activity relating to product responsibility in the Group.

### 5.2.2 *Research and Development and Innovation*

The Group attaches great importance to innovation and scientific research, and is committed to establishing long-term and stable cooperative relationship with domestic universities, scientific research institutes and peer enterprises by participating in various industry exchanges and seminars, and jointly solving common industry technical problems or conduct new technology research.

興發成為慶祝新中國成立70周年天安門廣場「紅飄帶」鋁合金型材用品指定唯一供應商

報告期內，本集團未發生任何違反有關產品責任的法律及規例的行為。

### 5.2.2 研發與創新

本集團高度重視創新與科研，致力於通過參加各類行業交流和研討會，並與國內高校、科研院所以及同行業企業建立長期穩定的合作關係，共同解決行業共性技術難題或開展新技術研究。

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The Group is the core member of the Industry-University-Research Innovation Alliance in Non-ferrous Metals Sector and is a member of the Guangdong Aluminium Magnesium Light Metal Materials Industry-University-Research Strategic Alliance. As a pioneer in the industry, we actively participate in and lead the drafting and formulation of international, national and industry standards in the aluminium alloy profiles industry, promote the implementation of a series of standards, and contribute to the technological progress and healthy development of the industry. At the same time, we use industry-university-research cooperation as a carrier to continuously acquire new knowledge and new technology sources, thereby forming a systematic knowledge and technical support system that is critical to the long-term development of an enterprise, and to accelerate the cultivation of innovative enterprise talents through cooperation projects implementation.

At present, the Group owns the National Enterprise Technology Centre, Post-doctoral Research Workstation, Guangdong Key Aluminium Profile Engineering Technology Research and Development Center, Guangdong Industrial Design Center, Guangdong Xingfa Aluminium High-end Aluminium Alloy Materials Research Institute, and is accredited as the “Single Champion Demonstration Enterprise of National Manufacturing”, “National Intellectual Property Demonstration Enterprise”, “National Intellectual Property Advantage Enterprise”, and “National Technology Innovation Demonstration Enterprise”, etc.

本集團是有色金屬領域產學研創新聯盟的核心單位，同時還是廣東省鋁鎂輕金屬材料產學研戰略聯盟成員。作為行業先驅者，我們積極參與並主導鋁合金型材行業國際、國家及行業標準的起草制定工作，推動一系列標準的實施，為行業的技術進步和健康發展做出貢獻。與此同時，我們以產學研合作為載體，不斷獲得新知識、新技術源，進而形成對企業長遠發展至關重要的系統知識和技術支撐體系，以及通過合作項目的實施加快企業創新人才的培養。

目前，本集團擁有國家企業技術中心、博士後科研工作站、廣東省重點鋁型材工程技術研究開發中心、廣東省工業設計中心、廣東興發鋁業高端鋁合金材料研究院，被評為「國家製造業單項冠軍示範企業」、「國家知識產權示範企業」、「國家知識產權優勢企業」、「國家技術創新示範企業」等。

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During the Year, the Group participated in the Guangdong-Hong Kong-Macao-Greater Bay Area Aluminium Manufacturing Industry Green Manufacturing Technology Exchange Conference. The fifth National Non-ferrous Metal Structure Material Preparation, Processing and Application Technology Exchange Conference as well as other industry exchange conferences and forums. The Group also participated in the drafting of industry standards including GB/T 27685-2019 “Portable Aluminium Alloy Ladder” and GB/T 8005.1-2019 “Aluminium and Aluminium Alloy Terms and Definitions Part 1: Product and Method of Processing and Treatment” and three other national and industry standards, and two group standards. As of the end of 2019, we have obtained a total of 1,325 national patents and have participated in the drafting of 92 national and industry standards. As the principal drafting unit, we participated in China’s first international standard for aluminium profile industry, ISO 28340: 2013 “Aluminium Laminated Coatings Technical Requirements for Laminated Coatings and Electrophoretic Organic Coatings on Aluminium Surface and Anodic Oxide Coatings”, which greatly improved the influence and right-to-speak on international stage as an PRC aluminum profile enterprise. The Group was awarded the title of “National Standards Research and Innovation Demonstration Base” and “International Standards Research and Innovation Demonstration Base”.

本年度，本集團參加了粵港澳大灣區鋁加工產業綠色製造技術交流會，第五屆全國有色金屬結構材料制備、加工及應用技術交流會等行業交流會議和論壇；參與起草了GB/T 27685-2019《便攜式鋁合金梯》以及GB/T 8005.1-2019《鋁及鋁合金術語第1部分：產品及加工處理工藝》等3項國家及行業標準、2項團體標準。截至2019年結束，我們累計獲得1,325項國家專利；累計參與起草國家標準和行業標準92項。作為主要起草單位參與我國首個鋁型材行業國際標準ISO 28340: 2013《鋁表面複合膜鋁表面電泳有機膜與陽極氧化膜的複合膜技術要求》，極大地提高了我國鋁型材企業在國際舞台上的影響力和話語權，並被授予「國家標準研製創新示範基地」以及「國際標準研製創新示範基地」稱號。

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During the Year, we have worked and cooperated with Harbin Institute of Technology, Foshan Jianmei Aluminium Co., Ltd., Huazhong University of Science and Technology, Guangdong Hongtu Technology Holdings Co., Ltd., Shanghai Jiaotong University, South China University of Technology, Chongqing Changan Automobile Co., Ltd., Guangdong Institute of Materials and Processing, Guangdong Industrial Analysis and Testing Center, Jiangxi University of Science and Technology and other universities, enterprises and research institutes to carry out project development. The Jiangxi Company and South China University of Technology carried out the Yichun Economic Development Zone Innovation-driven Development Science and Technology Project on “Key Technology and Application of High Strength, High Toughness and Corrosion Resistant Aluminium Alloy Profiles for Marine Ships”. The Henan Company and Henan University of Science and Technology signed a strategic cooperation agreement and jointly established the Henan Collaborative Innovation Centre Sub-centre and Henan Collaborative Innovation Centre Aluminium Industry Base.

本年度，我們先後與哈爾濱工業大學、佛山堅美鋁業有限公司、華中科技大學、廣東鴻圖科技股份有限公司、上海交通大學、華南理工大學、重慶長安汽車股份有限公司、廣東省材料加工與研究所、廣東省工業分析檢測中心、江西理工大學等高校、企業及科研院所合作開展項目。江西公司聯合華南理工大學開展宜春經開區創新驅動發展科技計劃項目《海洋船舶用高強高韌耐蝕鋁合金型材關鍵制備技術及應用》。河南公司與河南科技大學簽署了戰略合作協議，並共同組建了河南省協同創新中心分中心及河南省協同創新中心鋁產業基地。



## Environmental, Social and Governance Report

### 環境、社會及管治報告



Guangdong  
Aluminium  
Processing  
Technology  
(International)  
Seminar  
廣東鋁加工技術  
(國際)研討會

While constantly advancing our innovative and research and development activities, in recent years, the Group has also significantly strengthened the management of intellectual property rights, strengthened the promotion of patent laws and regulations, the popularization of patent knowledge, patent training, patent application and protection. At present, a set of patent management system has been formed, including “Company Intellectual Property Rights Management System”, “Patent Management System”, “Trademark Management System”, “Intellectual Property Rights Training Measures”, “Scientific Research Project Management System”, “Intellectual Property Rights Strategic Planning Programme”. The rules and regulations provide a solid theoretical and technical basis for the management and maintenance of intellectual property rights. We earnestly implement intellectual property rights strategy, and in accordance with the requirements of the “Enterprise Intellectual Property Management” (GB/T 29490-2013) issued by National Intellectual Property Administration (CNIPA), we passed the “Enterprise Intellectual Property Management” system certification in the Year.

在不斷推進創新研發的同時，近年來，本集團亦大幅加強知識產權管理力度，強化專利法規宣傳、專利知識普及、專利培訓、專利申請與保護等工作。目前，已基本形成一套專利管理制度體系，包括《公司知識產權管理制度》《專利管理制度》《商標管理制度》《知識產權培訓辦法》《科研項目管理制度》《知識產權戰略規劃方案》等規章制度，為知識產權管理及維護工作提供了堅實的理論和技術基礎。我們認真實施知識產權戰略，按照國家知識產權局頒布的《企業知識產權管理規範》(GB/T 29490-2013)要求，於本年度通過了《企業知識產權管理規範》體系認證。

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### 5.2.3 Customer Service

While satisfying customer demand for high-quality products, the Group also focuses on providing customers with timely and effective services, helping customers to solve problems and improving customer satisfaction. The Group's sales network is distributed nationwide, and we are committed to establishing close cooperation with distributors to jointly expand and consolidate sales channels. Our customer service channels include customer opinion surveys, customer service centres and hotlines, customer visits, exhibitions and large-scale reception activities such as super factories. At the same time, our corporate website was added with an enquiry function to quickly search for sales sites around the world, and to provide options such as online messaging, dealer portal, and anti-counterfeiting enquiry.

In order to standardize customer service management and improve customer service quality, we made the following after-sales service undertaking in the tender contract materials:

- Upon receiving customer feedback on quality problems, Xingfa will reply within 24 hours or send service personnel to the site for after-sales service as quickly as possible until customer is satisfied;
- When necessary, Xingfa will send technicians to the site to provide technical guidance services;

### 5.2.3 客戶服務

在滿足客戶對高品質產品需求的同時，本集團亦注重通過為客戶提供及時有效的服務，幫助客戶解決問題，提升客戶滿意度。本集團的銷售網絡遍佈全國，我們致力於與經銷商建立密切合作，共同拓展和鞏固銷售渠道。我們的客戶服務渠道包括客戶意見調查、客服中心、熱線、客戶拜訪、展覽會及超級工廠類的大型接待活動等。同時，我們於公司網站建立了快速搜索各地銷售網點的查詢方式，並提供在線留言、經銷商門戶網站、防偽查詢等選項。

為規範客戶服務管理，提高客戶服務質量，我們於中標合同材料中的售後服務做出如下承諾：

- 接到客戶的質量問題反映後，興發將在24小時內做出答覆或派出服務人員，以最快的速度到達現場進行售後服務，直至客戶滿意；
- 確實有需要時興發將派出技術人員到現場進行技術指導服務；

## Environmental, Social and Governance Report 環境、社會及管治報告

- If there is any damage caused by the quality of the materials supplied by Xingfa, replacement will be made free of charge;
- Actively participate in the engineering coordination meeting organized by client, strictly implement the meeting minutes or agreements signed by both parties, and pay return visits regularly to understand the usage of materials by users;
- After fulfilling all obligations in a contract, Xingfa undertakes to provide related technical services to users, and answer users' inquiries at any time;
- Xingfa will further improve service works, and implement timely service, advanced service, full-process service and premier quality service in the entire process of product manufacturing and installation;
- Once a tender is awarded, the commitment letter will form an integral part of the contract and possess the same legal effect as the contract.
- 如有因興發所供材料質量因素造成的損壞，將免費給予更換；
- 積極參加客戶組織的工程協調會，嚴格執行雙方達成的會議紀要或簽訂的協議，定期回訪，了解用戶對材料的使用情況；
- 合同履行完結後，興發承諾仍將向用戶提供相關技術服務，隨時解答用戶的詢問；
- 興發將進一步做好服務工作，把及時服務、超前服務、全過程服務、優質服務貫徹在產品製造、安裝的全過程；
- 若中標，本承諾書將成為合同不可分割的一部分，與合同具有同等法律效力。

## Environmental, Social and Governance Report 環境、社會及管治報告

### 5.2.4 Information Security and Privacy Protection

The Group is the first enterprise in the industry to apply the “ERP modern management information network project”, and passed the “Integration of Informatization and Industrialization Management System Assessment” in 2017. We combined Xingfa’s informatization and digitalization standard, utilize multiple information systems, adopt new Internet of things technology, integrate smart profile WMS (Warehouse Management System), automated material three-dimensional warehouse, automated mold three-dimensional warehouse, energy information integrated management platform, production equipment data acquisition and the comprehensive performance analysis platform and strive to promote the construction of big data to ensure the continuous improvement of the Group’s operational efficiency and overall management standard.

Customer privacy is closely related to the vital interests of customers. The Group attaches great importance to information security and customer privacy protection, strict compliance with relevant national and local laws and regulations, proper use of customer information, and prevention of customer privacy leakage in accordance with the law. We protect data exchange at user end through data encryption and document encryption, and solve the problem of online data leakage through integrated software and hardware solution for online behaviour audit. In 2020, we plan to carry out the second-level guarantee certification of the latest national guarantee 2.0 version, and further strengthen information security and privacy protection through application data backup, data audit and network security solutions for internal and external networks.

### 5.2.4 信息安全與隱私保護

本集團是行業內首個應用「ERP現代管理信息化網絡工程」的企業，已於2017年通過「信息化和工業化融合管理體系評定」。我們結合興發的信息化和數字化水平，利用多個信息化系統，採用新型物聯網技術，結合智慧型材WMS(Warehouse Management System)、自動化材料立體倉、自動化模具立體倉、能源信息綜合管理平台、生產設備數據採集及效能綜合分析平台，正在全力推動大數據建設，確保企業運營效率和整體經營管理水平不斷提升。

客戶隱私與客戶切身利益息息相關。本集團高度重視信息安全及客戶隱私保護，嚴格遵守國家和地方的相關法律法規，適當使用客戶信息，依法保障客戶隱私不被洩露。我們通過數據加密、文檔加密的方式對於客戶端的數據交換進行防護，通過上網行為審計軟硬一體化方案解決上網數據洩密問題。2020年，我們計劃進行國家最新等保2.0版的二級等保級別認證，從應用數據備份、數據審計及內外網的網絡安全方案，進一步加強信息安全和隱私保護。

## Environmental, Social and Governance Report 環境、社會及管治報告

### 6. EMPLOYMENT AND LABOUR MANAGEMENT

#### 6.1 Guaranteeing Employees' Benefits

The Group strictly complies with national and local labor regulations such as the Labor Law of the PRC and the Labor Contract Law of the PRC and protects the legitimate rights and interests of employees. We issue policies relating to employee compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, antidiscrimination and other benefits and welfare in the employee handbook.

The Group offered competitive remuneration packages in the same industry for employees and strived to establish a fair, reasonable and competitive remuneration system to ensure staff with excellent performance would obtain corresponding returns. We reviewed regularly the remuneration packages at all levels internally, collected industry information on remuneration from the labour market, and adjusted the remuneration and benefits standards with reference to position, work capability, work performance, staff skills and benefits to the Group.

### 6. 僱傭及勞工管理

#### 6.1 員工權益保障

本集團嚴格遵照《中華人民共和國勞動法》《中華人民共和國勞動合同法》等國家和地方的勞工法規，保障員工合法權益。我們在員工手冊中發佈了員工薪酬及解僱、招聘及晉陞、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利方面的政策。

本集團為員工提供同行業中具有競爭力的薪酬福利待遇，力求建立公平、合理、具競爭力的薪酬體系，保證表現優秀的員工得到相應的回報。我們定期對內考察員工各級薪酬水平，收集本行業勞動力市場薪酬狀況，根據員工的職務、工作能力、工作業績、技術程度和集團效益等因素調整薪酬福利水平。



Employee  
birthday party  
員工生日會



## Environmental, Social and Governance Report 環境、社會及管治報告

The personnel management principle that we adopted is performance-based incentives and assurance of internal fairness. For example, the monthly salary of production line staff is calculated according to the comprehensive piecework on a team or group basis, so as to ensure that staff who works more will be paid more. At the same time, for employee performance appraisal process, they are being implemented across different positions according to the performance appraisal method of the respective department in which they work. We adopted a policy whereby management personnel shall abstain from any human resource matter relating to their family members and relatives, with an aim to ensure internal fairness, and require that family members and relatives of management personnel are not allowed to work in the same respective departments.

We emphasize communication and participation among employees, disseminated policy and information through posting announcements on bulletin boards, e-mails, employee manual or training. Staff can put forward their opinion and question to management through interview, functional e-mails or group discussion. We encourage employees to offer suggestions for corporate operation and development purposes. At the same time, the Company's internal trade union organization strictly abides by the relevant requirements of the Trade Union Law of the PRC, protects the rights and interests of employees in accordance with the law, performs democratic procedures, and gives full play to the role of employees in enterprise democratic management. In order to enhance their sense of belongings and enthusiasm for work, we have enriched employees in their spare time by building stadiums, showing free movies, organizing various cultural and recreational activities, and helping employees in need through union organizations. During the Year, in order to help a difficult employee, Sanshui Company initiated a donation and raised funds in a total amount of over RMB42,000. The Company granted subsidies, condolences and relief funds to six employees totalling RMB115,000.

我們採用的人員管理原則為績效獎勵與保證內部公平性，例如生產線員工以班組綜合計件的方式核算每月的工資，以保證多勞多得。同時對於員工的績效考核過程，不同崗位根據所在部門的績效考核辦法實施。為保證內部公平，我們實行管理人員親屬迴避制度，要求管理人員的親屬不允許在其所在的部門工作。

我們注重員工溝通及參與，通過公告欄張貼公告、電子郵件、員工手冊、課堂培訓等方式向員工傳達政策和信息，員工可通過面談、職能郵件、小組座談等方式向管理層提出意見和問題，鼓勵員工為公司經營和發展獻計獻策。同時，公司內部的工會組織嚴格遵守《中華人民共和國工會法》中的相關要求，依法維護員工權益，履行民主程序，充分發揮員工在企業民主管理中的作用。為提升其歸屬感與工作熱情，我們通過建設體育場、免費播放電影、開展各類文娛活動豐富員工業餘生活，並通過工會組織幫扶困難員工。本年度，為幫助一位困難員工，三水公司發起救助捐款，共募集到超過人民幣4.2萬元善款；公司給予6位員工困難補助金、慰問金、救助金合計人民幣11.5萬元。



## Environmental, Social and Governance Report

### 環境、社會及管治報告



New employee  
forum  
大學生啟航培訓



Staff training  
員工培訓

During the Reporting Period, there was no regulatory and legal non-compliance in respect of remuneration and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare of the employees in the Group.

報告期內，本集團未發生任何違反有關薪酬及解雇、招聘及晉陞、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的法律及規例的行為。

## Environmental, Social and Governance Report 環境、社會及管治報告

### 6.2 Labour Standard

The Group strictly abides by the minimum age of employment requirements stipulated by the PRC and the location where it operates. Our corporate social responsibility has expressly stipulated the prohibition of recruiting child labour under 16 years old. For minors between 16 to 18 years old, we carried out special protection in accordance with the laws.

The Group illustrated the policy of preventing forced labour in the employee handbook. We adopted an order-oriented production model. Pursuant to the approval from local labour department, we implemented a work system with integrated computation of working hours to ensure employees' right to rest and leave are protected and production and work tasks can be completed through collective working, collective rest, on shift and adjustment leave and flexible working hours, etc.

During the Reporting Period, there was no misconduct nor regulatory and legal non-compliance related to child labour or forced labour prevention in the Group.

### 6.2 勞工準則

本集團嚴格遵守國家及營運所在地規定之最低受雇年齡的要求，並於企業社會責任政策中明文規定禁止僱傭未滿16週歲的童工。對於16至18週歲的未成年工，我們依法實行特殊保護。

我們已在員工手冊中闡述了防止強制勞工的政策。我們實施以訂單為主導的生產模式，根據當地勞動部門的批准，實行綜合計時工作制，通過採用集中工作、集中休息、輪休調休、彈性工作時間等制度，來確保職工的休息休假權利和生產、工作任務的正常完成。

報告期內，本集團未發生任何違背有關防止童工或強制勞工的法律及規例的行為。

## Environmental, Social and Governance Report 環境、社會及管治報告

### 6.3 Occupational Health and Safety

The Group adheres to the human-oriented and life-paramount concept, and regards staff health and safety as the important key focus in daily work. To safeguard staff safety and health during production, we prepared the safety production management system, which emphasised that “all activities are based on the life and health of staff”. The Group established the safety production committee which is responsible for our overall safety production management works of the Group. For implementation, every production department has established its own safety production leading group respectively and is responsible for staff’s production safety work in respective departments.

Our safety production works are in line with the policy of “Safety First, Focus on Prevention and Comprehensive Treatment” and adhere to the principle of “Production Management must Encompass Safety Management and Person-in-charge is the Responsible Person”. The staff health and safety policy mainly covers the followings:

- Regular safety assessment to be organised by safety expert on each production process and all equipment facilities, including performance and risk factors assessment, and disseminate the assessment results to staff, and place hazardous signs at prominent locations.

### 6.3 職業健康與安全

本集團堅持以人為本、生命至上的理念，將員工的健康與安全作為日常工作的重中之中。為保障員工的職業健康與安全，我們實施了安全生產管理制度，制度中強調「所有活動要圍繞員工生命健康」。本集團設立了由董事長擔任組長的安全生產委員會，全面負責所有生產基地的安全生產管理工作。在執行層面，由各生產部門分別成立安全生產領導小組，負責本部門的員工生產安全工作。

本集團的安全生產工作貫徹「安全第一、預防為主、綜合治理」的方針，堅持「管生產必須管安全，誰主管，誰負責」的原則。員工的健康與安全政策主要涵蓋以下內容：

- 定期組織安全專家對各個生產環節、所有設備設施進行安全評價，包括性能和危險因素評估。同時將評估結果及時告知員工，並在顯眼處放置危險源標示卡。

## Environmental, Social and Governance Report 環境、社會及管治報告

- For occupational hazards factors that exist in production environment, we conduct propaganda training for staff, and allocate different labour protection gear to staff according to the national regulations on the prevention and treatment of occupational diseases. The safety production leading group in each department conducts inspection on the actual compliance of staff safety management, and for any staff who does not wear safety equipment properly, warning will be given for the first time of non-compliance discovery, and a fine will be imposed on the responsible leader and respective staff for the second time of non-compliance discovery, i.e. strictly adheres to the principle of “Person-in-charge is the Responsible Person”. At the same time, the enterprise invites the local Occupational Disease Prevention and Control Centre to conduct occupational health examination for front-line workers and prepare relevant reports.
- To focus on the implementation of firefighting management, including staff trainings on fire-fighting knowledge and deploying fire-fighting facilities in workshops and office buildings, we require staff, whether working frontline in workshop production line or in administrative office, must possess fire-fighting knowledge, including the use fire-fighting equipment properly.
- 針對生產環境中存在的職業危害因素對員工進行宣傳培訓，並按照國家職業病防治的相關規定給員工配置勞動防護用品。各部門安全生產領導小組對員工遵守安全管理的實際情況進行檢查，對於員工不恰當佩戴安全裝備的行為，第一次對員工予以警告，第二次則依照「誰主管誰負責」的原則對負責的幹部和員工進行罰款。同時，每年均要求當地職業病防治所到企業內給生產一線員工進行職業健康的體檢工作，並形成相關報告。
- 重點落實對消防管理的工作，包括向員工培訓消防知識，在車間及辦公大樓配置消防設備。我們要求無論是車間生產線一線員工，還是辦公大樓內的員工都必須掌握消防知識，包括正確使用消防設備。

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- The environmental measures adopted during production could reduce hazardous exhaust gas, waste and wastewater discharge, which are crucial to the health of staff that work in workshops for a long period of time. We are committed to indoctrinating environmental protection concept to staff, and require environmentally friendly operation, so as to attain achievement on actual application of environmental protection concept as well as environmental protection facility.

The Group offered a comprehensive safety consciousness and skills training for staff and at the beginning of each year, an annual training programme is prepared according to the training requirements of each production workshop and the entire process is tracked and implemented as scheduled. The training involved specific operation in certain positions, emergency drills, re-training for special equipment and first aid training, etc. At the same time, the safety management department established corresponding safety communication group through an instant communication App, and those staff who are team leaders or above could blow the whistle or report the safety problems to management at any time, thus ensuring any information related to safety will be communicated at management level in a timely manner. Each company carries out monthly safety production activities, including crane safety operation skills competition, forklift safety operation skills competition, chemical protective gear-wearing competition, safety speech competition, and safety knowledge competition. In addition, we have also improved staff's dining and boarding environment by expanding the canteen, strictly monitoring meal quality, and educating employees on laws relating to traffic safety to ensure employees' health and enhance corporate cohesiveness.

- 生產過程中的環保措施可以減少有害廢氣、廢物和廢水的排放，對長期在生產車間工作的員工健康十分重要。我們致力向員工灌輸環保理念，要求環保作業，使得環保理念和環保設施在實際的運用中取得成效。

本集團為員工提供全面的安全意識和技能培訓，每年年初按各生產車間的培訓需求制定年度培訓工作計劃，並按時間節點全程跟蹤實施。培訓內容涉及崗位操作規程、應急演練、特種設備再培訓以及急救培訓等。同時，安全管理部門通過實時通信工具，建立了相應的安全溝通群，班長等級以上的員工可以隨時向管理層舉報或報告安全問題，確保任何安全相關的信息及時在管理層面溝通。各公司每年均開展安全生產月活動，舉辦吊機安全操作技能比賽、叉車安全操作技能比賽、防化服穿戴比賽、安全演講比賽、安全知識競賽。除此之外，我們亦通過擴建食堂、嚴格監管飯菜品質、開展交通安全法制教育等途徑保障員工健康並提升企業凝聚力。

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During the Year, we continued to improve, re-construct, install and maintain safety protection equipment, and continued to strengthen safety precautions through major hazardous source monitoring, occupational hazardous testing, emergency rescue drills, and employee health checks. Throughout the Year, the Group invested RMB5.13 million in production safety, which was mainly used to improve safety and occupational disease prevention measures, employee occupational health examinations, purchase of labor protection supplies and emergency equipment, rectification of safety hazards, and safety production training. The Sanshui Company added a safety performance assessment system for employees who have violated disciplines and regulations, and modified equipment by adding isolation component and silencers. The Jiangxi Company has updated the safety management system for tricycles, and the regulations for the supervision and rectification of hidden dangers in security risks. Our four branches had conducted a total of 766 safety trainings, 288 safety inspections and 135 accident emergency drills respectively.

During the Reporting Period, the Group did not violate any law and regulation on health and safety nor was there any work-related employee fatality incidents. In response to employee injury accidents that occurred during the Year, we promptly and properly treated injured employees, reviewed and investigated the causes of accidents, and adopted measures to strengthen employees' safety production education and improve workplace protection conditions to prevent accidents from happening again.

本年度，我們持續完善、改造、加裝及維護安全防護設備，通過重大危險源監控、職業危害檢測、應急救援演練、職工健康檢查等方式，不斷強化安全防範工作。全年全集團於安全生產方面投入513萬元，主要用於安全與職業病防治措施改善、員工職業健康體檢、購置勞動防護用品及應急裝備、安全隱患整改、安全生產培訓等方面。三水公司增加了員工違紀違章一人一檔安全績效考核制度，並對部分噪音大的設備進行了改造或增加隔離、消音裝置。江西公司更新了三輪車使用安全管理制度、安全事故隱患整改掛牌督辦規定。四家分公司開展安全培訓共計766次，各類安全檢查共計288次，事故應急演練共計135場。

報告期內，本集團未發生任何違反有關健康與安全的法律及規例的行為，亦未出現員工因工死亡事件。針對年內出現的員工工傷事故，我們已於第一時間妥善安置受傷員工，檢討和調查事故發生原因，並採取加強員工安全生產教育、改善工作場所防護條件等措施，防範事故再次發生。



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### 6.4 Development and Training

The development and training of employees is not only our assurance to achieve our business objectives, improve performance and achieve sustainable development. It is also a way for employees to be competent, enhance themselves and develop their potential. The Group regards employees' opportunities and potential for sustainable development as its responsibility. The staff development and training policies are set out in the employee handbook, and staff training is guided in accordance with the "Staff Training Management System" and "Administration Methods for Staff Career Development". Employee training is mainly conducted through classroom training and online learning. We develop an annual training implementation plan based on the results of the survey on employee training needs and integrated with the training resources and the Company's human resources activity plan. Our training works adhered to the principle of comprehensive coverage and key development, mainly initiated from the following aspects:

- Through various forms of training, new employees are able to fully understand the Company's development status, organizational structure, rules and regulations, process flow, etc., enhance their recognition and confidence in corporate culture, and give full play to their initiative and enthusiasm.

### 6.4 發展及培訓

員工的發展及培訓不僅是本集團完成經營目標、提高績效、實現持續發展的保證，同時也是員工勝任職責、提升自我、開發潛力的途徑。本集團將為員工提供可持續發展的機會和空間視為己任，在員工手冊中發佈了員工發展及培訓的政策，同時依照《員工培訓管理制度》以及《員工職業發展管理辦法》指導員工培訓及發展具體工作的執行。員工培訓主要通過課堂培訓和在線學習兩種方式進行。我們每年根據員工培訓需求調查結果，並結合培訓資源及公司人力資源活動計劃，制定年度培訓實施計劃。我們的培訓工作堅持全面覆蓋、重點開展的原則，主要從以下方面入手：

- 通過多種形式的培訓，讓新晉員工全面了解公司的發展現狀、組織架構、規章制度、工藝流程等內容，增強其對公司文化的認同和自信，充分發揮工作主動性和積極性。



Internal Trainer  
Training  
內訓師培訓

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- To conduct general management training to all employees, such as management skills improvement, business etiquette, emotional management, safety training, communication skills improvement, office automation, laws and regulations, and policy presentations to improve staff quality and comprehensive skills.
- To offer a wide range of professional training for employees, such as trainings on sales skills, financial operations skills, human resources management, and training for specific projects. The purpose of such trainings is to improve the know-how and skills of professional staff, thereby improving work efficiency. At the same time, we hire highly skilled employees as internal lecturers to share work experience and professional skills with other employees, and use this as an opportunity to explore outstanding talents, to form an efficient internal training instructor team, and to inherit the company's culture and skills knowledge.
- We tackle current training shortcomings by integrating with current intelligentized and Internet-based platform learning methods and collaborate with third-party training institutes to develop an on-line training platform. The platform will match different training programme for employees at each stage, and incorporate the training assessment into the annual assessment to ensure training effectiveness and timeliness and improve the pro-activeness of employees in learning.
- 面向全體員工開展通用管理類培訓，如管理技能提升、商務禮儀、情緒管理、安全培訓、溝通技巧、辦公自動化、法律法規和政策宣講等課程，提高員工素質和綜合技能。
- 為員工提供各類專業培訓，例如銷售技巧、財務操作技能、人力資源管理、以及針對特定項目進行的培訓，以提升專業人員的知識和技能，提高工作效率。同時，聘任高技能員工為公司內部講師，分享工作經驗和專業技術，並以此為契機挖掘公司優秀人才，組建一支高效的內部培訓講師隊伍，傳承公司文化、技能知識。
- 針對目前的培訓短板，結合目前智能化、互聯網化的平台學習方式與第三方培訓機構合作開發線上平台，平台將為各階段員工搭配不同的套餐，並將培訓考核納入到年度考核中，從而保證培訓的有效性和及時性，提高員工學習的積極性。

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For staff career development, the Group performed job rotation as and when appropriate according to employees' capabilities, work performance and actual operation needs, which fully gave staff opportunities to demonstrate their abilities and potential so as to achieve the purpose of nurturing staff's abilities in various aspects and improving overall work efficiency. We adhere to internal promotion as the main principle and external recruitment as support in case of a job vacancy arises. Staff who worked diligently with outstanding performance and abilities would be given priority in promotion and development opportunities.

Apart from the above training and promotion practices, during the Year, the Group's headquarter undertook a project to establish the organizational capabilities and human resources systems, and started to explore and discuss the purpose and future development direction of Xingfa Research Institute. The Sanshui Company revised and updated its "Internal Training Lecturer Training System" and "College Student Training Programme", and conducted group leader training, college students sailing series training, internal trainer series training, and large lecture series courses for different personnel, covering management and communication skills, production process, safety production knowledge, customer complaint handling, departmental corporate culture, and office skills, etc. The Henan Company has formulated a system of "Learning from Experienced Staff" to nourish the labor skills of new employees.

在員工職業生涯發展方面，本集團根據員工的能力、工作表現和實際經營需要，實行適時將員工進行崗位輪換，充分發揮員工的才幹和潛質，達到培養員工多方面能力和提高整體工作效率的目的。在出現職位空缺時，我們堅持內部晉陞為主、外部引進為輔的原則，工作勤奮、表現出色、能力出眾的員工將獲得優先的晉陞和發展機會。

除以上培訓與晉陞慣例之外，本年度，集團總部正在進行組織能力與人力資源體系建設項目，並對興發研究院的設立目的及未來發展方向展開探討。三水公司修訂更新了《內訓講師培養制度》《大學生培養方案》，針對不同人員開展了班組長培訓、大學生啟航系列培訓、內訓師系列培訓、大講堂系列課程，內容涵蓋管理和溝通技巧、生產工藝流程、安全生產知識、客戶投訴處理、部門企業文化、辦公技能等方面。河南公司制定了《以老帶新》制度，培養新員工的勞動技能。

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### 6.5 Anti-corruption

In order to enhance internal control mechanism and eradicate corruptive behavior, the Group prepared and carried out the anti-corruption and anti-bribery code of conduct. Based on the practical operational situation, we strengthened system supervision, promoted anti-corruption system, and reinforced supervision among key segments and staff in key positions that are vulnerable to corruption. We have also strengthened the awareness of the integrity of party members and cadres by conducting conferences on discipline education.

The code of conduct for anti-corruption and anti-bribery is applicable to material procurement, outsourced processing, facility projects, business sales, equipment procurement and maintenance, quality supervision, other economic activities, and the process of management of individuals, properties and belongings. At the same time, all customers, suppliers, service providers and underwriters who had business relationship with the Group are also covered by the code, which contained the following main aspects:

- Requirements of anti-corruption and anti-bribery conduct for purchasing and sales staff
- Requirements of capital management involving anti-corruption and anti-bribery conduct during the purchasing and selling processes
- Requirements of anti-corruption and anti-bribery conduct for accounting cashiers
- Regular check on evaluation system
- Whistle-blowing registration system

During the Reporting Period, there was no misconduct or regulatory non-compliance related to bribery, extortion, fraud and money laundering in the Group.

### 6.5 反腐敗

為加強內控機制、杜絕貪腐行為，本集團制定並實施了反腐敗、反賄賂行為守則。我們結合實際經營情況，強化制度監督，推進制度反腐，加強對易發生腐敗的重點環節以及重點崗位人員的監督。我們亦通過開展黨風廉政建設會議工作暨紀律教育專題學習會議，加強黨員幹部的廉潔意識。

反腐敗、反賄賂行為守則的適用範圍包括在集團範圍內的物料採購、委外加工、設施工程、業務銷售、設備採購和維護、質量監督等經濟活動，以及人、財、物管理的過程。同時，所有與本集團有業務來往的客戶、供貨商、服務商、承包商也在本守則管理範圍內，守則涵蓋以下主要內容：

- 對採購及銷售人員的反腐敗、反賄賂行為要求
- 對購進、銷售過程的資金管理中涉及的反腐敗、反賄賂行為要求
- 對會計出納人員的反腐敗、反賄賂行為要求
- 定期檢查考評制度
- 舉報登記制度

報告期內，本集團未發生任何違反有關防止賄賂、勒索、欺詐及洗黑錢的法律及規例的行為。

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### 7. COMMUNITY INVESTMENT AND PARTICIPATION

Since its establishment, Xingfa Aluminium has always adhered to the “reciprocate of where you get” spirit and has not forgotten in fulfilling its social responsibility and actively participate in charitable activities. Through a variety of ways and initiatives to care for vulnerable groups, participating in environmental public welfare activities, charitable donations, and poverty alleviation, and conduct practical actions to unify corporate development goals and social responsibility. We have set up a dedicated charitable fund and have actively participated in social charitable donations in the name of companies and individuals, and donated funds to socially disadvantaged groups or charitable associations, and constantly improving the corporate charitable and public welfare regime. During the Year, the Group donated a total of RMB380,000 for charities.

### 7. 社區投資及參與

興發鋁業自創立以來，一直秉持飲水思源的精神，不忘履行社會責任，積極投身公益慈善事業。我們通過關愛弱勢群體、參與環保公益活動、慈善捐贈、扶貧助學等多種方式和舉措，用實際行動將企業發展目標和社會責任高度統一起來。我們已設立專項慈善基金，長期以公司和個人名義積極參加社會慈善捐款活動，向社會困難群體或慈善會定向捐款，並不斷完善公司慈善公益機制建設。本年度，本集團對外捐贈善款共計38萬元。



Award ceremony of Sanshui Company as the “Employment Practice Base for College Graduates in Sanshui District”  
佛山市三水分公司成為三水區高校畢業生就業實習基地授牌儀式



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The Sanshui Company launched the charitable donation activities of Nanzhuang Charity Association and Leping Charity Association for poverty alleviation. The Chengdu Company and government leaders of Shuangliu District participated in the poverty alleviation activities in Batang County, Sichuan Province. In response to the government's call for "Hundred Enterprises Helping Hundred Villages" campaign targeted at poverty alleviation, it played a pioneering role as a party member, and supported Shuanghong Village in Tiantai Township, Yuanzhou District, Yichun City. On January 14, 2019, Jiangxi Company Party Branch conducted the warm-hearted visit to the poverty-stricken activities under the theme of "Loving Heart in cold winter and Earnestly Helping poverty alleviation" and visited 22 poor households and gave them consolation supplies and Chinese New Year's blessings. To support the development of poverty alleviation industry in Xiexi Village, the Company also donated RMB80,000 to Xiexi Village as an industrial poverty alleviation fund. In order to solve the problem of rugged roads and insufficient lighting at night in Shuanghong village of Tiantai township, the Company cooperated pragmatically with the village committee to continue the road reconstruction and lighting project, helping Shuanghong village to build a safe and bright travelling environment at night.

In the Year, Sanshui Company was honoured as the "Employment Practice Base for College Graduates in Sanshui District" by Human Resources and Social Security Bureau of Sanshui District, Foshan City as it promoted local employment and practiced corporate social responsibility by accepting internships for college graduates to relieve employment pressure.

三水公司開展了南莊慈善會及樂平慈善會扶貧濟困捐款活動。成都公司與雙流區領導參加了四川省巴塘縣扶貧活動。為響應政府「百企幫百村」精準扶貧行動號召，發揮黨員先鋒模範作用，支持宜春市袁州區天台鄉雙洪村脫貧致富，2019年1月14日，江西公司黨支部開展了以「冬日暖陽獻愛心，真情幫扶助脫貧」為主題的春節走訪慰問活動，走訪了22戶貧困戶，為他們送去慰問物資和新春祝福。為支持謝溪村發展扶貧產業，公司還向謝溪村捐贈人民幣8萬元作為產業扶貧基金。為解決天台鄉雙洪村道路崎嶇、夜間照明不足導致村民出行困難的問題，公司切實配合村委會繼續實施道路改造亮化工程，幫助雙洪村創造安全明亮的夜間出行環境。

本年度，三水公司被佛山市三水區人力資源和社會保障局認定為「三水區高校畢業生就業實習基地」，以接收高校畢業生實習、緩解就業壓力的形式，促進當地就業，踐行企業社會責任。



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### 環境、社會及管治報告

#### APPENDIX I: MAJOR AWARDS AND HONOURS DURING THE YEAR

#### 附錄一：年內主要獎項和榮譽

The Group was awarded the following major national awards and honours during the Year: 本年度，本集團獲得的主要獎項及榮譽如下：

Awards Sponsor 頒發單位	Awardees 獲獎主體	Honours 榮譽名稱
CNIPA 國家知識產權局	Xingfa Aluminium (Chengdu) Co., Ltd. 興發鋁業(成都)有限公司	“National Intellectual Property Superior Enterprises” 「國家知識產權優勢企業」
CNIPA 國家知識產權局	Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司	“China Excellence Patent Award” 「中國專利優秀獎」
Guangdong Association for the Promotion of Industrial Development and Guangdong Manufacturers Association 廣東省產業發展促進會、廣東省製造業協會	Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司	“2018 Merit Manufacturing Enterprise for the 40 Anniversary of the Reform and Opening” (awarded in 2019) 「2018年改革開放40周年製造業功勳企業」(2019年獲得)
People’s Government of Guangdong Province 廣東省人民政府	Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司	“Science & Technology Progress Awards of Guangdong Province (second prize)” 「廣東省科技進步獎二等獎」
The Department of Industry and Information Technology of Guangdong Province 廣東省工業和信息化廳	Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司	“Hong Kong-Guangdong Cleaner Production Excellent Partner (Manufacturing)” 「粵港清潔生產優越夥伴(製造業)」
Market Supervision Committee of Guangdong Province 廣東省市場監督委員會	Guangdong Xingfa Aluminium Co., Ltd. 廣東興發鋁業有限公司	“2018 Guangdong Province Enterprise of Observing Contract and Valuing Credit” (awarded in 2019) 「2018年廣東省守合同重信用企業」(2019年獲得)
Jiangxi Federation of Trade Unions 江西省總工會	Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. 廣東興發鋁業(江西)有限公司	“May 1st Labour Award of Jiangxi Province” 「江西省五一勞動獎狀」

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### APPENDIX II: ENVIRONMENTAL AND SOCIAL KEY PERFORMANCE INDICATORS

### 附錄二：環境及社會關鍵績效指標

Key performance indicators 關鍵績效指標	Unit 單位	2019 二零一九年	2018 二零一八年	Remark 備註
<b>Total Aluminum output</b> 鋁產品總產量	ten thousand tonnes 萬噸	61.7	52.6	Total output of the self-made products of four companies located in Sanshui, Chengdu, Jiangxi and Henan 為三水、成都、江西、河南四間公司自製產品的總產量。
<b>Environment Aspect</b> 環境範疇				
<b>Emissions</b> 排放物				
Total non-hazardous wastes disposed of 無害廢棄物總量	tonnes 噸	921	828	The production of aluminium products and staff number in 2019 increased, therefore total volume of hazardous waste increased.
Density of non-hazardous waste 無害廢棄物密度	tonnes/ten thousand tonnes 噸/萬噸	14.9	15.7	2019年鋁產品生產量及員工人數增加，因此無害廢棄物總量有所增加。
Total hazardous waste 有害廢棄物總量	tonnes 噸	892	706	The production of aluminium products in 2019 increased and some of the hazardous waste generated in 2018 was stored and treated in 2019, therefore total volume and density of hazardous waste increased.
Density of hazardous waste 有害廢棄物密度	tonnes/ten thousand tonnes 噸/萬噸	14.5	13.4	2019年鋁產品生產量增加，且2018年產生的部分有害廢棄物存放至2019年處理，因此有害廢棄物總量和密度有所增加。

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Key performance indicators 關鍵績效指標	Unit 單位	2019 二零一九年	2018 二零一八年	Remark 備註
<b>Air pollution emission</b> 大氣污染物排放				
Total nitrogen oxide 氮氧化物總量	kg 千克	16,121	46,193	<p>In 2019, we have upgraded and renovated part of our exhaust gas emission treatment facilities. At the same time, as new production lines were put into operation and production processes were changed during the Year, the types and levels of emissions in different production processes were different. Therefore, emissions of nitrogen oxides, total VOCs and fluorides decreased, while emissions of sulfur oxides and suspended particles increased in 2019. However, the emission concentration and total amount of all pollutants were both within the limits required by the emission standards.</p> <p>2019年我們對部分廢氣處理設施進行了升級改造，同時本年度有新的生產線投產及生產工序發生改變，不同生產工序的排放物種類和排放水平不同，因此2019年氮氧化物、總VOCs及氟化物的排放量減少，而硫氧化物、懸浮粒子的排放量增加。但所有污染物的排放濃度及總量均在排放標準要求的限值內。</p>
Total sulphur oxides 硫氧化物總量	kg 千克	29,169	10,211	
Total particulate matters 懸浮粒子總量	kg 千克	32,564	14,621	
Total VOCs 總VOCs量	kg 千克	17,544	99,680	
Total fluoride 氟化物總量	kg 千克	710	4,493	

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Key performance indicators 關鍵績效指標	Unit 單位	2019 二零一九年	2018 二零一八年	Remark 備註
<b>Wastewater discharge</b> 廢水排放				
Total Chemical Oxygen Demand 化學需氧量總量	kg 千克	38,873	7,736	<p>In 2019, we upgraded and renovated part of our wastewater treatment facilities. At the same time, as new production lines were put into operation and production processes were changed during the Year, the types and levels of emissions in different production processes were different. The discharge of wastewater in some processes increased and the discharge standard of local environmental protection departments was loosened. Therefore, emissions of pollutants increased in 2019. However, the emission concentration and total amount of all pollutants were both within the limits required by the emission standards.</p> <p>2019年我們對部分廢水處理設施進行了升級改造，同時本年度有新的生產線投產及生產工序發生改變，不同生產工序的排放物種類和排放水平不同，部分工序廢水排放量增加且當地環保部門的排放標準有所放寬，因此2019年污染物排放量增加。但所有污染物的排放濃度及總量均在排放標準要求的限值內。</p>
Total Ammonia 氨氮總量	kg 千克	1,232	74	
Exceedance or other non-compliance situations 超出限制或其他不合規情況	times 次數	0	0	
Fines and prosecutions due to inconformity with environmental laws and regulations 因不符合環保法律法規而被罰款或起訴	times 次數	0	0	

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Key performance indicators 關鍵績效指標	Unit 單位	2019 二零一九年	2018 二零一八年	Remark 備註
<b>Use of resources</b> 資源使用				
Total energy consumption 能源消耗總量	kWh 千瓦時	942,347,726	924,964,861	Energy includes electricity and natural gas, among which, the calculation of natural gas is made by reference to the conversion factor in the "Guidelines on the Calculation Method and Reporting of Greenhouse Gas Emission by Other Industries". 能源包括電力和天然氣，其中，天然氣的計算參考了《工業其他行業企業溫室氣體排放核算方法與報告指南》中的換算係數。  The increase in energy consumption was due to the increase in the output of aluminium products and staff headcount in 2019. 2019年鋁產品生產量和員工人數增加，因此能源消耗總量有所增加。
Energy consumption density 能源消耗密度	kWh/ten thousand tonnes 千瓦時／萬噸	15,273,059	17,584,883	
Total purchase of electricity 購買電力總量	kWh 千瓦時	286,416,837	275,279,413	
Consumption density 用電密度	kWh/ten thousand tonnes 千瓦時／萬噸	4,462,088	5,233,449	
Total natural gas usage volume 天然氣總用量	立方米	60,654,779	60,077,255	
Density of Natural Gas Usage 天然氣用量密度	m <sup>3</sup> /ten thousand tonnes 立方米／萬噸	983,060	1,142,153	
Total water consumption 用水總量	tonnes 噸	3,823,988	3,885,915	
Water density 用水密度	tonnes/ten thousand tonnes 噸／萬噸	61,977	73,877	

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Key performance indicators 關鍵績效指標	Unit 單位	2019 二零一九年	2018 二零一八年	Remark 備註
Packing materials used (packing papers such as carton and kraft paper etc.) 包裝材料用量 (紙箱、牛皮紙等包裝紙)	tonnes 噸	22,638	16,291	We have updated and improved the statistical methods for packaging materials, therefore the statistical information for 2018 was updated. In 2019, the production of aluminum products had increased and the quality of packaging materials selected were relatively thick and heavy, hence the usage volume and density increased. 我們對包裝材料的統計方法進行了更新和完善，因此重新統計了2018年的數據。2019年鋁產品生產量增加，且選用的包裝材料較厚、質量較重，因此用量和密度有所增加。
Density of packaging materials (packing papers such as carton and kraft paper etc.) 包裝材料密度 (紙箱、牛皮紙等包裝紙)	tonnes/ten thousand tonnes 噸/萬噸	366.9	309.7	
Usage of packaging materials (Others, including polyethylene wool, protective membrane, condensed membrane, self-adhesive, transparent tape and non-woven cloth) 包裝材料用量(其他, 包括珍珠棉、保護膜、收縮膜、自粘膠、無字膠、無紡布)	tonnes 噸	5,872	4,434	
Density of packaging materials (Others, including polyethylene wool, protective membrane, condensed membrane, self-adhesive plastic, transparent tape and nonwoven cloth) 包裝材料密度(其他, 包括珍珠棉、保護膜、收縮膜、自粘膠、無字膠、無紡布)	tonnes/ten thousand tonnes 噸/萬噸	95.2	84.3	
Recycling of raw material (such as aluminium) 原材料循環使用(如鋁材)	tonnes 噸	30,970	39,319	



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Key performance indicators 關鍵績效指標	Unit 單位	2019 二零一九年	2018 二零一八年	Remark 備註
<b>Social Aspect</b>				
<b>社會範疇</b>				
<b>Employment</b>				
<b>僱傭</b>				
Total number of employees 總僱員人數	number of people 人數	7,652	7,228	
By gender				
按性別劃分				
Male 男性	number of people 人數	6,022	5,655	
Female 女性	number of people 人數	1,630	1,573	
By age				
按年齡劃分				
16-30 16-30歲	number of people 人數	2,209	2,210	
31-50 31-50歲	number of people 人數	4,970	4,643	
>50 >50歲	number of people 人數	473	375	
By employment type				
按僱傭類型劃分				
Full-time employees 正式僱員	number of people 人數	7,631	7,228	
Contract labour or part-time employees 契約或非正式僱員	number of people 人數	21	0	
Turnover rate 僱員流失率	%	36.8	36.3	

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Key performance indicators 關鍵績效指標	Unit 單位	2019 二零一九年	2018 二零一八年	Remark 備註
<b>Health and Safety</b> 健康與安全				
Number of work-related fatality 因工作死亡人數	number of people 人數	0	0	The statistical information on work-related injuries disclosed before 2019 was subject to the confirmation by social security bureau, thus excluding those with minor injuries that required no hospitalisation and treatment. To further strengthen our safety management, the security and environmental protection department of the Group has established a new Safety Performance, Work Incidents and Rules Violation Assessment System during the Year, requiring each branch company and subsidiary to include minor injuries due to minor incidents under the work-related injuries category. Therefore, the number of work-related injuries disclosed in the 2019 statistical information increased significantly over last year. 2019年之前統計披露的工傷數據均以當地社保局認定的工傷為準，未涵蓋一般輕微傷（不需留醫治療）。為進一步加強安全管理，本年度集團安全環保部制定了新的《安全績效、事故及違章考核制度》，要求各分、子公司統一將輕微事故導致的一般輕微傷列入工傷事故統計範疇，因此2019年統計披露的工傷數據較往年有大幅增加。
Number of work-related injuries 因工作受傷人數	number of people 人數	61	23	
Number of working days lost due to work-related injuries 因工傷損失共工作日數	days 日	4,195	1,758	
Fines and prosecutions due to inconformity with laws and regulations related to health and safety 因不符合健康與安全相關法律而被罰款或起訴	times 次數	0	0	

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Key performance indicators 關鍵績效指標	Unit 單位	2019 二零一九年	2018 二零一八年	Remark 備註
<b>Development and training</b> 發展及培訓				
Total training hours 總培訓時數	hours 小時	242,424	116,762	In 2019, training hours were increased due to our greater efforts in strengthening the staff training at all levels. 2019年我們加強了各層級員工的培訓力度，因此培訓時數有所增加。
Senior management 高級管理層	hours 小時	25	16	
General management 一般管理層	hours 小時	14	11	
Non-management 非管理層	hours 小時	33	16	
<b>Labour Standard</b> 勞工準則				
Fines and prosecutions due to non-compliance with laws and regulations related to labour standard 因不符合相關勞工法律而被罰款或起訴	times 次數	0	0	
<b>Product Responsibility</b> 產品責任				
Fines and prosecutions due to non-compliance with laws and regulations related to product responsibility 因不符合產品相關法律法規而被罰款或起訴	times 次數	0	0	
New products and technical patents acquired during the Year 年內獲得的新產品及技術專利	cases 個	157	153	
Total number of national patents acquired 已獲得國家專利總數	cases 個	1,325	1,168	
<b>Anti-corruption</b> 反貪污				
Legal cases regarding corrupt practices brought against the issuer or employees 對發行人或其僱員提出並已審結的貪污訴訟案件	cases 宗	0	0	

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### APPENDIX III: INDEX OF HKEX ESG REPORTING GUIDE

### 附錄三：香港聯交所《環境、社會及管治報告指引》索引

	Aspects 範疇	Section 章節	Remarks 備註
A	<b>Environmental Scope 環境範疇</b>		
Aspect A1 層面A1	<b>Emissions 排放物</b>	4.1 Emissions Management 4.1 排放物管理	
	(a) Policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and nonhazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：		
	(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例		
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data 排放物的種類及相關排放資料	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）	—	This performance indicator is not the most material aspect of the Group during the Year. We will update according to relevant regulations in future. 本年度此項指標並非本集團最重要的範疇，我們將按照有關法規在將來更新披露

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	Aspects 範疇	Section 章節	Remarks 備註
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	Appendix II: Environmental and Social Key Performance Indicators 附錄二:環境及社會關鍵績效指標	
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	Appendix II: Environmental and Social Key Performance Indicators 附錄二:環境及社會關鍵績效指標	
KPI A1.5 關鍵績效指標 A1.5	Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所得成果	4.1 Emissions Management 4.1 排放物管理	
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果	4.1 Emissions Management 4.1 排放物管理	
Aspect A2 層面A2	<b>Use of Resources</b> 資源使用  Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策	4.2 Use of Resources 4.2 資源使用	
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及/或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)	Appendix II: Environmental and Social Key Performance Indicators 附錄二:環境及社會關鍵績效指標	

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	Aspects 範疇	Section 章節	Remarks 備註
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度 (如以每產量單位、每項設施計算)	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果	4.2 Use of Resources 4.2 資源使用	
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果	4.2 Use of Resources 4.2 資源使用	
KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量 (以噸計算) 及 (如適用) 每生產單位估量	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	
Aspect A3 層面A3	<b>Environment and Natural Resources</b> 環境及天然資源  Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策	4.3 Green and Low-carbon Operation 4.3 綠色低碳運營	
KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the action taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動	4.3 Green and Low-carbon Operation 4.3 綠色低碳運營	



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	Aspects 範疇	Section 章節	Remarks 備註
<b>B</b>	<b>Social Scope 社會範疇</b>		
<b>Aspect B1 層面B1</b>	<p><b>Employment 僱傭</b></p> <p>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare 有關薪酬及解雇、招聘及晉陞、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：</p> <p>(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料</p>	<p>6.1 Guaranteeing Employees' Benefits 6.1 員工權益保障</p>	
KPI B1.1 關鍵績效指標 B1.1	<p>Total workforce by gender, employment type, age group and geographical region 按性別、僱傭類型、年齡組別及地區劃分的僱員總數</p>	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	
KPI B1.1 關鍵績效指標 B1.2	<p>Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流失比率</p>	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	
<b>Aspect B2 層面B2</b>	<p><b>Health and Safety 健康與安全</b></p> <p>(a) Policies; and (b) compliance with relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的：</p> <p>(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料</p>	<p>6.3 Occupational Health and Safety 6.3 職業健康與安全</p>	

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	Aspects 範疇	Section 章節	Remarks 備註
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 因工傷損失工作日數	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關 執行及監察方法	6.3 Occupational Health and Safety 6.3 職業健康與安全	
Aspect B3 層面B3	<b>Development and Training</b> <b>發展與培訓</b>	6.4 Development and Training 6.4 發展及培訓	
	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的 政策。描述培訓活動。		
KPI B3.1 關鍵績效指標 B3.1	Percentage of trained employees by gender and employee category (e.g. senior management, middle management, etc.) 按性別及僱員類別（如高級管理層、中級管理 層等）劃分的受訓僱員百分比	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	
KPI B3.2 關鍵績效指標 B3.2	The average training hours completed per employee by gender and employee category 按性別及僱員類別劃分，每名僱員完成受訓的 平均時數	Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標	

## Environmental, Social and Governance Report

### 環境、社會及管治報告

	Aspects 範疇	Section 章節	Remarks 備註
<b>Aspect B4</b> 層面B4	<b>Labour Standard</b> 勞工準則	6.2 6.2	Labour Standard 勞工準則
	(a) Policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料		
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工	6.2 6.2	Labour Standard 勞工準則
KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟	6.2 6.2	Labour Standard 勞工準則
<b>Aspect B5</b> 層面B5	<b>Supply Chain Management</b> 供應鏈管理	5.1 5.1	Sustainable Supply Chain 可持續供應鏈
	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策		
KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region 按地區劃分的供貨商數目	–	
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供貨商的慣例，向其執行有關慣例的供貨商數目、以及有關慣例的執行及監察方法	5.1 5.1	Sustainable Supply Chain 可持續供應鏈

## Environmental, Social and Governance Report 環境、社會及管治報告

Aspects 範疇	Section 章節	Remarks 備註
<b>Aspect B6 層面B6</b>	<b>Product Responsibility 產品責任</b>	5.2 Product and Services 5.2 產品與服務
	Percentage of sold or delivered products recalled due to safety and health reasons 已售或已運送產品總數中因安全與健康理由而須回收的百分比	
KPI B6.1 關鍵績效指標 B6.1	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法及對發行人有重大影響的政策以及遵守相關法律及規例	5.2 Product and Services 5.2 產品與服務
KPI B6.2 關鍵績效指標 B6.2	Number of product and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法	–
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例	5.2 Product and Services 5.2 產品與服務
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures 描述質量檢定過程及產品回收程序	5.2 Product and Services 5.2 產品與服務
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法	5.2 Product and Services 5.2 產品與服務

## Environmental, Social and Governance Report

### 環境、社會及管治報告

	Aspects 範疇	Section 章節	Remarks 備註
<b>Aspect B7</b> 層面B7	<b>Anti-corruption</b> 反貪污	6.5 6.5	Anti-corruption 反腐敗
	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢及對發行人有重大影響的政策及遵守相關法律及規例		
KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果		Appendix II: Environmental and Social Key Performance Indicators 附錄二：環境及社會關鍵績效指標
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法	6.5 6.5	Anti-corruption 反腐敗
<b>Aspect B8</b> 層面B8	<b>Community Investment</b> 社區投資	7 7.	Community Investment and Participation 社區投資與參與
	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策		
KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇（如教育、環境事宜、勞工需求、健康、文化、體育）	7 7.	Community Investment and Participation 社區投資與參與
KPI B8.2 關鍵績效指標 B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用的資源（如金錢或時間）	7 7.	Community Investment and Participation 社區投資與參與

## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告



**Independent Auditor's Report to the Members of  
Xingfa Aluminium Holdings Limited**  
*(Incorporated in the Cayman Islands with limited liability)*

### Opinion

We have audited the consolidated financial statements of Xingfa Aluminium Holdings Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 175 to 339, which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

**獨立核數師報告**  
**致興發鋁業控股有限公司股東**  
*(於開曼群島註冊成立的有限公司)*

### 意見

本核數師(以下簡稱「我們」)已審計列載於第175至339頁的興發鋁業控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此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損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據國際會計準則委員會頒佈的《國際財務報告準則》真實而中肯地反映了貴集團於二零一九年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露要求妥為擬備。



## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

### Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the Hong Kong Institute of Certified Public Accountants (“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”) together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

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

### 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》（以下簡稱「守則」）以及與我們對開曼群島綜合財務報表的審計相關的道德要求，我們獨立於貴集團，並已履行這些道德要求以及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### 關鍵審計事項

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

<b>Revenue recognition: distributor arrangements</b>	<b>收益確認：分銷商安排</b>
<i>Refer to Note 3 to the consolidated financial statements and the accounting policies in Note 1(u).</i>	<i>請參閱綜合財務報表附註3及會計政策附註1(u)。</i>
<b>The Key Audit Matter</b> <b>關鍵審計事項</b>	<b>How the matter was addressed in our audit</b> <b>我們的審計如何處理該事項</b>
Revenue mainly comprises sales of aluminium profiles to distributors and other customers in a variety of end-user markets. 收益主要來自向各種終端市場之分銷商及其他客戶銷售鋁型材。	Our audit procedures to assess the recognition of revenue from distributor arrangements included the following: 我們用以評估分銷商安排之收益確認的審計程序包括以下各項：

## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

### Key audit matters (continued)

### 關鍵審計事項 (續)

Revenue recognition: distributor arrangements	收益確認：分銷商安排
Refer to Note 3 to the consolidated financial statements and the accounting policies in Note 1(u).	
The Key Audit Matter 關鍵審計事項	How the matter was addressed in our audit 我們的審計如何處理該事項
<p>Sales to distributors accounted for approximately 55% of the Group's revenue for the year. Each year, the Group enters into a framework distribution agreement with each distributor and sells its products in accordance with the terms of separate purchase orders. Once the products are delivered to the location designated by the distributor, the control of the goods are considered to have been transferred to the distributor and revenue is recognised.</p> <p>向分銷商之銷售佔貴集團年內收益約55%。貴集團每年與各分銷商訂立框架分銷協議及根據各採購訂單之條款銷售產品。一旦產品交付至分銷商指定的地點，則貨品的控制權被視為已轉移予分銷商並隨即確認收益。</p> <p>We identified the recognition of revenue from distributor arrangements a key audit matter because revenue is one of the key performance indicators of the Group and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.</p> <p>我們將分銷商安排之收益確認識別為關鍵審計事項，原因是收益乃貴集團關鍵表現指標之一，故此管理層於確認收益安排時效以達致具體目標或預期時存在固有風險。</p>	<p>請參閱綜合財務報表附註3及會計政策附註1(u)。</p> <ul style="list-style-type: none"> <li>• assessing the design, implementation and operating effectiveness of management's key internal controls which govern revenue recognition;</li> <li>• 評估管理收益確認之管理層關鍵內部監控之設計、實施及運行效力；</li> <li>• reading distribution agreements entered into with distributors, on a sample basis, and considering whether any agreements contain terms permitting the distributors to make sales returns;</li> <li>• 抽樣閱覽與分銷商訂立之分銷協議，及考慮是否有任何協議包含允許分銷商售貨退回之條款；</li> <li>• for a sample of revenue transactions recorded just before and after the year end, inspecting the related goods delivery notes, which had been signed and dated by the distributors as evidence of their receipt of the goods, to assess if the related revenue had been recognised in the appropriate financial period on the basis of the terms of sale as set out in the distribution agreements and the terms of the purchase orders; and</li> <li>• 就於年末前後記錄之收益交易樣本而言，檢查有關交貨單（其已由分銷商簽署及註明日期以作收貨憑證），以評估有關收益是否已根據分銷協議所載之銷售條款及採購訂單之條款於適當財務期間予以確認；及</li> <li>• inspecting significant manual adjustments to revenue raised during the reporting period, enquiring of management the reasons for such adjustments and comparing the details of the adjustments with relevant underlying documentation.</li> <li>• 審查報告期內對收益所作的重大手動調整，向管理層詢問有關調整的原因，並將調整的詳情與相關文件進行比較。</li> </ul>

## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

### Key audit matters (continued)

### 關鍵審計事項 (續)

Loss allowance for trade receivables	交易應收賬款的虧損撥備
Refer to Note 28(a) to the consolidated financial statements and the accounting policies in Note 1(k).	請參閱綜合財務報表附註28(a)及會計政策附註1(k)。
The Key Audit Matter 關鍵審計事項	How the matter was addressed in our audit 我們的審計如何處理該事項
<p>The carrying value of the Group's net trade receivables as at 31 December 2019 totalled RMB2,074,826,000, net of loss allowance of RMB91,066,000.</p> <p>於二零一九年十二月三十一日，貴集團交易應收賬款淨額賬面值（經扣除虧損撥備人民幣91,066,000元）合共為人民幣2,074,826,000元。</p> <p>Management measured loss allowance at an amount equal to lifetime expected credit loss, based on ageing of the receivables and loss rate, for the receivables which existed during the reporting periods in which IFRS 9 "Financial Instruments" was applicable. According to the experience of the Group, the loss patterns for different customers are not significantly different and therefore, the receivables are not segmented for the purpose for measurement of loss allowance.</p> <p>貴集團根據應收款項的賬齡及虧損率按相等於全期預期信貸虧損的金額計量國際財務報告準則第9號「金融工具」適用的報告期間存在的虧損撥備。根據貴集團管理層的經驗，不同客戶的虧損模型並無重大差異，及因此應收款項並未分類以計量虧損撥備。</p>	<p>Our audit procedures to assess the loss allowance for trade receivables included the following: 我們用以評估交易應收賬款之虧損撥備的審計程序包括以下各項：</p> <ul style="list-style-type: none"> <li>• obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection and estimate of expected credit losses and making related allowances; 了解及評估有關信貸監控、債務收回及預期信貸虧損估計及所作相關撥備之關鍵內部監控之設計、實施及運行效力；</li> <li>• obtaining an understanding on the key data and assumptions of the expected credit loss model adopted by the management, including the historical default data and the assumptions involved in management's estimated loss rate; 了解管理層採用的關鍵數據及預期信貸虧損模型的假設，包括過往預設數據及管理層估計虧損率涉及的假設；</li> </ul>

## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

### Key audit matters (continued)

### 關鍵審計事項 (續)

Loss allowance for trade receivables	交易應收賬款的虧損撥備
Refer to Note 28(a) to the consolidated financial statements and the accounting policies in Note 1(k).	
The Key Audit Matter 關鍵審計事項	How the matter was addressed in our audit 我們的審計如何處理該事項
<p>We identified loss allowance for trade receivables as a key audit matter because trade receivables and loss allowance are material to the Group and because the recognition of expected credit losses is inherently subjective and requires the exercise of significant management judgement.</p> <p>我們將交易應收賬款的虧損撥備識別為關鍵審計事項，原因是交易應收賬款及虧損撥備對貴集團屬重要及預期信貸虧損的確定存在內在不確定性，且涉及重大的管理層判斷。</p>	<ul style="list-style-type: none"> <li>• assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data and evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information;</li> <li>• 藉檢測管理層用以構成相關判斷的資料（包括測試過往預設數據的準確性及評估過往虧損率是否按目前經濟狀況及前瞻性資料來適切調整）來評估管理層虧損撥備估算的合理性；</li> <li>• assessing, on a sample basis, whether items in the trade receivables ageing report were classified within the appropriate ageing category by comparing individual items with underlying sales invoices; and</li> <li>• 將交易應收賬款賬齡的獨立項目與相關銷售票據比較，抽樣評估相關賬齡報告內項目是否分類至適當的賬齡類別；及</li> <li>• comparing, on a sample basis, cash receipts from debtors subsequent to the financial year end relating to trade receivable balances at 31 December 2019 with bank statements and relevant underlying documentation.</li> <li>• 以抽樣方式比較二零一九年十二月三十一日交易應收賬結餘中於財政年度結束後從債務人收到的現金及銀行對賬單及相關文件。</li> </ul>

## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### 綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

### Responsibilities of the directors 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 IFRSs issued by the IASB 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 assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### 董事就綜合財務報表須承擔的責任

董事須負責根據國際會計準則委員會頒佈的《國際財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審計委員會協助董事履行監督貴集團的財務報告過程的責任。

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向整體股東報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。



## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

### Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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.

### 核數師就審計綜合財務報表承擔的責任 (續)

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

### Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- 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.

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

### 核數師就審計綜合財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露，或假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

## Independent Auditor's Report on the Consolidated Financial Statements 綜合財務報表之獨立核數師報告

### Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Lam Kai Wa.

#### KPMG

*Certified Public Accountants*  
8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong  
26 March 2020

### 核數師就審計綜合財務報表承擔的責任 (續)

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

出具本獨立核數師報告的審計項目合夥人是林啟華。

#### 畢馬威會計師事務所

執業會計師  
香港中環  
遮打道十號  
太子大廈八樓  
二零二零年三月二十六日

## Consolidated Statement of Profit or Loss 綜合損益表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi)  
(以人民幣列示)

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Revenue</b>	<b>營業額</b>	3	<b>11,280,848</b>	9,924,517
Cost of sales	銷售成本		<b>(9,791,036)</b>	(8,573,745)
<b>Gross profit</b>	<b>毛利</b>		<b>1,489,812</b>	1,350,772
Other income	其他收益	4	<b>105,959</b>	54,939
Distribution costs	分銷成本		<b>(293,075)</b>	(278,949)
Administrative expenses	行政開支		<b>(430,313)</b>	(360,422)
<b>Profit from operations</b>	<b>經營溢利</b>		<b>872,383</b>	766,340
Finance costs	財務成本	5(a)	<b>(151,480)</b>	(164,221)
Share of profit of an associate	分佔一間聯營公司溢利	15	<b>2,567</b>	5,797
<b>Profit before taxation</b>	<b>除稅前溢利</b>	5	<b>723,470</b>	607,916
Income tax	所得稅	6	<b>(120,864)</b>	(113,938)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>602,606</b>	493,978
<b>Attributable to:</b>	<b>以下人士應佔：</b>			
Equity shareholders of the Company	本公司權益股東		<b>606,109</b>	495,230
Non-controlling interests	非控股權益		<b>(3,503)</b>	(1,252)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>602,606</b>	493,978
<b>Earnings per share</b>	<b>每股盈利</b>	10		
Basic (RMB yuan)	基本 (人民幣元)		<b>1.45</b>	1.18
Diluted (RMB yuan)	攤薄 (人民幣元)		<b>1.45</b>	1.18

Note: The Group has initially applied IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

附註：本集團於二零一九年一月一日採用經修訂追溯法首次應用國際財務報告準則第16號。根據此方法，可比較資料並無重列。見附註1(c)。

The notes on pages 182 to 339 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 27(b).

第182至339頁之附註為該等財務報表的一部份。本公司權益股東應佔年度溢利之應付股息詳情載於附註27(b)。

**Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**綜合損益及其他全面收益表**

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi)  
(以人民幣列示)

		2019 二零一九年	2018 二零一八年 (Note) (附註)
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Profit for the year</b>	年度溢利	<b>602,606</b>	493,978
<b>Other comprehensive income for the year may be reclassified to profit or loss:</b>	可能重新分類至損益之年度其他全面收益：		
Exchange differences on translation of financial statements of operations outside the People's Republic of China (the "PRC")	9 換算中華人民共和國（「中國」）以外業務之財務報表之匯兌差額	(742)	3,042
Cash flow hedge: net movement in the hedging reserve	現金流量對沖： 對沖儲備變動淨額	(2)	-
<b>Other comprehensive income for the year</b>	年度其他全面收益	<b>(744)</b>	3,042
<b>Total comprehensive income for the year</b>	年度全面收益總額	<b>601,862</b>	497,020
<b>Attributable to:</b>	以下人士應佔：		
Equity shareholders of the Company	本公司權益股東	605,365	498,272
Non-controlling interests	非控股權益	(3,503)	(1,252)
<b>Total comprehensive income for the year</b>	年度全面收益總額	<b>601,862</b>	497,020

Note: The Group has initially applied IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

附註：本集團於二零一九年一月一日採用經修訂追溯法首次應用國際財務報告準則第16號。根據此方法，可比較資料並無重列。見附註1(c)。

The notes on pages 182 to 339 form part of these financial statements.

第182至339頁之附註為該等財務報表的一部份。

## Consolidated Statement of Financial Position 綜合財務狀況表

At 31 December 2019  
於二零一九年十二月三十一日  
(Expressed in Renminbi)  
(以人民幣列示)

			31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日 (Note) (附註)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Investment property	投資物業	11	71,694	–
Property, plant and equipment	物業、廠房及設備	11	2,188,673	1,952,185
			<b>2,260,367</b>	1,952,185
Right-of-use assets	使用權資產	12	358,620	–
Lease prepayments	預付租金	13	–	365,114
Interest in an associate	於聯營公司之權益	15	5,791	21,140
Deferred tax assets	遞延稅項資產	26(b)	43,641	38,423
			<b>2,668,419</b>	2,376,862
<b>Current assets</b>	<b>流動資產</b>			
Inventories and other contract costs	存貨及其他合約成本	16	1,134,375	1,144,044
Trade and other receivables	交易及其他應收款項	17	3,103,556	2,792,028
Pledged deposits	已抵押存款	18	327,037	346,762
Cash and cash equivalents	現金及現金等價物	19	528,003	448,787
			<b>5,092,971</b>	4,731,621
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	交易及其他應付款項	20	2,738,786	2,451,474
Contract liabilities	合約負債	21	164,027	218,248
Loans and borrowings	貸款及借貸	22	1,284,005	1,467,523
Lease liabilities	租賃負債	23	6,907	–
Current taxation	即期稅項	26(a)	68,648	52,806
			<b>4,262,373</b>	4,190,051
<b>Net current assets</b>	<b>流動資產淨額</b>		<b>830,598</b>	541,570



**Consolidated Statement of Financial Position**  
**綜合財務狀況表**

At 31 December 2019  
於二零一九年十二月三十一日  
(Expressed in Renminbi)  
(以人民幣列示)

		31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日 (Note) (附註)
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>3,499,017</b>	2,918,432
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Loans and borrowings	貸款及借貸 22	414,407	378,204
Lease liabilities	租賃負債 23	13,921	-
Deferred income	遞延收入 24	20,200	30,983
Deferred tax liability	遞延稅項負債 26(b)	11,609	5,387
		<b>460,137</b>	414,574
<b>Net assets</b>	<b>資產淨值</b>	<b>3,038,880</b>	2,503,858
<b>Capital and reserves</b>	<b>股本及儲備</b>		
Share capital	股本 27	3,731	3,731
Reserves	儲備	3,034,604	2,500,379
<b>Total equity attributable to equity shareholders of the Company</b>	<b>本公司權益股東應佔權益總額</b>	<b>3,038,335</b>	2,504,110
<b>Non-controlling interests</b>	<b>非控股權益</b>	<b>545</b>	(252)
<b>Total equity</b>	<b>權益總額</b>	<b>3,038,880</b>	2,503,858

Note: The Group has initially applied IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

附註：本集團於二零一九年一月一日採用經修訂追溯法首次應用國際財務報告準則第16號。根據此方法，可比較資料並無重列。見附註1(c)。

Approved and authorised for issue by the board of directors on 26 March 2020.

於二零二零年三月二十六日獲董事會批准及授權刊發。

**Liu Libin**  
劉立斌  
Chairman  
主席

**Liao Yuqing**  
廖玉慶  
Executive Director  
執行董事

The notes on pages 182 to 339 form part of these financial statements.

第182至339頁之附註為該等財務報表的一部份。

## Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi)  
(以人民幣列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔										
		Share capital	Share premium	Capital reserve	Other reserve	Statutory reserves	Exchange reserve	Hedge reserve	Retained earnings	Total	Non-controlling interests	Total equity
		股本	股份溢價	資本儲備	其他儲備	法定儲備	匯兌儲備	對沖儲備	保留盈利	總計	非控股權益	總權益
Note		RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		Note 27(c)	Note 27(d)(i)	Note 27(d)(iii)	Note 27(d)(ii)	Note 27(d)(iv)	Note 27(d)(v)	Note 27(d)(vi)	Note 27(d)(vii)			
		附註27(c)	附註27(d)(i)	附註27(d)(iii)	附註27(d)(ii)	附註27(d)(iv)	附註27(d)(v)	附註27(d)(vi)	附註27(d)(vii)			
Balance at 1 January 2018	於二零一八年一月一日之結餘	3,731	179,568	6,200	209,822	245,853	(3,503)	-	1,434,089	2,075,760	-	2,075,760
<b>Changes in equity for 2018:</b>	<b>二零一八年權益變動:</b>											
Profit for the year	年度溢利	-	-	-	-	-	-	-	495,230	495,230	(1,252)	493,978
Other comprehensive income	其他全面收益	-	-	-	-	-	3,042	-	-	3,042	-	3,042
Total comprehensive income	全面收益總額	-	-	-	-	-	3,042	-	495,230	498,272	(1,252)	497,020
Employees' share option scheme	僱員購股權計劃	25(b)	-	561	-	-	-	-	-	561	-	561
Appropriation to reserves	轉撥至儲備		-	-	-	41,089	-	-	(41,089)	-	-	-
Capital injection of non-controlling interest in subsidiaries	附屬公司非控股權益注資		-	-	-	-	-	-	-	-	1,000	1,000
Dividend approved in respect of the previous year	過往年度經批准的股息	27(b)	-	-	-	-	-	-	(70,483)	(70,483)	-	(70,483)
Balance at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日之結餘	3,731	179,568	6,761	209,822	286,942	(461)	-	1,817,747	2,504,110	(252)	2,503,858
<b>Changes in equity for 2019:</b>	<b>二零一九年權益變動:</b>											
Profit for the year	年度溢利	-	-	-	-	-	-	-	606,109	606,109	(3,503)	602,606
Other comprehensive income	其他全面收益	-	-	-	-	-	(742)	(2)	-	(744)	-	(744)
Total comprehensive income	全面收益總額	-	-	-	-	-	(742)	(2)	606,109	605,365	(3,503)	601,862
Employees' share option scheme	僱員購股權計劃	25(b)	-	2,325	-	-	-	-	-	2,325	-	2,325
Appropriation to reserves	轉撥至儲備		-	-	-	45,536	-	-	(45,536)	-	-	-
Capital injection of non-controlling interest in subsidiaries	附屬公司非控股權益注資		-	-	-	-	-	-	-	-	4,300	4,300
Dividend approved in respect of the previous year	過往年度經批准的股息	27(b)	-	-	-	-	-	-	(73,465)	(73,465)	-	(73,465)
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	3,731	179,568	9,086	209,822	332,478	(1,203)	(2)	2,304,855	3,038,335	545	3,038,880

Note: The Group has initially applied IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

附註: 本集團已於二零一九年一月一日使用經修訂追溯法初步應用國際財務報告準則第16號。根據此方法, 比較資料並未重列。見附註1(c)。

The notes on pages 182 to 339 form part of these financial statements.

第182至339頁之附註為該等財務報表的一部份。

**Consolidated Cash Flow Statement**  
**綜合現金流量表**

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi)  
(以人民幣列示)

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		Note 附註		
<b>Operating activities</b>	<b>經營活動</b>			
Cash generated from operations	業務所得現金	19(b)	1,057,592	1,324,469
Income tax paid	已付所得稅	26(a)	(101,826)	(68,620)
PRC Land appreciation tax paid	已付中國土地增值稅	26(a)	(2,192)	(1,865)
<b>Net cash generated from operating activities</b>	<b>經營活動所得現金淨額</b>		<b>953,574</b>	1,253,984
<b>Investing activities</b>	<b>投資活動</b>			
Interest received	已收利息		42,734	7,813
Proceeds received upon maturity of pledged deposits	於已抵押存款到期後 已收所得款項		1,041,802	377,787
Payment for pledged deposits	已抵押存款付款		(1,022,077)	(557,130)
Payment for purchase of property, plant and equipment	購置物業、廠房及設備之付款		(560,535)	(345,308)
Payment for lease prepayment	預付租金之付款		-	(181)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備 所得款項		4,466	1,774
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>		<b>(493,610)</b>	(515,245)

## Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度  
(Expressed in Renminbi)  
(以人民幣列示)

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		Note 附註		
<b>Financing activities</b>	<b>融資活動</b>			
Capital element of lease rentals paid	已付租金之本金部分	19(c)	(3,430)	-
Interest element of lease rentals paid	已付租金之利息部分	19(c)	(716)	-
Interest paid	已付利息	19(c)	(161,264)	(163,605)
Proceeds from loans and borrowings	貸款及借貸所得款項	19(c)	2,437,078	2,180,600
Repayment of loans and borrowings	償還貸款及借貸	19(c)	(2,583,697)	(2,817,572)
Capital injecting from the Non-controlling interests of subsidiary	附屬公司非控股權益之注資		4,300	1,000
Dividends paid to equity shareholders of the Company	已付本公司權益股東之股息	27(b)	(73,465)	(70,483)
<b>Net cash used in financing activities</b>	<b>融資活動所用現金淨額</b>		<b>(381,194)</b>	<b>(870,060)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/ (減少)淨額</b>		<b>78,770</b>	<b>(131,321)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>於一月一日的現金及 現金等價物</b>	19(a)	<b>448,787</b>	579,450
<b>Effect of foreign exchange rate changes</b>	<b>匯率變動之影響</b>		<b>446</b>	658
<b>Cash and cash equivalents at 31 December</b>	<b>於十二月三十一日的 現金及現金等價物</b>	19(a)	<b>528,003</b>	448,787

Note: The Group has initially applied IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

附註：本集團於二零一九年一月一日採用經修訂追溯法首次應用國際財務報告準則第16號。根據此方法，可比較資料並無重列。見附註1(c)。

The notes on pages 182 to 339 form part of these financial statements.

第182至339頁之附註為該等財務報表的一部份。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (the “IASB”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Significant accounting policies adopted by the Group is disclosed below.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

### 1 主要會計政策

#### (a) 合規聲明

該等財務報表乃按照所有適用之國際財務報告準則（「國際財務報告準則」），該統稱包括國際會計準則委員會（「國際會計準則委員會」）頒佈的所有適用個別國際財務報告準則、國際會計準則（「國際會計準則」及詮釋）、香港公認會計原則以及香港公司條例之披露規定編製。該等財務報表亦符合香港聯合交易所有限公司證券上市規則之適用披露條文。本集團採納之主要會計政策披露如下。

國際會計準則委員會已頒佈若干新訂及經修訂國際財務報告準則，該等準則為於本集團本會計期間首次生效或可提早採納。初次應用該等與本集團有關之國際財務報告準則所引致當前和以往會計期間之任何會計政策變動，已反映於該等財務報表內，有關資料列載於附註1(c)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2019 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in an associate.

The consolidated financial statements are presented in Renminbi (“RMB”), rounded to the nearest thousand, which is the functional currency of the major subsidiaries carrying out the principal activities of the Group.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the derivative financial instruments are stated at their fair value as explained in the accounting policies set out in Note 1(f).

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

### 1 主要會計政策 (續)

#### (b) 財務報表之編製基準

截至二零一九年十二月三十一日止年度的綜合財務報表由本公司及其附屬公司(統稱「本集團」)以及本集團於聯營公司之權益組成。

綜合財務報表乃按人民幣(「人民幣」)呈列，並已約整至最接近的千位，人民幣為從事本集團主要業務之主要附屬公司之功能貨幣。

財務報表之編製以歷史成本法為計量基準，惟誠如附註1(f)所載之會計政策所闡釋，衍生金融工具按其公平值入賬除外。

管理層編製符合國際財務報告準則規定之財務報表時，須作出影響政策應用和所呈報資產、負債及收支金額的判斷、估計和假設。該等估計和相關假設乃根據過往經驗及管理層相信於該等情況下屬合理的各項其他因素作出，所得結果用作判斷該等無法從其他渠道直接獲得之資產及負債賬面值之基礎。實際結果可能與該等估計不同。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (b) Basis of preparation of the financial statements (continued)

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

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 2.

#### (c) Changes in accounting policies

The IASB has issued a new IFRS, IFRS 16, *Leases*, and a number of amendments to IFRSs that are first effective for the current accounting period of the Group.

Except for IFRS 16, *Leases*, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 1 主要會計政策 (續)

#### (b) 財務報表之編製基準 (續)

估計及相關假設會持續檢討。會計估計之修訂會在修訂估計期間(倘修訂僅影響該期間)或修訂期間及未來期間(倘修訂影響目前及未來期間)確認。

管理層應用國際財務報告準則時所作出對財務報表有重大影響的判斷及估計不確定因素之主要來源載於附註2。

#### (c) 會計政策變動

國際會計準則委員會已頒佈新訂國際財務報告準則、國際財務報告準則第16號，*租賃*及多項於本集團本會計期間首次生效的國際財務報告準則之修訂。

除國際財務報告準則第16號，*租賃*外，概無任何政策修訂對本集團於編製或呈報當前或過往期間業績及財務狀況產生重大影響。本集團並未採用任何於當前會計期間尚未生效的新準則或詮釋。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### **IFRS 16, Leases**

IFRS 16 replaces IAS 17, *Leases*, and the related interpretations, IFRIC 4, *Determining whether an arrangement contains a lease*, SIC 15, *Operating leases – incentives*, and SIC 27, *Evaluating the substance of transactions involving the legal form of a lease*. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less (“short-term leases”) and leases of low value assets. The lessor accounting requirements are brought forward from IAS 17 substantially unchanged.

IFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### **國際財務報告準則第16號，租賃**

國際財務報告準則第16號取代國際會計準則第17號租賃及相關詮釋（國際財務報告解釋公告第4號確定一項協議是否包含租賃、國際會計準則委員會常設解釋委員會解釋公告第15號經營租賃－優惠以及國際會計準則委員會常設解釋委員會解釋公告第27號評價涉及租賃法律形式的交易的實質。該項準則為承租人引入一項單一的會計模式，要求承租人就所有租賃（除租賃期限為12個月或以下的租賃（「短期租賃」）及低價值資產的租賃外）確認使用權資產和租賃負債。出租人會計處理要求大致與國際會計準則第17號的相關會計處理方法相同。

國際財務報告準則第16號亦引入額外定性及定量披露要求，旨在讓財務報表使用者評估租賃對實體財務狀況、財務表現及現金流量的影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### *IFRS 16, Leases (continued)*

The Group has initially applied IFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019. Comparative information has not been restated and continues to be reported under IAS 17.

Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

#### a. *New definition of a lease*

The change in the definition of a lease mainly relates to the concept of control. IFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### *國際財務報告準則第16號，租賃 (續)*

本集團自二零一九年一月一日起初始應用國際財務報告準則第16號。本集團已選擇採用經修訂的追溯法，並因此將初始應用該項準則的累積影響確認為於二零一九年一月一日權益期初結餘的調整。比較資料並未重述，且繼續按照國際會計準則第17號匯報。

有關過往會計政策變動及所應用過渡選擇方案之性質和影響的進一步詳情載列如下：

#### a. *租賃的新定義*

租賃定義的變動主要涉及控制權的概念。國際財務報告準則第16號根據客戶是否於一段期間內（由使用量確定）控制可識別資產的使用來定義租賃。當客戶有權主導該項已識別資產的使用，且從使用中獲取幾乎所有的經濟利益時，控制權被轉移。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### *IFRS 16, Leases (continued)*

##### a. *New definition of a lease (continued)*

The Group applies the new definition of a lease in IFRS 16 only to contracts that were entered into or changed on or after 1 January 2019. For contracts entered into before 1 January 2019, the Group has used the transitional practical expedient to grandfather the previous assessment of which existing arrangements are or contain leases. Accordingly, contracts that were previously assessed as leases under IAS 17 continue to be accounted for as leases under IFRS 16 and contracts previously assessed as non-lease service arrangements continue to be accounted for as executory contracts.

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### *國際財務報告準則第16號，租賃 (續)*

##### a. *租賃的新定義 (續)*

本集團僅就於二零一九年一月一日或之後簽訂或修改的合約應用國際財務報告準則第16號的租賃新定義。就於二零一九年一月一日前簽訂的合約而言，本集團已使用簡便實務操作方法，繼續沿用之前對現有安排是否為租賃或包含租賃所做的評估。因此，對於之前按照國際會計準則第17號被評估為租賃的合約，繼續根據國際財務報告準則第16號作為租賃進行會計處理；而之前被評估為非租賃服務安排的合約，則繼續作為執行合約進行會計處理。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### IFRS 16, Leases (continued)

#### b. Lessee accounting and transitional impact

IFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by IAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under IAS 17, other than those short-term leases and leases of low-value assets which are exempt. As far as the Group is concerned, these newly capitalised leases are primarily in relation to plants as disclosed in Note 29(b). For an explanation of how the Group applies lessee accounting, see Note 1(j)(i).

At the date of transition to IFRS 16 (i.e. 1 January 2019), the Group determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates at 1 January 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was 4.9%.

To ease the transition to IFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of IFRS 16:

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### 國際財務報告準則第16號，租賃 (續)

#### b. 承租人會計及過渡影響

國際財務報告準則第16號取消了過往國際會計準則第17號規定承租人將租賃劃分為經營租賃或融資租賃的要求。相反，國際財務報告準則第16號要求本集團在作為承租人時，對包含按照國際會計準則第17號過往劃分為經營租賃的所有租賃（除短期租賃及低價值資產租賃獲豁免外）進行資本化。就本集團而言，該等新資本化租賃主要與廠房有關（披露於附註29(b)。有關本集團如何運用承租人會計的解釋，見附註1(j)(i)。

於國際財務報告準則第16號之過渡日期（即二零一九年一月一日），本集團釐定剩餘租賃期的期限，以剩餘租賃付款的現值計量之前劃分為經營租賃的租賃項目之租賃負債，並使用於二零一九年一月一日的相關增量借款利率折現。用於釐定剩餘租賃付款現值的增量借款利率之加權平均數為4.9%。

為簡化向國際財務報告準則第16號的過渡，本集團於初始應用國際財務報告準則第16號當日應用下列確認豁免和簡便實務操作方法：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### IFRS 16, Leases (continued)

##### b. Lessee accounting and transitional impact (continued)

- (i) the Group elected not to apply the requirements of IFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of IFRS 16, i.e. where the lease term ends on or before 31 December 2019;
- (ii) when measuring the lease liabilities at the date of initial application of IFRS 16, the Group applied a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment); and
- (iii) when measuring the right-of-use assets at the date of initial application of IFRS 16, the Group relied on the previous assessment for onerous contract provisions as at 31 December 2018 as an alternative to performing an impairment review.

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### 國際財務報告準則第16號，租賃 (續)

##### b. 承租人會計及過渡影響 (續)

- (i) 本集團選擇不對剩餘租賃期於自初始應用國際財務報告準則第16號當日起12個月內結束(即：租賃期於二零一九年十二月三十一日或之前結束)的租賃負債和使用權資產租賃確認應用國際財務報告準則第16號的規定；
- (ii) 當計量於初始應用國際財務報告準則第16號當日的租賃負債時，本集團對具備合理相似特徵(例如，在相似經濟環境下相似類別的相關資產，並具備相似剩餘租賃期的租賃)的租賃組合採用單一折現率；及
- (iii) 在計量於初始應用國際財務報告準則第16號當日的使用權資產時，本集團依靠於二零一八年十二月三十一日就租賃是否為虧損性合約條文的前期評估，作為開展減值審核的替代方法。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

#### 1 Significant accounting policies (continued)

##### (c) Changes in accounting policies (continued)

###### IFRS 16, Leases (continued)

##### b. Lessee accounting and transitional impact (continued)

The following table reconciles the operating lease commitments as disclosed in Note 29(b) as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

Operating lease commitments at 31 December 2018	於二零一八年十二月三十一日的經營租賃承擔	12,395
Less: commitments relating to leases exempt from capitalisation:	減：與豁免資本化租賃相關的承擔：	
– short-term leases and other leases with remaining lease term ending on or before 31 December 2019	– 剩餘租賃期於二零一九年十二月三十一日或之前結束的短期租賃及其他租賃	(1,296)
– leases of low-value assets	– 低價值資產租賃	–
Add: lease payments for the additional periods where the Group considers it reasonably certain that it will exercise the extension options	加：本集團認為合理確定將行使續租選擇權的額外期間租賃付款	–
		11,099
Less: total future interest expenses	減：未來利息支出總額	(1,935)
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019	剩餘租賃付款的現值，使用二零一九年一月一日的增量借款利率折現	9,164
Add: finance lease liabilities recognised as at 31 December 2018	加：二零一八年十二月三十一日確認之融資租賃負債	–
Total lease liabilities recognised at 1 January 2019	於二零一九年一月一日確認的租賃負債總額	9,164

#### 1 主要會計政策 (續)

##### (c) 會計政策變動 (續)

###### 國際財務報告準則第16號，租賃 (續)

##### b. 承租人會計及過渡影響 (續)

下表列示於二零一八年十二月三十一日之經營租賃承擔 (披露於附註29(b)) 與於二零一九年一月一日確認的租賃負債期初結餘對賬：

1 January 2019  
於二零一九年  
一月一日  
RMB'000  
人民幣千元

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### *IFRS 16, Leases (continued)*

#### b. Lessee accounting and transitional impact (continued)

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position at 31 December 2018.

The Group presents right-of-use assets in “Right-of-use assets” and presents lease liabilities separately in the statement of financial position.

So far as the impact of the adoption of IFRS 16 on lease prepayments previously classified as operating lease is concerned, the Group is not required to make any adjustment at the date of initial application of IFRS 16, other than changing the captions for the balance. Accordingly, instead of “Lease prepayments”, these amounts are included within “Right-of-use assets – land use rights”. There is no impact on the opening balance of equity.

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### *國際財務報告準則第16號，租賃 (續)*

#### b. 承租人會計及過渡影響 (續)

與過往劃歸為經營租賃的租賃項目相關的使用權金額資產已按等同於已確認的剩餘租賃負債金額確認，並通過與該項租賃相關的於二零一八年十二月三十一日財務狀況表中確認的任何預付或應計租賃付款金額進行調整。

本集團於財務狀況表中的單獨於「使用權資產」內列示使用權資產和列示租賃負債。

就採納國際財務報告準則第16號對先前分類為經營租賃的租賃預付款項的影響而言，除改變結餘的標題外，本集團無須於首次應用國際財務報告準則第16號時作出任何調整。因此，該等款項並非「租賃預付款項」，而是包含在「使用權資產—土地使用權」內。對股本期初結餘並無影響。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### IFRS 16, Leases (continued)

#### b. Lessee accounting and transitional impact (continued)

The following table summarises the impacts of the adoption of IFRS 16 on the Group's consolidated statement of financial position:

Line items in the consolidated statement of financial position impacted by the adoption of IFRS 16:	受採用國際財務報告準則第16號影響的綜合財務狀況表細列項目：	Carrying amount at 31 December 2018	Capitalisation of operating lease contracts	Carrying amount at 1 January 2019
		於二零一八年十二月三十一日的賬面值 RMB'000 人民幣千元	經營租賃合約的資本化 RMB'000 人民幣千元	於二零一九年一月一日的賬面值 RMB'000 人民幣千元
Right-of-use assets	使用權資產			
– Land use rights	– 土地使用權	–	365,114	365,114
– Other right-of-use assets	– 其他使用權資產	–	9,164	9,164
Lease prepayments	租賃預付款項	365,114	(365,114)	–
<b>Total non-current assets</b>	<b>非流動資產總值</b>	<b>2,376,862</b>	<b>9,164</b>	<b>2,386,026</b>
Lease liabilities (current)	租賃負債 (流動)	–	1,250	1,250
<b>Current liabilities</b>	<b>流動負債</b>	<b>4,190,051</b>	<b>1,250</b>	<b>4,191,301</b>
<b>Net current assets</b>	<b>流動資產淨額</b>	<b>541,570</b>	<b>(1,250)</b>	<b>540,320</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>	<b>2,918,432</b>	<b>7,914</b>	<b>2,926,346</b>
Lease liabilities (non-current)	租賃負債 (非流動)	–	7,914	7,914
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>414,574</b>	<b>7,914</b>	<b>422,488</b>
<b>Net assets</b>	<b>資產淨額</b>	<b>2,503,858</b>	<b>–</b>	<b>2,503,858</b>

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### 國際財務報告準則第16號，租賃 (續)

#### b. 承租人會計及過渡影響 (續)

下表概述採用國際財務報告準則第16號對本集團綜合財務狀況表的影響：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### *IFRS 16, Leases (continued)*

##### *c. Impact on the financial result, segment results and cash flows of the Group*

After the initial recognition of right-of-use assets and lease liabilities as at 1 January 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. This results in a positive impact on the reported profit from operations in the Group's consolidated statement of profit or loss, as compared to the results if IAS 17 had been applied during the year.

In the cash flow statement, the Group as a lessee is required to split rentals paid under capitalised leases into their capital element and interest element (see Note 19(c)). These elements are classified as financing cash outflows, similar to how leases previously classified as finance leases under IAS 17 were treated, rather than as operating cash outflows, as was the case for operating leases under IAS 17. Although total cash flows are unaffected, the adoption of IFRS 16 therefore results in a significant change in presentation of cash flows within the cash flow statement (see Note 19(d)).

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### *國際財務報告準則第16號，租賃 (續)*

##### *c. 對本集團財務業績、分部業績及現金流量的影響*

對於二零一九年一月一日的使用權資產及租賃負債進行初始確認後，本集團作為承租人需確認租賃負債尚未償付結餘所產生的利息費用，並對使用權資產計提折舊，而非按照此前的政策於租賃期內以直線法確認經營租賃項下的租金費用。與年內一直採用國際會計準則第17號的結果相比，上述會計處理對本集團綜合損益表內的經營匯報溢利產生積極影響。

在現金流量表內，本集團作為承租人需將根據已資本化的租賃支付的租金拆分為本金及利息金額（見附註19(c)）。該等要素被劃分為融資現金流出，並採用與此前根據國際會計準則第17號分類為融資租賃的租賃類似的會計處理方法，而非根據國際會計準則第17號項下的經營租賃劃分為經營現金流出。儘管現金流量總額並未受到影響，但國際財務報告準則第16號的採用因此導致現金流量表內的現金流量列報產生重大變動（見附註19(d)）。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### *IFRS 16, Leases (continued)*

#### c. *Impact on the financial result, segment results and cash flows of the Group (continued)*

The following tables give an indication of the estimated impact of the adoption of IFRS 16 on the Group's financial result, segment results and cash flows for the year ended 31 December 2019, by adjusting the amounts reported under IFRS 16 in these consolidated financial statements to compute estimates of the hypothetical amounts that would have been recognised under IAS 17 if this superseded standard had continued to apply in 2019 instead of IFRS 16, and by comparing these hypothetical amounts for 2019 with the actual 2018 corresponding amounts which were prepared under IAS 17.

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### *國際財務報告準則第16號，租賃 (續)*

#### c. 對本集團財務業績、分部業績及現金流量的影響 (續)

下表顯示採用國際財務報告準則第16號對本集團截至二零一九年十二月三十一日止年度的財務業績、分部業績及現金流量的估計影響，透過調整根據國際財務報告準則第16號於該等綜合財務報表中匯報的金額，計算如果於二零一九年繼續沿用國際會計準則第17號而非應用國際財務報告準則第16號的假設金額估算，並通過比較二零一九年的該等假設金額與二零一八年根據國際會計準則第17號編製的實際對應金額。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### IFRS 16, Leases (continued)

c. Impact on the financial result, segment results and cash flows of the Group (continued)

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### 國際財務報告準則第16號，租賃 (續)

c. 對本集團財務業績、分部業績及現金流量的影響 (續)

		2019 二零一九年			2018 二零一八年	
		Amounts reported under IFRS 16	Add back: IFRS 16 depreciation and interest expense	Deduct: Estimated amounts related to operating leases as if under IAS 17 (Note 1)	Hypothetical amounts for 2019 as if under IAS 17	Compared to amounts reported for 2018 under IAS 17
		根據國際財務報告準則第16號匯報的金額 (A)	加上：國際財務報告準則第16號的折舊及利息費用 (B)	扣除：猶如根據國際會計準則第17號計算與經營租賃相關的估計金額 (附註1) (C)	猶如根據國際會計準則第17號計算二零一九年的假設金額 (D=A+B-C)	與根據國際會計準則第17號匯報的二零一八年的金額比較
		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
Financial result for year ended 31 December 2019 impacted by the adoption of IFRS 16:	採用國際財務報告準則第16號對截至二零一九年十二月三十一日止年度的財務業績產生的影響：					
Profit from operations	經營溢利	872,383	3,756	4,146	871,993	766,340
Finance costs	融資成本	(151,480)	716	-	(150,764)	(164,221)
Profit before taxation	稅前溢利	723,470	4,472	4,146	723,796	607,916
Profit for the year	年度溢利	602,606	4,472	4,146	602,932	493,978
Reportable segment profit (gross profit) for year ended 31 December 2019 (Note 3(b)) impacted by the adoption of IFRS 16:	採用國際財務報告準則第16號對截至二零一九年十二月三十一日止年度的可報告分部溢利(毛利)產生的影響(附註3(b))：					
- Industrial aluminium profiles	- 工業鋁型材	213,787	3,756	4,146	213,397	273,997
- Construction aluminium profiles	- 建築鋁型材	1,105,520	-	-	1,105,520	858,277
- Property development	- 物業發展	43,501	-	-	43,501	120,921
- Other	- 其他	127,004	-	-	127,004	97,577
- Total	- 合計	1,489,812	3,756	4,146	1,489,422	1,350,772



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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#### 1 Significant accounting policies (continued)

##### (c) Changes in accounting policies (continued)

##### IFRS 16, Leases (continued)

##### c. Impact on the financial result, segment results and cash flows of the Group (continued)

		2019		2018		
		二零一九年	Estimated amounts related to operating leases as if under IAS 17 (Notes 1 & 2)	Hypothetical amounts for 2019 as if under IAS 17	二零一八年	Compared to amounts reported for 2018 under IAS 17
		Amounts reported under IFRS 16 (A)	Estimated amounts related to operating leases as if under IAS 17 (Notes 1 & 2) (B)	Hypothetical amounts for 2019 as if under IAS 17 (C=A+B)	二零一八年	Compared to amounts reported for 2018 under IAS 17
		RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Line items in the consolidated cash flow statement for year ended 31 December 2019 impacted by the adoption of IFRS 16:	採用國際財務報告準則第16號對截至二零一九年十二月三十一日止年度綜合現金流量表中的細列項目產生之影響：					
Cash generated from operations	經營活動產生的現金	1,057,592	4,146	1,061,738	1,324,469	
Net cash generated from operating activities	經營活動產生的現金淨額	953,574	4,146	957,720	1,253,984	
Capital element of lease rentals paid	已付租金的本金金額	(3,430)	3,430	-	-	
Interest element of lease rentals paid	已付租金的利息金額	(716)	716	-	-	
Net cash used in financing activities	融資活動所用的現金淨額	(381,194)	4,146	(377,048)	(870,060)	

#### 1 主要會計政策 (續)

##### (c) 會計政策變動 (續)

##### 國際財務報告準則第16號，租賃 (續)

##### c. 對本集團財務業績、分部業績及現金流量的影響 (續)

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (c) Changes in accounting policies (continued)

##### *IFRS 16, Leases (continued)*

#### c. Impact on the financial result, segment results and cash flows of the Group (continued)

*Note 1:* The “estimated amounts related to operating leases” is an estimate of the amounts of the cash flows in 2019 that relate to leases which would have been classified as operating leases, if IAS 17 had still applied in 2019. This estimate assumes that there were no differences between rentals and cash flows and that all of the new leases entered into in 2019 would have been classified as operating leases under IAS 17, if IAS 17 had still applied in 2019. Any potential net tax effect is ignored.

*Note 2:* In this impact table these cash outflows are reclassified from financing to operating in order to compute hypothetical amounts of net cash generated from operating activities and net cash used in financing activities as if IAS 17 still applied.

#### (d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

### 1 主要會計政策 (續)

#### (c) 會計政策變動 (續)

##### 國際財務報告準則第16號，租賃 (續)

#### c. 對本集團財務業績、分部業績及現金流量的影響 (續)

*附註1:* 「與經營租賃相關的估計金額」為二零一九年現金流量的估計金額，該等估計金額與如果繼續於二零一九年應用國際會計準則第17號，則分類為經營租賃的租賃相關。該項估計假設租金及現金流量之間並無差異，且如果繼續於二零一九年應用國際會計準則第17號，該等於二零一九年訂立的新租賃將根據國際會計準則第17號被分類為經營租賃。任何潛在的稅務影響淨額均被忽略。

*附註2:* 在此影響表格中，該等現金流出乃從融資活動重新分類至經營活動，以計算如果繼續應用國際會計準則第17號，經營活動產生的現金淨額之假設金額，以及融資活動所使用的現金淨額。

#### (d) 附屬公司及非控股權益

附屬公司指由本集團控制的實體。倘本集團因參與某實體的營運而獲得或有權享有其可變回報，並能夠運用其對實體之權力影響該等回報，則本集團控制該實體。在評估本集團是否擁有控制權時，僅考慮實質權利（由本集團及其他人士持有）。

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### 1 Significant accounting policies (continued)

#### (d) Subsidiaries and non-controlling interests (continued)

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

### 1 主要會計政策 (續)

#### (d) 附屬公司及非控股權益 (續)

於一間附屬公司之投資自控制開始當日起至控制結束當日期間於綜合財務報表內綜合入賬。集團內公司間結餘、交易及現金流量以及集團內公司間交易產生之任何未變現溢利於編製綜合財務報表時悉數對銷。集團內公司間交易產生之未變現虧損以與未變現收益相同之方式對銷，惟僅於無減值證據時進行。

非控股權益指非本公司直接或間接應佔之附屬公司股權，而本集團並未與有關權益持有人協定任何附加條款，令本集團整體對該等權益產生符合金融負債定義之合約義務。就各企業合併而言，本集團可選擇按公允值或非控股權益所佔附屬公司之淨可識別資產之比例計量任何非控股權益。

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(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (d) Subsidiaries and non-controlling interests (continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Notes 1(p) or (q) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of interest in an associate (see Note 1(e)).

### 1 主要會計政策 (續)

#### (d) 附屬公司及非控股權益 (續)

非控股權益在綜合財務狀況表之權益部份內，與本公司權益股東應佔權益分開呈列。非控股權益所佔本集團業績之權益在綜合損益表及綜合損益及其他全面收益表呈列，以顯示本年度之總溢利或虧損及全面收益總額於非控股權益與本公司權益股東之間之分配。非控股權益持有人貸款及其他該等持有人須履行之合約義務根據附註1(p)或(q)按負債性質於綜合財務狀況表中呈列為金融負債。

本集團將不導致喪失控制權之附屬公司權益變動乃以權益交易入賬，即只調整在綜合權益表內之控股及非控股權益金額以反映相關權益變動，但不調整商譽及確認盈虧。

當本集團喪失對附屬公司之控制權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧於損益確認。任何於喪失控制權當日仍保留該前附屬公司之權益乃按公允值確認，而此金額被視為初始確認金融資產之公允值，或按權益初始確認於聯營公司（見附註1(e)）。

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(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (d) Subsidiaries and non-controlling interests (continued)

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses (Note 1(k)).

#### (e) Associate

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (Note 1(k(ii))). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

### 1 主要會計政策 (續)

#### (d) 附屬公司及非控股權益 (續)

於本公司之財務狀況表中，於附屬公司之投資按成本減去減值虧損列賬（附註1(k)）。

#### (e) 聯營公司

聯營公司是指本集團可以對其管理層發揮重大影響力（不是控制或共同控制）的企業，其中包括參與財務及經營決策。

於聯營公司的投資按權益法記入綜合財務報表。根據權益法，投資初始以成本入賬，調整本集團在收購當日應佔被投資方可辨認淨資產公平值超過投資成本的金額調整（如有）。投資成本包括購買價、收購該投資的直接應佔其他成本，及構成本集團權益投資一部份於該聯營公司的任何直接投資。其後，調整本集團收購後應佔被投資方的淨資產的變動及與該投資相關的任何減值虧損變動（附註1(k(ii)）。收購當日出於成本的任何金額，本集團本年應佔被投資方的收購後的稅後業績及任何減值虧損在綜合損益表確認，而本集團應佔被投資方的收購後的稅後其他全面收益項目在綜合損益及其他全面收益表確認。

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### 1 Significant accounting policies (continued)

#### (e) Associate (continued)

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate (after applying the ECL model to such other long-term interests where applicable (see Note 1(k)).

Unrealised profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

In all other cases, when the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

### 1 主要會計政策 (續)

#### (e) 聯營公司 (續)

當本集團應佔聯營公司的虧損額超過其所佔權益時，本集團所佔權益會減少至零，並且不再確認額外虧損；但如本集團須履行法定或推定義務，或代被投資方作出付款則除外。就此而言，就有關其他長期權益（倘適用）（見附註1(k)）應用預期信貸虧損模式之後，本集團的權益是以按照權益法計算投資的賬面金額，以及實質上構成本集團於聯營公司投資淨額一部份的任何其他長期權益為準。

本集團與聯營公司之間交易所產生的未實現溢利和損失，均按本集團於被投資方的權益比例抵銷；但如未變現虧損顯示已轉讓資產出現減值，則該等未變現虧損會即時在損益內確認。

在所有其他情況下，如本集團對聯營公司不再有重大影響，應視同整體處置於被投資方所佔的權益，相關盈虧於損益中確認。重大影響喪失當日本集團所保留的於前被投資方的任何剩餘權益按公平值確認，該金額於金融資產初步確認時視為公平值。



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### 1 Significant accounting policies (continued)

#### (f) Derivative financial instruments

Derivative financial instruments are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see Note 1(g)).

#### (g) Hedging

The Group designates the derivative as hedging instrument to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and variable rate borrowings (cash flow hedges).

#### Cash flow hedges

Where a derivative financial instrument is designated as a hedging instrument in a cash flow hedge, the effective portion of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in profit or loss.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset such as inventory, the associated gain or loss is reclassified from equity to be included in the initial cost of the non-financial asset.

### 1 主要會計政策 (續)

#### (f) 衍生金融工具

衍生金融工具乃按公平值確認。於各報告期末，公平值乃重新計量。重新計量公平值所產生之收益或虧損即時於損益中確認，除非該衍生工具符合現金流量對沖會計處理或為海外業務投資淨額對沖，在此等情況下，確認任何因此而產生之收益或虧損取決於對沖項目之性質（見附註1(g)）。

#### (g) 對沖

本集團指定衍生工具作為對沖工具，用以對沖成數很高的預期交易因外匯匯率及浮息借貸變動而引起的現金流量變動（現金流量對沖）。

#### 現金流量對沖

當衍生金融工具指定用作現金流量對沖之對沖工具時，衍生金融工具任何盈虧之有效部分將於其他全面收益確認，並在對沖儲備內分開累計作權益。任何盈虧之無效部分將即時於損益確認。

如對沖之預期交易隨後導致確認為存貨等非金融資產，則相關盈虧將由權益重新分類，並包括在非金融資產之初始成本中。

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### 1 Significant accounting policies (continued)

#### (g) Hedging (continued)

##### Cash flow hedges (continued)

For all other hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified from equity to profit or loss in the same period or periods during which the hedged cash flows affect profit or loss (such as when a forecast sale occurs or interest expense is recognised).

If a hedge no longer meets the criteria for hedge accounting (including when the hedging instrument expires or is sold, terminated or exercised), then hedge accounting is discontinued prospectively. When hedge accounting is discontinued, but the hedged forecast transaction is still expected to occur, the amount that has been accumulated in the hedging reserve remains in equity until the transaction occurs and it is recognised in accordance with the above policy. If the hedged transaction is no longer expected to take place, the amount that has been accumulated in the hedging reserve is reclassified from equity to profit or loss immediately.

#### (h) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see Note 1(j)) 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.

### 1 主要會計政策 (續)

#### (g) 對沖 (續)

##### 現金流量對沖 (續)

有關所有其他對沖之預期交易，在對沖儲備內累計之金額將於對沖現金流量影響損益之同期或多個期內（如發生預計銷售或確認利息開支）由權益重新分類至損益。

當對沖不再符合對沖會計處理標準（包括當對沖工具到期或被出售、終止或行使）時，則往後終止使用對沖會計處理。當對沖會計處理已終止使用，而對沖之預期交易預期仍會發生時，則已於對沖儲備內累計之金額將保持於權益內，直至交易發生為止，並根據上述政策予以確認。倘若所對沖交易預期不會發生，則已於對沖儲備內累計之金額將即時由權益重新分類為損益。

#### (h) 投資物業

投資物業指為賺取租金收入及／或資本增值而以租賃權益擁有或持有之土地及／或樓宇（見附註1(j)），當中包括就當前尚未確定未來用途持有之土地及正在興建或發展作未來投資物業用途之物業。

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### 1 Significant accounting policies (continued)

#### (h) Investment property (continued)

Investment properties are accounted for using the cost model and stated in the statement of financial position at cost less accumulated depreciation and impairment losses (see Note 1(k)). The cost of investment property, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its estimated useful lives as follows.

- Land use rights 50 years
- Buildings and plants held for own use which are situated on leasehold land are depreciated over the shorter of the unexpired term of the lease and their estimated useful lives, being no more than 35 years after the date of completion.

#### (i) Other property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are stated at cost less accumulated depreciation and impairment losses (see Note 1(k)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (Note 1(w)).

### 1 主要會計政策 (續)

#### (h) 投資物業 (續)

投資物業採用成本模式入賬，並以成本減累計折舊及減值虧損後（見附註1(k)）於財務狀況表內列示。投資物業成本（扣除其估計剩餘價值及累計減值虧損後）於其估計使用年期內使用直線法折舊，詳情如下：

- 土地使用權 50年
- 位於租賃土地持作自用之樓宇及廠房於未屆滿租期與估計可使用年期兩者之較短期間（不得超過落成日期起計35年）內折舊。

#### (i) 其他物業、廠房及設備及使用權資產

物業、廠房及設備及使用權資產乃按成本減累計折舊及減值虧損呈列（見附註1(k)）。

自建物業、廠房及設備項目成本包括材料成本、直接勞工費用、拆卸及搬遷項目以及恢復項目所在地原貌成本之初步估算（如相關），以及生產成本及借貸成本（附註1(w)）之適當部份。

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### 1 Significant accounting policies (continued)

#### (i) Other property, plant and equipment and right-of-use assets (continued)

Construction in progress is transferred to respective items under property, plant and equipment when it is ready for its intended use. No depreciation is provided against construction in progress.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment and right-of-use assets are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment and right-of-use assets, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

- Buildings and plants held for own use which are situated on leasehold land are depreciated over the shorter of the unexpired term of the lease and their estimated useful lives, being no more than 35 years after the date of completion.
- Machinery 3 – 20 years
- Motor vehicles 3 – 5 years
- Office equipment and others 3 – 10 years
- Right-of-use assets are depreciated over the period of the lease term

### 1 主要會計政策 (續)

#### (i) 其他物業、廠房及設備及使用權資產 (續)

當在建工程可作擬定用途時，其便會轉撥至物業、廠房及設備項下相關項目。在建工程不計提折舊。

物業、廠房及設備及使用權資產項目報廢或出售之收益或虧損按出售所得款項淨額與項目賬面值之差額釐定，並於報廢或出售日期於損益內確認。

折舊是採用直線法在物業、廠房及設備及使用權資產項目之估計可使用年內內撇銷項目之成本減估計剩餘價值（如有），計算方法如下：

- 位於租賃土地持作自用之樓宇及廠房於未屆滿租期與估計可使用年期兩者之較短期間（不得超過落成日期起計35年）內折舊。
- 機器 3至20年
- 汽車 3至5年
- 辦公室設備及其他 3至10年
- 使用權資產於租賃期間內折舊

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### 1 Significant accounting policies (continued)

#### (i) Other property, plant and equipment and right-of-use assets (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

#### (j) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

#### (i) As a lessee

##### (A) Policy applicable from 1 January 2019

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

### 1 主要會計政策 (續)

#### (i) 其他物業、廠房及設備及使用權資產 (續)

倘物業、廠房及設備項目之各個部份擁有不同可使用年期，則該項目之成本值按合理基準於各個部份間分配，且各個部份單獨折舊。資產之可使用年期及其剩餘價值（如有）每年進行檢討。

#### (j) 租賃資產

本集團會於合約初始生效時評估該合約是否屬於或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬於或包含租賃。倘客戶有權主導可識別的資產的使用及從該使用中獲取幾乎所有的經濟利益，則表示控制權已轉讓。

#### (i) 作為承租人

##### (A) 自二零一九年一月一日起適用的政策

倘合約包含租賃組成部分及非租賃組成部分，本集團已選擇不分拆非租賃組成部分，並就所有租賃對每個租賃組成部分和任何相關的非租賃組成部分作為一個單一的租賃組成部分進行會計處理。

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(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (j) Leased assets (continued)

##### (i) As a lessee (continued)

###### (A) Policy applicable from 1 January 2019 (continued)

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group are primarily laptops and office furniture. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

### 1 主要會計政策 (續)

#### (j) 租賃資產 (續)

##### (i) 作為承租人 (續)

###### (A) 自二零一九年一月一日起適用的政策 (續)

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租賃期是12個月或以下的短期租賃以及低價值資產之租賃（對本集團而言，主要為筆記本電腦及辦公室傢俱）除外。當本集團就低價值資產訂立租賃時，本集團就每份租賃決定是否對租賃進行資本化。與未資本化租賃相關的租賃付款會在租賃期內有系統地確認為開支。

若租賃被資本化，則租賃負債以租賃期內應付租賃付款的現值進行初始確認，並使用該項租賃的內含利率折現；或如果內含利率無法輕易釐定，則使用相關的增量借款利率。初始確認後，租賃負債以攤銷成本計量，且利息費用則採用實際利率法計算。不取決於指數或利率的可變租賃付款並不包含於租賃負債的計量中，並因此於其產生的會計期間計入損益。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (j) Leased assets (continued)

##### (i) As a lessee (continued)

##### (A) Policy applicable from 1 January 2019 (continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 1(i) and 1(k)(ii)).

### 1 主要會計政策 (續)

#### (j) 租賃資產 (續)

##### (i) 作為承租人 (續)

##### (A) 自二零一九年一月一日起適用的政策 (續)

租賃資本化時已確認的使用權資產按成本進行初始計量，其中包括租賃負債的初始金額加上任何於開始日或之前作出的租賃付款，以及產生的任何初始直接費用。在適用的情況下，使用權資產的成本亦包括將拆卸、搬移相關資產或復原相關資產或資產所在地點的費用估算折現至其現值，減去已收到的租賃優惠。使用權資產其後乃按成本減累計折舊及減值虧損呈列（見附註1(i)及1(k)(ii)）。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (j) Leased assets (continued)

##### (i) As a lessee (continued)

###### (A) Policy applicable from 1 January 2019 (continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'right-of-use assets' and presents lease liabilities separately in the statement of financial position.

### 1 主要會計政策 (續)

#### (j) 租賃資產 (續)

##### (i) 作為承租人 (續)

###### (A) 自二零一九年一月一日起適用的政策 (續)

當指數或利率變動引起未來租賃付款發生變動；或本集團就餘值擔保下預計應付的金額估計發生變化；或由於重新評估本集團是否合理地確定行使購買、延期或終止選擇權而產生變化時，則重新計量租賃負債。當租賃負債以此方式重新計量時，對使用權資產的賬面值作出相應調整，或倘使用權資產的賬面值減記至零，則計入損益。

本集團在「使用權資產」中呈列不符合投資物業定義的使用權資產，並於財務狀況表中單獨呈列租賃負債。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (j) Leased assets (continued)

##### (i) As a lessee (continued)

##### (B) Policy applicable prior to 1 January 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the Group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases.

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

##### (ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

### 1 主要會計政策 (續)

#### (j) 租賃資產 (續)

##### (i) 作為承租人 (續)

##### (B) 於二零一九年一月一日前適用的政策

於比較期間，倘租賃已將所有權之絕大部分風險及回報轉移至本集團，本集團（作為承租人）將租賃分類為融資租賃。倘租賃並無將所有權之絕大部分風險及回報至本集團，則分類為經營租賃。

倘本集團擁有根據經營租賃持有之資產使用權，根據租賃作出之付款於租賃期所涵蓋之會計期間內，以等額分期在損益中扣除，惟倘有其他基準能更加清楚反映租賃資產所產生的收益模式除外。或然租金於彼等產生之會計期間於損益內扣除。

##### (ii) 作為出租人

倘本集團為出租人，其於租賃初始階段釐定一項租賃為融資租賃或經營租賃。倘租賃轉移相關資產的所有權附帶的絕大部分風險及報酬予承租人，該租賃分類為融資租賃。倘不屬於該情況，該租賃被分類為經營租賃。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (j) Leased assets (continued)

##### (ii) As a lessor (continued)

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with Note 1(u)(iv).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in Note 1(j)(i), then the Group classifies the sub-lease as an operating lease.

#### (k) Credit losses and impairment of assets

##### (i) Credit losses from financial instruments and lease receivables

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables, which are held for the collection of contractual cash flows which represent solely payments of principal and interest); and
- lease receivables.

### 1 主要會計政策 (續)

#### (j) 租賃資產 (續)

##### (ii) 作為出租人 (續)

倘合約包括租賃及非租賃組成部分，本集團根據相對獨立的售價基準將合約代價分配予各組成部分。經營租賃產生的租金收入根據附註1(u)(iv)確認。

倘本集團為中間出租人，經參考總租約產生的使用權資產，分租被分類為融資租賃或經營租賃。倘總租約為短期租賃，本集團豁免遵守附註1(j)(i)所載規定，則本集團將分租分類為經營租賃。

#### (k) 信貸虧損及資產減值

##### (i) 金融工具及租賃應收款項之信貸虧損

本集團就下列各項的預期信貸虧損確認虧損撥備：

- 按攤銷成本計量之金融資產（包括現金及現金等價物、交易及其他應收款項，其乃就收回合約現金流量而持有，即純粹為獲得本金及利息付款）；及
- 應收租賃款項。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (i) Credit losses from financial instruments and lease receivables (continued)

Other financial assets measured at fair value, including derivative financial assets, are not subject to the ECL assessment.

##### Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (i) 金融工具及租賃應收款項之 信貸虧損 (續)

以公平值計量的其他金融資產，包括衍生金融資產，均不受限於預期信貸虧損的評估。

##### 預期信貸虧損計量

預期信貸虧損乃以概率加權估計的信貸虧損。信貸虧損以所有預期現金短缺（即根據合約應付予本集團的現金流量及本集團預期收取的現金流量之間的差額）的現值計量。

倘貼現影響屬重大，預期短缺現金將使用以下貼現率貼現：

- 固定利率金融資產及交易及其他應收款項：初始確認釐定時的實際利率或其近似值；
- 浮動利率金融資產：當前實際利率；

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (i) Credit losses from financial instruments and lease receivables (continued)

###### Measurement of ECLs (continued)

- lease receivables: discount rate used in the measurement of the lease receivable;

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (i) 金融工具及租賃應收款項之 信貸虧損 (續)

###### 預期信貸虧損計量 (續)

- 租賃應收款項：計量租賃應收款項使用的折現率；

於估計預期信貸虧損時考慮的最長期間為本集團承受信貸風險的最長合約期間。

在計量預期信貸虧損時，本集團考慮合理及有理據而毋須付出不必要的成本或努力獲得的資料。這包括過去事件、當前狀況和未來經濟狀況預測等資料。

預期信貸虧損基於下列其中一個基準計量：

- 12個月預期信貸虧損：預期於報告日期後12個月內可能發生的違約事件而導致的虧損；及



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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (i) Credit losses from financial instruments and lease receivables (continued)

###### Measurement of ECLs (continued)

- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

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

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (i) 金融工具及租賃應收款項之 信貸虧損 (續)

###### 預期信貸虧損計量 (續)

- 整個存續期的預期信貸虧損：預期於採用預期信貸虧損模式的項目在預期年限內所有可能發生的違約事件而導致的虧損。

交易應收賬款及應收租賃款項的虧損撥備一般乃按等同於整個存續期的預期信貸虧損的金額計量。該等金融資產的預期信貸虧損是利用基於本集團過往信貸虧損經驗的撥備矩陣進行估算，並按於報告日期債務人的個別因素及對當前及預測整體經濟狀況的評估進行調整。

對於所有其他金融工具而言，本集團確認相當於12個月預期信貸虧損的虧損撥備，除非自初始確認以來金融工具的信用風險顯著增加，在這種情況下，虧損撥備計量等於整個存續期的預期信貸虧損的金額。

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(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (i) Credit losses from financial instruments and lease receivables (continued)

###### Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) 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); or (ii) the financial asset is 180 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (i) 金融工具及租賃應收款項之 信貸虧損 (續)

###### 信貸風險大幅上升

評估金融工具的信貸風險自初始確認以來有否大幅上升時，本集團會比較於報告日期及於初始確認日期評估的金融工具發生違約的風險。作出該重新評估時，本集團認為，倘(i)借款人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸承擔；或(ii)金融資產已逾期180日，則發生違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

具體而言，評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (i) Credit losses from financial instruments and lease receivables (continued)

##### Significant increases in credit risk (continued)

- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

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

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (i) 金融工具及租賃應收款項之 信貸虧損 (續)

##### 信貸風險大幅上升 (續)

- 金融工具外部或內部信貸測評的實際或預期顯著惡化(如有)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對集團責任的能力有重大不利影響。

取決於金融工具的性质，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (i) Credit losses from financial instruments and lease receivables (continued)

###### Significant increases in credit risk (continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

###### Basis of calculation of interest income

Interest income recognised in accordance with Note 1(u)(v) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (i) 金融工具及租賃應收款項之 信貸虧損 (續)

###### 信貸風險大幅上升 (續)

預期信貸虧損於各報告日期進行重新計量以反映金融工具自初始確認以來的信貸風險變動。預期信貸虧損金額的任何變動均於損益中確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對彼等之賬面值作出相應調整。

###### 計算利息收益的基準

根據附註1(u)(v)確認的利息收入乃根據金融資產之總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入乃根據金融資產之攤銷成本（即總賬面值減虧損撥備）計算。

於各報告日期，集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現信貸減值。

金融資產出現信貸減值的證據包括以下可觀察事件：

- 債務人有重大財務困難；
- 違約，例如拖欠或過往到期事件；

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(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (i) Credit losses from financial instruments and lease receivables (continued)

###### Basis of calculation of interest income (continued)

- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

###### Write-off policy

The gross carrying amount of a financial asset, lease receivable or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

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

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (i) 金融工具及租賃應收款項之 信貸虧損 (續)

###### 計算利息收益的基準 (續)

- 借款人可能破產或進行其他財務重組；
- 技術、市場、經濟或法律環境出現重大變動而對債務人造成不利影響；或
- 由於發行人出現財務困難，證券活躍市場消失。

###### 撤銷政策

若日後實際上不可收回款項，則會撤銷（部分或全部）金融資產、租賃應收款項或合約資產的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還應撤銷的金額。

隨後收回先前撤銷之資產於收回期間在損益內確認為減值撥回。

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(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- investment property;
- property, plant and equipment;
- right-of-use assets;
- lease prepayments;
- interest in an associate; and
- investment in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated.

##### - Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (ii) 其他非流動資產減值

本集團於各報告期末審閱內部及外部資料，以確定下列資產有否減值跡象或先前確認之減值虧損是否不再存在或可能已減少：

- 投資物業；
- 物業、廠房及設備；
- 使用權資產
- 預付租金；
- 於一間聯營公司權益；及
- 本公司財務狀況表中於附屬公司的投資。

倘存在任何有關跡象，則會估計資產之可收回金額。

##### - 計算可收回金額

資產之可收回金額為其公平值減出售成本與使用價值之較高者。在評估使用價值時，會按可反映當時市場對貨幣時間價值及資產特定風險評估之稅前貼現率，將估計未來現金流量貼現至其現值。倘資產並無產生基本上獨立於其他資產所產生之現金流入，則以能獨立產生現金流入之最小資產組別（即現金產生單位）釐定可收回金額。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (ii) Impairment of other non-current assets (continued)

###### – Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

###### – Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (ii) 其他非流動資產減值 (續)

###### – 確認減值虧損

倘資產或其所屬現金產生單位之賬面值超過可收回金額，則於損益確認減值虧損。就現金產生單位確認之減值虧損會按比例減少該單位（或該組單位）內其他資產之賬面值，惟資產之賬面值不可減至低於其個別公平值扣減出售成本（如能計量）或使用價值（如能釐定）。

###### – 撥回減值虧損

倘用作計算可收回金額之估計出現有利變化，則會撥回減值虧損。

所撥回之減值虧損僅限於過往年度並未確認減值虧損時應有之資產賬面值。所撥回之減值虧損在確認撥回年度計入損益。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 1 Significant accounting policies (continued)

#### (k) Credit losses and impairment of assets (continued)

##### (iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with IAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (Notes 1(k)(i) and (ii)).

#### (l) Inventories and other contract costs

##### (i) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value as follows:

– *Aluminium profiles manufacturing*

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

### 1 主要會計政策 (續)

#### (k) 信貸虧損及資產減值 (續)

##### (iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須遵照國際會計準則第34號中期財務報告編製有關財政年度首六個月之中期財務報告。於中期期末，本集團採用等同該財政年度末之減值測試、確認及撥回標準（附註1(k)(i)及(ii)）。

#### (l) 存貨及其他合約成本

##### (i) 存貨

存貨指日常業務過程中持有以作銷售、於該等銷售的生產過程中，或在生產過程中耗用的材料或物料或提供服務的形式持有的資產。

存貨以成本與可變現淨值之較低者列賬，載列如下：

– *鋁型材製造*

成本使用加權平均成本法計算，並包括所有購買成本、兌換成本及將存貨運送至目前地點及變成現狀所涉之其他成本。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (1) Inventories and other contract costs (continued)

##### (i) Inventories (continued)

##### – Aluminium profiles manufacturing (continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

##### – Property development

Cost and net realisable values are determined as follows:

##### – Property under development for sale

The cost of properties under development for sale comprises specifically identified cost, including the acquisition cost of interest in leasehold land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised (Note 1(w)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

### 1 主要會計政策 (續)

#### (1) 存貨及其他合約成本 (續)

##### (i) 存貨 (續)

##### – 鋁型材製造 (續)

可變現淨值為日常業務過程中之估計售價，減去估計完成成本及進行出售所需之估計成本。

##### – 物業發展

成本及可變現淨值乃按以下方式釐定：

##### – 待售發展中物業

待售發展中物業的成本由具體指定的成本組成，包括租賃土地權益收購成本、發展、材料及物資總成本、工資及其他直接開支、適當部分的間接費用及已資本化借貸成本（附註1(w)）。可變現淨值指估計售價減去估計完工成本及銷售物業時將產生的成本。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (1) Inventories and other contract costs (continued)

##### (i) Inventories (continued)

###### – Completed property held for resale

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In the case of completed properties developed by the Group which comprise of multiple units which are sold individually, the cost of each unit is determined by apportionment of the total development costs for that development project to each unit on a per square foot basis, unless another basis is more representative of the cost of the specific unit. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### 1 主要會計政策 (續)

#### (1) 存貨及其他合約成本 (續)

##### (i) 存貨 (續)

###### – 持作轉售之已落成物業

持有待售之已落成物業成本包括所有採購成本、加工成本及使存貨處於當前地點及狀況之其他成本。

就本集團開發之已竣工物業(包括單獨出售之多個單位)而言，各個單位成本乃按發展項目各單位按每平方呎佔總發展成本的比例釐定，除非另有基準更能代表指定單位之成本。變現淨值指銷售物業產生之估計銷售價格。

當存貨已出售，該等存貨的賬面值於相關收益獲確認的期間內確認為開支。

存貨撇減至可變現淨值的金額及存貨的所有虧損在撇減或出現虧損的期間確認為開支。存貨的任何撇減撥回金額確認為存貨金額的減少，並於撥回發生期間確認為開支。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 1 Significant accounting policies (continued)

#### (i) Inventories and other contract costs (continued)

##### (ii) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see Note 1(1)(i)) or property, plant and equipment (see Note 1(i)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory and property, plant and equipment, are expensed as incurred.

### 1 主要會計政策 (續)

#### (i) 存貨及其他合約成本 (續)

##### (ii) 其他合約成本

其他合約成本乃取得客戶合約的增量成本或履行客戶合約的成本，其並無撥充資本為存貨（見附註1(1)(i)）或物業、廠房及設備（見附註1(i)）。

取得合約的增量成本為本集團就取得客戶合約而產生，倘未能取得合約則不會產生的成本（例如增量銷售佣金）。倘有關收益的成本將在未來報告期內確認，而成本預期可收回，取得合約的增量成本於產生時會撥充資本。取得合約的其他成本在產生時支出。

倘履行合約的成本與現有合約或可識別的預期合約直接有關；產生或提升將於未來用於提供產品或服務的資源；並預期可收回，則會撥充資本。與現有合約或可識別的預期合約直接有關的成本可能包括直接勞工、直接材料、成本分配、明確向客人收取的成本及僅由於本集團訂立合約而產生的其他成本（例如向分包商支付款項）。其他履行客戶合約的成本（其並無撥充資本為存貨及物業、廠房及設備）在產生時支銷。

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### 1 Significant accounting policies (continued)

#### (l) Inventories and other contract costs (continued)

##### (ii) Other contract costs (continued)

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in Note 1(u).

#### (m) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 1(u)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses (ECL) in accordance with the policy set out in Note 1(k) (i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 1(n)).

### 1 主要會計政策 (續)

#### (l) 存貨及其他合約成本 (續)

##### (ii) 其他合約成本 (續)

撥充資本的合約成本按成本減累計攤銷及減值虧損列賬。倘合約成本資產賬面值超過(i)本集團預期收取以交換有關該資產的產品或服務的餘下代價金額，減(ii)任何直接有關提供該等產品或服務，而未確認為開支的成本的淨額，則會確認減值虧損。

當與資產有關的收益獲確認時，撥充資本的合約成本攤銷將自損益扣除。收益確認的會計政策載於附註1(u)。

#### (m) 合約資產及合約負債

在本集團有權無條件獲取合約所載付款條款代價前確認收益(見附註1(u))時確認合約資產。合約資產按附註1(k)(i)所載政策就預期信貸虧損(預期信貸虧損)而獲評估，並在代價權利成為無條件後獲重新分類至應收款項(見附註1(n))。



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### 1 Significant accounting policies (continued)

#### (m) Contract assets and contract liabilities (continued)

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see Note 1(u)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 1(n)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 1(u)).

#### (n) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 1(m)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see Note 1(k)(i)).

### 1 主要會計政策 (續)

#### (m) 合約資產及合約負債 (續)

本集團確認相關收益前，合約負債在客戶支代價時確認（見附註1(u)）。如本集團有無條件權利在本集團確認相關收益前收取代價，則合約負債亦會獲確認。在相關情況下，相應應收款項亦會獲確認（見附註1(n)）。

就與客戶的單一合約而言，淨合約資產或淨合約負債得以呈列。就多份合約而言，不相關合約的合約資產及合約負債不按淨額基準呈列。

合約計及重大融資成分時，合約結餘計入按實際利率法累計的利息（見附註1(u)）。

#### (n) 交易及其他應收款項

本集團具有無條件權利收取代價時確認應收款項。在該代價到期支付前，收取代價的權利僅需經過一段時間方為無條件。如收益在本集團有無條件權利收取代價前經已確認，則金額呈列為合約資產（見附註1(m)）。

應收款項利用實際利率法按攤銷成本減信貸虧損撥備列賬（見附註1(k)(i)）。

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(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in Note 1(k)(i).

#### (p) Trade and other payables

Trade and other payables are initially recognised at fair value. Trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### (q) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see Note 1(w)).

#### (r) Employee benefits

##### (i) Short term employee benefits and contributions to defined contribution retirement plans

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

### 1 主要會計政策 (續)

#### (o) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金及購入後於三個月內到期可隨時轉換為已知金額現金的短期高流通性並且價值改變風險不大的投資。現金及現金等價物乃根據附註1(k)(i)所載的政策評估預期信貸虧損。

#### (p) 交易及其他應付款項

交易及其他應付款項初步按公平值確認，其後則按攤銷成本列賬，如貼現影響並不重大，則按成本列賬。

#### (q) 計息借貸

計息借貸乃初步按公平值減交易成本計量。於初步確認後，計息借貸採用實際利率法按攤銷成本列賬。利息開支根據本集團借貸成本之會計政策確認（見附註1(w)）。

#### (r) 僱員福利

##### (i) 短期僱員福利及向定額供款退休計劃供款

薪金、年終花紅、有薪年假、向定額供款退休計劃作出之供款及非貨幣福利之成本於僱員提供相關服務之年度內計算。如延遲付款或結算並構成重大影響，則此等金額會以現值列賬。

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### 1 Significant accounting policies (continued)

#### (r) Employee benefits (continued)

##### (ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

### 1 主要會計政策 (續)

#### (r) 僱員福利 (續)

##### (ii) 以股份為基礎付款

授予僱員購股權之公平值確認為僱員成本，相應的增加會於權益項下資本儲備反映。公平值在授出日期採用二項式期權定價模式，並計及授出購股權之條款及條件計量。倘僱員須符合歸屬條件方可無條件享有購股權，則購股權之估計總公平值會於考慮購股權將歸屬之可能性後在歸屬期內分攤。

於歸屬期內，本公司會檢討預期歸屬的購股權數目。所導致於過往年度確認累計公平值的任何調整乃扣自／計入有關檢討年度的損益，除非原有的僱員支出符合確認為資產的資格而資本儲備作出相應調整則作別論。於歸屬日，本公司調整確認為一項支出的款額，以反映歸屬的實際購股權數目（連同資本儲備的相應調整），惟倘沒收僅因未達致與本公司股份的市價有關的歸屬條件則除外。股權款額乃於資本儲備中確認，直至購股權獲行使（當其計入就已發行股份於股本確認的金額時）或購股權屆滿（當其直接轉出至保留溢利時）為止。

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(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (r) Employee benefits (continued)

##### (iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

#### (s) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

### 1 主要會計政策 (續)

#### (r) 僱員福利 (續)

##### (iii) 終止福利

終止福利乃於本集團不再撤回該等福利要約及涉及支付終止福利之重組成本確認時(以較早者為準)確認。

#### (s) 所得稅

年內所得稅包括即期稅項及遞延稅項資產與負債之增減。即期稅項及遞延稅項資產與負債之增減於損益確認，惟有關於其他全面收益或直接於權益確認項目之即期稅項及遞延稅項資產與負債之增減則分別於其他全面收益或直接於權益確認。

即期稅項乃根據年內應課稅收入按報告期末已實施或大致實施的稅率計算之預計應付稅項，並會按過往年度之應付稅項調整。

可扣稅與應課稅暫時差額分別產生的遞延稅項資產及負債即作財務報告用途之資產與負債賬面值與相關稅基的差額。遞延稅項資產亦產生自未動用稅務虧損及未動用稅務抵免。

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(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (s) Income tax (continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

### 1 主要會計政策 (續)

#### (s) 所得稅 (續)

除若干少數例外情況外，所有遞延稅項負債及所有遞延稅項資產（須可能有日後應課稅溢利可供動用該資產）均會確認。支持確認可扣稅暫時差額所產生遞延稅項資產的日後應課稅溢利包括撥回現有應課稅暫時差額所產生溢利，惟該等差額須與相同稅務機關及相同課稅公司有關，並預期於可扣稅暫時差額預期撥回的同一期間或遞延稅項資產所產生稅務虧損可撥回或結轉的各期間內撥回。釐定現有應課稅暫時差額是否支持確認未動用稅務虧損及抵免所產生遞延稅項資產的條件相同，即與同一稅務機關及課稅公司有關且預期於稅務虧損或抵免動用的期間撥回的差額會計算在內。

確認遞延稅項資產與負債的少數例外情況為首次確認並不影響會計或應課稅溢利的資產或負債（並非業務合併一部份）產生的暫時差額，以及有關投資附屬公司的暫時差額，如為應課稅差額，則本集團可控制撥回時間及該等差額於可見將來應不會撥回者，而如為可扣稅差額，即於可見將來或會撥回者。

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### 1 Significant accounting policies (continued)

#### (s) Income tax (continued)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

### 1 主要會計政策 (續)

#### (s) 所得稅 (續)

所確認遞延稅項金額乃根據預期資產及負債賬面值變現或結算方式，按報告期末已頒佈或實質頒佈的稅率計算。遞延稅項資產及負債不會貼現。

於各報告期末會檢討遞延稅項資產的賬面值，並會減少至不可能有足夠應課稅溢利供相關稅務優惠動用為止。任何有關減少會於可能有足夠應課稅溢利時撥回。

分派股息產生的額外所得稅會於確認支付相關股息的負債時確認。

即期稅項結餘與遞延稅項結餘以及相關增減會分開呈列，且不會對銷。倘本公司或本集團可合法將即期稅項資產與即期稅項負債對銷，並符合下列其他條件，則可將即期稅項資產與即期稅項負債以及遞延稅項資產與遞延稅項負債互相對銷：

- 如為即期稅項資產及負債，本公司或本集團擬按淨額結算，或同時變現資產及結算負債；或



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### 1 Significant accounting policies (continued)

#### (s) Income tax (continued)

- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

#### (t) Provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate 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.

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 future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### 1 主要會計政策 (續)

#### (s) 所得稅 (續)

- 如為遞延稅項資產及負債，則須與同一稅務機關所徵收所得稅有關：
  - 同一應課稅實體；或
  - 不同應課稅實體，計劃在預期有重大金額的遞延稅項負債或資產須予清償或收回的每個未來期間，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現及清償該資產及該負債。

#### (t) 撥備及或然負債

當本集團或本公司因過往事件而須負上法律或推定責任，可能須為履行該責任而耗損經濟利益，並能可靠地估計時，則須就未能確定時間或金額之其他負債計提撥備。倘金額涉及重大時間價值，則有關撥備按預計履行責任所需支出之現值列賬。

倘不大可能需要耗損經濟利益，或其金額未能可靠地預測，則須披露有關責任為或然負債，惟耗損經濟利益之可能性極低者除外。當潛在責任須視乎一項或多項未來事件是否發生方可確定是否存在，則該等責任亦披露為或然負債，惟耗損經濟利益之可能性極低者除外。

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### 1 Significant accounting policies (continued)

#### (u) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, 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.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

### 1 主要會計政策 (續)

#### (u) 收益及其他收入

當收入由銷售貨品、本集團於日常業務過程提供服務或其他公司使用本集團租賃項下資產所產生時，則由本集團分類為收入。

收入於產品或服務的控制權轉移至客戶或承租人擁有資產使用權時確認，金額為本集團將有權收取之承諾代價，且不包括代表第三方收取的有關金額。收入不包括增值稅或其他銷售稅，且乃經扣減任何貿易折扣。

倘合約載有向客戶提供超過12個月的重大融資利益之融資組成部份，則收益按應收金額的現值計量，並使用反映於與有關客戶的個別融資交易之貼現率貼現，且利息收入根據實際利率法分開應計。倘合約載有向本集團提供重大融資利益之融資組成部份，則根據該合約確認的收入包括根據實際利率法合約責任附有的利息開支。本集團利用國際財務報告準則第15號第63段中的實際便利，並無於倘融資期為12個月或以下而就重大融資組成部份之任何影響調整代價。

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### 1 Significant accounting policies (continued)

#### (u) Revenue and other income (continued)

Further details of the Group's revenue and other income recognition policies are as follows:

##### (i) Sale of aluminum products

Revenue is recognised when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

##### (ii) Sale of properties

Revenue arising from the sale of properties developed for sale in the ordinary course of business is recognised when the property is accepted by the customer, or deemed as accepted according to the contract, whichever is earlier, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the statement of financial position under contract liabilities (see Note 1(m)).

### 1 主要會計政策 (續)

#### (u) 收益及其他收入 (續)

本集團收益及其他收入確認政策之進一步詳情如下：

##### (i) 銷售鋁產品

收益乃於客戶佔有及接受產品時確認。倘產品屬部分履行涵蓋其他貨品及／或服務之合約，則確認之收益金額為合約項下交易總價之適當比例，乃按相對獨立售價基準在合約約定之所有商品及服務之間分配。

##### (ii) 銷售物業

持作銷售已開發的物業銷售產生之收益一般於物業獲客戶接納或根據合約視為接納（以較早者為準，即客戶有能力直接使用物業及取得該物業大部分剩餘利益之時間點）時予以確認。按金及於收益確認日期前出售物業所收到的分期款項列入財務狀況表合約負債項下（見附註1(m)）。

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### 1 Significant accounting policies (continued)

#### (u) Revenue and other income (continued)

##### (ii) Sale of properties (continued)

When residential properties are marketed by the Group while the property is still under construction, the Group may offer a discount compared to the listed sales price, provided the customer agrees to pay the balance of the consideration early. In such cases, if the advance payments are regarded as providing a significant financing benefit to the Group, interest expense arising from the adjustment of time value of money will be accrued by the Group during the period between the payment date and the completion date of legal assignment. This accrual increases the balance of the contract liability during the period of construction, and therefore increases the amount of revenue recognised when control of the completed property is transferred to the customer. The interest is expensed as accrued unless it is eligible to be capitalised under IAS 23, Borrowing costs, in accordance with the policies set out in Note 1(w).

##### (iii) Services income

Revenue from services rendered is recognised in profit or loss at the time of provision of the service is completed.

### 1 主要會計政策 (續)

#### (u) 收益及其他收入 (續)

##### (ii) 銷售物業 (續)

當住宅物業由本集團推出市場出售，而該物業仍在建設中時，本集團可能提供較已上市銷售價格折讓，惟客戶同意提早支會代價結餘。於此情況下，倘墊付款項被視為向本集團提供重大融資福利，貨幣價值時間調整產生的利息開支將由本集團於支付日期及法律轉讓期間應計。該應計增加了合約負債金額，及因此增加當已完成物業的控制權轉移予客戶時確認的收益金額。除非符合國際會計準則第23號借貸成本中的資本化，否則利息根據附註1(w)所載之政策按應計費用計銷。

##### (iii) 服務收入

來自提供服務之收益於提供服務時間完成時於損益確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 1 Significant accounting policies (continued)

#### (u) Revenue and other income (continued)

##### (iv) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

##### (v) Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see Note 1(k)(i)).

##### (vi) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are initially recognised as deferred income and subsequently recognised as other income in profit or loss over the useful life of the assets.

### 1 主要會計政策 (續)

#### (u) 收益及其他收入 (續)

##### (iv) 經營租賃之租金收入

經營租賃之應收租金收入於相關租期內於損益分期等額確認，惟倘有其他方法能更清楚地反映使用租賃資產所得收益之模式則除外。並非取決於指數或利率之可變租賃付款於所涉會計期間確認為收入。

##### (v) 利息收入

由於利息收入採用實際利率法應計，因此確認利息收入。就按攤銷成本計量的金融資產或按公平值計入其他全面收益計量的金融資產（可劃轉）而言，實際利率應用於資產賬面總額。就信貸減值金融資產而言，實際利率應用於資產的攤銷成本（即賬面總額減虧損撥備）（見附註1(k)(i)）。

##### (vi) 政府補助金

倘可合理保證可收取政府補助金且本集團可符合有關條件，則政府補助金會首先於財務狀況表確認。補償本集團所涉開支之補助金於相關開支產生之相同期間按系統性基準於損益內確認為收益。補償本集團資產成本之補助金初步確認為遞延收入，並其後於損益按資產之可使用年期確認為其他收益。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (v) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised in other comprehensive income.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates ruling at the end of the reporting period. The resulting exchange differences are recognised directly in other comprehensive income and accumulated separately in equity in the exchange reserve.

### 1 主要會計政策 (續)

#### (v) 外幣換算

年內之外幣交易按交易日當日之匯率換算。以外幣為單位之貨幣性資產及負債按報告期末當日之匯率換算。外匯收益及虧損於損益內確認，惟該等自外幣借貸產生用於對沖於外國業務的投資（於其他全面收益確認）淨額者除外。

以外幣按歷史成本計算之非貨幣資產及負債按交易日當日之匯率換算。交易日期為本集團初步確認有關非貨幣資產或負債之日。以外幣計值而以公平值列賬之非貨幣資產及負債乃按釐定公平值當日適用之匯率換算。

海外業務之業績按與交易日匯率相若之匯率換算為人民幣。財務狀況表項目按報告期末之匯率換算為人民幣。由此產生之匯兌差額直接於其他全面收益確認及於匯兌儲備中之權益獨立累計。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (w) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

#### (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 the key management personnel of the Group or the Group's parent.

### 1 主要會計政策 (續)

#### (w) 借貸成本

需要相當長時間方可作擬定用途或銷售之資產之收購、建設或生產直接相關之借貸成本撥作該資產成本一部份。其他借貸成本於產生期間予以支銷。

當合資格資產產生開支、涉及借貸成本及將資產作擬定用途或銷售所需之活動進行時，開始將借貸成本資本化為該資產成本一部份。於令合資格資產作擬定用途或銷售所需之絕大部份活動中止或完成時，將會暫停或不再將借貸成本資本化。

#### (x) 關連方

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本集團母公司之主要管理層成員。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (x) Related parties (continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (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 employees of either 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 the key management personnel of the entity (or of a parent of the entity).

### 1 主要會計政策 (續)

#### (x) 關連方 (續)

- (b) 倘符合下列任何條件，則該實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
  - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
  - (iii) 兩間實體均為同一第三方之合營企業。
  - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
  - (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。
  - (vi) 實體受(a)內所識別人土控制或共同控制。
  - (vii) (a)(i)內所識別人土對實體有重大影響力或屬該實體（或該實體之母公司）之主要管理層成員。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 1 Significant accounting policies (continued)

#### (x) Related parties (continued)

(b) An entity is related to the Group if any of the following conditions applies:  
(continued)

(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.

#### (y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### 1 主要會計政策 (續)

#### (x) 關連方 (續)

(b) 倘符合下列任何條件，則該實體與本集團有關連：  
(續)

(viii) 實體或實體所屬之集團任何成員公司向本集團或本集團母公司提供主要管理人員服務。

某一人士之近親家屬成員指預期與實體進行買賣時可影響該人士或受該人士影響的有關家屬成員。

#### (y) 分部報告

經營分部及於財務報表中呈報之各分部項目金額自定期提供予本集團最高行政管理人員就資源分配及評估本集團不同業務及地理位置之表現之財務資料中識別出來。

就財務呈報而言，除非經營分部具備相似之經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務之方法及監管環境之性質方面相似，否則各個重大經營分部不會進行合算。個別非重大之經營分部，如果符合上述大部份標準，則可進行合計。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 2 Accounting judgements and estimates

#### Sources of estimation uncertainty

Notes 25 and 28 contains information about the assumptions and its risk factors relating to valuation of fair value of share options granted and financial instruments. Other significant source of estimation uncertainty are as follows:

#### (i) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives, after taking into account the estimated residual value. The Group reviews annually the useful life of an asset and its residual value, if any. The depreciation expense for future years is adjusted if there are significant changes from previous estimation.

#### (ii) Loss allowance for trade receivables

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

### 2 會計判斷及估計

#### 估計不確定性之來源

附註25及28載列有關已授出購股權及金融工具公平值估值之假設及其風險因素之資料。其他估計不確定性之主要來源載列如下：

#### (i) 折舊

物業、廠房及設備經計及估計剩餘價值後，在估計可使用年期內以直線法折舊。本集團每年檢討資產的可使用年限及剩餘價值（如有）。倘過往估計有重大改變，則調整日後年度的折舊開支。

#### (ii) 交易應收款項虧損撥備

本集團透過評估預期信貸虧損估計交易應收款項的虧損撥備。此需要運用估計及判斷。預期信貸虧損乃根據與本集團的過往信貸虧損經驗，就具體債務人的因素作出之調整及於報告期末對當前及預期整體經濟狀況作出的評估得出。倘估計與初始估計出現差異，有關差異將影響交易應收款項的賬面值，因此，有關估計期間的減值虧損會出現變動。本集團會在預期期限內不斷評估交易應收款項的預期信貸虧損。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 3 Revenue and segment reporting

#### (a) Revenue

The principal activities of the Group are manufacturing and sale of aluminium profiles and property development. Further details regarding the group's principal activities are disclosed in Note 3(b).

#### (i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

#### Revenue from contracts with customers within the scope of IFRS 15

Disaggregated of product lines or service line	國際財務報告準則第15號範圍內之客戶合約收入
– Sale of aluminium profiles	按產品線或服務線劃分之明細 – 銷售鋁型材
– Sale of aluminium panels, aluminium alloy, moulds and spare parts	– 銷售鋁板、鋁合金、模具及零部件
– Sales of completed properties	– 銷售已竣工物業
– Revenue from service contracts	– 服務合約收益

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographic markets is disclosed in Notes 3(b)(i) and 3(b)(iii) respectively.

### 3 收益及分部報告

#### (a) 收益

本集團之主要業務為製造及銷售鋁型材及物業發展。有關本集團主要業務之進一步詳情披露於附註3(b)。

#### (i) 收益明細

年內按主要產品或服務線劃分之客戶合約收入明細如下：

2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
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10,944,177	9,436,257
235,633	169,698
81,599	301,164
19,439	17,398
<b>11,280,848</b>	<b>9,924,517</b>

按收益確認時間及按區域市場劃分之客戶合約收益明細分別於附註3(b)(i)及3(b)(iii)披露。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 3 Revenue and segment reporting (continued)

#### (a) Revenue (continued)

##### (i) Disaggregation of revenue (continued)

The Group's customer base is diversified and does not include any individual customer (2018: Nil) with whom transactions have exceeded 10% of the Group's revenue.

##### (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2019, total amounts of the transaction price under the Group's existing contracts were fully recognised as revenue.

#### (b) Segment reporting

The Group manages its businesses by product lines. In a manner consistent with the way in which the information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following reportable segments.

- Industrial aluminium profiles: this segment manufactures and sells plain aluminium profiles, mainly for industrial usage.
- Construction aluminium profiles: this segment manufactures and sells aluminium profiles with surface finishing, including anodic oxidation aluminium profiles, electrophoresis coating aluminium profiles, powder coating aluminium profiles and PVDF coating aluminium profiles. Construction aluminium profiles are widely used in architecture decoration.

### 3 收益及分部報告 (續)

#### (a) 收益 (續)

##### (i) 收益明細 (續)

本集團客戶基礎多元化，且並不包括交易佔本集團收益超過10%之任何個別客戶（二零一八年：無）。

##### (ii) 於報告日期已存續的客戶合約所產生預期將於日後確認之收益

於二零一九年十二月三十一日，本集團現有合約項下之交易價總額悉數確認為收益。

#### (b) 分部報告

本集團按產品線管理其業務。按與向本集團最高執行管理人員內部呈報資料以進行資源分配及績效評估一致之方式，本集團已呈列下列可報告分部：

- 工業鋁型材：該分部製造及銷售純鋁型材，主要用作工業用途。
- 建築鋁型材：該分部製造及銷售經表面處理鋁型材，包括陽極氧化鋁型材、電泳塗裝鋁型材、粉末噴塗鋁型材及PVDF噴塗鋁型材。建築鋁型材廣泛用於建築裝修。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 3 Revenue and segment reporting (continued)

#### (b) Segment reporting (continued)

- Property development: this segment develops and sells office premises and residential properties.
- All other segments: include the revenue generated from service contracts and sale of aluminium panels, aluminium alloy, moulds and spare parts.

#### (i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. However, other than reporting inter-segment sales of aluminium profiles, assistance provided by one segment to another, including sharing of assets, is not measured.

The measure used for reporting segment profit is gross profit. The Group's senior executive management is provided with segment information concerning segment revenue and profit. Segment assets and liabilities are not reported to the Group's senior executive management regularly.

### 3 收益及分部報告 (續)

#### (b) 分部報告 (續)

- 物業發展：該分部發展及銷售辦公室及住宅物業。
- 所有其他分部：包括服務合約產生之收入及銷售鋁板、鋁合金、模具及零部件。

#### (i) 分部業績、資產及負債

為進行分部績效評估及分部間資源分配，本集團高級執行管理人員按以下基準監察各個可報告分部應佔業績：

收益及開支乃參考該等分部所產生之銷售及該等分部所產生之開支或該等分部應佔資產折舊或攤銷所產生之其他開支分配至可報告分部。然而，除報告分部間鋁型材之銷售外，某一分部向另一分部提供之協助（包括共用資產）並不計算在內。

用於報告分部溢利之計量方式為毛利。本集團高級執行管理人員獲提供有關分部收益及溢利之分部資料。分部資產及負債並無定期向本集團高級執行管理人員報告。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 3 Revenue and segment reporting (continued)

### 3 收益及分部報告 (續)

#### (b) Segment reporting (continued)

#### (b) 分部報告 (續)

##### (i) Segment results, assets and liabilities (continued)

##### (i) 分部業績、資產及負債 (續)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2019 and 2018 is set out below:

就截至二零一九年及二零一八年十二月三十一日止年度之資源分配及分部績效評估而言，向本集團最高執行管理人員提供之有關本集團可報告分部資料載列如下：

	Industrial aluminium profiles 工業鋁型材		Construction aluminium profiles 建築鋁型材		Property development 物業發展		All other segments 所有其他分部		Total 合計	
	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Reportable segment revenue Revenue from external customers	2,210,691	2,215,995	8,733,486	7,220,262	81,599	301,164	255,072	187,096	11,280,848	9,924,517
Reportable segment profit Gross profit	213,787	273,997	1,105,520	858,277	43,501	120,921	127,004	97,577	1,489,812	1,350,772

Note: The Group has initially applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

附註：本集團採用經修訂追溯法首次應用國際財務報告準則第16號。根據此方法，可比較資料並無重列。見附註1(c)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 3 Revenue and segment reporting (continued)

#### (b) Segment reporting (continued)

##### (ii) Reconciliations of reportable segment profit

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Note) (附註)
Reportable segment profit derived from the Group's external customers	來自本集團外界客戶之可報告分部溢利	1,489,812	1,350,772
Other income	其他收益	105,959	54,939
Distribution costs	分銷成本	(293,075)	(278,949)
Administrative expenses	行政開支	(430,313)	(360,422)
Finance costs	財務成本	(151,480)	(164,221)
Share of profit of an associate	分佔一間聯營公司溢利	2,567	5,797
Consolidated profit before taxation	除稅前綜合溢利	723,470	607,916

#### Note:

The Group has initially applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

##### (iii) Geographic information

Analysis of the Group's revenue and results as well as analysis of the Group's carrying amount of segment assets and additions to property, plant and equipment by geographical market has not been presented as over 97% (2018: 97%) of the revenue are generated from the PRC market.

### 3 收益及分部報告 (續)

#### (b) 分部報告 (續)

##### (ii) 可報告分部溢利之對賬

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元 (Note) (附註)
Reportable segment profit derived from the Group's external customers	1,489,812	1,350,772
Other income	105,959	54,939
Distribution costs	(293,075)	(278,949)
Administrative expenses	(430,313)	(360,422)
Finance costs	(151,480)	(164,221)
Share of profit of an associate	2,567	5,797
Consolidated profit before taxation	723,470	607,916

#### 附註：

本集團已採用經修訂追溯法首次應用國際財務報告準則第16號。根據此方法，可比較資料並無重列。見附註1(c)。

##### (iii) 地區資料

並無呈列本集團按地區市場劃分之收益及業績分析以及本集團分部資產賬面值及添置物業、廠房及設備之分析，原因為逾97%（二零一八年：97%）之收益均來自中國市場。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 4 Other income

### 4 其他收益

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interest income	利息收入	42,734	7,813
Government grants (i)	政府補貼(i)		
– Unconditional subsidies	– 無條件補貼	25,788	16,034
– Conditional subsidies (Note 24)	– 有條件補貼 (附註24)	25,354	21,125
Rental income	租金收入	13,429	10,869
Net foreign exchange gain/(loss)	外匯收益／(虧損)淨額	2,150	(528)
Net loss on cash flow hedging instrument from equity (Note 9(b))	來自股本對沖工具 現金流量虧損淨額 (附註9(b))	(696)	–
Loss on disposal of property, plant and equipment	出售物業、廠房 及設備虧損	(2,800)	(374)
		<b>105,959</b>	<b>54,939</b>

(i) Government grants in the form of cash subsidies were received from various PRC government authorities.

– Unconditional subsidies

The entitlements of certain government grants amounting to RMB25,788,000 (2018: RMB16,034,000) were unconditional. The funds were to subsidise the operating expenses of the PRC subsidiaries of the Group during the current year.

– Conditional subsidies

The remaining government grants were conditional government grants and initially recorded as deferred income. The amount of conditional government grants charged to the consolidated statement of profit or loss for the year ended 31 December 2019 was RMB25,354,000 (2018: RMB21,125,000) (Note 24).

(i) 自中國政府各機關獲得現金補貼形式的政府補貼。

– 無條件補貼

金額為人民幣25,788,000元(二零一八年:人民幣16,034,000元)之若干政府補貼配額為無條件。該等資金為年內本集團之中國附屬公司之營運開支提供補貼。

– 有條件補貼

餘下政府補貼為有條件政府補貼，並初始列為遞延收入。於截至二零一九年十二月三十一日止年度之綜合損益表內扣除之有條件政府補貼金額為人民幣25,354,000元(二零一八年:人民幣21,125,000元)(附註24)。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

#### 5 Profit before taxation

Profit before taxation is arrived at after charging/  
(crediting):

##### (a) Finance costs:

#### 5 除稅前溢利

除稅前溢利乃扣除／(計入)以下各項後  
得出：

##### (a) 財務成本：

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		RMB'000 人民幣千元	RMB'000 人民幣千元
Interest expenses on bank loans (Note 19(c))	銀行貸款之利息開支 (附註19(c))	131,743	142,580
Interest expenses on discounted bills (Note 19(c))	已貼現票據之利息開支 (附註19(c))	18,939	21,641
Interest on lease liabilities (Note 19(c))	租賃負債利息 (附註19(c))	716	-
Total interest expense on financial liabilities not at fair value through profit or loss	並非按公平值計入損益 之金融負債利息 開支總額	151,398	164,221
Cash flow hedges instruments reclassified from equity (Note 9(b))	自股本重新分類之 現金流量對沖工具 (附註9(b))	82	-
		<b>151,480</b>	<b>164,221</b>

Note: The Group has initially applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

附註：本集團採用經修訂追溯法首次應用國際財務報告準則第16號。根據此方法，可比較資料並無重列。見附註1(c)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 5 Profit before taxation (continued)

#### (b) Staff costs:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contributions to defined contribution retirement plans	向定額供款退休福利計劃供款	69,776	59,051
Equity-settled share-based payment expenses (Note 25(b))	以股權結算以股份為基礎的付款開支 (附註25(b))	2,325	561
Salaries, wages and other benefits	薪金、工資及其他福利	765,532	653,518
		<b>837,633</b>	<b>713,130</b>

Pursuant to the relevant labour rules and regulations in the PRC, the PRC subsidiaries participate in defined contribution retirement benefit schemes (“Schemes”) organised by the local authority whereby the PRC subsidiaries are required to make contributions to the Schemes based on certain percentages of the eligible employees’ salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees.

Contributions to the Mandatory Provident Fund (“MPF”) are required under the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). The Group and its employees in Hong Kong are required to make monthly mandatory contributions to the MPF scheme at 5% of the employees’ relevant income as defined under the Mandatory Provident Fund Schemes Ordinance. The monthly mandatory contributions from employees and employers are subject to a cap of monthly relevant income of Hong Kong Dollars (“HKD”) 30,000 for the year ended 31 December 2019 (2018: HKD30,000).

The Group has no other material obligations for payments of retirement and other post-retirement benefits of employees other than the contributions described above.

### 5 除稅前溢利 (續)

#### (b) 員工成本：

根據中國相關勞動規則及法規，中國附屬公司參與由地方政府機關組織的定額供款退休福利計劃（「計劃」），據此，中國附屬公司須按合資格僱員薪金的一定百分比向計劃作出供款。地方政府機關負責就全部養老金責任向退休僱員作出供款。

強制性公積金計劃條例（香港法例第485章）規定向強制性公積金（「強積金」）作出供款。本集團及其香港僱員每月須按強制性公積金計劃條例下界定的僱員相關收入的5%向強積金計劃作出強制性供款。截至二零一九年十二月三十一日止年度，僱員及僱主的每月強制性供款以每月相關收入30,000港元（「港元」）（二零一八年：30,000港元）為上限。

除上述供款外，本集團並無就支付僱員退休及其他退休後福利承擔其他重大責任。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 5 Profit before taxation (continued)

#### (c) Other items:

### 5 除稅前溢利 (續)

#### (c) 其他項目：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Depreciation charge	折舊開支		
– Investment properties (Note 11)	– 投資物業 (附註11)	945	–
– Other property, plant and equipment (Note 11)	– 其他物業、廠房及設備 (附註11)	323,018	281,663
– Right-of-use assets*(Note 12)	– 使用權資產* (附註12)	12,334	–
Amortisation of lease prepayments* (Note 13)	預付租金攤銷* (附註13)	–	8,766
Research and development costs (ii)	研發成本(ii)	490,223	425,295
Impairment losses on trade receivables (Note 28(a))	交易應收款項之減值虧損 (附註28(a))	48,296	17,261
Impairment (gain)/losses on other receivables	其他應收款項之減值 (收益)/虧損	(1,121)	1,544
Auditors' remuneration	核數師酬金		
– audit services	– 審核服務	1,355	1,355
– other services	– 其他服務	760	760
Cost of inventories (i)/(Note 16(a))	存貨成本(i) (附註16(a))	9,791,036	8,573,745
Total minimum lease payments for leases previously classified as operating leases under IAS 17 *(i)	先前根據國際會計準則第17號分類為經營租賃之租賃最低租賃付款總額*(i)	–	2,972

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 5 Profit before taxation (continued)

#### (c) Other items: (continued)

- \* The Group has initially applied IFRS 16 using the modified retrospective approach 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 IAS 17. After initial recognition of right-of-use assets at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See Note 1(c).
- (i) Cost of inventories for the year ended 31 December 2019 included RMB800,668,000 (2018: RMB698,725,000) relating to depreciation, lease expenses and staff costs, which amount is also included in the respective total amounts disclosed separately above or in Note 5(b) for each of these types of expenses.
- (ii) Research and development costs for the year ended 31 December 2019 included RMB111,854,000 (2018: RMB91,836,000) relating to staff costs of employees which amount is also included in total staff costs as disclosed in Note 5(b).

### 5 除稅前溢利 (續)

#### (c) 其他項目：(續)

- \* 本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃之租賃相關使用權資產。於二零一九年一月一日初始確認使用權資產後，本集團（作為承租人）須確認使用權資產的折舊，而非先前以直線法確認租期內經營租賃產生之租金開支之政策。根據該方法，比較資料不予重列。見附註1(c)。
- (i) 截至二零一九年十二月三十一日止年度，存貨成本包括與折舊、租金開支及員工成本有關之人民幣800,668,000元（二零一八年：人民幣698,725,000元），該金額亦已計入上文或附註5(b)分開披露的各類開支總額。
- (ii) 截至二零一九年十二月三十一日止年度之研發成本包括與僱員之員工成本有關之人民幣111,854,000元（二零一八年：人民幣91,836,000元），該金額亦已計入附註5(b)披露之員工成本總額。

**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註***(Expressed in Renminbi unless otherwise indicated)*  
(除另有指明外，數額以人民幣列示)**6 Income tax in the consolidated statement of profit or loss****(a) Taxation in the consolidated statement of profit or loss represents:**

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Current tax</b>	<b>即期稅項</b>		
Provision for PRC corporate income tax ("CIT")	中國企業所得稅 (「企業所得稅」)撥備	111,018	82,723
Provision for and Hong Kong Profits Tax	香港利得稅撥備	-	471
Provision for PRC land appreciation tax ("LAT")	中國土地增值稅 (「土地增值稅」)撥備	4,842	18,066
		<b>115,860</b>	101,260
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences (Note 26(b))	臨時差額產生及撥回 (附註26(b))	5,004	12,678
		<b>120,864</b>	113,938

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) The provision for Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year ended 31 December 2019 (2018: 16.5%), except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

**6 於綜合損益表內之所得稅****(a) 於綜合損益表內之稅項為：**

- (i) 根據開曼群島及英屬處女群島 (「英屬處女群島」) 規則及規例，本集團毋須繳納開曼群島及英屬處女群島之任何所得稅。
- (ii) 香港利得稅撥備乃按截至二零一九年十二月三十一日止年度之估計應課稅溢利以16.5% (二零一八年：16.5%) 稅率計算，惟本集團一間身為利得稅兩級制合資格企業之附屬公司除外。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 6 Income tax in the consolidated statement of profit or loss (continued)

#### (a) Taxation in the consolidated statement of profit or loss represents: (continued)

##### (ii) (continued)

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2018.

The provision for Hong Kong Profits Tax for 2019 is taken into account a reduction granted by the Hong Kong SAR Government of 75% of the tax payable for the year of assessment 2018-19 subject to a maximum reduction of HK\$20,000 for each business (2018: a maximum reduction of HK\$30,000 was granted for the year of assessment 2017-18 and was taken into account in calculating the provision for 2018).

- (iii) Pursuant to the income tax rules and regulations of the PRC, the PRC subsidiaries of the Group are liable to PRC corporate income tax at a rate of 25% for 2019 (2018: 25%) except for Guangdong Xingfa Aluminium Co., Ltd. (“Guangdong Xingfa”), Xingfa Aluminium (Chengdu) Co., Ltd. (“Chengdu Xingfa”), Guangdong Xingfa Aluminium (Henan) Co., Ltd. (“Xingfa Henan”) and Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. (“Xingfa Jiangxi”) which were certified as “Advanced and New Technology Enterprises” (“ANTE”) and entitled to the preferential income tax rate of 15% for 2019 (2018: 15%).

### 6 於綜合損益表內之所得稅 (續)

#### (a) 於綜合損益表內之稅項為：(續)

##### (ii) (續)

就此附屬公司而言，首2百萬港元應課稅溢利以8.25%的稅率徵稅，而餘下應課稅溢利以16.5%的稅率徵稅。此附屬公司之香港利得稅撥備乃按與二零一八年相同的基準計算。

二零一九年香港利得稅撥備乃經計及香港特別行政區政府就二零一八年至二零一九年度應評稅應付稅款授出的75%扣減額（各項業務最高扣減額為20,000港元）（二零一八年：二零一七年至二零一八年度就應評稅授出最高扣減額30,000港元，且於計算二零一八年撥備時已計及此扣減額）。

- (iii) 根據中國所得稅規則及規例，本集團之中國附屬公司於二零一九年須按25%（二零一八年：25%）之稅率繳納中國企業所得稅，惟廣東興發鋁業有限公司（「廣東興發」）、興發鋁業（成都）有限公司（「成都興發」）、廣東興發鋁業（河南）有限公司（「興發河南」）及廣東興發鋁業（江西）有限公司（「興發江西」）具備「高新技術企業」（「高新技術企業」）之資格並於二零一九年享有15%（二零一八年：15%）之優惠所得稅稅率。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 6 Income tax in the consolidated statement of profit or loss (continued)

#### (a) Taxation in the consolidated statement of profit or loss represents: (continued)

- (iv) Pursuant to the new tax law in the PRC, from 1 January 2008, non-resident enterprises without an establishment or place of business in the PRC or which have an establishment or place of business in the PRC but whose relevant income is not effectively connected with the establishment or a place of business in the PRC, will be subject to withholding tax at the rate of 10% (unless reduced by tax treaty) on various types of passive income such as dividends derived from sources within the PRC. Pursuant to the Sino-Hong Kong Double Tax Arrangement and the related regulations, a qualified Hong Kong tax resident will be liable for a reduced withholding tax rate of 5% on dividends from a PRC enterprise if the Hong Kong tax resident is the “beneficial owner” and holds 25% or more of the equity interest of the PRC enterprise. As Guangdong Xingfa is held by a Hong Kong incorporated subsidiary, a rate of 5% is applicable to the calculation of this withholding tax.

At 31 December 2019, deferred tax liabilities of RMB11,609,000 (2018: RMB4,421,000) (Note 26(b)(i)) have been provided for in this regard based on the expected dividends to be distributed from Guangdong Xingfa in the foreseeable future in respect of the profits generated since 1 January 2008.

### 6 於綜合損益表內之所得稅 (續)

#### (a) 於綜合損益表內之稅項為：(續)

- (iv) 根據中國新稅法，由二零零八年一月一日起，在中國境內未設立機構、場所，或者雖在中國境內設立機構、場所但取得之有關收入與其在中國境內所設機構、場所沒有實際聯繫之非居民企業，將須就多種被動收入（如源於中國境內之股息）按10%稅率（除非按稅收協定減免）繳納預提稅。根據內地與香港訂立的《雙重徵稅安排》及相關法規，倘一名合資格香港稅務居民為「實益擁有人」並持有中國企業25%或以上的股權，則該香港稅務居民須就其來自中國企業的股息按優惠稅率5%繳納預提稅。由於廣東興發由一間於香港註冊成立之附屬公司持有，故計算此預提稅適用之稅率為5%。

於二零一九年十二月三十一日，以廣東興發在可預見將來就自二零零八年一月一日起所產生利潤將會派發的預期股息為基礎，已就人民幣11,609,000元（二零一八年：人民幣4,421,000元）之遞延稅項負債作出撥備（附註26(b)(i)）。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 6 Income tax in the consolidated statement of profit or loss (continued)

#### (a) Taxation in the consolidated statement of profit or loss represents: (continued)

- (v) During the year of 2019, Guangdong Xingfa, Xingfa Henan and Xingfa Jiangxi obtained approval from local tax authorities to claim super deduction on research and development expenses. As such, the income tax for 2019 was reduced by RMB11,843,000 (2018: RMB8,755,000). Such additional tax deduction on research and development expenses equals 75% (2018: 50%) of the amount actually incurred.
- (vi) LAT is levied on properties developed in the PRC by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing costs and relevant property development expenditures.

### 6 於綜合損益表內之所得稅 (續)

#### (a) 於綜合損益表內之稅項為：(續)

- (v) 於二零一九年，廣東興發、興發河南及興發江西已就申請加計扣除研發開支獲得當地稅務局批准。因此，二零一九年之所得稅減少人民幣11,843,000元（二零一八年：人民幣8,755,000元）。有關對研發開支之額外扣稅相等於實際產生金額之75%（二零一八年：50%）。
- (vi) 土地增值稅乃本集團出售的中國已開發物業就地價增值按土地增值稅累進稅率30%至60%徵收，根據適用法規計算，地價增值即物業銷售所得款項減去可扣減支出（包括土地使用權租賃費用、借貸成本及相關物業發展開支）。



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### 6 Income tax in the consolidated statement of profit or loss (continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

### 6 於綜合損益表內之所得稅 (續)

(b) 按適用稅率計算之稅項開支與會計溢利對賬：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	723,470	607,916
Less: LAT	減：土地增值稅	4,842	18,066
Profit before CIT and Hong Kong Profits Tax	除企業所得稅及香港利得稅前溢利	718,628	589,850
Notional tax on profit before taxation, calculated at the rates applicable to the jurisdiction concerned	按相關司法權區適用稅率計算之除稅前溢利之名義稅項	184,666	152,731
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	860	783
Tax effect of share of profit of an associate	分佔一間聯營公司溢利之稅務影響	(385)	(870)
Effect of tax concessions	稅務優惠之影響	(68,464)	(51,823)
Super deduction on research and development expenses in respect of 2018 (Note 6(a)(v))	二零一八年之研發開支加計扣除 (附註6(a)(v))	(11,843)	(8,755)
Effect of withholding on undistributed profits retained by PRC subsidiaries (Note 26)	預扣中國附屬公司未分配保留溢利的影響 (附註26)	11,188	3,806
CIT and Hong Kong Profits Tax	企業所得稅及香港利得稅	116,022	95,872
LAT	土地增值稅	4,842	18,066
Income tax expense	所得稅開支	120,864	113,938

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### 7 Directors' emoluments

Directors' emoluments disclosed pursuant to section 383(1) of Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

### 7 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之董事酬金如下：

		Fees	Salary, allowance and benefits in kind 薪金、津貼及實物利益	Contribution to retirement benefit plan 退休福利計劃供款	Bonus paid 已付花紅	Sub-Total 小計	Share-based payments 以股份為基礎的付款 (Note) (附註)	2019 Total 二零一九年總計
		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
<b>Executive directors</b>	<b>執行董事</b>							
Mr. LIU Libin	劉立斌先生	460	453	23	1,415	2,351	127	2,478
Mr. LIAO Yuqing	廖玉慶先生	636	265	-	1,700	2,601	-	2,601
Mr. LAW Yung Koon	羅用冠先生	423	-	16	1,163	1,602	-	1,602
Mr. WANG Zhihua	王志華先生	416	99	16	2,081	2,612	107	2,719
Ms. ZHANG Li	張莉女士	216	527	29	250	1,022	107	1,129
Mr. LUO Jianfeng	羅建峰先生	424	-	-	-	424	-	424
<b>Non-executive directors</b>	<b>非執行董事</b>							
Ms XIE Jingyun	謝景雲女士	-	-	-	-	-	-	-
Mr ZUO Manlun	左滿倫先生	318	-	-	-	318	-	318
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>							
Mr. CHEN Mo	陳默先生	150	-	-	-	150	-	150
Mr. HO Kwan Yiu	何君堯先生	150	-	-	-	150	-	150
Mr. LAM Ying Hung, Andy	林英鴻先生	180	-	-	-	180	-	180
Mr. LIANG Shibin	梁世斌先生	150	96	-	-	246	-	246
<b>Total</b>	<b>總計</b>	<b>3,523</b>	<b>1,440</b>	<b>84</b>	<b>6,609</b>	<b>11,656</b>	<b>341</b>	<b>11,997</b>

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### 7 Directors' emoluments (continued)

### 7 董事酬金 (續)

		Fees	Salary, allowance and benefits in kind	Contribution to retirement benefit plan	Bonus paid	Sub-Total	Share-based payments 以股份為 基礎的付款 (Note) (附註)	2018 Total 二零一八年 總計
		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
<b>Executive directors</b>	<b>執行董事</b>							
Mr. LIU Libin	劉立斌先生	720	220	23	1,389	2,352	31	2,383
Mr. LUO Su (resigned on 16 April 2018)	羅蘇先生 (於二零一八年 四月十六日辭任)	188	208	-	1,250	1,646	-	1,646
Mr. LUO Riming (resigned on 16 April 2018)	羅日明先生 (於二零一八年 四月十六日辭任)	158	199	-	1,250	1,607	-	1,607
Mr. LIAO Yuqing	廖玉慶先生	636	277	-	1,389	2,302	-	2,302
Mr. LAW Yung Koon	羅用冠先生	523	-	15	952	1,490	-	1,490
Mr. WANG Zhihua	王志華先生	416	93	16	1,111	1,636	26	1,662
Mr. DAI Feng (resigned on 10 May 2018)	戴鋒先生 (於二零一八年 五月十日辭任)	116	87	8	1,111	1,322	-	1,322
Ms. ZHANG Li (appointed on 10 May 2018)	張莉女士 (於二零一八年 五月十日獲委任)	349	157	19	-	525	26	551
Mr. LUO Jianfeng (appointed on 16 April 2018)	羅建峰先生 (於二零一八年 四月十六日獲委任)	291	-	-	-	291	-	291
<b>Non-executive directors</b>	<b>非執行董事</b>							
Mr. LU Chaoying (resigned on 6 December 2018)	陸超英先生 (於二零一八年 十二月六日辭任)	-	-	-	-	-	-	-
Ms. XIE Jingyun (appointed on 6 December 2018)	謝景雲女士 (於二零一八年 十二月六日獲委任)	-	-	-	-	-	-	-
Mr. ZUO Manlun (appointed on 16 April 2018)	左滿倫先生 (於二零一八年 四月十六日獲委任)	218	-	-	-	218	-	218
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>							
Mr. CHEN Mo	陳默先生	150	-	-	-	150	-	150
Mr. HO Kwan Yiu	何君堯先生	150	-	-	-	150	-	150
Mr. LAM Ying Hung, Andy	林英鴻先生	180	-	-	-	180	-	180
Mr. LIANG Shibin	梁世斌先生	150	99	-	-	249	-	249
<b>Alternate director to Mr. Liu Libin</b>	<b>劉立斌先生之 替任董事</b>							
Mr. WONG Siu Ki*	黃兆麒先生*	-	-	-	-	-	-	-
<b>Total</b>	<b>總計</b>	<b>4,245</b>	<b>1,340</b>	<b>81</b>	<b>8,452</b>	<b>14,118</b>	<b>83</b>	<b>14,201</b>

\* Mr. WONG Siu Ki passed away on 7 March 2018 and there was no replacement to alternate director to Mr. Liu Libin.

\* 黃兆麒先生於二零一八年三月七日逝世及並無劉立斌先生之替任董事的替任人選。

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### 7 Directors' emoluments (continued)

*Note:* These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in Note 1(r)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the Report of Directors and Note 25.

### 8 Individuals with highest emoluments

Of the five Individuals with the highest emoluments, three (2018: three) of them are directors whose emoluments are disclosed in Note 7. The aggregate of the emoluments in respect of the other two (2018: two) individuals are as follows:

### 7 董事酬金 (續)

*附註：* 該等金額指根據本公司購股權計劃授予董事的購股權的估計價值。該等購股權的價值根據附註1(r)(ii)所載本集團有關股份付款交易的會計政策計量，而根據有關政策，該金額包括過往年度在所授出權益工具於歸屬前被沒收的情況下所累計的儲備金額。

該等實物利益的詳情，包括已授出購股權的主要條款及數目，已於董事會報告內「購股權計劃」一段及附註25中披露。

### 8 最高薪酬人士

五名最高薪酬人士中，三名（二零一八年：三名）為董事，彼等之酬金於附註7披露。其他兩名（二零一八年：兩名）最高薪酬人士的酬金總額如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Fees	袍金	-	273
Salary, allowance and benefits in kind	薪金、津貼及實物利益	828	769
Contribution to retirement benefit plan	退休福利計劃供款	32	39
Bonus paid	已付花紅	3,239	2,862
Share-based payments	以股份為基礎的付款	157	56
		<b>4,256</b>	<b>3,999</b>

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#### 8 Individuals with highest emoluments

(continued)

The emoluments of the two (2018: two) individuals with the highest emoluments are within the following bands:

		2019 二零一九年 Number of individuals 人數	2018 二零一八年 Number of Individuals 人數
HK\$1,000,000 – HK\$2,000,000	1,000,000港元至 2,000,000港元	1	1
HK\$2,000,001 – HK\$3,000,000	2,000,001港元至 3,000,000港元	1	1

#### 8 最高薪酬人士 (續)

兩名(二零一八年:兩名)最高薪人士的酬金介乎下列範圍:

#### 9 Other comprehensive income

(a) Tax effects relating to each component of other comprehensive income

#### 9 其他全面收益

(a) 有關其他全面收益各組成部分之稅務影響

		2019 二零一九年 Tax			2018 二零一八年 Tax		
		Before-tax amount	(expense)/ benefit	Net-of-tax amount	Before-tax amount	(expense)/ benefit	Net-of-tax amount
		除稅前 金額	(開支) / 利益	除稅後 金額	除稅前 金額	(開支) / 利益	除稅後 金額
		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
Exchange differences on translation of: – financial statements of overseas subsidiaries	換算以下項目之匯兌差額: – 海外附屬公司之財務報表	(742)	–	(742)	3,042	–	3,042
Cash flow hedge: net movement in hedging reserve	現金流量對沖: 對沖儲備變動淨額	(2)	–	(2)	–	–	–
Other comprehensive income	其他全面收益	(744)	–	(744)	3,042	–	3,042

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### 9 Other comprehensive income (continued)

### 9 其他全面收益 (續)

#### (b) Components of other comprehensive income, including reclassification adjustments

#### (b) 其他全面收益之組成部分，包括重新分類調整

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Cash flow hedges:</b>	<b>現金流量對沖：</b>		
Effective portion of changes in fair value of hedging instruments recognised during the period (Note 20)	於期內確認的對沖工具的公平值變動的 有效部分 (附註20)	(780)	-
Reclassification adjustments for amounts transferred to profit or loss:	轉撥至損益金額的 重新分類調整：		
- finance costs (Note 5(a))	- 融資成本 (附註5(a))	82	-
- foreign exchange loss (Note 4)	- 外匯虧損 (附註4)	696	-
Net deferred tax credited to other comprehensive income	計入其他全面收益的 遞延稅項淨額	-	-
Net movement in the hedging reserve during the period recognised in other comprehensive income	於其他全面收益確認 之期內對沖儲備 之變動淨額	(2)	-



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#### 10 Earnings per share

##### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB606,109,000 (2018: RMB495,230,000) and the weighted average number of 418,000,000 ordinary shares (2018: 418,000,000 ordinary shares) in issue during the year.

##### (b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB606,109,000 (2018: RMB495,230,000) and the weighted average number of ordinary shares of 418,176,000 shares (2018: 418,000,000), calculated as follows:

##### (i) Profit attributable to ordinary equity shareholders of the Company (diluted)

#### 10 每股盈利

##### (a) 每股基本盈利

每股基本盈利乃根據本公司普通股權益股東應佔溢利人民幣606,109,000元(二零一八年:人民幣495,230,000元)及年內已發行普通股加權平均數418,000,000股(二零一八年:418,000,000股普通股)計算。

##### (b) 每股攤薄盈利

每股攤薄盈利乃根據本公司普通股權益股東應佔溢利人民幣606,109,000元(二零一八年:人民幣495,230,000元)及普通股加權平均數418,176,000股(二零一八年:418,000,000股)計算如下:

##### (i) 本公司普通股權益股東應佔溢利(攤薄)

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit attributable to ordinary equity shareholders (diluted) 普通股權益股東應佔溢利(攤薄)	<b>606,109</b>	495,230

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(Expressed in Renminbi unless otherwise indicated)  
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### 10 Earnings per share (continued)

#### (b) Diluted earnings per share (continued)

##### (ii) Weighted average number of ordinary shares (diluted)

		2019 二零一九年 '000 千元	2018 二零一八年 '000 千元
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	418,000	418,000
Effect of deemed issue of shares under the Company's share option scheme for nil consideration (Note 25)	視作根據本公司之購股權計劃無償發行股份之影響 (附註25)	176	-
Weighted average number of ordinary shares (diluted) at 31 December	於十二月三十一日之普通股加權平均數 (攤薄)	418,176	418,000

For the year ended 31 December 2018, the effect of the Company's Share Option Scheme was anti-dilutive.

截至二零一八年十二月三十一日止年度，本公司購股權計劃之影響為反攤薄。

### 10 每股盈利 (續)

#### (b) 每股攤薄盈利 (續)

##### (ii) 普通股加權平均數 (攤薄)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 11 Investment property and other property, plant and equipment

#### 11 投資物業及其他物業、廠房及設備

##### (a) Reconciliation of carrying amount

##### (a) 賬面值之對賬

		Buildings and plants	Machinery	Motor Vehicles	Office equipment and others	Construction in progress	Subtotal	Investment properties	Total
		樓宇及廠房	機器	汽車	辦公室設備及其他	在建工程	小計	投資物業	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Cost:</b>	<b>成本:</b>								
At 1 January 2018	於二零一八年一月一日	1,049,085	1,757,205	24,957	158,002	108,898	3,098,147	-	3,098,147
Additions	添置	20	257,767	2,113	14,962	98,365	373,227	-	373,227
Transfer from construction in progress	轉撥自在建工程	38,759	21,978	32	476	(61,245)	-	-	-
Disposal	出售	-	(5,708)	(2,321)	(323)	-	(8,352)	-	(8,352)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	1,087,864	2,031,242	24,781	173,117	146,018	3,463,022	-	3,463,022
Additions	添置	5,261	287,949	4,117	15,701	307,965	620,993	-	620,993
Transfer from construction in progress	轉撥自在建工程	117,057	132,074	587	732	(250,450)	-	-	-
Transfer from other property, plant and equipment	轉撥自其他物業、廠房及設備	(59,281)	-	-	-	-	(59,281)	59,281	-
Transfer from right-of-use assets	轉撥自使用權資產	-	-	-	-	-	-	22,780	22,780
Disposal	出售	(113)	(26,182)	(163)	(1,571)	-	(28,029)	-	(28,029)
At 31 December 2019	於二零一九年十二月三十一日	1,150,788	2,425,083	29,322	187,979	203,533	3,996,705	82,061	4,078,766
<b>Accumulated depreciation:</b>	<b>累計折舊:</b>								
At 1 January 2018	於二零一八年一月一日	(165,781)	(919,708)	(18,588)	(131,301)	-	(1,235,378)	-	(1,235,378)
Charge for the year	年度支出	(33,633)	(237,420)	(1,613)	(8,997)	-	(281,663)	-	(281,663)
Written back on disposals	出售時撥回	-	3,818	2,123	263	-	6,204	-	6,204
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	(199,414)	(1,153,310)	(18,078)	(140,035)	-	(1,510,837)	-	(1,510,837)
Transfer from other property, plant and equipment	轉撥自其他物業、廠房及設備	5,060	-	-	-	-	5,060	(5,060)	-
Transfer from right-of-use assets	轉撥自使用權資產	-	-	-	-	-	-	(4,362)	(4,362)
Charge for the year	年度支出	(34,362)	(278,214)	(2,079)	(8,363)	-	(323,018)	(945)	(323,963)
Written back on disposals	出售時撥回	27	19,247	153	1,336	-	20,763	-	20,763
At 31 December 2019	於二零一九年十二月三十一日	(228,689)	(1,412,277)	(20,004)	(147,062)	-	(1,808,032)	(10,367)	(1,818,399)
<b>Net book value:</b>	<b>賬面淨值:</b>								
At 31 December 2019	於二零一九年十二月三十一日	922,099	1,012,806	9,318	40,917	203,533	2,188,673	71,694	2,260,367
At 31 December 2018	於二零一八年十二月三十一日	888,450	877,932	6,703	33,082	146,018	1,952,185	-	1,952,185

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 11 Investment property and other property, plant and equipment (continued)

#### (a) Reconciliation of carrying amount (continued)

- (i) All properties owned by the Group are located in the PRC.
- (ii) Up to the date of this report, the Group is in the process of applying for the title certificates of certain properties with carrying value of approximately RMB40,425,000 as at 31 December 2019 (2018: RMB97,474,000). The directors of the Company are of the opinion that the use of and the conduct of operating activities at the properties referred to above are not affected by the fact that the Group has not yet obtained the relevant property title certificates.
- (iii) Certain plants with net book value of RMB602,309,000 (2018: RMB241,684,000) were pledged as securities for bank loans of the Group as at 31 December 2019 (Note 22).

### 11 投資物業及其他物業、廠房及設備 (續)

#### (a) 賬面值之對賬 (續)

- (i) 本集團擁有的全部物業均位於中國。
- (ii) 截至本報告日期，本集團正在為於二零一九年十二月三十一日之賬面值約為人民幣40,425,000元（二零一八年：人民幣97,474,000元）之若干物業申請辦理業權證。本公司董事認為，使用上述物業及在上述物業從事經營活動並不會因本集團尚未取得相關物業業權證書而受到影響。
- (iii) 於二零一九年十二月三十一日，賬面淨值為人民幣602,309,000元（二零一八年：人民幣241,684,000元）之若干廠房已抵押作為本集團銀行貸款之擔保（附註22）。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 11 Investment property and other property, plant and equipment (continued)

#### (b) Investment property

The Group leases out owned properties under operating leases and began to treat these properties as investment properties since 1 July 2019 because the Group decided to hold these properties in the long-term for capital appreciation or rental income. The leases typically run for an initial period of 1 to 3 years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually increased every year to reflect market rentals. None of the leases includes variable lease payments.

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

Within 1 year 1年內

Investment properties of the Group were stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment losses. Fair value of these investment properties was RMB131 million as at 31 December 2019. The valuations of fair value were carried out by an independent firm of surveyors, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, who have staff with recent experience in the location and category of property being valued.

### 11 投資物業及其他物業、廠房及設備 (續)

#### (b) 投資物業

本集團根據經營租賃出租所擁有物業並自二零一九年七月一日起開始將該等物業視為投資物業，原因為本集團決定為長期資本增值或取得租金收入而持有該等物業。租賃一般初步為期1至3年，並有權選擇續訂，屆時所有條款均會重新磋商。租賃付款通常會每年增加，以反映市場租金水平。各項租賃均不包含可變租賃付款。

本集團將於未來期間根據於報告日期訂立的不可解除經營租賃應收的未貼現租賃付款如下：

2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
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1,889

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本集團的投資物業乃於綜合財務狀況表按成本減累計折舊及減值虧損呈列。該等投資物業於二零一九年十二月三十一日的公平值為人民幣131,000,000元。公平值估值乃由仲量聯行企業評估及諮詢有限公司進行，其僱員均於估值物業所在地區及所屬類別擁有新近經驗。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 12 Right-of-use assets

### 12 使用權資產

		Land use rights 土地 使用權 (Note (i)) (附註(i)) RMB'000 人民幣千元	Other right-of-use assets 其他使用 權資產 (Note (ii)) (附註(ii)) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>			
At 1 January 2019	於二零一九年 一月一日	439,671	9,164	448,835
Additions	添置	-	15,094	15,094
Transfer to investment property	轉撥至投資物業	(22,780)	-	(22,780)
At 31 December 2019	於二零一九年 十二月三十一日	416,891	24,258	441,149
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>			
At 1 January 2019	於二零一九年 一月一日	(74,557)	-	(74,557)
Charge for the year	本年度支出	(8,578)	(3,756)	(12,334)
Transfer to investment property	轉撥至投資物業	4,362	-	4,362
At 31 December 2019	於二零一九年十二月 三十一日	(78,773)	(3,756)	(82,529)
<b>Carrying amount:</b>	<b>賬面值：</b>			
At 31 December 2019	於二零一九年 十二月三十一日	338,118	20,502	358,620
At 1 January 2019 (Note 1(c))	於二零一九年 一月一日 (附註1(c))	365,114	9,164	374,278



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 12 Right-of-use assets (continued)

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

### 12 使用權資產 (續)

按相關資產類別分析使用權資產賬面淨值如下：

		31 December 2019 二零一九年 十二月 三十一日	1 January 2019 二零一九年 一月一日 (Note) (附註)
	Notes 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Included in "Right-of-use assets":	計入「使用權資產」：		
Land use rights, carried at depreciated cost	按折舊成本列賬的土地使用權 (i)	338,118	365,114
Other properties leased for own use, carried at depreciated cost	按折舊成本列賬租賃作自用的其他物業 (ii)	20,502	9,164
		<b>358,620</b>	374,278
Included in "Inventory and other contract costs":	計入「存貨及其他合約成本」：		
Land use rights under completed properties for sale	已竣工待售物業的土地使用權	28,538	27,847
Included in "Investment property":	計入「投資物業」：		
Land use rights, carried at depreciated cost	按折舊成本列賬的土地使用權	18,221	-
		<b>405,379</b>	402,125

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 12 Right-of-use assets (continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

### 12 使用權資產 (續)

與於損益確認之租賃有關之開支項目分析如下：

		2019 二零一九年	2018 二零一八年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Depreciation charge of other right-of-use assets by class of underlying asset:	按相關資產類別劃分 的其他使用權資產 折舊開支：		
Plants	廠房	3,756	-
Interest on lease liabilities (Note 5(a))	租賃負債利息 (附註5(a))	716	-
Expense relating to short-term leases and other leases with remaining lease term ending on or before 31 December 2019	與短期租賃及餘下租期 於二零一九年十二月 三十一日或之前結束 之其他租賃有關之 開支	1,445	-
Total minimum lease payments for leases previously classified as operating leases under IAS 17	先前根據國際會計準則 第17號分類為經營 租賃的租賃的最低 租賃付款總額	-	2,972

Note: The Group has initially applied IFRS 16 using the modified retrospective approach 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 IAS 17. The depreciated carrying amount of the Group's land use rights located in the PRC which were previously included in lease prepayments is also identified as a right-of-use asset. After initial recognition of right-of-use assets at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See Note 1(c).

附註：本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃的租賃相關使用權資產。本集團先前計入租賃預付款項位於中國的土地使用權折舊賬面值亦確定為使用權資產。對於二零一九年一月一日的使用權資產進行初始確認後，本集團作為承租人需確認使用權資產折舊，而非按照此前的政策於租賃期內以直線法確認根據經營租賃產生的租金費用。根據此方法，並無重列比較資料。見附註1(c)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 12 Right-of-use assets (continued)

During the year, additions to right-of-use assets were RMB15,094,000. This amount primarily related to the capitalised lease payments payable under new tenancy agreements.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Notes 19(d) and 23, respectively.

The land use rights under right-of-use assets with carrying value of RMB338,118,000 were pledged as securities for bank loans of the Group as at 31 December 2019 (Note 22).

#### (i) Land use rights

The Group holds several industrial buildings for its aluminium business, where its manufacturing facilities are primarily located. The Group is the registered owner of these property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these property interests from their previous registered owners, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable values set by the relevant government authorities. These payments vary from time to time and are payable to the relevant government authorities.

#### (ii) Other properties leased for own use

The Group has obtained the right to use other properties as its plant through tenancy agreements. The leases typically run for an initial period of 3 to 10 years. Lease payments are usually increased every year to reflect market rentals.

### 12 使用權資產 (續)

年內，使用權資產添置為人民幣15,094,000元。該金額主要與新租賃協議項下的資本化應付租賃付款有關。

租賃現金流出總額及租賃負債之到期日分析詳情分別載於附註19(d)及23。

於二零一九年十二月三十一日，賬面值為人民幣338,118,000元的使用權資產項下土地使用權已抵押作為本集團銀行貸款的抵押品（附註22）。

#### (i) 土地使用權

本集團就其鋁業務於其生產設施主要所在地持有若干工業樓宇。本集團為該等物業權益之登記擁有人，包括有關土地之全部或部分未劃分份額。已就向該等物業權益之前登記擁有人收購該等物業權益預付一次性付款，及並無根據土地租賃條款持續作出付款，惟根據有關政府機關設定的應課差餉租值作出的付款除外。該等付款因時而異及應付予有關政府機關。

#### (ii) 其他租賃作自用的物業

本集團透過租賃協議獲得使用其他物業（作為其廠房）的權力。租賃一般初步為期3至10年。租賃付款通常會每年增加，以反映市場租金水平。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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(除另有指明外，數額以人民幣列示)

### 13 Lease prepayments

### 13 預付租金

		<b>Land use rights</b> 土地使用權 (Note) (附註) RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>	
At 1 January 2018	於二零一八年一月一日	439,490
Additions	添置	181
At 31 December 2018	於二零一八年十二月三十一日	439,671
Impact on initial application of IFRS 16 (Note 12)	初步應用國際財務報告準則第16號的影響 (附註12)	(439,671)
At 1 January 2019 and 31 December 2019	於二零一九年一月一日及 二零一九年十二月三十一日	-
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>	
At 1 January 2018	於二零一八年一月一日	(65,791)
Charge for the year	年度支出	(8,766)
At 31 December 2018	於二零一八年十二月三十一日	(74,557)
Impact on initial application of IFRS 16 (Note 12)	初步應用國際財務報告準則第16號的影響 (附註12)	74,557
At 1 January 2019 and 31 December 2019	於二零一九年一月一日及 二零一九年十二月三十一日	-
<b>Carrying amount:</b>	<b>賬面值：</b>	
At 31 December 2019	於二零一九年十二月三十一日	-
At 31 December 2018	於二零一八年十二月三十一日	365,114

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### 13 Lease prepayments (continued)

*Note:* The Group has initially applied IFRS 16 using the modified retrospective approach 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 IAS 17. The depreciated carrying amount of the Group's land use rights located in the PRC which were previously included in lease prepayments is also identified as a right-of-use asset. Under this approach, the comparative information is not restated. See Note 1(c).

- (i) Lease prepayments represent the Group's land use rights located in the PRC. As at 31 December 2018, the remaining period of the land use rights ranges from 35 to 50 years.
- (ii) The lease prepayments with carrying value of RMB247,580,000 were pledged as securities for bank loans of the Group as at 31 December 2018 (Note 22).

### 13 預付租金 (續)

*附註：* 本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃的租賃相關使用權資產。本集團先前計入租賃預付款項位於中國的土地使用權折舊賬面值亦確定為使用權資產。根據此方法，並無重列比較資料。見附註1(c)。

- (i) 預付租金指本集團位於中國之土地使用權。於二零一八年十二月三十一日，土地使用權之餘下年期介乎35至50年。
- (ii) 於二零一八年十二月三十一日，賬面值為人民幣247,580,000元之預付租金已抵押，作為本集團銀行貸款之擔保（附註22）。

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### 14 Investments in subsidiaries

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated:

### 14 於附屬公司之投資

下表僅載有主要影響本集團業績、資產或負債之附屬公司詳情。除另有指明者外，其持有之股份類別為普通股：

Name of companies 公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Authorised/ registered and fully paid-up capital 法定/註冊及 繳足資本	Proportion of ownership interest 擁有權比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 由本公司 持有	Held by a subsidiary 由附屬公司 持有	
China Xingfa (BVI) Limited ("Xingfa BVI")	BVI 2 October 2007	United States Dollars ("USD") 2,000/ USD2,000	100%	100%	-	Investment holding
China Xingfa (BVI) Limited ("Xingfa BVI")	英屬處女群島 二零零七年 十月二日	2,000美元 ("美元")/ 2,000美元				投資控股
Xingfa Aluminium (Hong Kong) Limited ("Xingfa Hong Kong") 興發鋁業(香港)有限公司 ("興發香港")	Hong Kong 14 April 2008 香港 二零零八年 四月十四日	HKD1,000/ HKD1,000 1,000港元/ 1,000港元	100%	-	100%	Sales of aluminium profiles 銷售鋁型材
Guangdong Xingfa Aluminium Co., Ltd 廣東興發鋁業有限公司(i)(ii) ("Guangdong Xingfa") 廣東興發鋁業有限公司(i)(ii) ("廣東興發")	PRC 26 May 2006 中國 二零零六年 五月二十六日	RMB360,040,000/ RMB360,040,000 人民幣 360,040,000元/ 人民幣 360,040,000元	100%	-	100%	Manufacturing and sales of aluminium profiles 生產及銷售鋁型材
Xingfa Aluminium (Chengdu) Co., Ltd. 興發鋁業(成都)有限公司(i)(iii) ("Xingfa Chengdu") 興發鋁業(成都)有限公司(i)(iii) ("興發成都")	PRC 7 July 2009 中國 二零零九年 七月七日	RMB130,000,000/ RMB130,000,000 人民幣 130,000,000元/ 人民幣 130,000,000元	100%	-	100%	Manufacturing and sales of aluminium profiles 生產及銷售鋁型材
Guangdong Xingfa Aluminium (Jiangxi) Co., Ltd. 廣東興發鋁業(江西)有限公司(i)(iii) ("Xingfa Jiangxi") 廣東興發鋁業(江西)有限公司(i)(iii) ("興發江西")	PRC 14 August 2009 中國 二零零九年 八月十四日	RMB100,000,000/ RMB100,000,000 人民幣 100,000,000元/ 人民幣 100,000,000元	100%	-	100%	Manufacturing and sales of aluminium profiles 生產及銷售鋁型材



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### 綜合財務報表附註

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#### 14 Investments in subsidiaries (continued)

#### 14 於附屬公司之投資 (續)

Name of companies 公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Authorised/ registered and fully paid-up capital 法定/註冊及 繳足資本	Proportion of ownership interest 擁有權比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 由本公司 持有	Held by a subsidiary 由附屬公司 持有	
Guangdong Xingfa Aluminium (Henan) Co., Ltd. 廣東興發鋁業(河南)有限公司(i)(iii) ("Xingfa Henan") 廣東興發鋁業(河南)有限公司(i)(iii) (「興發河南」)	PRC 10 May 2010 中國 二零一零年 五月十日	RMB100,000,000/ RMB100,000,000 人民幣 100,000,000元/ 人民幣 100,000,000元	100%	-	100%	Manufacturing and sales of aluminium profiles 生產及銷售鋁型材
Foshan Xingfa Real Estate Co., Ltd. 佛山市興發房地產開發有限公司(i)(iii) ("Xingfa Real Estate") 佛山市興發房地產開發有限公司(i)(iii) (「興發房地產」)	PRC 5 June 2013 中國 二零一三年 六月五日	RMB8,000,000/ RMB8,000,000 人民幣 8,000,000元/ 人民幣 8,000,000元	100%	-	100%	Development, sale and management of properties 物業開發、銷售 及管理
Foshan Xingfa Trading Co., Ltd. 佛山市興發商貿有限公司(i)(iii) ("Xingfa Trading") 佛山市興發商貿有限公司(i)(iii) (「興發商貿」)	PRC 3 December 2014 中國 二零一四年 十二月三日	RMB10,000,000/ RMB10,000,000 人民幣 10,000,000元/ 人民幣 10,000,000元	100%	-	100%	Trading of aluminium profiles 鋁型材貿易
Guangdong Xingfa Precision Manufacturing Co., Ltd. 廣東興發精密製造有限公司(i)(iii) ("Xingfa Precision") 廣東興發精密製造有限公司(i)(iii) (「興發精密」)	PRC 26 September 2017 中國 二零一七年 九月二十六日	RMB200,000,000/ RMB119,036,000 人民幣 200,000,000元/ 人民幣 119,036,000元	100%	-	100%	Manufacturing and sales of precision products 生產及銷售精密產品
Guangdong Xingfa Aoke Architecture Technology Co., Ltd. 廣東興發奧科建築科技有限公司(i)(iii) ("Xingfa Aoke") 廣東興發奧科建築科技有限公司(i)(iii) (「興發奧科」)	PRC 20 July 2018 中國 二零一八年 七月二十日	RMB20,000,000/ RMB15,500,000 人民幣 20,000,000元/ 人民幣 15,500,000元	51%	-	51%	Manufacturing and sales of architecture products 生產及銷售建築產品

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### 14 Investments in subsidiaries (continued)

### 14 於附屬公司之投資 (續)

Name of companies 公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Authorised/ registered and fully paid-up capital 法定/註冊及 繳足資本	Proportion of ownership interest 擁有權比例			Principal activities 主要業務
			Group's effective interest 本集團 實際權益	Held by the Company 由本公司 持有	Held by a subsidiary 由附屬公司 持有	
Guangdong Xingfa Environment Technology Co., Ltd. 廣東興發環境科技有限公司 (i)(iii) ("Xingfa Environment") 廣東興發環境科技有限公司(i)(iii) ([興發環境])	PRC 30 August 2018 中國 二零一八年 八月三十日	RMB12,000,000/ RMB2,500,000 人民幣 2,500,000元	100%	-	100%	Manufacturing and sales of environment protection products 生產及銷售環保產品

(i) These entities are all PRC limited liability companies. The English translation of the company names are for reference only. The official names of these companies are in Chinese.

(i) 該等實體均為中國有限公司。該等公司名稱之英文翻譯僅供參考。該等公司之正式名稱為中文名稱。

(ii) The subsidiary is a wholly foreign owned enterprise.

(ii) 該附屬公司為外商獨資企業。

(iii) The subsidiaries are companies with limited liability.

(iii) 該等附屬公司為有限責任公司。

### 15 Interest in an associate

### 15 於聯營公司之權益

Details of the Group's interest in the associate, which is accounted for using the equity method in the consolidated financial statements, are as follows:

本集團於聯營公司的權益(於綜合財務報表使用權益法入賬)詳情如下:

Name of associate 聯營公司名稱	Form of business structure 業務架構形式	Place of incorporation and business 註冊成立及業務地點	Particulars of issued and paid-up capital 已發行及 繳足資本詳情	Proportion of ownership interest 擁有權比例		Principal activities 主要業務
				Group's effective interest 本集團 實際權益	Held by a subsidiary 由附屬公司 持有	
Jiangxi Province Jingxing Aluminium Panel Manufacturing Co., Ltd. ("Jiangxi Jingxing") ("江西省景興鋁板製造 有限公司") (i) 江西省景興鋁板製造有限公司 ("江西景興") (i)	Limited liability company 有限公司	People's Republic of China 中華人民共和國	Registered capital of RMB5,000,000 註冊資本 人民幣5,000,000元	80% (ii)	80% (ii)	Manufacturing and sales of aluminium panels 生產及銷售鋁板

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### 15 Interest in an associate (continued)

- (i) The English translation of the company name is for reference only. The official name of the company is in Chinese.
- (ii) 20% of Jiangxi Jingxing's paid-up capital was contributed by 廣州景興建築科技有限公司 (in English for identification only, Guangzhou Jingxing Construction Technology Co., Ltd.) ("Guangzhou Jingxing"). The Group has entered into the contractual arrangement with Guangzhou Jingxing. According to the agreement, Guangzhou Jingxing has control over Jiangxi Jingxing. Hence, the Group considered that Jiangxi Jingxing is an associate of the Group.

Jiangxi Jingxing, the only associate in which the Group participates, is an unlisted corporate entity whose quoted market price is not available.

During 2019, the amount of the Group's share of profit from this associate and the realised profit from transactions with this associate are RMB2,567,000 (2018: RMB5,797,000) and RMB1,939,000 (2018: unrealised profit of RMB1,108,000), respectively.

### 15 於聯營公司之權益 (續)

- (i) 公司名稱之英文翻譯僅供參考。該公司之正式名稱為中文名稱。
- (ii) 江西景興之20%繳足股本由廣州景興建築科技有限公司(「廣州景興」)出資。本集團已與廣州景興訂立合約安排，根據協議，廣州景興對江西景興擁有控制權，因此本集團將江西景興視為本集團之聯營公司。

江西景興是本集團唯一參與的聯營公司，為非上市企業實體，其並無市場報價。

於二零一九年，本集團應佔該聯營公司的溢利及與該聯營公司的交易產生之未變現溢利金額分別為人民幣2,567,000元(二零一八年：人民幣5,797,000元)及人民幣1,939,000元(二零一八年：未變現溢利人民幣1,108,000元)。

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### 16 Inventories and other contract costs

### 16 存貨及其他合約成本

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Inventories</b>	<b>存貨</b>		
Aluminium profiles manufacturing	鋁型材製造		
– Raw materials	– 原材料	312,721	260,446
– Work in progress	– 在製品	110,018	471,823
– Finished goods	– 製成品	461,193	134,086
		<b>883,932</b>	866,355
Property development	物業發展		
– Land use rights	– 土地使用權	28,538	27,847
– Deed tax	– 契稅	2,866	3,273
– Construction costs	– 建築成本	219,039	242,706
		<b>250,443</b>	273,826
<b>Other contract costs</b>	<b>其他合約成本</b>	–	3,863
		<b>1,134,375</b>	1,144,044

(a) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

(a) 確認為開支及計入損益之存貨金額分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Carrying amount of inventories sold	已售存貨賬面值	9,791,036	8,573,745

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### 16 Inventories and other contract costs

(continued)

#### (a) (continued)

No property under development is expected to be recovered after more than one year (2018: Nil). All of the other inventories are expected to be recovered within one year.

#### (b) Contract costs

Contract costs capitalised as at 31 December 2019 relate to the incremental sales commissions paid to property agents whose selling activities resulted in customers entering into sale and purchase agreements for the Group's properties which are still under construction at the reporting date. Contract costs are recognised as part of "distribution costs" in the consolidated statement of profit or loss in the period in which revenue from the related property sales is recognised. No capitalised cost was recognised in profit or loss during the year (2018: RMB12,911,000). There was no impairment in relation to the opening balance of capitalised costs or the costs capitalised during the year.

The Group applies the practical expedient in paragraph 94 of IFRS 15 and recognises the incremental costs of obtaining contracts relating to the sale of completed properties and services as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is within the same reporting period as the date of entering into the contract.

No capitalised contract costs that is expected to be recovered after more than one year.

### 16 存貨及其他合約成本 (續)

#### (a) (續)

預期於一年以後可收回之發展中物業金額為零(二零一八年:無)。所有其他存貨預期可於一年內收回。

#### (b) 合約成本

於二零一九年十二月三十一日資本化合約成本與支付予銷售活動導致客戶於報告日期就本集團在建物業訂立買賣協議的物業代理的增量銷售佣金有關。合約成本在確認相關物業銷售收入期間於綜合損益表中確認為「分銷成本」的一部分。本年度內並無於損益確認資本化成本金額(二零一八年:人民幣12,911,000元)。資本化成本的期初結餘或年內資本化成本並無減值。

本集團採用國際財務報告準則第15號第94段的可行權宜方法，倘本集團原以其他方式確認的該等資產的攤銷期間落在包括訂立合約日期的相同報告期內，則於產生時將取得與銷售已落成物業的合約及服務有關的增量成本確認為開支。

並無預計於一年後收回的資本化合約成本。

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### 17 Trade and other receivables

### 17 交易及其他應收款項

		2019 二零一九年 <b>RMB'000</b> 人民幣千元	2018 二零一八年 <b>RMB'000</b> 人民幣千元
	Notes 附註		
Trade debtors and bills receivable, net of loss allowance	交易應收款項及應收票據(扣除虧損撥備)	<b>2,824,832</b>	2,620,584
Other debtors, net of loss allowance	其他應收款項(扣除虧損撥備)	<b>79,887</b>	23,314
Financial assets measured at amortised cost	按攤銷成本計量之金融資產	<b>2,904,719</b>	2,643,898
Dividend receivable	應收股息	<b>19,855</b>	-
Deposits and prepayments	按金及預付款項	<b>178,982</b>	148,130
		<b>3,103,556</b>	2,792,028

(i) No trade debtor was pledged as securities for bank loans of the Group as at 31 December 2019 (31 December 2018: RMB57,659,000) (Note 22).

(i) 於二零一九年十二月三十一日，並無交易應收款項已抵押作為本集團銀行貸款的抵押品(二零一八年十二月三十一日：人民幣57,659,000元)(附註22)。

(ii) No bills receivable was pledged as securities for bank loans of the Group as at 31 December 2019 (31 December 2018: RMB192,333,000) (Note 22).

(ii) 於二零一九年十二月三十一日，並無應收票據已抵押作為本集團銀行貸款的抵押品(二零一八年十二月三十一日：人民幣192,333,000元)(附註22)。

(iii) As at 31 December 2019, loss allowance on other debtors is RMB2,294,000 (31 December 2018: RMB3,415,000).

(iii) 於二零一九年十二月三十一日，其他應收款項之虧損撥備為人民幣2,294,000元(二零一八年十二月三十一日：人民幣3,415,000元)。



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### 17 Trade and other receivables (continued)

- (iv) As at 31 December 2019, dividend receivable of RMB19,855,000(31 December 2018: Nil) is due from the associate of the Group, Jiangxi Jingxing.
- (v) The Group's trade and other receivables as at 31 December 2019 included amounts due from related parties of RMB43,792,000 (31 December 2018: RMB134,690,000) (Note 31(b)(i)). The remaining current trade and other receivables are expected to be recovered or recognised as expense within one year.

#### Ageing analysis

As of the end of the reporting period, the aging analysis of trade debtors and bills receivables (which are included in trade and other receivables) based on the invoice date and net of loss allowance, is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 month	一個月內	1,574,144	1,177,207
1 to 3 months	一至三個月	704,279	782,075
3 to 6 months	三至六個月	393,040	524,965
Over 6 months	超過六個月	153,369	136,337
		<b>2,824,832</b>	<b>2,620,584</b>

Trade debtors and bills receivable are due within 30 days to 180 days from the date of billing. Further details on the Group's credit policy and credit risk arising from trade debtors and bills receivable are set out in Note 28(a).

### 17 交易及其他應收款項 (續)

- (iv) 於二零一九年十二月三十一日，應收本集團聯營公司江西省景興鋁模板制造有限公司的股息為人民幣19,855,000元(二零一八年十二月三十一日：無)。
- (v) 本集團於二零一九年十二月三十一日的交易及其他應收款項包括應收關連方款項人民幣43,792,000元(二零一八年十二月三十一日：人民幣134,690,000元)(附註31(b)(i))。餘下當期之交易及其他應收款項預期於一年內收回或確認為開支。

#### 賬齡分析

於報告期末，按發票日期計算並扣除虧損撥備之交易應收款項及應收票據(其乃計入交易及其他應收款項)之賬齡分析如下：

交易應收款項及應收票據於開票日期後30日至180日內到期。有關本集團信貸政策及交易應收款項及應收票據產生的信貸風險的進一步詳情載於附註28(a)。

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### 18 Pledged deposits

Pledged deposits mainly represented bank deposits pledged to bank as securities for certain banking facilities, bills payable, and other deposits, required by the local laws and regulations (Note 22).

### 19 Cash and cash equivalents and other cash flow information

(a) Cash and cash equivalents comprise:

### 18 已抵押存款

已抵押存款主要指已抵押予銀行作為若干銀行信貸、應付票據之擔保之銀行存款，及當地法例及法規規定的其他存款（附註22）。

### 19 現金及現金等價物及其他現金流量資料

(a) 現金及現金等價物包括：

		2019 二零一九年 <i>RMB'000</i> 人民幣千元	2018 二零一八年 <i>RMB'000</i> 人民幣千元
Cash at bank and on hand	銀行及手頭現金	528,003	448,787

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#### 19 Cash and cash equivalents and other cash flow information (continued)

##### (b) Reconciliation of profit before taxation to cash generated from operations:

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Profit before taxation	除稅前溢利		723,470	607,916
Adjustments for:	經下列各項調整：			
Depreciation	折舊	5(c)	336,297	281,663
Amortisation of lease prepayments	攤銷預付租金	5(c)	-	8,766
Impairment losses on trade and other receivables	交易及其他應收款項減值虧損	5(c)	47,175	18,805
Equity-settled share-based payment expenses	以股權結算以股份為基礎的付款開支	5(b)	2,325	561
Finance costs	財務成本	5(a)	151,480	164,221
Interest income	利息收入	4	(42,734)	(7,813)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	4	2,800	374
Share of profit of an associate	應佔一間聯營公司溢利	15	(2,567)	(5,797)
Unrealised profit from transactions with an associate	來自與一間聯營公司交易的未變現溢利	15	(1,939)	1,108
Net foreign exchange loss	外匯虧損淨額		(1,188)	2,384
Changes in working capital:	營運資金之變動：			
Change in inventories and other contract costs	存貨及其他合約成本之變動		9,669	134,688
Change in trade and other receivables	交易及其他應收款項之變動		(338,848)	(685,351)
Change in trade and other payables	交易及其他應付款項之變動		234,409	986,166
Change in contract liabilities	合約負債之變動		(54,221)	(168,513)
Change in deferred income	遞延收入之變動		(8,536)	(14,709)
<b>Cash generated from operations</b>	<b>業務產生之現金</b>		<b>1,057,592</b>	<b>1,324,469</b>

#### 19 現金及現金等價物及其他現金流量資料 (續)

##### (b) 除稅前溢利與業務所得現金之對賬：

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### 19 Cash and cash equivalents and other cash flow information (continued)

#### (b) Reconciliation of profit before taxation to cash generated from operations: (continued)

*Note:* The Group has initially applied IFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets and lease liabilities relating to leases which were previously classified as operating leases under IAS 17. Previously, cash payments under operating leases made by the Group as a lessee of RMB2,972,000 were classified as operating activities in the consolidated cash flow statement. Under IFRS 16, except for short-term lease payments, payments for leases of low value assets and variable lease payments not included in the measurement of lease liabilities, all other rentals paid on leases are now split into capital element and interest element (see Note 19(c)) and classified as financing cash outflows. Under the modified retrospective approach, the comparative information is not restated. Further details on the impact of the transition to IFRS 16 are set out in Note 1(c).

### 19 現金及現金等價物及其他現金流量資料 (續)

#### (b) 除稅前溢利與業務所得現金之對賬：(續)

*附註：* 本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃的租賃相關使用權資產及租賃負債。本集團作為承租人作出的經營租賃現金付款人民幣2,972,000元先前於綜合現金流量表內分類為經營活動。根據國際財務報告準則第16號，除未計入計量租賃負債的短期租賃付款、租賃低價值資產付款及可變租賃付款外，所有其他就租賃已付租金現時分類為本金部分及利息部分（見附註19(c)）及分類為融資現金流出。根據經修訂追溯法，並無重列比較資料。有關過渡至國際財務報告準則第16號的影響的進一步詳情載於附註1(c)。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

#### 19 Cash and cash equivalents and other cash flow information (continued) 19 現金及現金等價物及其他現金流量資料 (續)

##### (c) Reconciliation of liabilities arising from financing activities

##### (c) 融資活動產生的負債之對賬

		Loans and borrowings	Interest payable	Lease liabilities	Interest rate swaps held to hedge borrowings (liabilities)	Total
		貸款及借貸	應付利息	租賃負債	所持利率掉期以對沖借貸(負債)	總計
		Note 22 附註22	Note 20 附註20	Note 23 附註23	Note 28(e)(i) 附註28(e)(i)	
		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
At 31 December 2018	於二零一八年十二月三十一日	1,845,727	12,709	-	-	1,858,436
Impact on initial application of IFRS 16 (Note 2)	初始應用國際財務報告準則第16號之影響 (附註2)	-	-	9,164	-	9,164
At 1 January 2019	於二零一九年一月一日	1,845,727	12,709	9,164	-	1,867,600
<b>Changes from financing cash flows:</b>	<b>融資現金流量之變動:</b>					
Proceeds of new bank loans	新銀行貸款之所得款項	2,437,078	-	-	-	2,437,078
Repayments of bank loans	償還銀行貸款	(2,583,697)	-	-	-	(2,583,697)
Capital element of lease rentals paid	已付租賃租金之本金部分	-	-	(3,430)	-	(3,430)
Interest element of lease rentals paid	已付租賃租金之利息部分	-	-	(716)	-	(716)
Finance costs paid	已付財務成本	-	(161,264)	-	-	(161,264)
Total changes from financing cash flows	融資現金流量之變動總值	(146,619)	(161,264)	(4,146)	-	(312,029)
Exchange adjustments	匯兌之調整	(696)	-	-	-	(696)
Changes in fair value	公平值變動	-	-	-	698	698
<b>Other changes:</b>	<b>其他變動:</b>					
Increase in lease liabilities from entering into new leases during this period	本期間訂立新租賃產生之租賃負債增加	-	-	15,094	-	15,094
Interest expenses (Note 5(a))	利息開支 (附註5(a))	-	150,764	716	-	151,480
At 31 December 2019	於二零一九年十二月三十一日	1,698,412	2,209	20,828	698	1,722,147

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 19 Cash and cash equivalents and other cash flow information (continued)

### 19 現金及現金等價物及其他現金流量資料 (續)

#### (c) Reconciliation of liabilities arising from financing activities (continued)

#### (c) 融資活動產生的負債之對賬 (續)

Note: The Group has initially applied IFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under IAS 17. See Notes 1(c) and 19(b).

附註：本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃的租賃相關租賃負債。見附註1(c)及19(b)。

		Loans and borrowings 貸款及借貸 Note 22 附註22 RMB'000 人民幣千元	Interest payable 應付利息 Note 20 附註20 RMB'000 人民幣千元	Lease liabilities 租賃負債 Note 23 附註23 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	2,482,699	12,093	-	2,494,792
<b>Changes from financing cash flows:</b>	<b>融資現金流量之變動：</b>				
Proceeds of new bank loans	新銀行貸款之所得款項	2,180,600	-	-	2,180,600
Repayments of bank loans	償還銀行貸款	(2,817,572)	-	-	(2,817,572)
Finance costs paid	已付財務成本	-	(163,605)	-	(163,605)
Total changes from financing cash flows	融資現金流量之變動總值	(636,972)	(163,605)	-	(800,577)
Other changes:	其他變動：				
Interest on bank loans (Note 5(a))	銀行貸款利息 (附註5(a))	-	164,221	-	164,221
At 31 December 2018	於二零一八年十二月三十一日	1,845,727	12,709	-	1,858,436



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 19 Cash and cash equivalents and other cash flow information (continued)

#### (d) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		<b>RMB'000</b> 人民幣千元	<b>RMB'000</b> 人民幣千元
Within operating cash flows	屬於經營現金流量	1,445	2,972
Within financing cash flows	屬於融資現金流量	4,146	-
		<b>5,591</b>	<b>2,972</b>

Note: As explained in the note to Note 19(b), the adoption of IFRS 16 introduces a change in classification of cash flows of certain rentals paid on leases. The comparative amounts have not been restated.

These amounts relate to the following:

		2019 二零一九年	2018 二零一八年
		<b>RMB'000</b> 人民幣千元	<b>RMB'000</b> 人民幣千元
Lease rentals paid	已付租金	5,591	2,972

### 19 現金及現金等價物及其他現金流量資料 (續)

#### (d) 租賃現金流出總額

租賃計入現金流量表的金額包括以下：

	2019 二零一九年	2018 二零一八年 (Note) (附註)
	<b>RMB'000</b> 人民幣千元	<b>RMB'000</b> 人民幣千元
Within operating cash flows	1,445	2,972
Within financing cash flows	4,146	-
	<b>5,591</b>	<b>2,972</b>

附註：誠如附註19(b)所闡釋，採納國際財務報告準則第16號導致若干租賃已付租金的現金流量分類出現變動。比較金額並無重列。

該等金額與以下各項有關：

	2019 二零一九年	2018 二零一八年
	<b>RMB'000</b> 人民幣千元	<b>RMB'000</b> 人民幣千元
Lease rentals paid	5,591	2,972

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 20 Trade and other payables

### 20 交易及其他應付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade payables	交易應付款項	814,775	664,605
Bills payable	應付票據	1,284,032	1,247,422
Accrued payroll and benefits	應計工資及福利	219,521	186,842
Other payables and accruals	其他應付款項及 應計費用	392,202	316,794
Interest payable (Note 19(c))	應付利息 (附註19(c))	2,209	12,709
Deferred income (Note 24)	遞延收入 (附註24)	25,349	23,102
Financial liabilities measured at amortised cost (a)	按攤銷成本計量之 金融負債(a)	2,738,088	2,451,474
Derivative financial instrument: – held as cash flow hedging instruments (b)	衍生金融工具： – 持作現金流 對沖工具(b)	698	–
		<b>2,738,786</b>	<b>2,451,474</b>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 20 Trade and other payables (continued)

#### (a) Financial liabilities measured at amortised cost

All of the trade and other payables, apart from those mentioned in Note 21, are expected to be settled or recognised as income within one year or are repayable on demand.

As of the end of the reporting period, the aging analysis of trade payables and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

Within 1 month	一個月內
1 to 3 months	一至三個月
3 to 6 months	三至六個月
Over 6 months	超過六個月

#### (b) Derivative financial instrument

As at 31 December 2019, there was a cross-currency interest rate swap contract being entered into with HSBC Bank (China) Company Limited to hedge against the interest rate risk and foreign currency risk in respect of short-term loan of US\$7,500,000. The cross-currency interest rate swap contract will mature on 31 August 2020. Details of the fair value of the derivative financial instrument is set out in Note 28(e)(i).

### 20 交易及其他應付款項 (續)

#### (a) 按攤銷成本計量之金融負債

所有交易及其他應付款項(除附註21所述者外)預期將於一年內償付或確認為收入或應要求償還。

於報告期末，按發票日期計算之交易應付款項及應付票據(其乃計入交易及其他應付款項)之賬齡分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 1 month	一個月內	715,231	771,715
1 to 3 months	一至三個月	384,420	470,252
3 to 6 months	三至六個月	583,421	517,031
Over 6 months	超過六個月	415,735	153,029
		<b>2,098,807</b>	<b>1,912,027</b>

#### (b) 衍生金融工具

於二零一九年十二月三十一日，本公司與匯豐銀行(中國)有限公司就對沖有關短期貸款7,500,000美元之利率風險及外幣風險訂立交叉貨幣掉期利率合約。交叉貨幣掉期利率合約將於二零二零年八月三十一日到期。衍生金融工具之公平值詳情載於附註28(e)(i)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 20 Trade and other payables (continued)

The following table provides a reconciliation of the hedging reserve in respect of interest rate risk and foreign currency risk and shows the effectiveness of the hedging relationships:

### 20 交易及其他應付款項 (續)

下表載列利率風險及外幣風險的對沖儲備對賬，並列示對沖關係的有效性

		2019 二零一九年 RMB'000 人民幣千元
Balance at 1 January	於一月一日之結餘	-
Effective portion of the cash flow hedge recognised in other comprehensive income	於其他全面收益確認之現金流量對沖之有效部分	(780)
Amounts reclassified to profit or loss (Note (i))	重新分類至損益之款項 (附註(i))	778
Balance at 31 December (Note (ii))	於十二月三十一日之結餘 (附註(ii))	(2)
Change in fair value of the forward exchange contracts during the year	年內遠期外匯合約之公平值變動	(780)
Effective portion of the cash flow hedge recognised in other comprehensive income (Note 9(b))	於其他全面收益確認之現金流量對沖之有效部分 (附註9(b))	(780)

Notes:

- (i) Amounts reclassified to profit or loss are recognised in the "Other income" and "Finance costs" line item in the consolidated statement of profit or loss (see Notes 4 and 5(a)).
- (ii) The entire balance in the hedging reserve relates to continuing hedges.

附註：

- (i) 重新分類至損益之款項於綜合損益表內「其他收益」及「財務成本」細目內確認 (見附註4及5(a))。
- (ii) 對沖儲備內之所有結餘與持續對沖有關。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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#### 21 Contract liabilities

#### 21 合約負債

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Aluminium profiles	鋁型材		
– Billings in advance of performance	– 履約預付款項	163,923	194,439
Property development	物業發展		
– Forward sales deposits and instalments received	– 已收遠期銷售按金及分期付款	104	23,809
		<b>164,027</b>	<b>218,248</b>

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

– Property development

The Group offer customers a discount compared to the listed sales price, provided that the customers agree to pay the balance of the consideration early while construction is still ongoing, rather than on legal assignment. Such advance payment schemes result in contract liabilities being recognised throughout the remaining property construction period for the full amount of the contract price. In addition, the contract liability will be increased by the amount of interest expense being accrued by the Group to reflect the effect of any financing benefit obtained from the customers during the period between the payment date and the completion date of legal assignment. As this accrual increases the amount of the contract liability during the period of construction, it therefore increases the amount of revenue recognised when control of the completed property is transferred to the customer.

對已確認合約負債金額構成影響的一般支付條款如下：

– 物業發展

若客戶同意於在建期間而不是法定轉讓完成日提前支付代價的餘額，本集團可就銷售價單向客戶提供折扣。該預先付款計劃導致於剩餘物業建設期確認有關合約價格全款的合約負債。此外，本集團產生之應計利息開支金額將增加合約負債以反映本集團於付款日期至法定轉讓完成日期間從客戶取得的任何融資利益的影響。該應計項目增加了建造期間的合約負債金額，因而增加於竣工物業的控制權轉移予客戶時確認的收入。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 21 Contract liabilities (continued)

### 21 合約負債 (續)

#### Movements in contract liabilities

#### 合約負債變動

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at 1 January	於一月一日之結餘	218,248	386,761
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	因確認年內收入 (計入期初合約負債) 而產生之合約負債減少	(218,248)	(385,301)
Increase in contract liabilities as a result of billing in advance of manufacturing activities	因製造活動預付款項而導致的合約負債增加	163,923	194,316
Increase in contract liabilities as a result of receiving forward sales instalments during the year in respect of properties not delivered as at the year end	就並無於年末交付之物業收取遠期銷售分期付款而導致合約負債增加	104	22,472
Balance at 31 December	於十二月三十一日之結餘	164,027	218,248

No billings in advance of performance and forward sales instalments is received expected to be recognised as income after more than one year (2018: Nil).

並無收取之履約預付款項及遠期銷售分期付款預期於一年後確認為收入 (二零一八年：無)。



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### 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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#### 22 Loans and borrowings

At 31 December 2019, loans and borrowings were repayable as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within one year	一年內	1,284,005	1,467,523
After 1 year but within 2 years	一年後但兩年內	349,200	286,659
After 2 years but within 5 years	兩年後但五年內	15,150	91,545
After 5 years	五年後	50,057	-
		414,407	378,204
		1,698,412	1,845,727

At 31 December 2019, all loans and borrowings were secured, and were secured by the following assets of the Group.

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 (Note) (附註) RMB'000 人民幣千元
Carrying value of assets:	資產賬面值：		
Other property, plant and equipment (Note 11)	其他物業、廠房及設備 (附註11)	602,309	241,684
Right-of-use assets (Note 12)	使用權資產 (附註12)	338,118	-
Lease prepayments (Note 13)	預付租金 (附註13)	-	247,580
Bills receivable (Note 17)	應收票據 (附註17)	-	192,333
Trade debtors (Note 17)	交易應收款項 (附註17)	-	57,659
Pledged deposits	已抵押存款	8,402	8,571
Total	總計	948,829	747,827

#### 22 貸款及借貸

於二零一九年十二月三十一日，貸款及借貸應於下列日期償還：

於二零一九年十二月三十一日，所有貸款及借貸乃已予抵押，及由本集團以下資產作出抵押。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 22 Loans and borrowings (continued)

*Note:* The Group has initially applied IFRS 16 using the modified retrospective approach. Under this approach, the comparative information is not restated. See Note 1(c).

As at 31 December 2019, banking facilities of the Group totaling RMB7,690,366,000 (31 December 2018: RMB6,151,800,000) were utilised to the extent of RMB2,599,084,000 (31 December 2018: RMB2,472,939,000).

As at 31 December 2019, certain bank loans of the Group, amounted to RMB339,000 (31 December 2018: RMB643,000), are subject to the fulfilment of covenants relating to certain of the subsidiaries' balance sheet ratios, which are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down loans would become repayable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in Note 28(b). As at 31 December 2019, none of the covenants relating to drawn down loans had been breached (2018: Nil).

### 22 貸款及借貸 (續)

*附註：* 本集團已採用經修訂追溯法初始應用國際財務報告準則第16號。根據此方法，比較資料並未重列。參閱附註1(c)。

於二零一九年十二月三十一日，於本集團合共人民幣7,690,366,000元（二零一八年十二月三十一日：人民幣6,151,800,000元）之銀行信貸中，人民幣2,599,084,000元（二零一八年十二月三十一日：人民幣2,472,939,000元）經已動用。

於二零一九年十二月三十一日，本集團若干銀行貸款人民幣339,000元（二零一八年十二月三十一日：人民幣643,000元）須待達成有關附屬公司若干資產負債表比率之契約（常見於與金融機構訂立之貸款安排）後方可作實。倘本集團違反該等契約，已提取之貸款須於要求時償還。本集團定期監察其是否遵守該等契約。有關本集團對流動資金風險之管理之進一步詳情載於附註28(b)。於二零一九年十二月三十一日，並無違反任何有關已提取貸款之契約（二零一八年：無）。

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### 綜合財務報表附註

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#### 23 Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current and previous reporting periods and at the date of transition to IFRS 16:

		31 December 2019 二零一九年十二月三十一日		1 January 2019 (Note) 二零一九年一月一日 (附註)	
		Present value of the minimum lease payments 最低租賃 付款的現值 RMB'000 人民幣千元		Present value of the minimum lease payments 最低租賃 付款的現值 RMB'000 人民幣千元	
		Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元	Total minimum lease payments 最低租賃 付款總額 RMB'000 人民幣千元
Within 1 year	一年內	6,907	7,082	1,250	1,285
After 1 year but within 2 years	一年後但兩年內	9,599	10,526	1,268	1,367
After 2 years but within 5 years	兩年後但五年內	2,329	3,008	3,600	4,285
After 5 years	五年後	1,993	2,657	3,046	4,162
		13,921	16,191	7,914	9,814
		20,828	23,273	9,164	11,099
Less: total future interest expenses	減：未來利息開支總額		(2,445)		(1,935)
Present value of lease liabilities	租賃負債現值		20,828		9,164

**Note:** The Group has initially applied IFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under IAS 17. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to IFRS 16 are set out in Note 1(c).

#### 23 租賃負債

下表列示本集團於當前及先前報告期末及過渡至國際財務報告準則第16號當日的租賃負債之剩餘合約到期日：

**附註：**本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃的租賃相關租賃負債。並無重列於二零一八年十二月三十一日的比較資料。有關過渡至國際財務報告準則第16號的影響的進一步詳情載於附註1(c)。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 24 Deferred income

The movements in deferred income as stated under current and non-current liabilities are as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	54,085	68,794
Received during the year	於年內取得	16,818	6,416
Recognised in profit or loss (Note 4)	於損益內確認 (附註4)	(25,354)	(21,125)
At 31 December	於十二月三十一日	45,549	54,085
Less: current portion included in trade and other payables (Note 20)	減：列入交易及其他應付款項之流動部份 (附註20)	(25,349)	(23,102)
		<b>20,200</b>	<b>30,983</b>

Deferred income represents government grants obtained for the purposes of subsidising the Group's operation costs and sponsoring the costs of acquisition of fixed assets incurred by the Group. Government grants received are initially recognised in the consolidated statement of financial position as deferred income.

Government grants received to subsidise the operation costs are amortised through profit or loss on a systematic basis in the same periods in which the related costs of operation are incurred.

Government grants received for sponsoring costs of acquisition of fixed assets are recognised in profit or loss over the useful life of the asset.

### 24 遞延收入

列入流動及非流動負債項下之遞延收入之變動如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	54,085	68,794
Received during the year	於年內取得	16,818	6,416
Recognised in profit or loss (Note 4)	於損益內確認 (附註4)	(25,354)	(21,125)
At 31 December	於十二月三十一日	45,549	54,085
Less: current portion included in trade and other payables (Note 20)	減：列入交易及其他應付款項之流動部份 (附註20)	(25,349)	(23,102)
		<b>20,200</b>	<b>30,983</b>

遞延收入指就補貼本集團之營運成本及資助本集團收購固定資產所產生之成本而取得之政府補助金。所取得之政府補助金初步於綜合財務狀況表內確認為遞延收入。

就補貼經營成本而取得之政府補助金於相關經營成本產生之相同期間按系統性基準透過損益攤銷。

就收購固定資產所產生之資助成本而取得之政府補助金按資產使用年期於損益內確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

#### 25 Equity settled share-based transactions

The Company granted share options pursuant to a share option scheme on 15 October 2018. Pursuant to the share option scheme, the directors of the Company are authorised, at their discretion, to grant share options to employees of the Group, including directors of any company in the Group and other eligible participants, to subscribe for shares of the Company. The options granted will vest after two years to four years from the date of grant and are then exercisable on or before 14 October 2023. Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

(a) **Details of the options granted on 15 October 2018 are as follows:**

	Number of underlying shares 相關股份之數目	Vesting conditions 歸屬條件	Contractual life of options 購股權合約年期
Options granted to directors: 於以下日期授予董事之購股權：			
- on 15 October 2018 - 二零一八年十月十五日	204,334	2 years from the date of grant 自授出日期後兩年	5 years 五年
- on 15 October 2018 - 二零一八年十月十五日	204,333	3 years from the date of grant 自授出日期後三年	5 years 五年
- on 15 October 2018 - 二零一八年十月十五日	204,333	4 years from the date of grant 自授出日期後四年	5 years 五年
Options granted to employees: 於以下日期授予僱員之購股權：			
- on 15 October 2018 - 二零一八年十月十五日	1,189,000	2 years from the date of grant 自授出日期後兩年	5 years 五年
- on 15 October 2018 - 二零一八年十月十五日	1,189,000	3 years from the date of grant 自授出日期後三年	5 years 五年
- on 15 October 2018 - 二零一八年十月十五日	1,189,000	4 years from the date of grant 自授出日期後四年	5 years 五年
Total share options granted 已授出購股權總數	4,180,000		

#### 25 以股權結算以股份為基礎的交易

本公司於二零一八年十月十五日根據一項購股權計劃授出購股權。根據購股權計劃，本公司董事獲授權酌情向本集團僱員（包括本集團任何成員公司董事及其他合資格參與者）授出購股權以認購本公司股份。獲授購股權將自授出日期後兩至四年內歸屬及隨後於二零二三年十月十四日或之前可予行使。各份購股權賦予持有人權利認購本公司一股普通股及以股份總數結算。

(a) **於二零一八年十月十五日授出之購股權詳情如下：**

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 25 Equity settled share-based transactions (continued)

#### (a) Details of the options granted on 15 October 2018 are as follows: (continued)

The exercise of the options granted on 15 October 2018 is conditional upon (i) the fulfilment of certain requirements on the Company as set out in the respective offer letters, including, among others, Guangdong Xingfa Aluminium Co., Ltd. and its subsidiaries having achieved the financial performance target, the auditor expressing no disclaimer or adverse opinion in the annual financial report of the Group, there being no relevant institutions, supervisory boards or audit departments for state-owned assets investors raising major objections to the annual financial report of the Group and there being no significant breaches by the Company or punishment of the Company by relevant government authorities; and (ii) the fulfilment of certain requirements on the grantee as set out in the respective offer letters, including, among others, there being no serious dereliction of duty by the grantee, there being no breach of any rules or regulations or constitution of the Company by the grantee, there being no corruption or other violations and misconducts by the grantee which caused damage to the Company and there being no situations where the grantee fails to perform his/her duties up to the required standard or fails to pass the assessments of the Group.

### 25 以股權結算以股份為基礎的交易 (續)

#### (a) 於二零一八年十月十五日授出之購股權詳情如下：(續)

於二零一八年十月十五日授出之購股權須於以下各項獲達成後，方可行使：(i)履行各要約函件所載對本公司之若干規定，其中包括廣東興發鋁業有限公司及其附屬公司已達到財務業績目標；核數師並無就本集團之年度財務報告表示無法表示意見或發表否定意見；並無國有資產出資人的相關機構、監事會或審計部門對本集團之年度財務報告提出重大異議；以及本公司概無發生重大違規行為或受到相關政府機構處罰；及(ii)履行各要約函件所載對承授人之若干規定，其中包括承授人並無嚴重失職；承授人並無違反任何規則或規例或本公司的章程；承授人並無貪污或其他違規行為及不當行為而對本公司造成損失；以及概無發生承授人無法勝任其職責或未能通過本集團之評估之情況。



**Notes to the Consolidated Financial Statements**  
**綜合財務報表附註***(Expressed in Renminbi unless otherwise indicated)*  
(除另有指明外，數額以人民幣列示)**25 Equity settled share-based transactions**  
*(continued)***(b) The number and weighted average exercise prices of share options are as follows:**

		2019 二零一九年		2018 二零一八年	
		Weighted average exercise price 加權平均行使價	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均行使價	Number of options 購股權數目 '000 千份
Outstanding at the beginning of the year	年初尚未行使	HKD5.46 5.46港元	4,180	-	-
Granted during the year	年內已授出	-	-	HKD5.46 5.46港元	4,180
Outstanding at the end of the year	年末尚未行使	HKD5.46 5.46港元	4,180	HKD5.46 5.46港元	4,180
Exercisable at the end of the year	年末可行使	-	-	-	-

No share option was lapsed, cancelled or exercised during the year.

The options outstanding at 31 December 2019 had an exercise price of HKD5.46 (2018: HKD5.46) and a weighted average remaining contractual life of 3.79 years (2018: 4.79 years).

The Group recognised share option expenses of RMB2,325,000 during the year ended 31 December 2019 (2018: RMB561,000).

**25 以股權結算以股份為基礎的交易 (續)****(b) 購股權數目及加權平均行使價如下：**

年內，概無購股權失效、註銷或行使。

於二零一九年十二月三十一日，尚未行使購股權之行使價為5.46港元（二零一八年：5.46港元）及加權平均剩餘合約年期為3.79年（二零一八年：4.79年）。

截至二零一九年十二月三十一日止年度，本集團確認購股權開支人民幣2,325,000元（二零一八年：人民幣561,000元）。

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(Expressed in Renminbi unless otherwise indicated)  
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### 25 Equity settled share-based transactions (continued)

#### (c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on a binomial lattice model. The contractual life of the share option is used as an input into this model. Expectations of early exercise are incorporated into the binomial lattice model.

#### *Fair value of share options and assumptions*

Fair value at measurement date (HK\$)	1.32~1.45
Share price (HK\$)	5.27
Exercise price (HK\$)	5.46
Expected volatility	45.10%
Option life	5 years
Expected dividends	2.70%
Risk-free interest rate	2.38%

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

### 25 以股權結算以股份為基礎的交易 (續)

#### (c) 購股權的公平值及假設

就交換所授出購股權收取服務的公平值，乃參考所授出購股權的公平值計量。所授出購股權的公平值估算乃按二項式矩陣模式計量。購股權之合約期限已在此模型作輸入數據。二項式矩陣模式已包括提早行使之預期。

#### *購股權的公平值及假設*

於計量日期的 公平值 (港元)	1.32~1.45
股價 (港元)	5.27
行使價 (港元)	5.46
預期波幅	45.10%
購股權年期	5年
預期股息	2.70%
無風險利率	2.38%

預期波幅乃以按購股權的加權平均剩餘年期計算的歷史波幅為基準，並就按公開所得資料計算的任何預期日後波幅變動作出調整。預期股息乃以歷史股息計算。主觀輸入假設的變化可能對公平值的估計產生重大影響。

購股權乃根據服務條件授出。此條件於計量所收取服務於授出日期的公平值時並無計算在內。購股權授出並無附帶市場條件。

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### 綜合財務報表附註

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#### 26 Income tax in the consolidated statement of financial position

#### 26 於綜合財務狀況表內之所得稅

(a) Current taxation in the consolidated statement of financial position represents:

(a) 於綜合財務狀況表內之即期稅項指：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	52,806	24,469
Transfer from deferred tax liabilities	轉撥自遞延稅項負債	4,000	4,500
Transfer from prepayment for LAT	轉撥自土地增值稅 預付款項	-	(6,938)
Provision for LAT (Note 6(a))	土地增值稅撥備 (附註6(a))	4,842	18,066
Provision for CIT (Note 6(a))	中國所得稅撥備 (附註6(a))	111,018	82,723
Provision Hong Kong Profits Tax (Note 6(a))	香港利得稅撥備 (附註6(a))	-	471
Income tax paid	已付所得稅	(101,826)	(68,620)
LAT paid	已付土地增值稅	(2,192)	(1,865)
At 31 December	於十二月三十一日	68,648	52,806

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 26 Income tax in the consolidated statement of financial position (continued)

### 26 於綜合財務狀況表內之所得稅 (續)

#### (b) Deferred tax assets and liabilities recognised:

#### (b) 已確認遞延稅項資產及負債：

##### (i) Movement of each components of deferred tax assets and liabilities

##### (i) 遞延稅項資產及負債各部份之變動

The components of deferred tax assets/ (liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

年內於綜合財務狀況表確認之遞延稅項資產／(負債)組成部份及變動如下：

Deferred tax assets/(liabilities) arising from	所產生之遞延稅項資產／(負債)	Impairment of non-current financial assets RMB '000 人民幣千元	Temporary differences from right-of-use assets RMB '000 人民幣千元	Temporary differences from pre-sales of properties RMB '000 人民幣千元	Credit loss allowance RMB '000 人民幣千元	Tax loss RMB '000 人民幣千元	Amortisation of capitalised contract costs RMB '000 人民幣千元	Unrealised profit from intra-group transfer of certain land use right 集團內公司間轉讓若干土地使用權產生之未實現溢利 RMB '000 人民幣千元	Government grants in deferred income RMB '000 人民幣千元	Undistributed profit of PRC subsidiaries 中國附屬公司未分配溢利 RMB '000 人民幣千元	Total RMB '000 人民幣千元
At 1 January 2018	於二零一八年一月一日	1,787	-	6,155	6,094	721	(2,241)	23,494	10,319	(5,115)	41,214
Credited/(charged) to profit or loss (Note 6(a))	於損益內計入／(扣除) (附註6(a))	-	-	(6,155)	857	2,722	1,275	(5,365)	(2,206)	(3,806)	(12,678)
Transferred to current tax	轉撥至即期稅項	-	-	-	-	-	-	-	-	4,500	4,500
At 31 December 2018	於二零一八年十二月三十一日	1,787	-	-	6,951	3,443	(966)	18,129	8,113	(4,421)	33,036
At 1 January 2019	於二零一九年一月一日	1,787	-	-	6,951	3,443	(966)	18,129	8,113	(4,421)	33,036
Credited/(charged) to profit or loss (Note 6(a))	於損益內計入／(扣除) (附註6(a))	-	49	-	7,056	2,450	966	(3,981)	(356)	(11,188)	(5,004)
Transferred to current tax	轉撥至即期稅項	-	-	-	-	-	-	-	-	4,000	4,000
At 31 December 2019	於二零一九年十二月三十一日	1,787	49	-	14,007	5,893	-	14,148	7,757	(11,609)	32,032

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### 26 Income tax in the consolidated statement of financial position (continued)

#### (b) Deferred tax assets and liabilities recognised: (continued)

#### (ii) Reconciliation to the consolidated statement of financial position

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net deferred tax assets recognised in the consolidated statement of financial position	43,641	38,423
Net deferred tax liability recognised in the consolidated statement of financial position	(11,609)	(5,387)
	<b>32,032</b>	<b>33,036</b>

#### (c) Deferred tax liabilities not recognised

The Group is subject to 5% withholding tax on dividends receivable from its PRC subsidiaries in respect of their profits generated since 1 January 2008. As at 31 December 2019, deferred tax liabilities in respect of temporary differences relating to such undistributed profits of RMB2,362,516,000 (2018: RMB1,897,097,000) were not recognised as the Company controls the dividend policy of these subsidiaries and it has been determined that those profits will not be distributed in the foreseeable future.

### 26 於綜合財務狀況表內之所得稅 (續)

#### (b) 已確認遞延稅項資產及負債： (續)

#### (ii) 與綜合財務狀況表的對賬

#### (c) 未確認之遞延稅項負債

本集團須就來自其中國附屬公司自二零零八年一月一日起所產生溢利中應收股息繳納5%的扣繳稅。由於本公司控制該等附屬公司的股息政策，並已確定不會於可見未來分派有關溢利，故於二零一九年十二月三十一日，並未就與該等未分派溢利人民幣2,362,516,000元（二零一八年：人民幣1,897,097,000元）有關的暫時差額確認遞延稅項負債。

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### 27 Capital, reserves and dividends

#### (a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

#### The Company

			Share capital 股本	Share premium 股份溢價	Capital Reserve 股本儲備	Other reserve 其他儲備	Exchange reserve 匯兌儲備	Retained earnings 保留盈利	Total 總計
	Note 附註	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
		Note 27 (c) 附註27 (c)	Note 27 (d)(i) 附註27 (d)(i)	Note 27 (d)(iii) 附註27 (d)(iii)	Note 27 (d)(ii) 附註27 (d)(ii)	Note 27 (d)(v) 附註27 (d)(v)			
Balance at 1 January 2018	於二零一八年一月一日之結餘	32	3,731	179,568	-	441,976	(47,440)	1,839	579,674
Changes in equity for 2018	二零一八年度股權變動								
Profit for the year	年度虧損		-	-	-	-	-	72,758	72,758
Other comprehensive loss	其他全面虧損		-	-	-	25,943	-	-	25,943
Total comprehensive loss for the year	年度全面虧損總額		-	-	-	25,943	-	72,758	98,701
Employee's share option scheme	僱員購股權計劃	25(b)	-	-	561	-	-	-	561
Dividend approved in respect of the previous year	去年批准之股息	27(b)	-	-	-	-	-	(70,483)	(70,483)
Balance at 31 December 2018 and at 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日之結餘	32	3,731	179,568	561	441,976	(21,497)	4,114	608,453
Changes in equity for 2019	二零一九年之權益變動								
Profit for the year	年度溢利		-	-	-	-	-	74,231	74,231
Other comprehensive loss	其他全面虧損		-	-	-	10,820	-	-	10,820
Total comprehensive loss for the year	年度全面虧損總額		-	-	-	10,820	-	74,231	85,051
Employee's share option scheme	僱員購股權計劃	25(b)	-	-	2,325	-	-	-	2,325
Dividend approved in respect of the previous year	去年批准之股息	27(b)	-	-	-	-	-	(73,465)	(73,465)
Balance at 31 December 2019	於二零一九年十二月三十一日之結餘	32	3,731	179,568	2,886	441,976	(10,677)	4,880	622,364

### 27 股本、儲備及股息

#### (a) 權益部份變動

本集團綜合權益各部份之年初及年末結餘之對賬載於綜合權益變動表。本公司個別權益組成部份於年初及年末之變動詳情載列如下：

#### 本公司



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 27 Capital, reserves and dividends (continued)

### 27 股本、儲備及股息 (續)

#### (b) Dividends

#### (b) 股息

#### (i) Dividends payable to equity shareholders of the Company attributable to the year

#### (i) 應付本年度之本公司權益股東股息

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Final dividends proposed after the end of reporting period of HKD0.28 per ordinary share (2018: HKD0.20)	於報告期末後建議派付之末期股息每股普通股0.28港元 (二零一八年：每股0.20港元)	105,324	71,419

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

於報告期末後建議派付之末期股息並無於報告期末確認為負債。

#### (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

#### (ii) 於年內批准及派付之上一個財政年度之應付本公司權益股東股息

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Final dividends in respect of the previous financial year were approved and paid during the year, of HKD0.20 per ordinary share (2018: HKD0.20)	於年內批准及派付上一個財政年度之末期股息每股普通股0.20港元 (二零一八年：每股0.20港元)	73,465	70,483

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(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 27 Capital, reserves and dividends (continued)

### 27 股本、儲備及股息 (續)

#### (c) Share Capital

#### (c) 股本

##### Ordinary shares, issued and fully paid:

##### 已發行及繳足普通股：

	2019 二零一九年			2018 二零一八年		
	No. of shares 股份數目	Nominal value of fully paid shares 繳足股份面值	RMB equivalent '000 千港元 人民幣千元	No. of shares 股份數目	Nominal value of fully paid shares 繳足股份面值	RMB equivalent '000 千港元 人民幣千元
At 1 January and at 31 December 於一月一日及 十二月三十一日	418,000	4,180	3,731	418,000	4,180	3,731

The ordinary shares of the Company has a par value of HKD0.01 per share.

本公司普通股之面值為每股股份0.01港元。

#### (d) Nature and purpose of reserves

#### (d) 儲備性質及用途

##### (i) Share premium

##### (i) 股份溢價

The share premium represents the difference between the par value of the shares of the Company and proceeds received from the issuance of the shares of the Company.

股份溢價指本公司股份面值與發行本公司股份收取的所得款項之間的差額。

Under the Companies Law of the Cayman Islands, the funds in the share premium account and other reserve account of the Company are distributable to the shareholders 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 debts as they fall due in the ordinary course of business.

根據開曼群島公司法，本公司之股份溢價賬及其他儲備賬之資金可分派予股東，惟緊隨建議分派股息當日後，本公司將能清償其於日常業務過程中到期之債務。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 27 Capital, reserves and dividends (continued)

#### (d) Nature and purpose of reserves (continued)

##### (ii) Other reserve

The other reserve of the Group represents the difference between (a) the nominal value of share capital and the existing balance on the share premium account of a subsidiary acquired; and (b) the nominal value of the shares issued by the Company in exchange under the re-organisation of the Group on 29 February 2008.

The other reserve of the Company represents the difference between (a) the consolidated net assets of the subsidiaries acquired; and (b) the nominal value of the shares issued by the Company in exchange under the re-organisation of the Group on 29 February 2008.

##### (iii) Capital reserve

The capital reserve comprises the following:

- waivers of liabilities due to related parties; and
- the portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in Note 1(r)(ii).

### 27 股本、儲備及股息 (續)

#### (d) 儲備性質及用途 (續)

##### (ii) 其他儲備

本集團之其他儲備指以下兩者之差額：(a)已收購附屬公司股份溢價賬之股本面值及現有結餘；與(b)本公司根據於二零零八年二月二十九日本集團重組為交換而發行之股份面值。

本公司之其他儲備指以下兩者之差額：(a)已收購附屬公司之綜合資產淨值；與(b)本公司根據於二零零八年二月二十九日本集團重組為交換而發行之股份面值。

##### (iii) 資本儲備

資本儲備包括以下各項：

- 獲豁免之應付關連方負債；及
- 授予本公司僱員尚未行使之購股權之授出日期公平值之部分已根據附註1(r)(ii)就以股份為基礎之付款採納之會計政策確認。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 27 Capital, reserves and dividends (continued)

#### (d) Nature and purpose of reserves (continued)

##### (iv) PRC statutory reserves

PRC statutory reserves were established in accordance with the relevant PRC rules and regulations and the articles of association of the PRC subsidiaries of the Group. The subsidiaries are required to transfer at least 10% of their net profit, as determined under the PRC accounting rules and regulations, to statutory general reserve until the reserve reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to equity shareholders.

PRC statutory reserves can be used to make good prior years' losses, if any, and may be converted into share capital by issuing new shares to equity shareholders proportionate to their existing percentage of equity interests provided that the balance after such issue is not less than 25% of the registered capital.

##### (v) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of companies with functional currency other than RMB.

### 27 股本、儲備及股息 (續)

#### (d) 儲備性質及用途 (續)

##### (iv) 中國法定儲備

中國法定儲備乃根據有關中國規則及規定以及本集團中國附屬公司之組織章程細則設立。附屬公司須轉撥其根據中國會計規則及規定釐定之純利之至少10%至法定一般儲備，直至儲備達到註冊資本之50%為止。向該儲備所作轉撥必須在分派股息予權益股東之前作出。

中國法定儲備可用以抵銷過往年度之虧損（如有），並可根據權益股東現有股權百分比按比例向彼等發行新股份轉換成股本，惟有關發行後之結餘不得少於註冊資本之25%。

##### (v) 匯兌儲備

匯兌儲備包括因換算功能貨幣並非為人民幣的公司財務報表所產生之所有匯兌差額。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 27 Capital, reserves and dividends (continued)

#### (d) Nature and purpose of reserves (continued)

##### (vi) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flow in accordance with the accounting policy adopted for cash flow hedges in Note 1(g).

#### (e) Distributability of reserves

The aggregate amount of distributable reserves of the Company as at 31 December 2019 was RMB618,633,000 (2018: RMB604,722,000).

#### (f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

### 27 股本、儲備及股息 (續)

#### (d) 儲備性質及用途 (續)

##### (vi) 對沖儲備

根據附註1(g)所載就現金流量對沖所採納之會計政策，對沖儲備包括用作有待其後確認對沖現金流量之現金流量對沖之對沖工具的公平值累計淨變動之實際部分。

#### (e) 可供分派儲備

於二零一九年十二月三十一日，本公司之可供分派儲備總額為人民幣618,633,000元（二零一八年：人民幣604,722,000元）。

#### (f) 資本管理

本集團的主要資本管理目標為保障本集團持續經營的能力，按恰當風險水平為產品及服務定價，並以合理成本取得融資，以繼續為股東提供回報及為持份者提供福利。

本集團積極定期檢討及管理其資本架構，以在維持較高借貸水平可能帶來較高股東回報與取得充裕資金狀況所帶來的裨益及保障之間的平衡，並就經濟環境的轉變對資本架構進行調整。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 27 Capital, reserves and dividends (continued)

#### (f) Capital management (continued)

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing loans and borrowings, and lease liabilities) plus unaccrued proposed dividends, less cash and cash equivalents and pledged deposits. Adjusted capital comprises all components of equity, other than amounts recognised in equity relating to cash flow hedges less unaccrued proposed dividends.

The Group has initially applied IFRS 16 using the modified retrospective approach. Under this approach, the Group recognises right-of-use assets and corresponding lease liabilities for almost all leases previously accounted for as operating leases as from 1 January 2019. This caused a slight increase in the Group's total debt and hence the Group's adjusted net debt-to-capital ratio remained at 46% on 1 January 2019 when compared to its position as at 31 December 2018.

During the year, the Group's strategy was to maintain the debt-to-equity ratio at a level considered reasonable by the Group's management from time to time with reference to the prevailing market conditions. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to equity shareholders, issue new shares or raise new debt financing.

### 27 股本、儲備及股息 (續)

#### (f) 資本管理 (續)

本集團按經調整淨負債資本比率監控資本架構。就此而言，本集團將經調整淨負債定義為債務總額（包括計息貸款及借貸，以及租賃負債）加未計提建議股息減現金及現金等價物以及已抵押存款。經調整資本包括權益之所有部份（與現金流量對沖有關之權益所確認之金額除外）減未計提建議股息。

本集團已採用經修訂追溯法初始應用國際財務報告準則第16號。根據該方法，自二零一九年一月一日起，本集團就先前入賬列作經營租賃中確認幾乎所有租賃的使用權資產及相應租賃負債。此舉導致本集團的債務總額略微增加，因此本集團於二零一九年一月一日的經調整負債淨額對資本比率較於二零一八年十二月三十一日的狀況維持於46%。

於年內，本集團之策略乃將負債權益比率維持於本集團管理層經參考當時市況後不時認為合理之水平。為維持或調整比率，本集團可能調整向權益股東支付股息、發行新股份或籌集新債務融資。



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### 27 Capital, reserves and dividends (continued)

#### (f) Capital management (continued)

The Group's adjusted net debt-to-capital ratio at the end of the current and previous reporting periods and at the date of transition to IFRS 16 was as follows:

### 27 股本、儲備及股息 (續)

#### (f) 資本管理 (續)

本集團於本報告期間及過往報告期間以及過渡至國際財務報告準則第16號之日期之經調整淨債務資本比率如下：

			31 December 2019 二零一九年 十二月 三十一日 RMB'000 人民幣千元	1 January 2019 二零一九年 一月一日 RMB'000 人民幣千元 (Note) (附註)	31 December 2018 二零一八年 十二月 三十一日 RMB'000 人民幣千元 (Note) (附註)
Current liabilities:	流動負債：				
Loans and borrowings	貸款及借貸	22	1,284,005	1,467,523	1,467,523
Lease liabilities	租賃負債	23	6,907	1,250	-
			1,290,912	1,468,773	1,467,523
Non-current liabilities:	非流動負債：				
Loans and borrowings	貸款及借貸	22	414,407	378,204	378,204
Lease liabilities	租賃負債	23	13,921	7,914	-
Total debt	債務總額		1,719,240	1,854,891	1,845,727
Add: Proposed dividends	加：建議股息	27(b)	105,324	71,419	71,419
Less: Cash and cash equivalents	減：現金及現金 等價物	19	(528,003)	(448,787)	(448,787)
Pledged deposits	已抵押存款	18	(327,037)	(346,762)	(346,762)
Adjusted net debt	經調整債務淨額		969,524	1,130,761	1,121,597
Total equity	權益總額		3,038,880	2,503,858	2,503,858
Less: Hedging reserve	減：對沖儲備	27	2	-	-
Proposed dividends	建議股息	27(b)	(105,324)	(71,419)	(71,419)
Adjusted capital	經調整資本		2,933,558	2,432,439	2,432,439
Adjusted net debt-to- capital ratio	經調整淨負債資本 比率		33%	46%	46%

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
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### 27 Capital, reserves and dividends (continued)

#### (f) Capital management (continued)

*Note:* The Group has initially applied IFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under IAS 17. Under this approach, the comparative information is not restated. See Note 1(c).

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements, except that banking facilities granted to certain subsidiaries are subject to the fulfilment of covenants relating to the subsidiaries' balance sheet ratios (Note 22). The Group will actively and regularly monitor its compliance to such covenants.

### 28 Financial risk management and fair values of financial instruments

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

#### (a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents, bills receivable and derivative financial assets is limited because the counterparties are banks and financial institutions, for which the Group considers to have low credit risk.

The Group does not provide any guarantees which would expose the Group to credit risk.

### 27 股本、儲備及股息 (續)

#### (f) 資本管理 (續)

*附註：* 本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃的租賃相關租賃負債。根據此方法，並無重列比較資料。見附註1(c)。

本公司及其任何附屬公司概不受外界資本規定限制，惟授予若干附屬公司的銀行信貸須就附屬公司的資產負債率履行契諾（附註22）除外。本集團將積極定期監察其是否遵守該等契諾。

### 28 金融風險管理及金融工具之公平值

於信貸、流動資金、利率及貨幣中所承受之風險於本集團之日常業務過程中產生。

本集團所承受之該等風險及本集團用以管理該等風險之金融風險管理政策及常規載述如下。

#### (a) 信貸風險

信貸風險指交易對手未履行其合約責任而導致本集團產生財務虧損的風險。本集團的信貸風險主要來自交易應收賬款。由於交易對手為本集團認為信貸風險低的銀行及金融機構，因此本集團承擔來自現金及現金等價物、應收票據及衍生金融資產之信貸風險有限。

本集團並無提供任何致使本集團須承擔信貸風險之擔保。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (a) Credit risk (continued)

##### Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 2% (2018: 2%) and 12% (2018: 7%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within the plain aluminum profiles and aluminum profiles with surface finishing segment.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 180 days from the date of billing. Any debtors with balances that are past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables 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.

### 28 金融風險管理及金融工具之公平值 (續)

#### (a) 信貸風險 (續)

##### 交易應收賬款

本集團所承受之信貸風險主要受各客戶而非客戶經營之行業或國家之個別特性所影響，因此信貸風險高度集中之情況主要於本集團對個別客戶有著重大風險承擔時產生。於報告期末，交易應收賬款總額之2%（二零一八年：2%）及12%（二零一八年：7%）分別來自本集團純鋁型材分部及經表面處理鋁型材分部最大客戶及五大客戶。

個別信貸評估乃對所有需要若干信貸金額的客戶進行。該等評估集中於客戶支付到期款項的過往記錄及現時的付款能力，並考慮有關客戶及與客戶經營所在經濟環境有關的特定資料。交易應收賬款乃自發票日期起30至180天內到期。欠款逾期的債務人須於支付所有未清償餘額後，方始獲授任何額外信貸。一般而言，本集團並無自客戶取得抵押品。

本集團按與使用撥備矩陣計算的全期預期信貸虧損相等的金額計量交易應收賬款的虧損撥備。由於本集團的過往信貸虧損經驗並無顯示不同客戶分部的虧損模式具有明顯差異，故並無進一步區分本集團不同客戶群按逾期狀況的虧損撥備。

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(Expressed in Renminbi unless otherwise indicated)  
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### 28 Financial risk management and fair values of financial instruments (continued)

#### (a) Credit risk (continued)

##### Trade receivables (continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

		2019 二零一九年		
		Expected loss rate 預期虧損比率 %	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	0.50 %	1,478,207	7,391
1 – 180 days past due	逾期1至180天	5.00 %	583,321	29,166
181 – 360 days past due	逾期181至360天	10.00 %	26,478	2,648
361 – 720 days past due	逾期361至720天	50.00 %	52,050	26,025
More than 720 days past due	逾期超過720天	100.00 %	25,836	25,836
			<b>2,165,892</b>	<b>91,066</b>

### 28 金融風險管理及金融工具之公平值 (續)

#### (a) 信貸風險 (續)

##### 交易應收賬款 (續)

下表提供有關本集團就交易應收賬款所面臨信貸風險及預期信貸虧損的資料：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (a) Credit risk (continued)

##### Trade receivables (continued)

		Expected loss rate 預期虧損比率 %	2018 二零一八年 Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	0.50%	1,698,608	8,493
1 – 180 days past due	逾期1至180天	5.00%	112,457	5,623
181 – 360 days past due	逾期181至360天	10.00%	33,744	3,374
361 – 720 days past due	逾期361至720天	50.00%	37,011	18,506
More than 720 days past due	逾期超過720天	100.00%	6,911	6,911
			<b>1,888,731</b>	<b>42,907</b>

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

### 28 金融風險管理及金融工具之公平值 (續)

#### (a) 信貸風險 (續)

##### 交易應收賬款 (續)

		Expected loss rate 預期虧損比率 %	2018 二零一八年 Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
Current (not past due)	即期 (未逾期)	0.50%	1,698,608	8,493
1 – 180 days past due	逾期1至180天	5.00%	112,457	5,623
181 – 360 days past due	逾期181至360天	10.00%	33,744	3,374
361 – 720 days past due	逾期361至720天	50.00%	37,011	18,506
More than 720 days past due	逾期超過720天	100.00%	6,911	6,911
			<b>1,888,731</b>	<b>42,907</b>

預期虧損比率乃按過往三年的實際虧損經驗為準。該等比率乃經調整，以反映收集歷史數據期間的經濟狀況、目前狀況以及本集團對應收款項的預期可用年期期間經濟狀況之看法的差異。

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(Expressed in Renminbi unless otherwise indicated)  
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### 28 Financial risk management and fair values of financial instruments (continued)

#### (a) Credit risk (continued)

##### Trade receivables (continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at 1 January	於一月一日之結餘	42,907	38,088
Uncollectible amounts written off	撇銷不可收回金額	(137)	(12,442)
Written back	撥回	-	-
Impairment losses recognised	已確認減值虧損	48,296	17,261
Balance at 31 December	於十二月三十一日之結餘	91,066	42,907

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance during 2019:

- increase in 1 – 180 days past due resulted in an increase in loss allowance of RMB23,543,000 (2018: RMB3,608,000); and
- increase in days past due over 180 days resulted in an increase in loss allowance of RMB25,718,000 (2018: RMB11,765,000); and
- a write-off of trade receivables with a gross carrying amount of RMB137,000 (2018: RMB12,442,000) resulted in a decrease in loss allowance of RMB137,000.

### 28 金融風險管理及金融工具之公平值 (續)

#### (a) 信貸風險 (續)

##### 交易應收賬款 (續)

年內，交易應收款項的虧損撥備賬變動如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at 1 January	42,907	38,088
Uncollectible amounts written off	(137)	(12,442)
Written back	-	-
Impairment losses recognised	48,296	17,261
Balance at 31 December	91,066	42,907

以下為導致二零一九年虧損撥備增加的交易應收款項的賬面總值的重大變動：

- 逾期天數增加1至180天導致虧損撥備增加人民幣23,543,000元(二零一八年：人民幣3,608,000元)；
- 逾期天數增加超過180天，導致虧損撥備增加人民幣25,718,000元(二零一八年：人民幣11,765,000元)；及
- 撇銷賬面總值人民幣137,000元(二零一八年：人民幣12,442,000元)的交易應收款項導致虧損撥備減少人民幣137,000元。



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### 28 Financial risk management and fair values of financial instruments (continued)

#### (b) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

### 28 金融風險管理及金融工具之公平值 (續)

#### (b) 流動資金風險

本集團以內的個別經營實體負責其各自的現金管理（包括現金盈餘的短期投資以及籌集貸款以彌補預期現金需求），惟於借貸超過若干預定權限時須經由母公司董事會批准。本集團的政策乃定期監察其流動資金需要以及遵守借貸契據的情況，以確保維持充足現金儲備及隨時可變現的有價證券以及主要金融機構承諾提供足夠的資金額度，以應付其短期及長期流動資金需要。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (b) Liquidity risk (continued)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities (excluding advances from customers) and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

### 28 金融風險管理及金融工具之公平值 (續)

#### (b) 流動資金風險 (續)

下表列示於報告期末本集團之非衍生金融負債(不包括來自客戶的預收款項)之剩餘合約到期款項，乃按合約未貼現現金流量(包括按合約利率或(如浮動)按於報告期末之現行利率計算之利息款項)及本集團須支付之最早日期計算：

		2019 二零一九年					
		Contractual undiscounted cash outflow 合約未貼現現金流出					
		More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount at 31 Dec 於十二月 三十一日 之賬面值	
		Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	
		一年內或 應要求	一年後 但兩年內	兩年後 但五年內	五年後	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Loans and borrowings	貸款及借貸	1,309,216	377,196	26,707	53,714	1,766,833	1,698,412
Lease liabilities (Note)	租賃負債(附註)	7,082	10,526	3,008	2,657	23,273	20,828
Bills payables, creditors and accrued charges*	應付票據、應付賬款及應計費用*	2,712,739	-	-	-	2,712,739	2,712,739
		4,029,037	387,722	29,715	56,371	4,502,845	4,431,979

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(Expressed in Renminbi unless otherwise indicated)  
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### 28 Financial risk management and fair values of financial instruments (continued)

#### (b) Liquidity risk (continued)

		2018 二零一八年				
		Contractual undiscounted cash outflow 合約未貼現現金流出				Carrying amount at 31 Dec 於十二月 三十一日 之賬面值 RMB'000 人民幣千元
		Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	
		一年內或 應要求 RMB'000 人民幣千元	一年後 但兩年內 RMB'000 人民幣千元	兩年後 但五年內 RMB'000 人民幣千元	總計 RMB'000 人民幣千元	
Loans and borrowings	貸款及借貸	1,505,243	329,562	77,201	1,912,006	1,845,727
Bills payables, creditors and accrued charges*	應付票據、應付賬款及應計費用*	2,428,372	-	-	2,428,372	2,428,372
		3,933,615	329,562	77,201	4,340,378	4,274,099

\* The balance included trade payables, bills payable, accrued payroll and benefits, other payables and accruals and interest payable, which were financial liabilities in nature.

Note: The Group has initially applied IFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under IAS 17. Other lease liabilities include amounts recognised at the date of transition to IFRS 16 in respect of leases previously classified as operating leases under IAS 17 and amounts relating to new leases entered into during the year. Under this approach, the comparative information is not restated. See Note 1(c).

### 28 金融風險管理及金融工具之公平值 (續)

#### (b) 流動資金風險 (續)

\* 結餘包括交易應付款項、應付票據、應計薪金及福利、其他應付款項及應計費用及應付利息，乃屬金融負債性質。

附註：本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃的租賃相關租賃負債。其他租賃負債包括於過渡至國際財務報告準則第16號之日期就先前根據國際會計準則第17號分類為經營租賃的租賃確認的金額及與於年內訂立的新租賃有關的金額。根據此方法，並無重列比較資料。見附註1(c)。

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### 28 Financial risk management and fair values of financial instruments (continued)

#### (b) Liquidity risk (continued)

As shown in the above analysis, bank loans and related interest expense of the Group amounting to RMB1,311,425,000 were due to be repaid during 2020 (2018: RMB1,517,952,000). The short-term liquidity risk inherent in this contractual maturity date was not significantly changed after the reporting period.

#### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from long-term borrowings. Borrowings issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group's interest rate profile as monitored by management is set out in (ii) below.

#### (i) Hedges of interest rate risk

At 31 December 2019, the Group used cross-currency interest rate swap to manage its interest rate risk in respect of bank borrowings which bear floating interest rates denominated in US dollars in the principal amount of US\$7,500,000 (2018: nil) (see Notes 20(b)).

### 28 金融風險管理及金融工具之公平值 (續)

#### (b) 流動資金風險 (續)

誠如上述分析所示，本集團為數人民幣1,311,425,000元（二零一八年：人民幣1,517,952,000元）之銀行貸款及相關利息開支乃於二零二零年內到期將予償還。於本合約到期日固有之短期流動資金風險於報告期後並無重大變動。

#### (c) 利率風險

利率風險為金融工具之公平值或未來現金流量將因應市場利率變動而波動之風險。本集團之利率風險主要來自長期借貸。按浮動利率及固定利率發出之借貸分別令本集團須承受現金流量利率風險及公平值利率風險。本集團由管理層監察之利率概況載於下文(ii)。

#### (i) 對沖利率風險

於二零一九年十二月三十一日，本集團使用交叉貨幣利率掉期管理與其本金額為7,500,000美元（二零一八年：零）按浮動利率計息的美元計值銀行借款有關的利率風險（見附註20(b)）。

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### 28 Financial risk management and fair values of financial instruments (continued)

#### (c) Interest rate risk (continued)

##### (i) Hedges of interest rate risk (continued)

The cross-currency interest rate swap mature on 31 August 2020 matching the maturity of the related loan. The existence of an economic relationship between the interest rate swaps and the variable rate borrowings is determined by matching their critical contract terms, including the reference interest rates, tenors, interest repricing dates, maturity dates, interest payment and/or receipt dates, the notional amounts of the swaps and the outstanding principal amounts of the loans.

### 28 金融風險管理及金融工具之公平值 (續)

#### (c) 利率風險 (續)

##### (i) 對沖利率風險 (續)

交叉貨幣利率掉期於二零二零年八月三十一日到期與有關貸款之到期日匹配。利率掉期與浮息借款之間的經濟關係透過匹配兩者的關鍵合約條款(包括參考利率、期限、利息重新定價日期、到期日期、利息付款及/或收取日期、掉期的名義金額及尚未償還貸款本金額)予以確立。

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### 28 Financial risk management and fair values of financial instruments (continued)

#### (c) Interest rate risk (continued)

##### (ii) Interest rate profile

The following table details the interest rate profile of the Group's interest-bearing borrowings at the end of the reporting period, after taking into account the effect of cross-currency interest rate swaps designated as cash flow hedging instruments (see (i) above).

		2019 二零一九年		2018 二零一八年	
		Effective interest rates 實際利率	Amount 金額 '000 千元	Effective interest rates 實際利率	Amount 金額 '000 千元
Fixed rate borrowings:	定息借貸：				
Lease liabilities (Note)	租賃負債 (附註)	4.90%	20,828	-	-
Bank loans	銀行貸款	3.48%-5.13%	878,318	3.37%-5.70%	1,021,880
			899,146		1,021,880
Variable rate borrowings:	浮息借貸：				
Bank loans	銀行貸款	3.90%-5.23%	820,094	4.04%-6.18%	823,847
Total borrowings	借貸總額		1,719,240		1,845,727
Fixed rate borrowings as a percentage of total borrowings	定息借貸佔借貸總額百分比		52%		55%

Note: The Group has initially applied IFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under IAS 17. Under this approach, the comparative information is not restated. See Note 1(c).

### 28 金融風險管理及金融工具之公平值 (續)

#### (c) 利率風險 (續)

##### (ii) 利率概況

下表詳列本集團於報告期末計息借貸之利率概況 (經計及指定為現金流量對沖工具之交叉貨幣利率掉期之影響 (見上文(i)))。

附註：本集團已採用經修訂追溯法初始應用國際財務報告準則第16號並調整於二零一九年一月一日之期初結餘，以確認先前根據國際會計準則第17號分類為經營租賃的租賃相關租賃負債。根據此方法，並無重列比較資料。見附註1(c)。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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### 28 Financial risk management and fair values of financial instruments (continued)

#### (c) Interest rate risk (continued)

##### (iii) Sensitivity analysis

At 31 December 2019, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variable held constant, would have decreased/increased the Group's profit after taxation and retained profits by approximately RMB6,904,000 (2018: RMB6,945,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax and retained profits that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax and retained profits is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis for 2018.

### 28 金融風險管理及金融工具之公平值 (續)

#### (c) 利率風險 (續)

##### (iii) 敏感度分析

於二零一九年十二月三十一日，估計利率整體上調／下調100個基點，而其他所有變數維持不變，本集團之除稅後溢利及保留溢利將減少／增加約人民幣6,904,000元（二零一八年：人民幣6,945,000元）。

上述敏感度分析指本集團之除稅後溢利及保留溢利可能產生之即時變動。敏感度分析假設利率變動於報告期末已經發生，並已用於重新計量本集團所持有並於報告期末使本集團面臨公平值利率風險之該等金融工具。就本集團於報告期末所持有之浮動利率非衍生工具所產生之現金流利率風險而言，本集團之除稅後溢利及保留溢利之影響乃以因有關利率變動而產生之利息支出或收入之年度影響作估計。該分析乃以二零一八年之同一基準進行。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (d) Currency risk

Renminbi is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange restriction imposed by the PRC government. The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily HKD and USD. The Group manages this risk as follows:

#### (i) Hedges of foreign currency risk

At 31 December 2019, the Group used cross-currency interest rate swap to manage its foreign currency risk in respect of bank borrowings denominated in US dollars in the principal amount of US\$7,500,000 (2018: nil) (see Notes 20(b)) until the repayment date of foreign currency short-term loan.

The Group applies a hedge ratio of 1:1 and determines the existence of an economic relationship between the forward exchange contracts and the highly probable forecast transactions based on their currency amounts and the timing of their respective cash flows.

### 28 金融風險管理及金融工具之公平值 (續)

#### (d) 貨幣風險

人民幣並非可自由兌換之貨幣，而將資金匯出中國須受中國政府所施予之外匯限制。本集團主要透過以與其業務相關之功能貨幣以外之貨幣計值之銷售及購買（其產生應收款項、應付款項及現金結餘）承受貨幣風險。該風險主要來自港元及美元。本集團按下列方式管理風險：

#### (i) 對沖外幣風險

於二零一九年十二月三十一日，本集團使用交叉貨幣利率掉期管理與其本金額為7,500,000美元（二零一八年：零）的美元計值銀行借款有關的外幣風險（見附註20(b)），直至外幣短期貸款償還日期為止。

本集團應用1:1的對沖比率並根據其貨幣金額及各自現金流量時間確立遠期外匯合約與成數很高的預期交易之間的經濟關係。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (d) Currency risk (continued)

##### (ii) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Renminbi, translated using the spot rate at the year end date. Difference resulting from the translation of the financial statements of foreign operations into the Group's presentation currency is excluded.

### 28 金融風險管理及金融工具之公平值 (續)

#### (d) 貨幣風險 (續)

##### (ii) 外幣風險承擔

下表詳列本集團於報告期末在以公司有關功能貨幣以外之其他貨幣計值之已確認資產或負債所產生之貨幣風險承擔。就呈列目的而言，風險承擔之金額以人民幣列示，並以年結日之現貨率換算。換算海外業務財務報表至本集團呈列貨幣所產生之差額並不包括在內。

		Exposure to foreign currencies (expressed in RMB) 外幣風險承擔 (以人民幣列示)			
		2019 二零一九年		2018 二零一八年	
		HKD 港元 '000 千元	USD 美元 '000 千元	HKD 港元 '000 千元	USD 美元 '000 千元
Trade and other receivables	交易及其他應收款項	7,899	10,816	11,447	4,273
Cash and cash equivalents	現金及現金等價物	16,924	12,466	14,576	13,470
Trade and other payables	交易及其他應付款項	(14,748)	(15,148)	(16,590)	(15,106)
Loans and borrowings	貸款及借貸	-	(52,322)	-	-
Gross and net exposure arising from recognised assets and liabilities	已確認資產及負債產生之風險總額及淨額	10,075	(44,188)	9,433	2,637
Notional amounts of forward exchange contracts used as economic hedges	用作經濟對沖之遠期外匯合約之理論金額	-	53,018	-	-
Net exposure arising from recognised assets and liabilities	已確認資產及負債產生之風險淨額	10,075	8,830	9,433	2,637

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (d) Currency risk (continued)

##### (iii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit after tax and retained profits that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

		2019 二零一九年		2018 二零一八年	
		Increase/ (decrease) Effect on profit in foreign after tax and exchange rate retained profit 對除稅後 溢利及保留 溢利之影響 '000 千元		Increase/ (decrease) Effect on profit in foreign after tax and exchange rate retained profit 對除稅後 溢利及保留 溢利之影響 '000 千元	
United States Dollars	美元	1%	64	1%	21
Hong Kong Dollars	港元	1%	79	1%	62

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax measured in the respective functional currencies, translated into Renminbi at the exchange rate ruling at the end of the reporting period for presentation purposes.

### 28 金融風險管理及金融工具之公平值 (續)

#### (d) 貨幣風險 (續)

##### (iii) 敏感度分析

下表顯示倘本集團於報告期末有重大風險承擔之匯率於該日有所變動，並假設所有其他風險變數維持不變，本集團之除稅後溢利及保留溢利可能出現之即時變動。

上表呈列之分析結果指對本集團各公司以各自之功能貨幣計量之除稅後溢利之合計即時影響，並就呈列目的按報告期末之匯率換算為人民幣。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (d) Currency risk (continued)

##### (iii) Sensitivity analysis (continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2018.

#### (e) Fair values measurement

##### (i) Financial assets and liabilities measured at fair value

###### Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

### 28 金融風險管理及金融工具之公平值 (續)

#### (d) 貨幣風險 (續)

##### (iii) 敏感度分析 (續)

敏感度分析假設匯率變動經已應用以重新計量該等於報告期末讓本集團須承受外幣風險之本集團所持金融工具，包括以貸款人或借款人功能貨幣以外貨幣計值之集團內公司間應付款項及應收款項。分析並不包括換算海外業務財務報表至本集團呈列貨幣所產生之差額。分析已按與二零一八年相同之基準進行。

#### (e) 公平值計量

##### (i) 按公平值計量之金融資產及負債

###### 公平值層級

下表呈列於報告期末按經常性基準計量的本集團金融工具的公平值，歸類為國際財務報告準則第13號公平值計量定義的三級公平值層級。公平值計量歸類的層級經參考估值技術中使用的輸入值的可觀察性及重要性釐定如下：

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (e) Fair values measurement (continued)

##### (i) Financial assets and liabilities measured at fair value (continued)

###### Fair value hierarchy (continued)

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

### 28 金融風險管理及金融工具之公平值 (續)

#### (e) 公平值計量 (續)

##### (i) 按公平值計量之金融資產及負債 (續)

###### 公平值層級 (續)

- 第一級估值：僅以第一級輸入值計量公平值，即相同資產或負債於計量日在活躍市場的未調整報價
- 第二級估值：以第二級輸入值計量之公平值，即其輸入值之可觀察性並未如第一級輸入值，且並無使用不可觀察之數據。不可觀察之輸入值為並無市場數據可作參考之輸入值。
- 第三級估值：使用重大不可觀察輸入值計量之公平值





## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 28 Financial risk management and fair values of financial instruments (continued)

#### (e) Fair values measurement (continued)

##### (i) Financial assets and liabilities measured at fair value (continued)

###### Valuation techniques and inputs used in Level 2 fair value measurements

The fair values of cross-currency interest rate swap contracts are calculated as the present value of the estimated future cash flows based on the terms and maturity of the contract, taking into account the market rates as at the valuation date and features of the swap.

##### (ii) Fair value of other financial assets and liabilities carried at other than fair value

The carrying amount of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair value as at 31 December 2019 and 31 December 2018 except as disclosed in Note 11.

### 28 金融風險管理及金融工具之公平值 (續)

#### (e) 公平值計量 (續)

##### (i) 按公平值計量之金融資產及負債 (續)

###### 於第二級公平值計量使用之估值技術及輸入值

交叉貨幣利率掉期合約之公平值於計及於估值日期之市場利率及掉期之特點後按基於合約條款及到期情況之估計未來現金流量之現值計算。

##### (ii) 並非按公平值入賬之其他金融資產及負債之公平值

除附註11所披露者外，本集團按成本或攤銷成本入賬之金融工具之賬面值與其於二零一九年十二月三十一日及二零一八年十二月三十一日之公平值並無重大差異。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 29 Commitments

- (a) Capital commitments outstanding at 31 December 2019 not provided for in the financial statements were as follows:

### 29 承擔

- (a) 於二零一九年十二月三十一日，於財務報表並無撥備的未履行資本承擔如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contracted for	已訂約		
– Purchase of property, plant and equipment for the production base in Chengdu City	– 為成都市之生產基地購買物業、廠房及設備	15,879	16,763
– Purchase of property, plant and equipment for the production base in Yichun City	– 為宜春市之生產基地購買物業、廠房及設備	70,492	25,802
– Purchase of property, plant and equipment for the production base in Sanshui, Foshan City	– 為佛山市三水區之生產基地購買物業、廠房及設備	145,894	49,630
– Purchase of property, plant and equipment for the production base in Qinyang City	– 為沁陽市之生產基地購買物業、廠房及設備	10,400	20,592
		<b>242,665</b>	112,787
Authorised but not contracted for	已授權但未訂約	–	1,235
		<b>242,665</b>	114,022

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 29 Commitments (continued)

- (b) At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2018 二零一八年 RMB'000 人民幣千元
Within 1 year	一年內	2,090
After 1 year but within 5 years	一年後但五年內	5,935
Over 5 years	超過五年	4,370
		12,395

The Group is the lessee in respect of a number of properties held under leases which were previously classified as operating leases under IAS 17. The Group has initially applied IFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to these leases (see Note 1(c)). From 1 January 2019 onwards, future lease payments are recognised as lease liabilities in the statement of financial position in accordance with the policies set out in Note 1(j), and the details regarding the Group's future lease payments are disclosed in Note 23.

### 30 Contingent liabilities

The Group had no material contingent liabilities as at 31 December 2019 (2018: Nil).

### 29 承擔 (續)

- (b) 於二零一八年十二月三十一日，根據不可撤銷經營租賃應付的未來最低租金總額如下：

		2018 二零一八年 RMB'000 人民幣千元
一年內	一年內	2,090
一年後但五年內	一年後但五年內	5,935
超過五年	超過五年	4,370
		12,395

本集團為根據租賃持有的多項物業的承租人，該等租賃先前根據香港會計準則第17號分類為經營租賃。本集團已採用經修訂追溯法初始應用國際財務報告準則第16號。根據此方法，本集團已調整二零一九年一月一日之期初結餘，以確認有關該等租賃之租賃負債（見附註1(c)）。自二零一九年一月一日起，未來租賃付款已根據附註1(j)所載之政策在財務狀況表內確認為租賃負債，及有關本集團未來租賃付款之詳情披露於附註23。

### 30 或然負債

於二零一九年十二月三十一日，本集團並無重大或然負債（二零一八年：無）。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

#### 31 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

During the year ended 31 December 2019, the directors are of the view that related parties of the Group include the following individuals/companies:

##### Name of related parties 關連方名稱

Foshan Leahin Coating Co., Ltd. (“Leahin Coating”)  
(佛山立興塗料有限公司) (i)  
佛山立興塗料有限公司(「立興塗料」) (i)

Guangdong Xingfa Curtain Wall, Door & Window Co., Ltd.  
(“Xingfa Curtain Wall”) (廣東興發幕牆門窗有限公司) (i)  
廣東興發幕牆門窗有限公司(「興發幕牆」) (i)

China Lesso Group Holdings Limited and its subsidiaries  
(“China Lesso Group”)  
(中國聯塑集團控股有限公司及其附屬公司)  
(中國聯塑集團控股有限公司及其附屬公司)  
(「中國聯塑集團」)

Jiangxi Jingxing Aluminium Panel Manufacturing Co., Ltd.  
(“Jiangxi Jingxing”)  
(江西省景興鋁模板製造有限公司) (i)  
江西省景興鋁模板製造有限公司(「江西景興」) (i)

(i) The English translation of the company names is for reference only. The official names of these companies are in Chinese.

#### 31 重大關連方交易

除該等財務報表其他部份所披露的交易及結餘外，本集團進行以下重大關連方交易：

於截至二零一九年十二月三十一日止年度，本公司董事認為以下人士／公司為本集團的關連方：

##### Relationship with the Group 與本集團關係

Effectively owned by certain executive directors of the Company  
由本公司若干執行董事實際擁有

Effectively owned by certain executive directors of the Company  
由本公司若干執行董事實際擁有

substantial shareholder of the Company

本公司主要股東

Associate of the Group

本集團之聯營公司

(i) 該等公司的英文譯名僅供參考。該等公司的中文名稱為正式名稱。

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(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 31 Material related party transactions

(continued)

#### (a) Transactions

##### Sales and purchase

### 31 重大關連方交易 (續)

#### (a) 交易

##### 買賣

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Sales of goods to	銷售貨品予		
– Xingfa Curtain Wall	– 興發幕牆	127,091	147,213
– Jiangxi Jingxing	– 江西景興	25,894	74,373
– China Lesso Group (Note)	– 中國聯塑集團 (附註)	33,779	–
		<b>186,764</b>	<b>221,586</b>
Dormitory rent	宿舍租金		
– Jiangxi Jingxing	– 江西景興	4,625	4,159
– China Lesso Group (Note)	– 中國聯塑集團 (附註)	1,489	–
		<b>6,114</b>	<b>4,159</b>
Purchase of raw materials	採購原材料		
– Xingfa Curtain Wall	– 興發幕牆	544	100



## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 31 Material related party transactions

(continued)

#### (b) Balances with related parties

As at the end of the reporting period, the Group had the following balances with related parties:

#### (i) Trade and other receivables (Note 17)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade related	與交易有關		
- Xingfa Curtain Wall	- 興發幕牆	17,756	36,948
- Jiangxi Jingxing	- 江西景興	19,308	97,742
- China Lesso Group (Note)	- 中國聯塑集團 (附註)	6,728	-
		<b>43,792</b>	<b>134,690</b>

#### (ii) Trade and other payables

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade related	與交易有關		
- Leahin Coating	- 立興塗料	-	31
- Xingfa Curtain Wall	- 興發幕牆	-	2,104
- China Lesso Group (Note)	- 中國聯塑集團 (附註)	121	-
		<b>121</b>	<b>2,135</b>

The amounts due from related parties are unsecured, interest-free and have no fixed terms of repayment.

### 31 重大關連方交易 (續)

#### (b) 與關連方的結餘

於報告期末，本集團與關連方的結餘如下：

#### (i) 交易及其他應收款項 (附註 17)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade related	與交易有關		
- Xingfa Curtain Wall	- 興發幕牆	17,756	36,948
- Jiangxi Jingxing	- 江西景興	19,308	97,742
- China Lesso Group (Note)	- 中國聯塑集團 (附註)	6,728	-
		<b>43,792</b>	<b>134,690</b>

#### (ii) 交易及其他應付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade related	與交易有關		
- Leahin Coating	- 立興塗料	-	31
- Xingfa Curtain Wall	- 興發幕牆	-	2,104
- China Lesso Group (Note)	- 中國聯塑集團 (附註)	121	-
		<b>121</b>	<b>2,135</b>

應收關連方款項為無抵押、免息且無固定還款期。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 31 Material related party transactions

(continued)

#### (b) Balances with related parties (continued)

##### (ii) Trade and other payables (continued)

Note: Guangzhou Jingxing Construction Technology Co., Ltd. (廣州景興建築科技有限公司), Foshan Jingxing Aluminium Panel Manufacturing Co., Ltd. (佛山景興鋁模板制造有限公司), Zhejiang Huijing Construction Technology Co., Ltd. (浙江匯景建築科技有限公司) and Henan Jingxing Aluminium Panel Manufacturing Co., Ltd. (河南省景興鋁模板制造有限公司) have become non-wholly owned subsidiaries of China Lesso Group effective from 9 July 2019, and the transactions between the Group and the abovementioned entities were treated as parts of related parties transaction thereafter.

#### (c) Key management personnel remuneration

Remuneration for key management personnel, including the amounts paid to the Group's directors as disclosed in Note 7 and the senior management as disclosed in Note 8, is as follows:

### 31 重大關連方交易 (續)

#### (b) 與關連方的結餘 (續)

##### (ii) 交易及其他應付款項 (續)

附註：廣州景興建築科技有限公司、佛山景興鋁模板製造有限公司、浙江匯景建築科技有限公司及河南省景興鋁模板製造有限公司已成為中國聯塑集團之非全資附屬公司，自二零一九年七月九日生效，及本集團與上述實體間之交易隨後被視為關連方交易之一部分。

#### (c) 主要管理人員酬金

主要管理人員之酬金（包括附註7及附註8所分別所披露之支付予本集團董事及高級管理人員的金額）如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	17,500	20,382
Contribution to retirement benefit plan	退休福利計劃供款	137	134
Equity settled share-based payment expenses	以股權結算股份為基礎的付款開支	575	139
		<b>18,212</b>	<b>20,655</b>

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 31 Material related party transactions

(continued)

#### (c) Key management personnel remuneration (continued)

Total remuneration is included in “staff costs” (Note 5(b)).

#### (d) Applicability of the Listing Rules relating to connected transactions

The related party transactions of sales and/or purchase above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The disclosures required by Chapter 14A of the Listing Rules are provided in the section headed “Connected transactions” of the Report of the Directors of this annual report.

### 31 重大關連方交易 (續)

#### (c) 主要管理人員酬金 (續)

酬金總額計入「員工成本」(附註5(b))。

#### (d) 上市規則就關於關連交易之適用性

上述買及／或賣之關連人士交易構成香港聯合交易所有限公司證券上市規則(「上市規則」)第14A章所界定之關連交易或持續關連交易。上市規則第14A章規定之披露載列於本年報董事會報告之「關連交易」一節。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 32 Company-level statement of financial position

### 32 公司層面財務狀況表

			2019 二零一九年 <b>RMB'000</b> 人民幣千元	2018 二零一八年 <b>RMB'000</b> 人民幣千元
		Note 附註		
<b>Non-current asset</b>	<b>非流動資產</b>			
Investments in subsidiaries	於附屬公司之投資	14	621,804	608,199
<b>Current assets</b>	<b>流動資產</b>			
Amounts due from a subsidiary	應收一間附屬公司款項		94,614	75,749
Cash and cash equivalents	現金及現金等價物		1,636	838
			<b>96,250</b>	76,587
<b>Current liabilities</b>	<b>流動負債</b>			
Amounts due to subsidiaries	應付附屬公司款項		87,748	70,381
Other payables	其他應付款項		7,942	5,952
			<b>95,690</b>	76,333
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>560</b>	254
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>622,364</b>	608,453
<b>Net assets</b>	<b>資產淨值</b>		<b>622,364</b>	608,453
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	27	3,731	3,731
Reserves	儲備		618,633	604,722
<b>Total equity</b>	<b>權益總額</b>		<b>622,364</b>	608,453

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 33 Non-adjusting events after the reporting period

- (i) After the end of the reporting period the directors proposed a final dividend. Further details are disclosed in Note 27(b).
- (ii) The coronavirus disease outbreak since early 2020 has brought about additional uncertainties in the Group's operating environment and has impacted the Group's operations and financial position.

The Group has been closely monitoring the impact of the developments on the Group's businesses and has put in place contingency measures. These contingency measures include but not limited to: assessing our suppliers' readiness; improving our production process, negotiating with distributors on delivery schedule, continuously monitoring the operations of our distributors and strengthening cost control. The Group will keep our contingency measures under review as the situation evolves.

As far as the Group's businesses are concerned, the outbreak has caused the delays of production and delivery, and impacted certain debtors' repayment schedules as well as inventory turnover in the first quarter of 2020. The Group's management has set a plan for catching up the delayed schedules above in the remaining financial year ending 2020. As the extent to which the coronavirus disease outbreak will continue is uncertain, it is not practicable to estimate the full financial effect that the coronavirus disease outbreak may have on the Group's businesses as at the date when the financial statements are authorised to issue.

### 33 報告期末後之非調整事項

- (i) 報告期末後，董事會建議派發末期股息。進一步詳情披露於附註27(b)。
- (ii) 自二零二零年年初爆發的新型冠狀病毒疾病疫情已對本集團的經營環境產生其他不明朗因素並對本集團的營運及財務狀況造成影響。

本集團一直密切監察疫情發展對本集團業務造成的影響並採取應急措施。該等應急措施包括但不限於評估供應商的準備程度、改進生產流程、與分銷商磋商交付時間表、持續監控分銷商的經營並加強成本控制。本集團將根據事態的發展不斷檢討其應急措施。

就本集團的相關業務而言，於二零二零年第一季度疫情已造成生產及交付的延遲、影響若干債務人的還款時間表以及存貨周轉。本集團管理層已制定計劃以於截至二零二零年餘下之財政年度追趕上述之延遲時間表。由於對新型冠狀病毒疾病疫情的持續程度尚未明確，因此，於財務報表授權刊發日期，估計新型冠狀病毒疾病疫情可能對本集團業務產生的全面財務影響乃不切實際。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

(Expressed in Renminbi unless otherwise indicated)  
(除另有指明外，數額以人民幣列示)

### 34 Comparative figures

The Group has initially applied IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in Note 1(c).

### 35 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2019

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, which are not yet effective for the year ended 31 December 2019 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

Amendments to IFRS 3, *Definition of a business*  
國際財務報告準則第3號修訂本業務之定義

Amendments to IAS 1 and IAS 8, *Definition of material*  
國際會計準則第1號及國際會計準則第8號修訂本重大之定義

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

### 34 比較數字

本集團已於二零一九年一月一日首次應用國際財務報告準則第16號。根據該方法，可比較資料並無重列。會計政策變動之進一步詳情披露於附註1(c)。

### 35 於截至二零一九年十二月三十一日止年度已頒佈但未生效的修訂、新準則及詮釋的潛在影響

截至該等財務報表的刊發日期，國際會計準則委員會已頒佈下列各項於截至二零一九年十二月三十一日止年度尚未生效的修訂，而該等財務報表並無採納該等修訂。該等發展包括下列可能與本集團有關的修訂。

Effective for  
accounting periods  
beginning on or after  
於下列日期或之後  
開始的會計期間生效

1 January 2020  
二零二零年一月一日

1 January 2020  
二零二零年一月一日

本集團正在評估該等發展於首次應用期間預期之影響。本集團迄今為止認為採納該等發展對綜合財務報表產生重大影響的可能性不大。


**Five Years Summary**  
**五年概要***(Expressed in Renminbi)*  
*(以人民幣列示)*

		As at 31 December 於十二月三十一日				
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Non-current assets	非流動資產	2,668,419	2,376,862	2,301,489	2,140,723	2,249,843
Current assets	流動資產	5,092,971	4,731,621	4,142,972	3,201,732	2,670,474
Current liabilities	流動負債	(4,262,373)	(4,190,051)	(3,810,506)	(3,184,340)	(3,139,012)
Non-current liabilities	非流動負債	(460,137)	(414,574)	(564,920)	(470,195)	(361,459)
<b>Net assets</b>	<b>資產淨值</b>	<b>3,038,880</b>	<b>2,503,858</b>	<b>2,069,035</b>	<b>1,687,920</b>	<b>1,419,846</b>
<b>Capital and reserves</b>	<b>股本及儲備</b>					
Share capital	股本	3,731	3,731	3,731	3,731	3,731
Reserves	儲備	3,034,604	2,500,379	2,065,304	1,684,189	1,416,115
<b>Total equity attributable to equity shareholders of the Company</b>	<b>本公司權益股東應佔權益總額</b>	<b>3,038,335</b>	<b>2,504,110</b>	<b>2,069,035</b>	<b>1,687,920</b>	<b>1,419,846</b>
<b>Non-controlling interests</b>	<b>非控股權益</b>	<b>545</b>	<b>(252)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>權益總額</b>	<b>3,038,880</b>	<b>2,503,858</b>	<b>2,069,035</b>	<b>1,687,920</b>	<b>1,419,846</b>
		For the year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<b>Results</b>	<b>業績</b>					
Revenue	營業額	11,280,848	9,924,517	7,239,658	5,576,696	4,977,829
Profit before taxation	除稅前溢利	723,470	607,916	444,445	351,291	320,660
Income tax	所得稅	(120,864)	(113,938)	(61,815)	(52,815)	(54,893)
<b>Profit for the year</b>	<b>年度溢利</b>	<b>602,606</b>	<b>493,978</b>	<b>382,630</b>	<b>298,476</b>	<b>265,767</b>
<b>Attributable to:</b>	<b>以下人士應佔:</b>					
Equity shareholders of the Company	本公司權益股東	606,109	495,230	382,630	298,476	265,767
Non-controlling interests	非控股權益	(3,503)	(1,252)	-	-	-
		<b>602,606</b>	<b>493,978</b>	<b>382,630</b>	<b>298,476</b>	<b>265,767</b>
<b>Earnings per share</b>	<b>每股盈利</b>					
Basic (RMB yuan)	基本 (人民幣元)	1.45	1.18	0.92	0.71	0.64
Diluted (RMB yuan)	攤薄 (人民幣元)	1.45	1.18	0.92	0.71	0.64

The summary above does not form part of the audited consolidated financial statements.

上述摘要並不構成經審計綜合財務報表之一部份。





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