



中糧
COFCO
自然之緣 重愛你我



CPMC HOLDINGS LIMITED
中糧包裝控股有限公司

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

Stock code: 906

股份代號：906

2020

ANNUAL REPORT

年度報告



Vision 願景

Strive to become the leading
manufacturer of packaging products of
integrated consumer goods in China

致力成為中國綜合消費品包裝行業領導者





Financial Highlights

財務摘要

For the year ended 31 December

截至12月31日止年度

Variance

2020

2019

差異

RMB'000

RMB'000

%

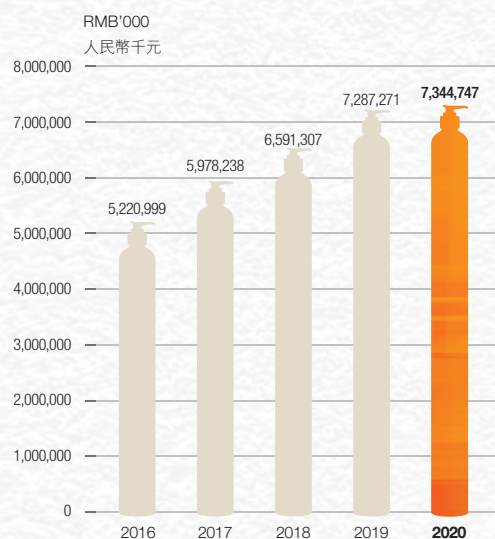
人民幣千元

人民幣千元

Revenue	收入	7,344,747	7,287,271	0.8
Profit attributable to equity holders of the Company	本公司股本持有人應佔利潤	389,388	302,090	28.9
		RMB	RMB	
		人民幣	人民幣	
Earnings per share	每股盈利	0.345	0.259	33.2

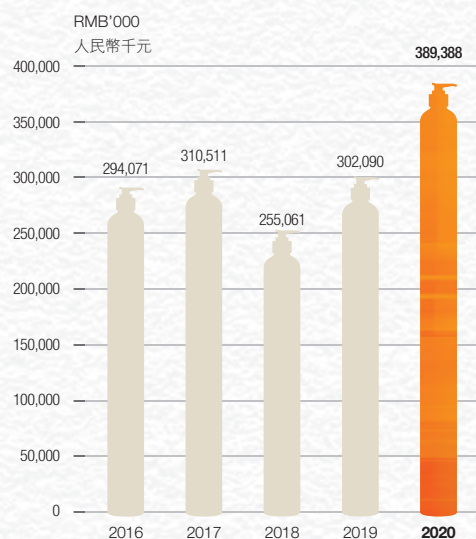
Revenue

收入



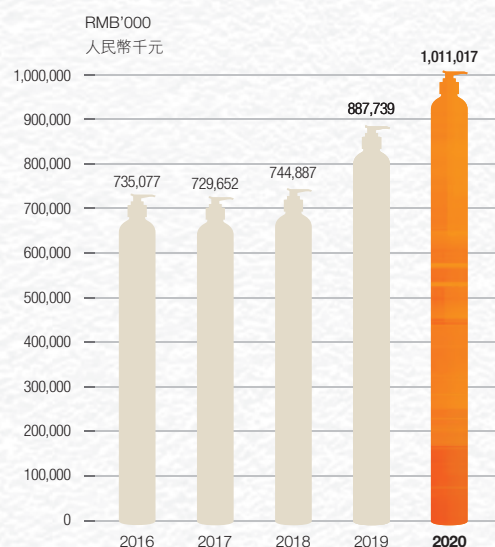
Profit attributable to equity holders of the Company

本公司股本持有人應佔利潤



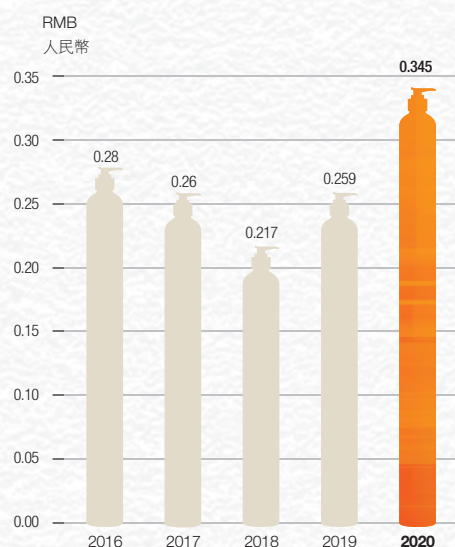
EBITDA

稅息折舊及攤銷前盈利



Earnings per share

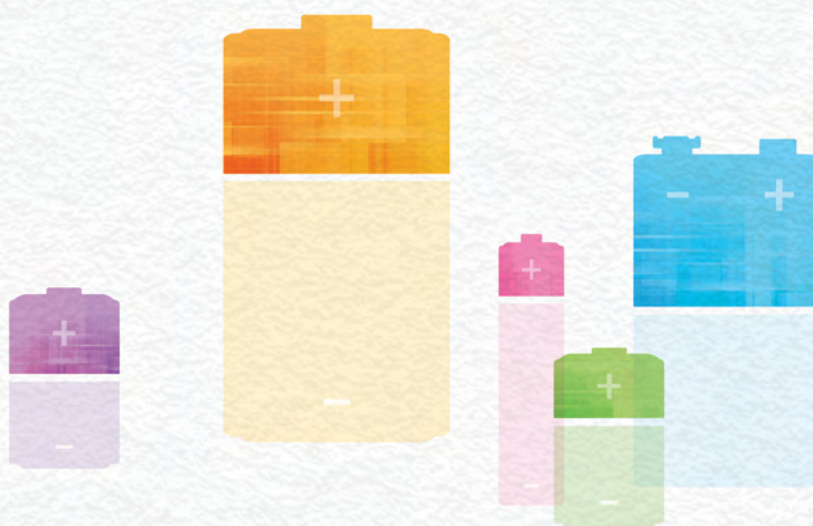
每股盈利



Contents

目錄

Corporate Information	2	公司資料	82
Highlights in 2020	4	2020年大事回顧	84
Chairman's Letter	6	主席致函	86
General Manager's Report	8	總經理報告	88
Management Discussion and Analysis	10	管理層論述及分析	90
Corporate Governance Report	22	企業管治報告	102
Environmental, Social and Governance Report	40	環境、社會及管治報告	120
Directors and Senior Management Profile	61	董事及高級管理人員簡介	141
Report of the Directors	66	董事會報告	146
Independent Auditor's Report	162	獨立核數師報告	162
Audited Financial Statements		經審核財務報表	
Consolidated:		綜合：	
Statement of Profit or Loss	171	損益表	171
Statement of Comprehensive Income	172	全面收益表	172
Statement of Financial Position	173	財務狀況表	173
Statement of Changes in Equity	175	權益變動表	175
Statement of Cash Flows	176	現金流量表	176
Notes to Financial Statements	178	財務報表附註	178
Five-Year Financial Summary	290	五年財務概要	290



Corporate Information

CONTENTS

DIRECTORS

EXECUTIVE DIRECTORS

Mr. ZHANG Xin (*Chairman*)
Mr. ZHANG Ye (*General Manager*)

NON-EXECUTIVE DIRECTORS

Mr. LI Minghua (*appointed on 17 March 2020*)
Ms. YU Youzhi (*resigned on 17 March 2020*)
Mr. CHEN Qianzheng
Mr. ZHOU Yuan
Mr. SHEN Tao

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHENG Yuk Wo
Mr. PUN Tit Shan
Mr. CHEN Jihua

AUDIT COMMITTEE

Mr. CHENG Yuk Wo (*Committee Chairman*)
Mr. ZHOU Yuan
Mr. CHEN Jihua

REMUNERATION COMMITTEE

Mr. PUN Tit Shan (*Committee Chairman*)
Mr. SHEN Tao
Mr. CHENG Yuk Wo

NOMINATION COMMITTEE

Mr. ZHANG Xin (*Committee Chairman*)
Mr. CHENG Yuk Wo
Mr. PUN Tit Shan

RISK MANAGEMENT COMMITTEE

Mr. CHEN Jihua (*Committee Chairman*)
Mr. CHEN Qianzheng
Mr. ZHANG Ye

COMPANY SECRETARY

Mr. YIM Ming Chung (*CPA, ACG, ACS*)

AUDITOR

Baker Tilly Hong Kong Limited (*Certified Public Accountants*)

CORPORATE
INFORMATION

HIGHLIGHTS
IN 2020

CHAIRMAN'S
LETTER

GENERAL
MANAGER'S
REPORT

Corporate Information

LEGAL ADVISOR

Loong & Yeung

PRINCIPAL BANKERS

Agricultural Bank of China Limited
Bank of Communications Co., Ltd.
Bank of China Limited
Bank of China (Hong Kong) Limited
China Construction Bank Corporation
Coöperatieve Rabobank U.A.
DBS Bank Limited
Industrial and Commercial Bank of China Ltd.
Mizuho Bank, Ltd.
Sumitomo Mitsui Banking Corporation
MUFG Bank, Ltd.

REGISTERED OFFICE

33rd Floor, COFCO Tower
262 Gloucester Road
Causeway Bay, Hong Kong

HEAD OFFICE

No. 160, Weiken Street
Hangzhou Economic and Technical
Development Zone
Hangzhou, Zhejiang Province
The PRC

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

COMPANY WEBSITE

www.cofco-pack.com

STOCK CODE

The Stock Exchange of Hong Kong Limited: 00906
Bloomberg: 906:HK
Reuters: 0906.HK

CONTENTS

CORPORATE
INFORMATION

HIGHLIGHTS
IN 2020

CHAIRMAN'S
LETTER

GENERAL
MANAGER'S
REPORT

Highlights in 2020

CONTENTS

CORPORATE INFORMATION

HIGHLIGHTS IN 2020

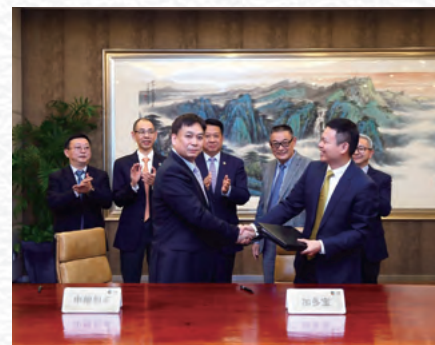
CHAIRMAN'S LETTER

GENERAL MANAGER'S REPORT



1 In 2020, CPMC's profitability and dividend paid hit a new record high.

2 On 30 November, CPMC and the JDB Group properly settled their disputes, according to which CPMC fully recovered the investment amount of RMB1,504 million and part of the committed dividend. The parties entered into a strategic cooperation agreement, pursuant to which CPMC became the JDB Group's major and top prioritized supplier of the packaging of its products and the supply by CPMC shall not be less than 70%.



3 In September 2020, CPMC and Feihe, a leading infant milk formula company in China, entered into a strategic cooperation agreement in relation to the provision of factory within a factory services.



4 In October 2020, CPMC and the People's Government of Duerbote Mongolian Autonomous County in Daqing City entered into a strategic cooperation agreement, pursuant to which CPMC would cooperate with Yili, Mengniu and other domestic prestigious brands.



5 In 2020, CPMC continuously optimized business models and established COFCO Barrel Production (Yantai) Co., Ltd. (中糧製桶(煙台)有限公司) and COFCO Barrel Production (Fujian) Co., Ltd. (中糧製桶(福建)有限公司) with Wanhua Group, a leading domestic chemical enterprise, to strengthen the cooperation with its strategic customer.

The project of “Research and Development and Application of Metal Optical Composite Printing Technology” of CPMC was honored with the “2020 Packaging Industry Science and Technology Award” (2020年度包裝行業科學技術獎) by China Packaging Federation Council (中國包裝聯合會).

6



7

Zhang Xin, the secretary of the party committee and chairman of CPMC, was awarded the “China Packaging Federation Council 40th Anniversary Award for Outstanding Achievement” (中國包裝聯合會成立40週年卓越成就獎) by China Packaging Federation Council (中國包裝聯合會).

Chairman's Letter

Dear Shareholders,

On behalf of the board of directors (the "Board") of CPMC Holdings Limited (the "Company"), I am pleased to present the audited annual results of the Company and its subsidiaries (collectively the "Group" or "CPMC") for the year ended 31 December 2020 (the "Year").

2020 was an extraordinary year. The COVID-19 pandemic caused an unprecedented and profound impact to the world and China's GDP suffered the biggest decline on record in the first quarter. Fortunately, the domestic pandemic has been brought under control in a short time, and China's economy recovered steadily, achieving the best performance among the major economies in the world. During this extraordinary year, CPMC carried out pandemic prevention and control while resuming production and operation, and captured opportunities amid challenges. Its operating result recorded an increase despite the adverse environment with sales and profits achieving record high and net profit recording a year-on-year increase of 28.5%, marking a perfect ending for the year.

Business opportunities grow among challenges. There are still lots of opportunities after the pandemic. New consumption scenarios boosted the online business of merchants, leading to the prosperity of digital economy; new consumption philosophy put more emphasis on safety, convenience and health; the emerging stay-at-home culture drove the fast growth of consumer goods such as hygiene products, food and beverage, household products and health care products, and owing to which the beer canning rate achieved a significant increase. The pandemic intensified the clean-up of the industry with accelerating exit of a large number of small and medium enterprises and increasing competitive edges of leading companies in brand, product and supply chain, resulting in a more concentrated industry in general.



As a leader in the industry, CPMC possessed significant advantages during the pandemic. It showed strong abilities in ensuring supply chain and production and flexible organization and coordination, was good at capturing new market opportunities and had the courage to transform and innovate. The two-piece cans business provided cans to international bear giants overseas, the steel barrels business conducted joint operations with Wanhua Group in an innovative way, the milk powder cans business carried out strategic cooperation with Feihe, Yili and Mengniu, establishing the first smart "dark factory" in China, and the plastic packaging business expanded with a "factory-within-a-factory" mode to provide convenient and flexible manufacturing services. CPMC continued to explore the domestic market and improve its regional layout. In addition to expanding its production capacity in existing regions such as Heilongjiang, Tianjin and Wuhan, CPMC also established presence in Kunming, Yantai, Fuzhou and other regions, ensuring the largest market share of its superior products in market segments and strengthening and enhancing its domestic leading position. In overseas markets, CPMC adhered to the development philosophy of

CONTENTS

CORPORATE
INFORMATION

HIGHLIGHTS
IN 2020

CHAIRMAN'S
LETTER

GENERAL
MANAGER'S
REPORT

Chairman's Letter

"Diligently Exploring a Market before Running a Facility" to expand international business steadily. The Belgium project resumed production in the middle of June and achieved sound operation against the great difficulties brought by the pandemic. At the end of April, CPMC entered into a repurchase agreement with JDB Group, pursuant to which its long-lasting disputes with JDB Group were settled successfully, and at the end of November, the parties entered into a strategic cooperation agreement to further strength their business cooperation, which would bring abundant cash flow to the Group to support its sustainable development in the future. The Group has repurchased its shares during the year to improve ROE and investment confidence.

In 2021, under a new "dual circulation" development pattern in which domestic economic cycle plays a leading role while international economic cycle remains its extension and supplement, CPMC will stick to its main work line featuring "high quality, international and risk prevention", promote innovation-driven growth, boost manufacturing upgrading and speed up the cultivation of talents with international vision, thus establishing a new round of strategic development pattern. We are full of expectation and confidence in 2021.

Lastly, on behalf of the Board, I wish to express our sincere gratitude to the management and all the staff of the Group for their valuable service and contribution during the past year. I would also like to express our heartfelt gratitude to our customers, suppliers, business partners, and shareholders for their continuous support to the Group.

Zhang Xin

Chairman of the Board

CONTENTS

CORPORATE
INFORMATION

HIGHLIGHTS
IN 2020

CHAIRMAN'S
LETTER

GENERAL
MANAGER'S
REPORT

General Manager's Report

CONTENTS

I am pleased to present to shareholders that for the year ended 31 December 2020, the Group's sales revenue was approximately RMB7,345 million, representing a year-on-year increase of approximately 0.8%; and the profit attributable to equity holders of the Company was approximately RMB389 million, representing an increase of approximately 28.9% from RMB302 million in 2019. The basic earnings per share for the year ended 31 December 2020 amounted to RMB0.345.

The Board recommends the payment of a final dividend of RMB0.092 (equivalent to HK11.0 cents) (2019: RMB0.057 (equivalent to HK6.4 cents)) and a final special dividend of RMB0.056 (equivalent to HK6.7 cents)(2019: Nil) per ordinary share for the year ended 31 December 2020, subject to the approval to be obtained at the annual general meeting to be held on 31 May 2021. The proposed final dividend will be distributed on or after 23 June 2021 to the shareholders of the Company whose names appear on the shareholders' register on 9 June 2021.

CORPORATE INFORMATION

In 2020, the world was heavily hit by the novel coronavirus (COVID-19) epidemic, posing a serious challenge to corporate development. CPMC withstood the challenge and delivered excellent overall results, with steady growth in both business development and profitability, demonstrating the Group's ability to succeed in the face of adversity.

At the beginning of the outbreak of the epidemic, the Group reacted promptly and responded positively, taking the lead in the industry to resume work and production, effectively ensuring a stable supply of downstream customers and establishing a normalized epidemic prevention and control system focusing on key aspects such as epidemic prevention policy, organizational structures, institutional systems, information monitoring, material safeguard, employee care and emergency disposal.

HIGHLIGHTS IN 2020

CHAIRMAN'S LETTER



Raw material prices were volatile and fluctuating, showing a trend of drop and rise. The Group accurately grasped the timing, fixed some aluminium prices and quickly promoted the internal production-sales linkages mechanism, effectively ensuring steady growth in gross margin. The three major businesses advanced side by side, and the growing trend along with the industry will remain unchanged.

The two-piece can industry has witnessed optimization in competitive landscape, improvement in supply-demand relationships and smooth pace of operation, benefiting from the increase in the canning rate driven by the epidemic and the continuous catalytic role played by the change in the consumer habits. Under the nation-wide production capacity layout, CPMC has followed the trends of differentiated cans and accelerated its efforts and investments in key regions to realize switch over multi-type cans and high-efficiency production. The Group has launched the second-line deployment in Tianjin and Wuhan, accelerated the production lines in Chengdu and Fujian, and established a new factory in Kunming to further expand its market shares in the southwest region. The tinplate

GENERAL MANAGER'S REPORT

General Manager's Report

CONTENTS

CORPORATE
INFORMATION

HIGHLIGHTS
IN 2020

CHAIRMAN'S
LETTER

GENERAL
MANAGER'S
REPORT

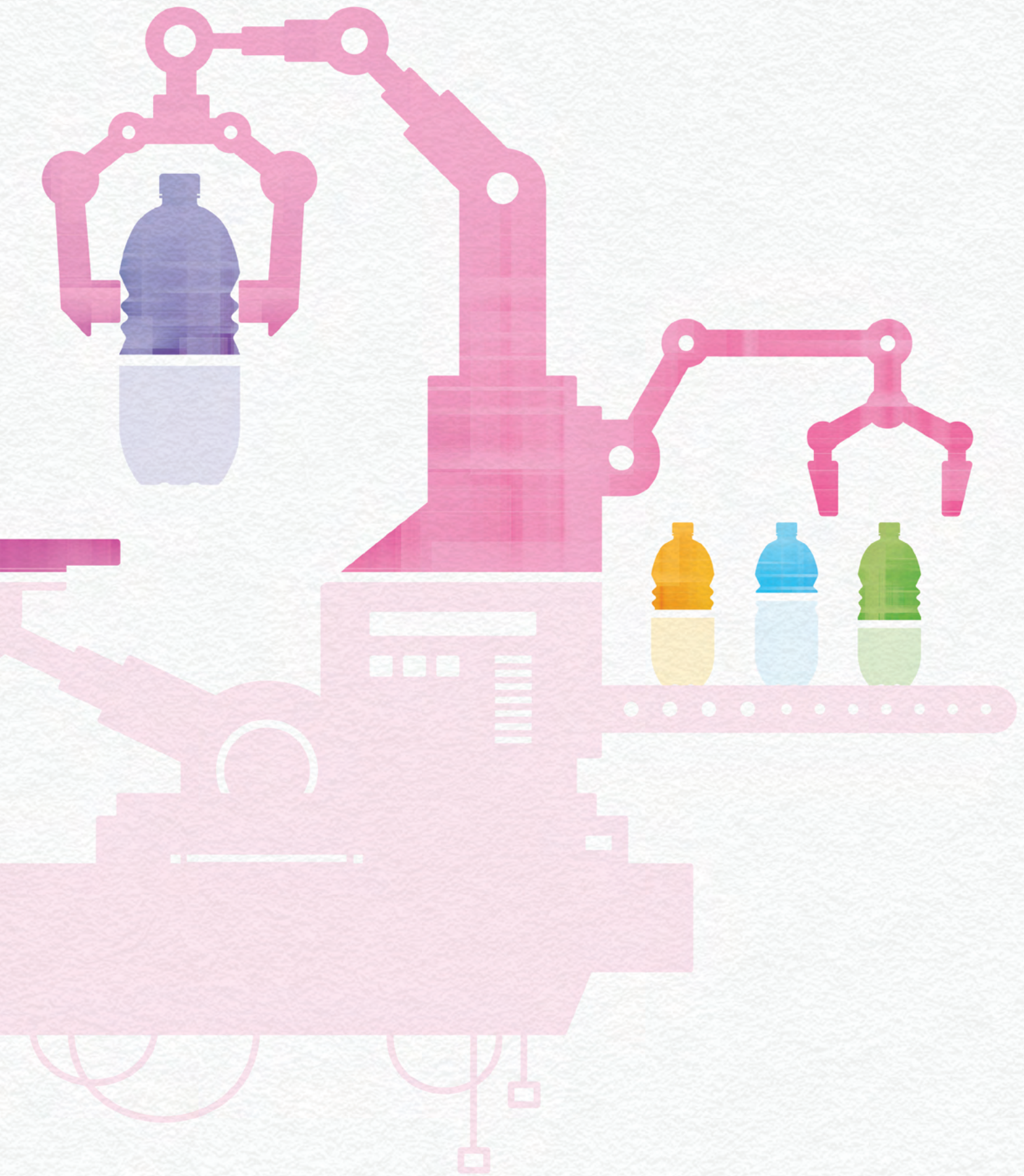
business has undergone a divergence in product performance after the impact of the epidemic. While the core products maintained high growth in revenue, the non-mainstream products such as food cans were affected by the new market trend and the release of demand gradually became apparent. By way of being closely bundled with the core customers, optimizing and upgrading product structure and steadily improving the production capacity layout, the Group gained the largest market share in China in respect of steel barrels, milk powder cans, aerosol cans and twist caps and other industries. Steel barrels have successfully entered the industrial chain of Wanhua Chemical (萬華化學), the largest chemical company in China. Based on the existing two factories in Yantai and Fujian, CPMC is confident to follow the pace of its customers to go further. With the successive expansion of milk powder cans in Inner Mongolia, Heilongjiang and other regions, active transformation to automation and establishment of intelligent factories, CPMC is well prepared to embrace the golden era of domestic milk powder. Aerosol cans and twist caps have always maintained their competitive advantages in terms of differentiation and low cost under the strategy of matching the high with the low product portfolio, and are seeking steady expansion in a timely manner. The plastics business continued to improve with steady and upward earnings. With regard to the disinfectants, liquid soap and other constant hot-selling items, even in February when the epidemic was the most serious, CPMC overcame its own difficulties and strongly ensured continuous production and supply for customers in Hubei region, delivering satisfactory results through practical actions. The Group maintained its inherent sensitivity on the market and invested in fashionable and healthy product packaging that met consumer preferences, such as laundry beads and high-end chilled fresh milk. The Group has actively developed large customers and successfully entered the supply system of Unilever, and will continue to accompany customers with the “factory-within-a-factory” mode to create a small but beautiful fast-responding manufacturing system.

In the extraordinary year, CPMC vigorously promoted cost reduction and efficiency improvement projects, accumulating a revenue of RMB100 million for the year. Leveraging on the information platform, we achieved remarkable results in respect of implementation of data visualization, conduction of inventory archive in each factory, and quick reduction of the backlog of inventory. Through various measures such as streamlining the organizational structure, renovation of automatic equipment, automatic collection of production data and creation of a remote information-based office platform, the Group has greatly improved manpower efficiency. The Group has enhanced technological innovation and promoted the use of innovative research and development projects, such as one product, one QR code, single-piece aluminium can molding, and DPM equipment development, etc.. The Group adheres to the customer-oriented philosophy to develop new products and constantly innovate and launch new products, and has achieved phased results for the construction of a digital design simulation platform. The Group has implemented full-process control of food safety, promoted the construction of a dual prevention mechanism in an orderly manner, built a standardized safety production system, organized special safety improvement actions focusing on key risks, continued to carry out special treatment of environmental protection, and completed the preparation of the Construction Plan of Ecological Sustainable Development System of CPMC (2020–2022), with an aim to promote the sustainable development of the enterprise.

2020 was an unprecedented year through the history, during which CPMC overcame numerous challenges and successfully resolved major operational risks confronted by JDB, marking a strong ending to 2020. While consolidating its leading position in the domestic market, the Group will promote the expansion of the overseas projects. The Group will lead industry coordination, strictly control production cost and enhance the profitability and investment returns. It will also earnestly perform social responsibilities and facilitate its sustainable development to return customers with premium products and services and create more value for shareholders.

Zhang Ye

Executive Director and General Manager



Management Discussion and Analysis



Management Discussion and Analysis

Business Introduction

The Group is principally engaged in the manufacturing and sale of packaging products used for consumer goods such as food, beverages and household chemical products, extensively covering the packaging markets of tea beverages, carbonated beverages, fruit and vegetable beverages, beer, dairy products, household chemical products and other consumer goods. In addition, the Group provides comprehensive packaging solutions including high technological packaging design, printing, logistics and comprehensive customer services. As a leading metal packaging provider in the PRC, the Group is committed to developing into the leader of the comprehensive consumer goods packaging industry in the PRC. The products of the Group mainly include aluminium packaging, tinplate packaging and plastic packaging. The Group carries out operations through 34 operating subsidiaries and 2 joint ventures (which are strategically located in different regions of the PRC), an offshore operating subsidiary and their branches in order to serve customers more efficiently. Ranking first in multiple market segments, the Group has earned the appreciation and trust of many well-known brands domestically and abroad, and established a solid customer base, including domestically and internationally renowned high-end consumer goods manufacturers.



MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Management Discussion and Analysis

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

- **Aluminium Packaging**

The Group uses aluminium as the main raw material for its aluminium packaging products, which mainly include two-piece beverage cans (two-piece cans) and one-piece cans. Aluminium packaging products are characterised by a high degree of automatic production and full product recyclability, etc., and has been one of the Company's core businesses in recent years.

In the first quarter of 2020, the downstream was severely impacted by the epidemic, but since the recovery in the second quarter, performance has remained stable and good. As consumers become more health conscious, sugar-free, sugar-reduced, low or even non-alcoholic beverages are becoming the choice of younger consumers, and the new generation category is expanding at a faster pace, becoming an important growth driver. With the improvement of public consumption ability and the changes of consumption concept, leading companies in the traditional market, through industrial structure upgrade and elimination of outdated capabilities, have promoted the proportion of high-end products to improve profitability, which has created new driving forces. New channels such as e-commerce bring new opportunities, and the home consumption scene overlaps with the de-plasticization order to catalyze the increase in the canning rate. In 2020, the Group's sales revenue from aluminium packaging was approximately RMB3,107 million (2019: approximately RMB3,309 million), representing a decrease of 6.1% over 2019, and accounted for approximately 42.3% of the total sales (2019: approximately 45.4%). Gross profit margin of the aluminium packaging business in 2020 was approximately 17.1% (2019: approximately 16.5%).

Two-piece Beverage Cans (Two-piece Cans)

Two-piece cans products are primarily used for the packaging of beers, carbonated drinks and tea beverages. In 2020, the Group's sales revenue from the two-piece cans business was approximately RMB2,948 million (2019: approximately RMB3,146 million), representing a decrease of 6.3% over 2019. Renowned customers of the Group's two-piece cans business include Anheuser-Busch InBev, CR Snow Beer, Tsingtao Brewery, Coca-Cola and JDB.

One-Piece Cans

One-piece cans products are primarily used for the packaging of household chemical products, beers, carbonated drinks and medical products. In 2020, the Group's sales revenue from one-piece cans products was approximately RMB159 million (2019: approximately RMB163 million), representing a decrease of 2.5% over 2019. Renowned customers of the Group's one-piece cans business include Anheuser-Busch InBev, Tsingtao Brewery, Carlsberg, Daizo Group and Sinochem Group, etc.

Management Discussion and Analysis

MANAGEMENT
DISCUSSION
AND ANALYSIS

- **Tinplate Packaging**

The Group uses tinplate as the primary raw material for its tinplate packaging, the products of which include steel barrels, milk powder cans, aerosol cans, metal caps, three-piece beverage cans, round and square shaped cans, printed and coated tinplate and other metal packaging. The Group is in a leading position in a number of market segments, with steel barrels, milk powder cans, twist caps and aerosol cans ranking No. 1 in market shares nationwide.

Milk powder cans and twist caps, as the rigid demand in daily diet, overlapped with the catalyst of the epidemic, have strong demand and a broad market space. Consumption upgrade of household channels and healthy consumption concept will continue to drive the structural improvement of the condiment industry, in which compound condiments highly cater to young consumers and the market space is rapidly expanding. With the encouragement of national policies, leading companies of domestic dairy products are actively investing in upstream milk sources through mergers and acquisitions of high-quality bidders and new milk bases to implement a national layout and promote industry upgrading. In 2020, the sales revenue from the Group's tinplate packaging business amounted to approximately RMB3,660 million (2019: approximately RMB3,390 million), representing an increase of approximately 8.0% over 2019, and accounted for approximately 49.8% of the total sales (2019: approximately 46.5%). The gross profit margin of the tinplate packaging business in 2020 was approximately 14.5% (2019: approximately 14.0%).

Steel Barrels

The Group produces steel barrels with a volume of 200 litres or above, which are mainly used for carrying chemical products and raw food ingredients (e.g. bulk edible oil). In 2020, the sales revenue was approximately RMB958 million (2019: approximately RMB882 million), representing a year-on-year increase of approximately 8.6%. Renowned customers of the Group's steel barrels business include Wanhua, Sinopec, Nippon, Exxon Mobil, COFCO and Yihai Kerry.

Milk Powder Cans

Milk powder cans are mainly used for the packaging of infant formula milk powder, health food and other products. The Group is the largest milk powder cans manufacturer in the PRC. In 2020, the sales revenue from the milk powder cans business amounted to approximately RMB678 million (same period in 2019: approximately RMB589 million), representing a year-on-year increase of approximately 15.1%. Renowned customers of the Group's milk powder cans business include Feihe, Yili, Mengniu and Nestle.

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Management Discussion and Analysis

Aerosol Cans

Aerosol cans products are primarily used for the packaging of household chemical products (e.g. car maintenance products, alcohol disinfectant, air fresheners, personal care products and pesticides) and other chemical products. In 2020, the Group recorded sales revenue of approximately RMB482 million (2019: approximately RMB384 million), representing a year-on-year increase of approximately 25.5%. Renowned customers of the Group's aerosol cans business include Gunuo Tianjin, Johnson Shanghai, Shanghai Daizo, Zhongshan Lanju and Hebei Kangda.

Metal Caps

Metal caps products include twist caps and crown caps. In 2020, the Group's sales revenue from the metal caps business amounted to approximately RMB537 million (2019: approximately RMB492 million), representing a year-on-year increase of approximately 9.1%. Renowned customers of the Group's metal caps business include Haiday, Lao Gan Ma, Jiajiahong, Huanleji, Chubang, China Resources Snow Breweries, Anheuser-Busch InBev and Tsingtao Brewery.

Three-Piece Beverage Cans (Three-Piece Cans)

Three-piece beverage cans (the "three-piece cans") are used widely for the packaging of protein drinks, energy drinks, mixed congee, fruit and vegetable juice, coffee, etc. In 2020, the sales revenue from three-piece cans was approximately RMB182 million (2019: approximately RMB329 million), representing a year-on-year decrease of approximately 44.7%. Renowned customers of the Group's three-piece cans business include Yinlu, Lulu, Yangyuan and Yili.

Round and Square Shaped Cans

The Group's round and square shaped cans products are mainly used for the packaging of various chemical oil paint, paint and small package of oils and fats products, etc. In 2020, the Group's sales revenue from round and square shaped cans business was approximately RMB264 million (2019: approximately RMB240 million), representing a year-on-year increase of approximately 10.0%. Renowned customers of the Group's round and square shaped cans business include Valspar Corporation, Asia Paint, Yip's Chemical, Carpoly and Yihai Kerry.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Management Discussion and Analysis

Printed and Coated Tinpates

The Group's printed and coated tinpates products are mainly used for various gift candy boxes, food, chemicals, caps, batteries and other electronic and electric appliances (e.g. rice cookers). The products are also used to satisfy the Group's internal demand arising from the manufacture of cans (e.g. milk powder cans and three-piece beverage cans) and metal caps (e.g. twist caps and crown caps). In 2020, external sales revenue from the printed and coated tinpates business was approximately RMB305 million (2019: approximately RMB245 million), representing a year-on-year increase of approximately 24.5%. Renowned customers of the Group's printed and coated tinpates business include ORG Technology, Lao Gan Ma, Supor, T.G. Battery and Panasonic.

- **Plastic Packaging**

The Group's plastic packaging products are mainly used for the packaging of personal care, household chemical and food and beverage products. In 2020, plastic packaging accurately grasped the purchase price of plastic particles to gain cost advantages and continued to promote the development of large customers. The sales revenue from the plastic packaging business was approximately RMB578 million in 2020 (2019: approximately RMB588 million), representing a year-on-year decrease of approximately 1.8%, and accounted for approximately 7.9% of the total revenue (2019: approximately 8.1%). The gross profit margin of the plastic packaging business in 2020 was approximately 17.2% (2019: approximately 13.4%). Renowned customers of the Group's plastic packaging business include P&G, Reckitt Benckiser, Blue Moon, Haiday, SC Johnson and Heinz.

Outlook for 2021

In 2021, the "Novel Coronavirus Vaccination Program" has been launched in succession across the world. Although the end of the epidemic is not yet in sight and the global economic situation is still complicated and severe, recovery is the main direction of the global economy. Over the past year, the consumer goods market in China has undergone a turnaround, demonstrating a strong growth momentum and becoming a major impetus promoting the domestic economy. In the medium to long term, the consumer goods market in China will still be the overriding growth engine fueling the economy.

The younger generation is becoming the main force which plays a leading role in the consumption upgrading. The demand for diversified, refined, convenient and healthy products is exerting influence on the traditional beverage market. The emergence of product segmentation is blossoming, while craft beer, sugar-free drinks and additive-free condiments are all embodying the huge potential of the consumer market. The green, low-carbon and recycling development of economy vigorously promoted by the country has also brought opportunities to improve the canning rate. The continuous popularity of personal cleaning products in the post-epidemic era reflects the consumers' fundamental change in consumer psychology and behavior.

The multi-product portfolio implemented by the Group has seized opportunities in a timely manner, demonstrating its excellent capabilities in hard times. The Group has constantly enhanced its own capabilities in respect of establishment of supply chain, development of differentiated can types, deployment of production capacity on a national scale, bundle with large customers and refinement of operation and management. While maintaining its leading position in domestic market, the Group, embracing the concept of further development driven by steady and stable growth, has been steadily expanding its overseas markets. The Group will continue to adhere to its determined objective of improving investment returns and continue to reward shareholders with good results.

Management Discussion and Analysis

Financial review

For the year ended 31 December 2020, revenue of the Group amounted to approximately RMB7,345 million (2019: approximately RMB7,287 million), representing an increase of approximately RMB58 million or 0.8%. Gross profit margin reached approximately 15.8% in the year of 2020 (2019: approximately 15.1%), representing a slight increase as compared with the same period in the previous year. The increase was primarily due to the measures to reduce costs and increase efficiency resulted in gross profit margin increase.

For the year ended 31 December 2020, net profit amounted to approximately RMB394 million (2019: approximately RMB307 million), representing an increase of approximately RMB87 million or 28.5% as compared to the same period in the previous year, primarily due to the increased gross profit margin and decreased finance costs.

GROUP'S PROFIT

For the year ended 31 December 2020, the Group's profit before income tax was approximately RMB507 million (2019: approximately RMB387 million), representing an increase of approximately RMB120 million or 31.1% as compared to the same period in the previous year.

Finance costs were approximately RMB99 million (2019: approximately RMB136 million), representing a significant decrease as compared to the same period in the previous year, which was mainly due to the decrease of the overall cost of capital.

Income tax expenses were approximately RMB113 million (2019: approximately RMB80 million). The effective income tax rate of the Group in 2020 was approximately 22.3% (2019: approximately 20.8%).

CASH FLOW, FINANCIAL RESOURCES AND GEARING RATIO

In 2020, the Group's main sources of funding were cash generated from operating activities and bank loans.

	31 December 2020 RMB (million)	31 December 2019 RMB (million)
Net assets	5,503	5,215
Cash and cash equivalents	1,944	679
Total borrowings	4,264	4,338
Equity attributable to equity holders of the Company	5,218	4,936
Current ratio	1.4	1.1
Gearing ratio*	44.5%	74.1%

* *The gearing ratio is calculated as net borrowings divided by equity attributable to equity holders of the Company, in which the net borrowings are calculated as total borrowings less cash and cash equivalents.*

Management Discussion and Analysis

MANAGEMENT
DISCUSSION
AND ANALYSIS

As at 31 December 2020, the Group had net assets of approximately RMB5,503 million (31 December 2019: approximately RMB5,215 million). Equity attributable to equity holders of the Company was approximately RMB5,218 million, which has slightly increased as compared to approximately RMB4,936 million as at 31 December 2019.

The current ratio and gearing ratio as at 31 December 2020 were approximately 1.4 and approximately 44.5%, respectively (31 December 2019: approximately 1.1 and approximately 74.1%, respectively). The current ratio as at 31 December 2020 was approximately 1.4 increased by 0.3 as compared to 31 December 2019. The decrease in gearing ratio from approximately 74.1% as at 31 December 2019 to approximately 44.5% as at 31 December 2020 was mainly due to the equity repurchase consideration of Qingyuan JDB Herbal were recovered, and the cash flow was sufficient. Interest-bearing bank loans were approximately RMB4,264 million as at 31 December 2020. The Group did not have any assets that were pledged for the outstanding bank loans as at 31 December 2020 and 31 December 2019.

CORPORATE
GOVERNANCE
REPORT

CAPITAL EXPENDITURE, COMMITMENTS AND CONTINGENT LIABILITIES

For the year ended 31 December 2020, the Group's capital expenditure was approximately RMB502 million, which was as follows:

	RMB million	Percentage of capital expenditure
Belgium project	121	24.1%
Two-piece cans project	130	25.9%
Tinplate project	113	22.5%
Plastics project	58	11.5%
Steel barrels project	44	8.8%
Other equipment purchases	36	7.2%
Total	502	100.0%

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

As at 31 December 2020, the Group had the following capital commitments:

	2020 RMB'000	2019 RMB'000
Contracted for, but not provided for in the consolidated financial statements:		
property, plant and equipment	383,452	224,305
capital contribution payable to a joint venture	8,280	1,122,759

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

Upon signing the Repurchase Agreement on 28 April 2020, JDB Group has agreed to release the capital contribution obligation to invest a further of RMB1,122,759,000 to Qingyuan JDB Herbal by the Group.

As at 31 December 2020, save as mentioned above, the Group had no other significant commitments and contingent liabilities.

REPORT OF THE
DIRECTORS

Management Discussion and Analysis

FOREIGN EXCHANGE RISK

The Group's main operations are located in China. Other than some of the bank loans and bank deposits which are denominated in U.S. dollars, Euro dollars and Hong Kong dollars, most of the assets, income, payments and cash balances are denominated in RMB. The Directors consider that exchange rate fluctuations have no significant impact on the Company's results.

HUMAN RESOURCES

As at 31 December 2020, the Group had 6,131 full-time employees (2019: 6,692), of which approximately 1,657 were engineers and technical staff or employees with higher education backgrounds. The table below shows the number of employees of the Group by function as at 31 December 2020:

Function	No. of employees	Percentage of total no. of employees
Management and Administration	777	12.7%
Sales and Marketing	233	3.8%
Research and Development in Technology and Engineering	817	13.3%
Production and Quality Control	4,304	70.2%
Total	6,131	100.0%

As at 31 December 2020, the Group's total staff cost was approximately RMB646 million, as compared to RMB665 million in the same period last year. The Group determined the salary of the employees based on their performance, the standard of salary in the respective regions, and the industry and market conditions. The benefits of the employees in the mainland China included pension fund, medical insurance, unemployment insurance, maternity insurance and employment-related injury insurance and housing fund contributions. In addition to the requirements of the PRC law, the Group has made voluntary contributions to an annuity plan, which was implemented with effect from 1 January 2009, for the benefit of the Group's employees when they reach certain seniority. The benefits of the employees in Hong Kong included mandatory provident fund, life insurance and medical insurance.

Management Discussion and Analysis

Major risks and uncertainties

In order to stabilise business operation, the Company's management shows great concern on the risk factors which the Company may face in its operation. Based on critical risk indicators and through assessment and analysis, the following major possible risks are identified:

1. Operational risks from macroeconomic control:

Macroeconomic control has considerable impact on downstream companies and will indirectly affect the sales and profits of packaging companies (including the Group).

2. Operational risks from fluctuations in raw material prices and exchange rates:

Raw material costs represent a relative high proportion in our production costs, hence, fluctuations in raw material prices will have considerable impact on the generation of profits.

3. Risks from market competition:

With relatively low concentration in our sector, companies with considerable scale and capacity have viewed further expansion of their production and marketing scale and maximisation of market share as their main objectives. This will give rise to keen market competition.

4. Risks from food safety:

Failure to meet the national or industrial safety standards in food production will cause food safety issues to customers. This will give rise to the risks of return of goods or financial losses.

5. Quality risks:

Failure to satisfy the statutory standards or customers' needs in relation to product quality or performance will give rise to lot quality problem, of which defective lots or inventories will result in losses.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

ARBITRATION

Reference is made to the Company's announcements dated 30 October 2017, 6 July 2018, 9 July 2018, 31 August 2018, 23 June 2019, 15 November 2019, 20 March 2020, 28 April 2020, 15 May 2020, 22 June 2020, 24 June 2020 and 30 November 2020, and the circular dated 30 November 2017 and 5 June 2020 in relation to, among others, CPMC Investment Co., Ltd. ("CPMC Investment"), an indirectly wholly-owned subsidiary of the Company, entered into the capital increase agreement (the "Capital Increase Agreement") with Wong Lo Kat Limited ("Wong Lo Kat"), Wisdom Kingdom Limited ("Wisdom Kingdom") and Qingyuan JDB Herbal Plant Technology Co., Ltd.* (清遠加多寶草本植物科技有限公司) ("Qingyuan JDB Herbal", together with Wong Lo Kat and Wisdom Kingdom, the "JDB Group Companies") on 30 October 2017.

Since Wong Lo Kat did not performed its undertaking to inject the JDB Trademarks to Qingyuan JDB Herbal as its asset capital contribution pursuant to the Capital Increase Agreement, CPMC Investment filed an arbitration application ("CPMC Investment Arbitration") to Hong Kong International Arbitration Centre ("HKIAC") against Wong Lo Kat, Wisdom Kingdom and Qingyuan JDB Herbal on 6 July 2018, and the Group received the partial arbitral awards (the "Arbitration Results") granted by HKIAC on 14 November 2019.

After receipt of the Arbitration Results, the parties had been maintaining friendly negotiation and communication. On 28 April 2020, the parties to the Capital Increase Agreement and JDB (Tianjin) Beverage Co., Ltd.* (加多寶(天津)飲料有限公司) ("JDB (Tianjin)") entered into a repurchase agreement (the "Repurchase Agreement") for resolving the matters in relation to the Capital Increase Agreement and the Arbitration Results. Pursuant to the Repurchase Agreement, JDB (Tianjin) shall repurchase the 30.58% equity interest held by CPMC Investment in Qingyuan JDB Herbal at the consideration of RMB1,504,631,126, while Qingyuan JDB Herbal shall also pay the accumulated Committed Dividend under the Capital Increase Agreement in the amount of RMB237,642,626 to CPMC Investment.

Further, pursuant to the Repurchase Agreement, after JDB (Tianjin) and Qingyuan JDB Herbal having completed payment of the 1st installment of the repurchase consideration and the 1st installment of the Committed Dividend, CPMC Investment shall within 15 working days after receipt of the aforesaid payments, withdraw its litigation ("CPMC Investment Litigation") filed with the relevant PRC Court (as set out in the announcement of the Company dated 31 August 2018). Besides, within 4 months after receipt of the aforesaid payments, unless JDB (Tianjin) fails to pay the 2nd installment of the repurchase consideration under the Repurchase Agreement, CPMC Investment shall also terminate the arbitration filed by it against Wong Lo Kat Company, Wisdom Kingdom and Qingyuan JDB Herbal, and the rights and obligations of the parties thereunder shall cease by then as well. At the same time, Wisdom Kingdom shall apply to the HKIAC to withdraw its arbitration application ("Wisdom Kingdom Arbitration") filed against CPMC Investment in June 2019.

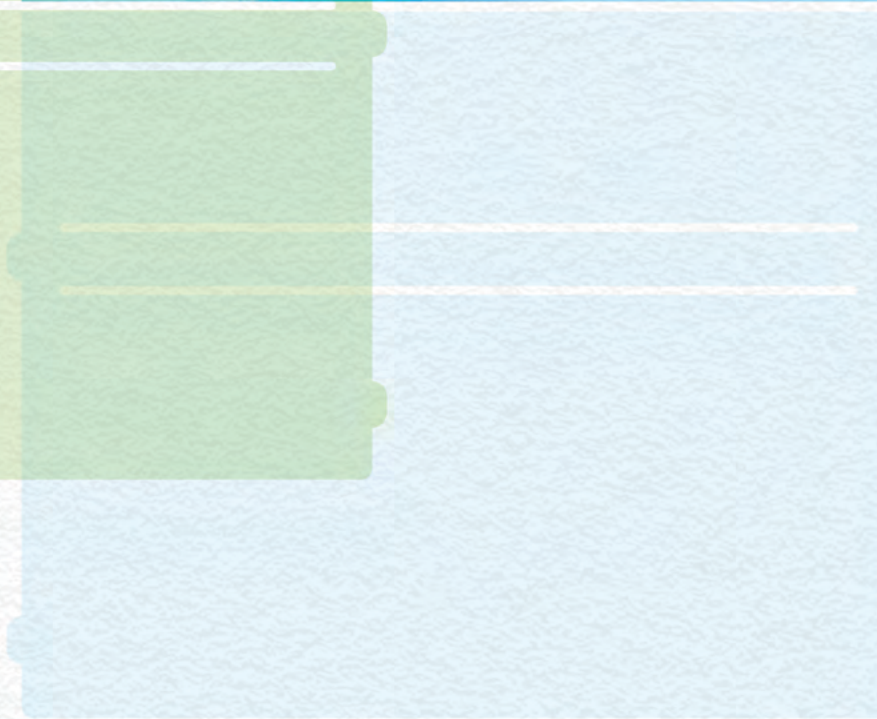
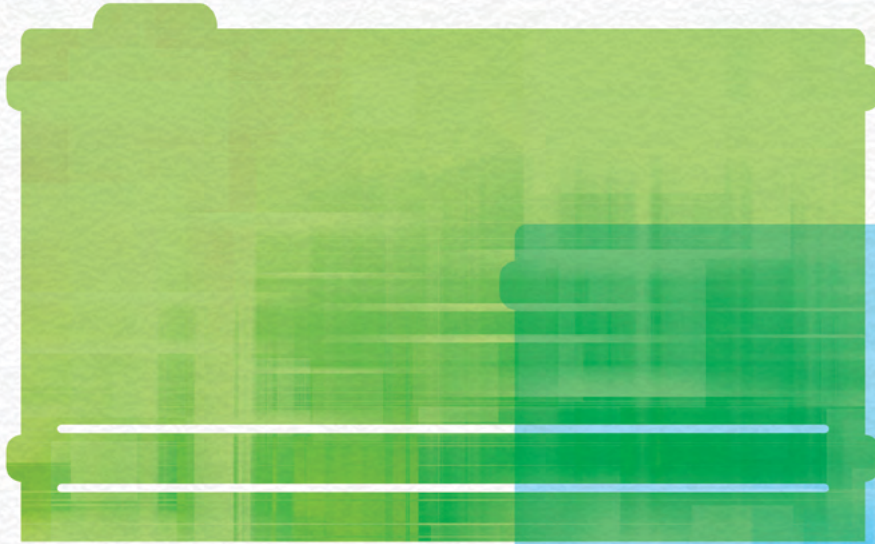
As at 31 December 2020, the Group received the full amount of the consideration of RMB1,504,631,126 for the repurchase of Qingyuan JDB Herbal and the 1st and 2nd installment of the Committed Dividend in the aggregate amount of RMB50,000,000 under the Repurchase Agreement. As at the date of this annual report, the CPMC Investment Arbitration, CPMC Investment Litigation and Wisdom Kingdom Arbitration were also withdrawn and ceased in accordance with the Repurchase Agreement. For details of the Repurchase Agreement, please refer to the Company's announcement dated 28 April 2020 and the circular dated 5 June 2020.

For details of the Capital Increase Agreement, the arbitration, the Repurchase Agreement and the aforesaid backgrounds, please refer to the aforesaid announcements and the circular.

* For identification purpose only

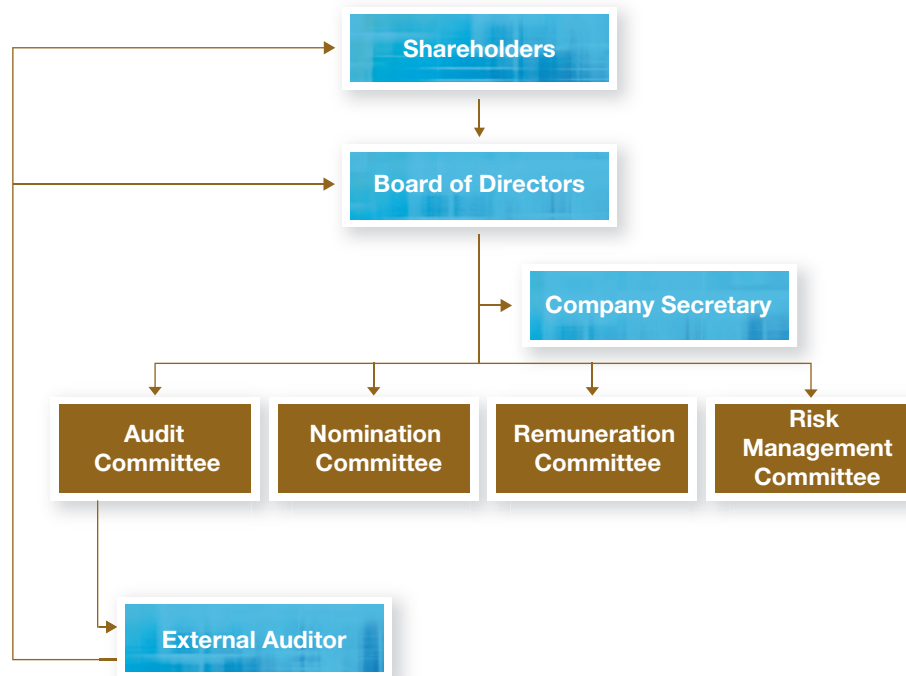
Corporate Governance Report





Corporate Governance Report

CORPORATE GOVERNANCE STRUCTURE



The Board is fully aware of the importance of corporate ethics in running a successful company and believes that a good and solid corporate governance framework has given the Company the edge in attracting and retaining talent, enhancing customers' loyalty and reinforcing relationships with suppliers, and retaining its position as a leading manufacturer of packaging products of integrated consumer goods. During the Year, the Company had adopted all the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as its own code of corporate governance. The Directors consider that since the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 16 November 2009, save for those disclosed in this annual report, the Company has complied with the code provisions under the CG Code.

The Board will continue to review and monitor its current corporate practices and procedures of the Company from time to time and will maintain and further enhance the standard of corporate governance practices of the Company in order to ensure that formal and transparent procedures are in place to protect and maximise the interests of the current and potential shareholders, investors, employees, business partners and the community as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiries to all Directors, all the Directors have confirmed that they had complied with the required standards as set out in the Model Code throughout the year ended 31 December 2020.

BOARD OF DIRECTORS

Board composition

The Board is responsible for leading and controlling the business operations of the Group. Decisions made are in the best interests of the shareholders of the Company (the “Shareholder(s)”) and for maximising the Shareholders’ return. The Directors formulate strategic directions, oversee the operations and monitor the financial and management performance of the Group as a whole. During the Year and up to the date of this annual report, the Board comprise a combination of two executive Directors, four non-executive Directors and three independent non-executive Directors as follow:

Executive Directors:

- Mr. Zhang Xin (*Chairman*)
- Mr. Zhang Ye (*General Manager*)

Non-executive Directors:

- Mr. Li Minghua (*appointed on 17 March 2020*)
- Ms. Yu Youzhi (*resigned on 17 March 2020*)
- Mr. Chen Qianzheng
- Mr. Zhou Yuan
- Mr. Shen Tao

Independent non-executive Directors:

- Mr. Cheng Yuk Wo
- Mr. Pun Tit Shan
- Mr. Chen Jihua

The members of the Board are well-balanced in abilities with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group.

The biographical information of the Directors is set out on pages 61 to 65 of this annual report. Save as disclosed in the section headed “Directors and Senior Management Profile” in this annual report, there is no financial, business, family or other material or relevant relationship among members of the Board and senior management.

The Company has appointed three independent non-executive Directors representing one-third of the Board. Mr. Cheng Yuk Wo, being one of the independent non-executive Directors, has professional qualifications in accountancy. One of the important duties of the independent non-executive Directors is ensuring and monitoring the basis for an effective corporate governance framework. Their participation provides adequate checks and balances to safeguard the interests of the Group and its shareholders, including the review of continuing connected transactions described in other sections of this annual report. The Board confirms that the Company has received from each of the independent non-executive Directors a confirmation of independence for the year ended 31 December 2020 pursuant to Rule 3.13 of the Listing Rules and considers such Directors to be independent.

Although Mr. Cheng Yuk Wo served as an independent non-executive Director for more than nine years, the Board considers that Mr. Cheng Yuk Wo is a person of integrity and independent in judgement and character. He is independent of management and free from any business or other relationships or circumstances which could materially interfere with the exercise of his independent judgement. The Board considers that Mr. Cheng Yuk Wo meets the independent guidelines set out in Rule 3.13 of the Listing Rules, and is of the view that his independence is not affected by his long service with the Company.

Corporate Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

Functions of the Board

The Board is responsible for overseeing the management of the Company's business and affairs with the goal of maximising the Shareholders' return. The Board has the following major duties:

- determination of all the corporate matters;
- be responsible for the management, direction and supervision of the business of the Group;
- to ensure the effectiveness of the Group's financial reporting and compliance;
- formulation of business strategies and business plans;
- planning and overseeing mergers, acquisitions or divestments and other major capital expenditure projects;
- internal control and risk management;
- evaluation of the performance of the Group and the senior management; and
- be responsible for the annual and interim financial results and shareholder communications.

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

The Board, led by the chairman of the Company (the "Chairman"), is responsible for the leadership and control of the Company, formulation of overall strategies and policies, evaluation of the performance of the Group and management, and approval of matters or transactions of a material nature or those requiring disclosure under the Listing Rules.

The management, under the leadership of the general manager of the Company (the "General Manager"), is responsible for the business and day-to-day operations of the Group and implementation of the strategies and policies set by the Board. The General Manager is responsible for overseeing and monitoring the operations of business units or functional divisions.

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

Delegation by the Board

To assist the Board in the execution of its duties and facilitate effective management, certain functions of the Board have been delegated by the Board to an audit committee (the "Audit Committee"), a remuneration committee (the "Remuneration Committee"), a nomination committee (the "Nomination Committee"), a risk management committee (the "Risk Management Committee") and the senior management. On 23 October 2009, the Board approved the forming of the Audit Committee, Remuneration Committee and Nomination Committee upon the listing of the Shares on the Stock Exchange. On 22 December 2016, the Board approved the formation of the Risk Management Committee. The Board delegates the authority and responsibility of the daily operations, business strategies and day-to-day management to the General Manager and senior management. The final decision(s) are still under the control of the Board unless otherwise provided for in the terms of reference of the four committees.

REPORT OF THE
DIRECTORS

Chairman and General Manager

Code Provision A.2.1 of the CG Code stipulates that the roles of Chairman and General Manager should be separate and should not be performed by the same individual. In effect, the Chairman, Mr. Zhang Xin, had been responsible for the Group's business strategic and effective operation of the Board during the Year. Furthermore, the role of the Chairman is to encourage and facilitate active contribution of Directors in Board activities and constructive relations between executive and non-executive Directors. With the support of the executive Directors and the senior management, Mr. Zhang Xin had ensured the Directors to have receive adequate information, which is complete and reliable, in a timely manner during the Year. The General Manager, Mr. Zhang Ye, is primarily responsible for the executive management of the Group's daily operations and to ensure the Group's business plans and strategies are effectively implemented to achieve the goals of the Group during the Year.

Directors' Appointments, Re-election and Removal

Each of the Directors has a specific term of appointment for three years.

The Articles of Association (the "Articles") of the Company provides that any Director appointed by the Board, either to fill a casual vacancy in the Board or as an addition to the existing Board, shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election. Further, under the Articles, one-third of all Directors (whether executive or non-executive) is subject to retirement by rotation and re-election at each annual general meeting provided that every Director shall be subject to retirement at least once every three years, and a retiring Director shall be eligible for re-election.

Members of the Company may, at any general meeting convened and held in accordance with Articles, remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in the Articles or in any agreement between the Company and such Director.

Board meetings and Board practices

Under code provision A.1.1 of the CG Code, the Board shall meet regularly and at least four times a year at approximately quarterly intervals. The Board has scheduled to meet at least four times a year at approximately quarterly intervals in accordance with the Articles. The Board meets physically and regularly. During the year ended 31 December 2020, 10 Board meetings were held. The Directors attended the meetings in person or by telephone in accordance with the Articles. A summary of the Directors' meeting attendance during the Year is as follows:

	Attendance/Total board meetings held during the Year*
Executive Directors	
Mr. Zhang Xin	10/10
Mr. Zhang Ye	10/10
Non-executive Directors	
Mr. Li Minghua (<i>Note 1</i>)	8/8
Ms. Yu Youzhi (<i>Note 2</i>)	2/2
Mr. Chen Qianzheng	10/10
Mr. Zhou Yuan	10/10
Mr. Shen Tao	10/10
Independent non-executive Directors	
Mr. Cheng Yuk Wo	10/10
Mr. Pun Tit Shan	10/10
Mr. Chen Jihua	10/10

* During the Year, there was 1 out of the 10 Board meetings related to continuing connected transactions, in which Directors who were deemed to have material interest had abstained from voting at that Board meeting.

Notes:

- Mr. Li Minghua was appointed as a non-executive Director on 17 March 2020 and attended 8 out of 8 Board meetings held during his tenure in the Year.
- Ms. Yu Youzhi was resigned as a non-executive Director on 17 March 2020 and attended 2 out of 2 Board meetings held during his tenure in the Year.

Corporate Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

According to the current Board practice, notices of the Board meetings are served to all Directors before the meeting. Generally, at least 14 days' notice is given for regular Board meetings by the Company to all Directors. Reasonable notice is given for all other Board meetings. The company secretary of the Company (the "Company Secretary") assists the Chairman to prepare Board meeting agenda and papers together with all appropriate, complete and reliable information. Each Director may request the Company Secretary to include any matters in the agenda during the Board meetings. All substantive agenda items together with comprehensive briefing papers will be sent to all Directors at least 3 days before each Board meeting or committee meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions.

CORPORATE
GOVERNANCE
REPORT

General meetings with the Shareholders

The 2020 annual general meeting (the "2020 AGM") was held on 22 June 2020 and two extraordinary general meetings was held on 22 June 2020 and 14 December 2020. A summary of the general meeting attendance during the Year is as follows:

	Attendance/Total general meetings held during the Year
Executive Directors	
Mr. Zhang Xin	3/3
Mr. Zhang Ye	3/3
Non-executive Directors	
Mr. Li Minghua (<i>Note 1</i>)	0/3
Ms. Yu Youzhi (<i>Note 2</i>)	—
Mr. Chen Qianzheng	0/3
Mr. Zhou Yuan	0/3
Mr. Shen Tao	0/3
Independent non-executive Directors	
Mr. Cheng Yuk Wo	3/3
Mr. Pun Tit Shan	3/3
Mr. Chen Jihua	0/3

Notes:

1. Mr. Li Minghua was appointed as a non-executive Director on 17 March 2020 and 3 general meetings was held during his tenure in the Year but he was not able to attend due to COVID-19.
2. Ms. Yu Youzhi was resigned as a non-executive Director on 17 March 2020 and no general meeting was held during his tenure in the Year.

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

Code provision A.6.7 of the Code stipulates that the independent non-executive Directors and other non-executive Directors should attend general meetings and develop a balanced understanding of the views of the shareholders of the Company. Mr. Chen Qianzheng, Mr. Zhou Yuan, Mr. Shen Tao and Mr. Chen Jihua were unable to attend the general meetings of the Company held on 22 June 2020 and 14 December 2020 due to COVID-19.

REPORT OF THE
DIRECTORS

Supply of and access to information

All Directors may access the advice and services of the Company Secretary. Minutes of the Board and meetings of the Board committees are kept by the Company Secretary and such minutes are open for inspection at any reasonable time upon reasonable notice by the Directors. Any Director may request the Company to provide independent professional advice at the Company's expense to discharge his duties to the Company.

Important matters are usually dealt with by way of written resolutions so that all Directors (including independent non-executive Directors) can note and comment on, as appropriate, the matters before approval is granted. Moreover, a Director must declare his interest in matters or transactions to be considered and approved by the Board. If a substantial Shareholder or a Director has an interest in a matter to be considered by the Board which the Board has determined to be material, the Company will not deal with the matter by the way of written resolution. The independent non-executive Directors shall take an active role and make an independent judgment on all issues relating to such matter. If any Director or his close associates have any material interest in any proposed Board resolutions, such Director shall not vote (nor shall be counted in the quorum) at a meeting of the Directors on any resolutions approving any contract or arrangement or concerning a matter in which he or any of his close associates has directly or indirectly a material interest (save as provided under the Articles).

Directors' and Officers' liability insurance

The Company has arranged directors' and officers' liability insurance for all Directors and senior management of the Company for the year 2020/2021. The insurance covers the corresponding costs, charges, expenses and liabilities for legal action of corporate activities against them.

Responsibilities of directors

The Company ensures that every newly appointed Director has a proper understanding of the operations and business of the Group and that he or she is fully aware of his or her responsibilities under statute and common law, the Listing Rules, applicable legal requirements and other regulatory requirements and the business and governance policies of the Company.

The non-executive Directors exercise their independent judgement and advise on the business direction and strategic plans of the Company. The non-executive Directors also review the financial information and operational performance of the Company on a regular basis.

The independent non-executive Directors take an active role in Board meetings and make independent judgment on issues relating to matters or transactions of a material nature. They will take the lead where potential conflicts of interest arise. In compliance with Rule 3.10(1) of the Listing Rules, there are three independent non-executive Directors, representing one-third of the Board. Among the three independent non-executive Directors, Mr. Cheng Yuk Wo has the appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

Company secretary

Mr. Yim Ming Chung had been appointed as the Company Secretary with effect from 6 March 2016. He has complied with Rule 3.29 of the Listing Rules in relation to the professional training requirements.

Corporate Governance Duties

The Board is responsible for performing the corporate governance duties as set out in the Code Provision D.3.1. During the year ended 31 December 2020, the Board had reviewed and discussed the corporate governance policy of the Group and was satisfied with the effectiveness of the corporate governance policy of the Group.

Corporate Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

Directors' Continuous Professional Development

All Directors are provided with monthly updates on the Company's operation performance, position and prospects to enable the Board as a whole and each Director to discharge their duties. Furthermore, all Directors acknowledge the needs to continue to develop and refresh their knowledge and skills for making contributions to the Company. The table below shows the participation of individual directors in continuous professional development during the year ended 31 December 2020.

	Reading regulatory updates	Attending external seminars/ programmes
Executive Directors		
Mr. Zhang Xin	✓	✓
Mr. Zhang Ye	✓	✓
Non-executive Directors		
Mr. Li Minghua (<i>appointed on 17 March 2020</i>)	✓	✓
Ms. Yu Youzhi (<i>resigned on 17 March 2020</i>)	✓	✓
Mr. Chen Qianzheng	✓	✓
Mr. Zhou Yuan	✓	✓
Mr. Shen Tao	✓	✓
Independent non-executive Directors		
Mr. Cheng Yuk Wo	✓	✓
Mr. Pun Tit Shan	✓	✓
Mr. Chen Jihua	✓	✓

Audit Committee

On 23 October 2009, the Company approved the formation of the Audit Committee upon the listing of the Shares on the Stock Exchange with written terms of reference stating its authority and duties. A majority of the members of the Audit Committee are independent non-executive Directors.

The Audit Committee held 3 meetings during the year ended 31 December 2020. The composition and the details of the attendance records of members of the Audit Committee are as follows:

Members of Audit Committee	Attendance/Total meetings
Mr. Cheng Yuk Wo (<i>Committee Chairman</i>) (<i>Note 1</i>)	3/3
Mr. Zhou Yuan (<i>Note 2</i>)	3/3
Mr. Chen Jihua (<i>Note 1</i>)	3/3

Notes:

1. Independent non-executive Director
2. Non-executive Director

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Corporate Governance Report

The Company Secretary also attended the meetings. Minutes drafted by the Company Secretary had been circulated to members of the Audit Committee within a reasonable time after the meetings. No member of the Audit Committee is a former partner of the existing auditing firm of the Company.

The Board has adopted the terms of reference for the Audit Committee, which follow closely the requirements of the code provisions of the CG Code, details of which are published on the Stock Exchange's website and the Company's website.

The Audit Committee's main responsibilities include the following:

- review and supervision of the Group's financial reporting process and completeness of financial reports;
- monitor the effectiveness of the Group's risk management and internal control systems; and
- consider the independence of the external auditor.

During the year ended 31 December 2020, the Audit Committee had performed the following work:

- reviewed with the senior management the accounting policies and practices adopted by the Group and discussed auditing and internal control systems and financial reporting matters;
- reviewed the financial statements of the Company and the Company's interim and annual reports, the letter to the management from the auditor of the Company, the audit scope and fees for the year ended 31 December 2020;
- approved the internal audit plan for the year of 2020;
- reviewed continuing connected transactions; and
- met with the external auditor to discuss the general scope of their audit work for the year ended 31 December 2020.

The Audit Committee has also recommended to the Board that, subject to the Shareholders' approval at the forthcoming annual general meeting, Baker Tilly Hong Kong Limited be re-appointed as the Company's external auditor for the year ending 31 December 2021.

The senior management of the Group is required to provide adequate and timely support to the Audit Committee to discharge its duties. The Audit Committee has also been advised that the Company Secretary can arrange independent professional advice at the expense of the Company should the seeking of such advice be considered necessary by the Audit Committee.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Corporate Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

Nomination Committee

On 23 October 2009, the Company approved the formation of the Nomination Committee upon the listing of the Shares on the Stock Exchange. The Board has also adopted the terms of reference for the Nomination Committee which are in line with the code provisions set out in the CG Code and are published on the Stock Exchange's website and the Company's website. A majority of the members of the Nomination Committee are independent non-executive Directors.

The principal duties of the Nomination Committee are mainly to (i) review the structure, size and composition of the Board and make recommendations to the Board regarding any proposed changes; (ii) make recommendations to the Board on the nominees for appointment as Director and senior management of the Group; and (iii) assess the independence of the independent non-executive Directors.

During the year ended 31 December 2020, the Nomination Committee had performed the following work:

- reviewed the structure, size and composition of the Board to ensure that it has a balance of skills, knowledge and experience appropriate to the requirements of the business of the Group;
- nominated new non-executive Director;
- made recommendation to the Board for the re-election at the 2020 AGM; and
- assessment of the independence of all the independent non-executive Directors.

Nomination Policy

In assessing the suitability of a proposed candidate as a member of the Board, the Nomination Committee would consider factors including:

- (a) Reputation;
- (b) Skills, knowledge, experience, cultural and educational background, gender, age and other qualities required, with due regard for the benefits of diversity of the Board;
- (c) The extent to which the proposed candidate is likely to contribute to the overall effectiveness of the Board and work constructively with the existing Directors;
- (d) The skills and experience that the proposed candidate brings to the role and how they will enhance the efficiency and performance of the Board as a whole;
- (e) The nature of existing positions served by the proposed candidate including directorships or other relationship with the Company and/or its Directors and impact they may have on his ability to exercise independent judgment; and
- (f) Factors which may affect the proposed candidate's time commitment to the Company.

These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Board Diversity Policy

The Board has adopted a board diversity policy and discussed all measurable objectives set for implementing the policy during the year ended 31 December 2019. The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. Pursuant to the board diversity policy, all Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contributions that the selected candidates will bring to the Board.

The Nomination Committee held 2 meetings during the year ended 31 December 2020. The composition and the details of the attendance of the members of the Nomination Committee during the Year are as follows:

Members of Nomination Committee	Attendance/Total meetings
Mr. Zhang Xin (<i>Committee Chairman</i>) (<i>Note 1</i>)	2/2
Mr. Cheng Yuk Wo (<i>Note 2</i>)	2/2
Mr. Pun Tit Shan (<i>Note 2</i>)	2/2

Notes:

- Executive Director
- Independent non-executive Director

Remuneration Committee

On 23 October 2009, the Company approved the formation of the Remuneration Committee upon the listing of the Shares on the Stock Exchange with written terms of reference to state its authority and duties. A majority of the members of the Remuneration Committee are independent non-executive Directors.

The duties of the Remuneration Committee are mainly to (i) make recommendations to the Board on the Company's policy and structure for all remuneration of the Directors and senior management to ensure that no Director or any of his/her associates is involved in deciding his/her own remuneration; (ii) determine the specific remuneration packages of the Directors and senior management; and (iii) review and approve performance based remuneration by reference to corporate goals and objectives resolved by the Board. The Remuneration Committee may have access to independent professional advice at the Company's expense if considered necessary.

Corporate Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

During the year ended 31 December 2020, the Remuneration Committee had performed the following work:

- review and discuss the remuneration policy of the Group and the remuneration packages of the Directors and senior management of the Company; and
- made recommendation to the Board on the emolument of the executive Directors, non-executive Directors, independent non-executive Directors and senior management of the Group.

Details of the remuneration of each Director for the year ended 31 December 2020 are set out in Note 9 to the financial statements.

CORPORATE
GOVERNANCE
REPORT

The terms of reference of the Remuneration Committee, which closely follows the requirements of the code provisions of the CG Code, are published on the Stock Exchange's website and the Company's website.

The human resources and administration department of the Company provides administrative support to the Remuneration Committee, and implements the approved remuneration packages and other human resources related decisions.

The Remuneration Committee held 2 meetings during the year ended 31 December 2020. The composition and the details of the attendance of members of the Remuneration Committee during the Year are as follows:

Members of Remuneration Committee	Attendance/Total meetings
Mr. Pun Tit Shan (<i>Committee Chairman</i>) (<i>Note 1</i>)	2/2
Mr. Shen Tao (<i>Note 2</i>)	2/2
Mr. Cheng Yuk Wo (<i>Note 1</i>)	2/2

Notes:

1. Independent non-executive Director
2. Non-executive Director

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Risk Management Committee

The Risk Management Committee was established on 22 December 2016 and the Board has adopted the terms of reference for the Risk Management Committee which are in line with the code provisions set out in the CG Code and are published on the Stock Exchange's website and the Company's website.

The principal duties of the Risk Management Committee are mainly to (i) review the Group's enterprise risk management framework, and the guidelines, policies and procedures for risk assessment and risk management; (ii) review the Group's major risks and key emerging risks and the controls in place to mitigate such risks; and (iii) review the effectiveness of the enterprise risk management function.

During the year ended 31 December 2020, the Risk Management Committee had performed the following work:

- review and discuss the overall risk management framework, and the guidelines, policies and procedures for risk assessment and risk management;
- review and discuss the major risks of the Group such as credit risk and market risk; and
- review the effectiveness of the overall risk management function.

The Risk Management Committee held 1 meeting during the year ended 31 December 2020. The composition and the details of the attendance of the members of the Risk Management Committee during the Year are as follows:

Members of Risk Management Committee	Attendance/Total meetings
Mr. Chen Jihua (<i>Committee Chairman</i>) (<i>Note 1</i>)	1/1
Mr. Chen Qianzheng (<i>Note 2</i>)	1/1
Mr. Zhang Ye (<i>Note 3</i>)	1/1

Notes:

1. Independent non-executive Director
2. Non-executive Director
3. Executive Director

ACCOUNTABILITY AND AUDIT

Directors' and Auditor's Acknowledgement

The Audit Committee and the Board have reviewed the Group's consolidated financial statements for the year ended 31 December 2020. The Directors acknowledge their responsibilities for preparing accounts, the financial statements, performance position and prospects of the Group. Management has provided information and explanation to the Board to enable it to make an informed assessment of financial and other information put before the Board for approval. The Directors believed that they have selected suitable accounting policies and applied them consistently, made judgment and estimates that are prudent and reasonable and ensured the financial statements are prepared on a "going concern" basis.

Baker Tilly Hong Kong Limited, the auditor of the Company, acknowledged their reporting responsibilities in the Independent Auditor's Report on the audited financial statements for the year ended 31 December 2020.

Risk Management and Internal Controls

The Board has the responsibility to maintain appropriate and effective risk management and internal control systems in order to safeguard the interest of the Group and the Shareholders, review and monitor the effectiveness of the internal control and risk management systems on a regular basis to ensure that the systems in place are adequate. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group's risk management and internal control systems comprise, among others, the relevant financial, operational and compliance controls and risk management procedures, a well-established organisational structure with clearly defined lines of responsibility and authority. Each department is accountable for its daily operations and is required to implement the business strategies and policies adopted by the Board from time to time.

The internal audit department and the risk management department of the Company supported the Board, the Audit Committee and the Risk Management Committee in reviewing the effectiveness of risk management and internal control systems and performed its functions during the Year following annual plans and submitting their reports of their findings to the Board, the Audit Committee and the Risk Management Committee at the meetings. The Audit Committee and the Risk Management Committee provides independent review on effectiveness of the risk management and internal control systems of the Group and gives their recommendation to the Board. The Board is responsible for reviewing the internal audit report and approving policies and procedures designed by the management.

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group has adopted and implemented an inside information procedure. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include the maintaining of a good control environment with defined organisational structure, limit of authority, reporting lines and responsibilities in accordance with the Company's guidelines and the regulatory requirements. Appropriate control measures have been taken place to facilitate a good control environment for handling and dissemination of inside information. The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Corporate Governance Report

The Board conducted a review and assessment of the effectiveness of the Group's risk management and internal control systems and procedures during the financial year ended 31 December 2020 by way of discussions with the management of the Group, members of the Audit Committee, members of the Risk Management Committee and the external independent auditor. The Board considered major investigation findings of the external consultant on risk management and internal control matters and management's response to these findings.

The Board believes that the existing risk management and internal control systems are adequate and effective. The Board also reviewed the resources, qualification and experience of staff of the Group's accounting and financial reporting function and their training schemes and budget and was satisfied with their adequacy.

The Board also assessed the effectiveness of the Group's internal audit function and external audit process, and satisfied itself, through the work of its Audit Committee, that the internal audit function is adequately resourced and is effective at providing assurance to the Board on the relevant risks faced by the Company, and that the external audit process is effective.

Furthermore, the Group also implemented the SAP system to enhance the efficiency of the operational process and improving segregation of duties and better internal control system.

Auditor's Remuneration

An analysis of the remuneration of the Company's auditor, Baker Tilly Hong Kong Limited, for the year ended 31 December 2020 is set out as follows:

Services rendered	Fee paid/payable RMB' 000
Audit services	1,700
Non-audit services	804
Total	2,504

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Corporate Governance Report

COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of maintaining clear, timely and effective communication with shareholders of the Company and investors; and also recognises the effective communication with investors is the fundamental element to build up the Shareholders' confidence and attract more new investors.

The Company communicates with the Shareholders mainly in the following ways:

- (i) the holding of annual general meeting which provides an opportunity for the Shareholders to communicate directly to the Board;
- (ii) the publication of announcements, annual reports, interim reports and/or circulars of the Company as required under the Listing Rules and press releases providing updated information of the Group;
- (iii) updating the Company's website regularly and disclosure of information on a timely basis via the Company's and the Stock Exchange's website;
- (iv) the holding of face to face meetings or teleconferences with analysts and fund managers from time to time. There is regular dialogue with institutional Shareholders and presentations are made when financial results are announced. Shareholders and investors are welcome to visit the Company's website and raise enquiries through our Investor Relations Department whose contact details are available on the Company's website; and
- (v) Shareholders can contact Computershare Hong Kong Investor Services Limited, the share registrar of the Company, for any enquiries of their shareholdings and dividend entitlements.

Shareholders' Right

The annual general meeting of the Company which is proposed to be held on Monday, 31 May 2021 (the "2021 AGM") will provide opportunities for the Shareholders to meet and raise questions to our Directors, the management and the external auditor. At the 2021 AGM, the chairperson of the annual general meeting and the chairman/member of each of the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Nomination Committee will be available to answer questions from the Shareholders.

Pursuant to the Articles, the Company should send a notice to the shareholders at least 21 clear days or 14 clear days before the annual general meetings or all other general meetings respectively.

Pursuant to the Articles, any two Shareholders holding not less than one-tenth of the issued Share carrying the right of voting at general meetings may request the Company to convene an extraordinary general meeting by sending a written requisition to the Board or the Company Secretary. The objects of the meeting must be stated in the written requisition.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Corporate Governance Report

Shareholder(s) may send written enquiries to the Company for putting forward any enquiries or proposals to the Board. Contact details are as follows:

Address: 33/F, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong
Fax: (852) 2833 0554

For the avoidance of doubt, Shareholder(s) must deposit and send or fax the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address or fax number and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

During the year ended 31 December 2020, the Company has not made any changes to the Articles. An up-to-date version of the Articles is available on the Company's website and the Stock Exchange's website. Shareholders may refer to the Articles for further details of their rights.

All resolutions put forward at general meetings will be voted by poll pursuant to the Listing Rules and the poll voting results will be posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.cofco-pack.com) immediately after the relevant general meetings.

Voting by Poll

Pursuant to the Articles, all resolutions will be conducted by poll at the 2021 AGM. The Shareholders will be allowed to have one vote for every Share they hold. The results of the voting by poll will be declared at the meeting and published on the websites of the Stock Exchange and the Company, respectively.

Policy on Payment of Dividends

The Company will declare and/or recommend the payment of dividends to Shareholders after considering the Company's ability to pay dividends, which will depend upon, among other things, its actual and expected financial performance, its current and future business operation, level of liquidity, capital requirements, contractual and regulatory restrictions and so on. The Board has complete discretion on whether to pay a dividend, subject to Shareholders' approval, where applicable. Even if the Board decides to recommend and pay dividends, the form, frequency and amount will depend upon its actual financial performance, its current and future business operation, level of liquidity, capital requirements, contractual and regulatory restrictions of and affecting the Group. The Board may also consider declaring special dividends from time to time, in addition to the interim and/or final dividends. The Company would review and reassess the Dividend Policy and its effectiveness on a regular basis or as required.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS



Environmental, Social and Governance Report



Environmental, Social and Governance Report

We are committed to developing as an internationally well-known enterprise in the field of consumer goods packaging, focusing on production and marketing of products in relation thereto. We endeavour to serve customers, shareholders and employees wholeheartedly while providing safe and green packaging products and high-quality services for the society. In 2020, the Group, under the essential policy oriented for high-quality development and driven by reform and innovation, vigorously propelled resumption of production while effectively managing the prevention and control of COVID-19 epidemic. The Party construction works were strengthened politically or systematically in an overall basis, since the Group has firmly believed that well-established Party construction system can facilitate development and lead to positive performance. Besides, the Group has comprehensively executed the policy of “Two Compression and One Reduction (兩壓一降)” through extensive efforts in cutting down cost and improving efficiency. The investment in JDB Group has been recovered in full which promised steady improvement of cash flow. Regional business layout has been optimized continuously with significant growth in spray cans, milk powder cans and other super product business lines, enabling the Group to achieve the highest record in both revenue and profit for the year. The Group owns leading technology research and development institutions and has led and participated in the formulation of a series of packaging industry standards. The Group possesses a number of packaging technology patents in China, and has won many international packaging awards. The Group boasts a well-established product quality control system and food hygiene and safety management system, with product quality meeting US and EU standards. We put emphasis on talent development, take concrete actions to care for employees and safeguard their interests, in an effort to create harmonious labor relations. In addition, the Group focuses on source control, process control and terminal management and adopts new technologies, new processes and new materials to save energy and reduce emission as an enterprise caring for social value.

I. Employees

(1) Career Growth and Development of Employees

The Group has always taken talents development as one of its major works while complying with relevant national and local laws and regulations, striving to lay solid foundation for its long-term development based on harmonious labor relations.

As for employee recruitment, the Group has established a sound mechanism with standardized procedures for recruitment, promotion and dismissal based on work performance in accordance with relevant laws and regulations. In addition, the policy of diversity and anti-discrimination has been strictly observed to ensure that recruitment shall be made regardless of race, gender, physical fitness or religious beliefs and promise a more scientific, reasonable and effective system for recruitment, promotion and dismissal. The Group has established strict policies to prohibit child labor and forced labor and all business operations have complied with relevant laws, regulations and standards of the PRC, and it has also adopted stringent review and verification procedures to prevent the occurrence of such cases during the course of business. The Group, to the best of its knowledge, has not been found in any non-compliance with relevant laws and regulations in respect of recruitment, promotion, dismissal, anti-discrimination, and prevention of child labor and forced labour.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Environmental, Social and Governance Report

Particulars of employees in 2020

Category		Number	Percentage (%)
By gender	Male	4,360	71%
	Female	1,771	29%
By type	Senior management	613	10%
	Middle management	1,470	24%
	General employees	4,048	66%
By age	under 30	1,449	24%
	30-50	4,013	65%
	over 50	669	11%

Employee turnover rate in 2020

Category		Turnover rate
By gender	Male	22%
	Female	9%
By age	under 30	16%
	30-50	14%
	over 50	1%

The Group advocates the policy of people-oriented talent development, continuously optimizes and integrates human resources, and establishes diversified introduction and cultivation models. We help them plan career development paths, encourage them to achieve self-improvement during working hours, and stimulate their creativity and vitality to build a diversified team. For career development of employees, we adopt the “dual channel” approach, i.e. the “administrative management channel” and the “professional and technical channel”, and have established a job evaluation and employment mechanism to allow employees to compete for certain management positions and professional and technical positions based on job evaluation regularly, so as to encourage employees to give full play to their strengths.

The Group attaches great importance to business training tailored for respective positions, and actively creates learning atmosphere for employees by regular discussion to improve the quality, working capability and efficiency of our employees comprehensively. In 2020, the Group has developed and applied a variety of online training and conference platforms in addition to the existing training system to constantly offer training programs on a multi-level and multi-category basis under the background of normalized prevention and control of COVID-19 epidemic. For example, benchmark management training course series was particularly provided for those management responsible for production, with topics covering specific solution for quality issues, map improvement and efficiency enhancement, etc. We provided six benchmark management training in 2020 benefiting a total of 380 trainees.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Environmental, Social and Governance Report

MANAGEMENT DISCUSSION AND ANALYSIS

CORPORATE GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

DIRECTORS AND SENIOR MANAGEMENT PROFILE

REPORT OF THE DIRECTORS



"benchmark management" training course series

As for the building and training of our HR team, in order to improve the capability of our human resources function, we organised 3 sessions of capability enhancement training for our HR function in 2020, with contents covering, among others, recruitment tools supporting HR works, course design and sharing of daily HR works, and a total of 90 trainees participated in such sessions. Professional technology training customized for our front-line technical staff was provided for a total of 60 trainees including, among others, intermediate technician training for plastic business blowing, crafts technology training for steel barrels manufacturing department and Six Sigma Green Belt knowledge DM stage training.



Building of HR team

(2) Employee Protection, Motivation and Care

The Group has strictly complied with the national laws and regulations in connection with the benefits package offered for its employees. For remuneration, the Group adheres to the principle of “remuneration based on responsibility, competence and performance and with a balance between fairness and sustainability”. We pay statutory social security contributions in full for our employees and grant them statutory holidays and leaves and other benefits. We have also maintained commercial insurances (including accident insurance, supplementary medical insurance and others) for our employees and paid the annuities in accordance with their personal intentions, so as to improve the employee benefit coverage and effectively release the worries of the Company and the employees. The Group also made adjustments to employees’ salaries according to government requirements and the actual corporate conditions. In terms of leave, in 2020, the Group improved its leave management policy in a timely manner in accordance with relevant laws and regulations and according to internal conditions by specifying the types of leave and related preconditions leave approval procedures and leave benefits, thus safeguarding the equal legal leave entitlements for male and female employees.

As for safety and security, the Group conscientiously and strictly implemented and complied with safety related regulations and standards issued by the national and local authorities and industry organizations, and based on people-oriented approach and the principle of safe development and upholding that development cannot be made at the expense of safety and that production safety accident of material nature or even worse would not be tolerated, the Group has specified accountabilities in relation to production safety, further enhanced risk prevention and control measures, raised the safety awareness of all staff and improved the management standards of risk prevention, so as to ensure that major safety risks are under control. For instance, we have conscientiously implemented the important spirit and instructions issued by General Secretary Xi Jinping concerning production safety by effectively consolidating the concept of safe development, implementing the special three-year rectification plan for production safety and developing the three-year action breakdown, under which, every single task has been confirmed and effectively promoted with specific leading party, supporting parties, staff in charge of the follow-up action and particular implementation plan. Elaborate organization has been in place to vigorously promote development of dual prevention mechanism targeting to control every category of risk at an acceptable level, stop every hidden danger at the beginning of its formation, and eliminate every accident when it is just in budding status, which enabled us to control risks prior to formation of hidden danger and to eliminate the hidden danger prior to occurrence of accident. Through various promotion, educational and training activities such as “Safety Month”, safety skills tests, fire drills and safety lectures offered for the chief, the Group improved the staff’s awareness of safety and response capabilities in respect of safety issues, prevented non-compliance in operations and reduced operational mistakes, in order to reduce the occurrence of accidents and realize the mindset transfer from “I am required to keep safe” to “I want to keep safe, I will keep safe and I understand safety” so as to fundamentally improve the safety and reliability of the staff. There were no quality or safety accidents of level 3 or above for the whole year of 2020.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Environmental, Social and Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

As for staff caring, in order to facilitate resumption of production while reinforcing normalized management against the COVID-19 epidemic and also to further improve the vitality and cohesion of the staff, the Group designed suitable theme activities in 2020 from various perspectives and based on the specific characteristics of different groups of employees, aiming to deliver our value and culture and positive energy to employees via these well-designed activities. Through such activities, the staff's vitality and cohesion were enhanced and their lives were enriched. The activities we organized included the Spring Festival caring visits under the theme of "Warms from the Inner Heart, Warm the COFCO People* (情暖中糧人·情繫忠良心)" and "521 Staff Caring Day". With these activities of diversified form and contents, we have built a positive, aggressive, healthy and warm working and living environment for our employees.

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT



"521 Staff Caring Day" activity

In order to actively guide the majority of employees to pursue a healthy lifestyle, enrich their spare time, relieve their work pressure, improve their physical fitness and enjoy their physical and mental health to allow them to have better physical and mental conditions for work, the Group organized various art, entertainment and fitness activities such as "906 Fishing Club" and "906 Ping-pong & Badminton Club".

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE



"906 Ping-pong & Badminton Club"

REPORT OF THE
DIRECTORS

(3) Employee Communication

In 2020, the Group continued to carry out and deepen the Party's theme education activities. While getting deeper into the grassroots to carry forward the "culture of loyalty and decency", we devoted more effort to communicating with employees, listening to their feedback, and addressing their needs. For example, we continued to upgrade our corporate intranet, posted updates on our operations in a timely manner, created a diversified communication platform and organized online youth reading club, while setting up a whistle-blowing channel to collect opinions and reports from employees and reinforcing communication and feedback of information. In addition, we held an employee representative assembly to openly solicit and collect reasonable suggestions and proposals from employees, and made official channels available to truthfully and rapidly respond to vast request from our staff in order to better serve them.



The 3rd employee representative assembly of the 2nd session of the trade union of CPMC Investment Co., Ltd. was convened successfully.

II. Independent Innovation, Energy Conservation and Environmental Protection

(I) Independent Innovation

1. Construction of an Innovation Culture

Innovation is essential for our growth and development. The Group attaches great importance to construction of technology innovation culture. Under the spirit of "adhering to the concept of innovation-driven development and taking science and technology innovation as the core driver of high-quality development", the Group has integrated R&D innovation into all aspects of its technology development.

In 2020, the Group has further improved and optimized its management system in respect of research and development innovation, and made the Opinions of CPMC on Execution of the Decision of the Party Committee of COFCO Relating to High Quality Development Driven by Technology Innovation based on the R&D innovation features of CPMC. We also revised the Technology R&D Projects Management Process of CPMC to optimize our projects management system, pursuant to which, our R&D projects were classified into and managed at various levels so as to improve the execution efficiency of each level.

Environmental, Social and Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

To well establish innovation culture, the Group holds technological innovation conference annually to summarize the innovation related works of the previous year and envision the next milestone for technology development. At the conference, the Group shares and promotes the fruitful achievements in technology innovation and vows to improve technology management in an all-round manner to better promote technological progress and add new impetus to its business development. The Group continues to increase investment in technology research and development, summarizes the working experience in technology innovation, greatly promotes its technology innovation and effectively propels conversion from technology achievement into productivity. By offering rewards for technology innovation projects, dissecting scientific papers and giving honorary awards for outstanding papers, the Group further inspires technical personnel to forge ahead with technology innovation, so as to enhance the Group's independent technological innovation capabilities and promise permanent impetus for its sustainable development.

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

Meanwhile, the Group proactively promotes a culture of innovation with its own characteristics. The Group has developed a technical section in its intranet portal and regularly updates its professional sub-sections such as Technology Frontier, Food Safety, Project Management, Inspection and Testing, Intellectual Property and Shelf Life, making the section a technology innovation publication platform for internal technicians. We have formulated a feedback mechanism for science and technology information through building up a science and technology intelligence information exchange group, including technical leaders, backbone technicians and science and technology information specialists of technology centers. To further promote technology innovation ideas, we release at each quarter the Technology News of CPMC to disseminate the latest developments of the industry with a view to helping technicians broaden their minds and start technical discussions and providing them with a source of creativity, which in turn improve the general skill of our technicians.

2. Management of Innovation R&D Projects and Patent Technology

(1) Innovation R&D Projects

In 2020, the Group adhered to the innovation-driven development philosophy and takes technological innovation as the core driver of high-quality development. A total of 32 R&D projects have been established with an year-on-year increase of 28%, and we have maintained patent protection for our core technology as a total of 27 patents have been filed with the competent authority for the year and 12 of them have been authorized.

Our main innovation R&D projects are as follows:

Taking into account our advantage in comprehensive technology, we have developed a variety of new products to meet customers' needs by constant technology R&D and design innovation based on the market and products development requirements. The 82FDS twist caps, which were developed by the Group in 2020 after tremendous efforts in conquering numbers of technology difficulties to successfully complete the development, were highly recognized by our major customers. A utility model patent was also obtained as well. The Group has accelerated development of 9137# high gluten sleek can (9137#二道筋新罐型) and realized mass production, which enhanced our ability to promptly solve problems during the process of new products development and strengthened our cooperation with quality customers. D300 slim can (D300瘦腰罐) is a product that can provide precedent conditions for expansion of northeast rice can market. So far, we have completed product design, craft, mold and equipment development, and realized mass production. The product has effectively supported customers to propaganda with its beautiful appearance, slim-waist vertical design, strong sense of three-dimension and easy to hold feature.

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Environmental, Social and Governance Report

It is particularly important to reinforce R&D efficiency of new technology in the era of a rapidly changing information technology. The Group adopts CAE technology in product design and breakthroughs the technology difficulty in simulation design. It obtained substantial achievements in major client maintenance and new product development by means of simulation-driven design improvement and marketing supported by digital virtual products. With this technology, development cost and development cycle for new products can be brought down significantly, and only one week is required to optimize design for new plastic products.

We adhere to the concept of green ecology and environmental protection, and continue to expand the application of UV curing technology, and actively promote the argumentation regarding craftsmanship and food safety of this technology in case of application in crown caps. Meanwhile, craftsmanship of UV light oil and LED in printing process was further enhanced, aiming to propel energy conservation and emission reduction via utilization and promotion of green new materials.

- (2) Particulars of Patents and Formulation of National and Industry Standards
- The Group promotes the steady advancement of patents and intellectual property, encourages technical personnel to apply for patent protection for relevant inventions in R&D innovation activities, improves the technology feature of patents and accelerates the conversion of intellectual property into productivity. Through years of efforts and accumulation, the Group has maintained its leading position in patents, representing the top level of technology and innovation capability. The Group takes numerous initiatives to motivate internal technical staff to devote themselves to R&D innovation with greater enthusiasm, and provides graded incentives for patents with core value and good benefits to further encourage and support our technical staff to make technology innovation with greater enthusiasm and initiative.

The Group takes the lead or participates in the development of certain national/ industrial standards and has accumulated abundant achievements in technological innovation. As the major leading entity, we presided over the formulation of 2 industry standards and 2 national standards in 2020, and participated in the formulation or revision of 6 national standards and 1 ISO standard. An aggregate of 36 patents were applied by us this year (with a year-on-year increase of 125% and 10 of which were invention patents), among which, 29 were authorized by the competent authorities (1 of which was invention patent). a number of patents have completed re-review and a total of 272 valid patents were granted (26 of which were invention patents).

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

(II) Energy Conservation and Environment Protection

1. *Environment Management*

The Group strictly complies with national laws and regulations related to environmental management, such as the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Air Pollution, the Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste, the Measures for Soil Environment Management on Contaminated Land, and the National Hazardous Waste List, committed to providing the society green and environment-friendly packaging, building good ecological environment and promoting sustainable development of the society.

In 2020, the Group has further implemented the national requirements for ecological civilization and green development, and is committed to positioning itself as an environment-friendly enterprise with strong efforts made in prevention and control of environment pollution and reduction of pollutants emission. The Group has formulated the "CPMC Eco-Sustainable Development System Construction Plan (2020-2022)" based on the actual conditions. Pursuant to the Plan, it offered the top-level design for resource conservation and environment protection, and confirmed task breakdown under the requirements of the Plan (including 4 major modules, 18 items and 70 sub-items) and constantly followed up the specific implementation as per the preset timing for each task. The business culture emphasizing environment, low-carbon and circular development has been built in the Group, which enables it to effectively manage the eco-sustainable development system in a long run. The Group carried out the special ecological and environmental protection actions in 2020, completed the rectification of incompliance issues verified in such actions. Special governance was also carried out in respect of solid waste, hazardous waste and unorganized waste gas, and the Group managed to confirm the bottom lines of the regions where the enterprises accountable for such waste emission belong to ("Three Bottom Lines and One List in Relation to Environment Protection" (三線一單)) and strengthened development of relevant management systems.

Through technological innovations in key aspects of energy-saving and emission reduction, we have utilised new energy-saving technologies, continuously promoting the implementation of energy-saving projects, thereby allowing the Group to achieve good social benefits. In 2020, the Group has implemented a total of 30 energy-saving and emission reduction projects involving residual heat utilization, energy saving of air compressors, sludge drying and power price computation, covering the business segments of three-piece cans, two-piece cans and steel barrels. R&D innovation projects mainly represent innovation in material-saving technology, energy-saving and environmental protection technology, UV printing technology and automation technology. Benefiting from the application of air compressor technology and residual heat utilization focusing on efficiency improvement and consumption reduction, the Group recorded total power consumption of approximately 158.98 million kilowatt hours for the year, representing a saving of approximately 2.3 million kilowatt hours. Through equipment energy-saving optimization, residual heat utilization, mid-wave infrared drying room and other technology application, the Group recorded a total gas consumption of approximately 23.5 million cubic meters, representing a saving of 0.6 million cubic meters and a reduction of carbon dioxide emission of approximately 5,000 tonnes. The Group has not experienced any problems or difficulties in securing suitable water sources; and total water consumption was approximately 2.06 million tonnes, representing a saving of 30,000 tonnes. In addition, we also recorded satisfying results in certain key projects. For example, the pilot application of sludge drying technology in our Kunshan, Wuhan and other branches helped us reduce sludge handling volume and save relevant handling cost of RMB900,000.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Environmental, Social and Governance Report

2. *Environmental Protection Practices*

The Group consumes natural gas, electricity and water, and produces waste gas, wastewater, and solid waste during its production process. To reduce the impact on the environment and natural resources, effective administrative measures have been formulated and adopted. Firstly, the Administrative Regulations of CPMC on Environmental Protection and administrative measures on energy conservation and emissions reduction have been formulated in accordance with the requirements of relevant laws and regulations and Administrative Regulations of COFCO on Energy Conservation and Environmental Protection (Trial) by taking into consideration the actual circumstances of CPMC, so as to stipulate and regulate environmental protection administration for new projects, emission control of pollutants, prevention and treatment of pollution and environmental enhancement. Secondly, indicators for consumption reduction have been incorporated into the annual letter of responsibility undertakings and the energy consumption of each factory will be assessed on a monthly basis by benchmarking, and energy conservation and emissions reduction projects have been implemented to reduce energy consumption. Thirdly, treatment facilities for wastewater and waste gas have been set up to treat the waste gas and wastewater produced in the production process to ensure reliable and effective operation, and that emissions can meet the required standards. Recycling and disposal of general solid waste and construction waste must be handled by the units accredited by relevant municipal authorities; and hazardous waste produced in the production process must be collected by qualified units for disposal. Fourthly, raw and ancillary materials as well as procedures and production have been enhanced to reduce the generation of pollutants. We promote clean production to eliminate or reduce pollutants in the production process. We also enforce national provisions and policies for comprehensive use, and carry out comprehensive use of the three types of wastes across the board, turning scraps into useful materials and wastes into precious materials.

The main non-hazardous wastes of the Group are scrap aluminium, scrap iron, etc., which are disposed of by means of recycling and reuse. In 2020, a total of 19,314 tonnes of waste aluminium and 32,583 tonnes of scrap iron were recycled and disposed of.

The Group's hazardous waste mainly includes wastewater, waste liquid and waste gas. Our treatment is as follows:

Wastewater treatment: The amount of wastewater produced by the Group in 2020 was 1,710,000 tonnes. Wastewater is treated up to standard in sewage treatment stations before being discharged through pipes.

Waste liquid treatment: Waste liquid was handed over to qualified third-party agencies for disposal in strict accordance with the requirements of the state, with the "five-in-one form" being issued for government supervision. Meanwhile, we carried out benchmarking management among the product lines of branches to reduce the generation of hazardous waste and the impact on the surroundings and natural resources. In 2020, to thoroughly implement Environmental Protection Law of the People's Republic of China and the latest Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, we continued to reinforce implementation of the Administrative Requirements of CPMC on Safety and Environmental Protection of Hazardous Waste (Trial), protect and improve ecological environment, enhance the environmental protection standard system, strengthen the management of the Group on hazardous waste, prevent the occurrence of security or environmental protection accident/incident, and continuously improve the effectiveness thereof, thus performing our corporate social responsibility. The waste liquid produced by the Group in 2020 was 612 tonnes.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Environmental, Social and Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

Waste gas treatment: the Group adopted certain optimized equipment and facilities (such as catalytic combustion, regenerative combustion and activated carbon adsorption and desorption) to handle waste gas, enabling it to meet relevant requirement for standard and reduced emission. In terms of reduction in emission and pollution, the Group focused on minimizing VOC emissions generated in the production process and achieved initial success in this regard while ensuring that its exhaust gas emissions meet national standards. The amount of waste gas produced by the Group in 2020 was 7.11 million tonnes.

CORPORATE
GOVERNANCE
REPORT

In terms of the source control, after analysing the trends of material technology development and environmental protection, the Group vigorously pushed ahead with the application of new materials and technologies including LED/UV/water-based material/N-BPA/coated iron to reduce VOC emissions. As a result, in 2020, we reduced VOC emissions by 550 tonnes in total.

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

In terms of the terminal treatment, catalytic combustion, regenerative combustion and activated carbon adsorption and desorption devices are used to treat waste gas for up-to-standard and reduced emissions. As at the end of 2020, the steel barrel production line, tinsplate production line and plastic production line were almost equipped with technology to treat major waste gas emission; seven factories completed waste gas treatment for the two-piece can production line. The RTO project has been successfully promoted and put into operation. Currently, 13 sets of RTO device are in normal operation, basically conforming the relevant requirements of national and local governments for waste gas treatment.

In addition, all branches of the Group made great efforts to live up to their commitment to environmental protection, and received subsidies from local governments. In particular, Hangzhou Branch was granted financial subsidy of RMB1.3 million for its RTO project, and Fujian Canmaking, Chengdu Canmaking and Wuhan Branch were granted tax relief of RMB462,500, RMB459,900 and RMB358,600 respectively for their RTO projects.

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

III. Social Welfare

It is an essential year of 2020 for poverty alleviation. As a specialized company of COFCO in respect of poverty alleviation works, the Group has been designated to alleviate the poverty for Jueri village, Ganzi, Sichuan province. The Party Committee of the Group has focused closely on winning the final battle of poverty alleviation, carried out all the deployments arranged by the Party Committee of COFCO in such regard with consistent persist on no reduction in poverty alleviation efforts, no reduction in poverty alleviation funds and no withdrawal of poverty alleviation cadres. Special working team and systems were established to secure steady progress in poverty alleviation, and responsibility relating thereto was further clarified. The Group also maintained close communication with those cadres stationed in the village responsible for poverty alleviation, and provided them great supports to make significant contribution for poverty alleviation in the front line.

REPORT OF THE
DIRECTORS

Under the general requirements of COFCO, the Party Committee of the Group convenes special study on poverty alleviation once every quarter. In particular, poverty alleviation funds of RMB3.0 million has been appropriated throughout the year; products in an aggregate amount of RMB458,771.5 were purchased by the Group from the village since the Group believed that it was much more meaningful to purchase from the village instead of providing it donation or help merely. In addition, five front-line cadres and seven technical staff of various types were trained by the Group. Lv Qing, a member of the Party Committee and secretary of the Discipline Inspection Commission of the Group, visited Ganzi county on 13 September 2019 to carry out the study on poverty alleviation, supervise the responsibility of the cadres stationed there under their annual targets and sent sincere care for the front-line cadres stationed there for poverty alleviation.

Environmental, Social and Governance Report



Lv Qing visited Ganzi county to study the poverty alleviation works

Meng Kuo, a cadre of the Group stationed in Jueri village for poverty alleviation works, has firmly implemented the various poverty alleviation working arrangement of COFCO. Any requirement of the local villagers for basic living conditions was considered and managed to meet by Meng Kuo to effectively solve the major concerns of the villagers, making sure that they won't worry about food and clothes any longer and offered with compulsory education, basic medical treatment and safe housing. And these efforts has enabled the Group to successfully pass the general inspection and effectiveness assessment conducted by the state in respect of poverty alleviation. Our cadres also diversified their poverty alleviation works, such as opening farmer evening school to preach the national policies on poverty alleviation, developing red village tourism to consolidate the results of poverty alleviation, establishing Tibetan dance team of Jueri village to promote Tibetan culture and preparing flower sheds, alpine vegetable planting, apple orchards and other projects to increase villagers' income. Besides, we have trained 12 poor households to plant vegetables and guided 16 villagers to work outside the village by helping them establish their respective personal files. Based on these efforts, salary income accounted for 41% of the income of poor households, representing an increase of 20% as compared to previous year. We also cooperated with the Party Branch of the village to provide targeted assistance for one poor and disabled member of the Party.



Targeted assistance for poverty alleviation in Jueri village, Ganzi county by CPMC

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

IV. Suppliers Management

The Group pursues a sustainable development strategy. We are committed to selecting suppliers with good products and social responsibility, and work with suppliers to create a safe, environmentally friendly, economical and efficient green and sustainable development supply chain.

(1) Working with Suppliers to Build a “Product Quality and Safety Network”

We strictly control product quality and safety. We have developed a rigorous supplier quality management system with a complete set of measures and standards covering the selection, recognition, admission, day-to-day management, and continuous improvement and exit of suppliers and materials. We strengthen the inspection and verification of raw materials, carry out on-site audit and assessment of suppliers, organise exchanges regarding technical quality, convene supplier quality and safety meetings and reward excellent suppliers, with a view to improving the quality and safety awareness of suppliers and their management and encouraging them to make continuous improvements. As a result, raw material qualification rate has been steadily on the rise.

We work together with our suppliers to advance the control of food safety risks and constantly improve our food safety capabilities. We have signed technical agreements with our suppliers containing food safety provisions to effectively communicate food safety commitments and statements throughout the supply chain. The Group promotes suppliers to implements upstream source management, carry out risk assessment and compliance verification on all food contact materials and additives; to increase online monitoring devices to strengthen production process control; to strengthen laboratory investment and continuously improve inspection and testing ability, and requires that product should sent to authoritative third-party organizations to carry out inspection and verification on food hygiene every year to ensure that there are zero accidents in food safety and quality. In addition, the Group worked with key suppliers to develop new materials and techniques with higher food safety standards, with a view to enabling CPMC to take the lead in using materials with higher food safety standards and improving overall food safety in the industry.

(2) Working Hard to Build a “Green Supply Chain” and Constantly Promoting “Emission and Consumption Reduction” of the Industry Chain

In terms of production process, we work with our upstream suppliers to reduce raw material consumption by thinning materials, increasing the use of coil and corrugated materials. The Group has always been at the forefront of the industry in aluminium thinning.

In terms of emission reduction, the Group cooperates with upstream suppliers to realize the first innovative application of UV coatings and LED-UV printing technology in the metal packaging industry, and promotes the transformation and upgrade of traditional metal printing to LED printing; vigorously promotes the use of coated iron and water-based coating and other environmental materials, reducing VOC emissions from the source, and realizing the green production.

In terms of recycling of materials, we increase the recycling of packaging materials and reduce the consumption of packaging materials by replacing wood pallets with plastic ones and replacing corrugated lining paper with plastic lining paper. In 2020, plastic pallets accounted for more than 70% of the total, while the proportion of plastic lining paper increased to approximately 65%. The recovery rate of wood pallets was more than 81%, while that of plastic pallets and plastic lining paper was more than 98%.

Environmental, Social and Governance Report

In terms of application of recycled raw materials, we cooperate with the outstanding suppliers of the industry to carry out study and tests on those recycled plastic pellets with controllable sources, stable feature and superior quality, and succeed in packaging bottles for various toiletries. Study and test on degradable plastics have also commenced so far, and we will conduct optional testing on different types of packaging bottles.

With regard to the reuse of by-products produced during the process of production, we cooperate with our upstream suppliers to promote the recycling and reuse of materials and scraps through equipment and technology upgrade.

(3) Working with Suppliers to Build a “Transparent Supply Chain”

Internally, we work to build a transparent procurement model centering on strategic procurement under collective decision making, tendering and online procurement. We also strengthen the monitoring of the practices of procurement personnel through regular internal and external audits. We regularly launch warning education campaign on the theme of “integrity in practice” in the internal supply chain system, intensified anti-corruption efforts, and strengthened professional ethics education for procurement personnel.

Externally, we advocate “good-faith transactions” and give preference to suppliers with good social responsibility performance when selecting suppliers. We sign a “Sunshine Agreement” with each of our suppliers, shippers and scrap buyers to guide our suppliers and partners to comply with social responsibility standards and adhere to sustainable development, while issuing the “No Gift Notice” on a regular basis and building a whistle-blowing platform.

V. Product Responsibility

In 2020, by adherence to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Group has further studied and implemented the important statement issued by General Secretary Xi Jinping on quality and safety and the spirits delivered under the 5th Plenary Session of the 19th Central Committee, fully observed the “four strictest” food safety regulations and standards, attached great importance to high quality development, and promptly secured steady supply of epidemic-prevention products by making active response to the national policies in epidemic prevention. We always abide by the principle of quality safety risk management featured with system-based management, prevention first, graded management and full participation, through systematic planning, comprehensive risk assessment, continued to improve the quality and safety management systems, established a sound quality and safety management mechanism, and integrated quality and safety risk management into daily operations and management process, so as to achieve full compliance of packaging products, full process monitoring, and full process traceability. In 2020, the Group had no food safety incidents or major quality complaints throughout the year.

(1) Customer Complaint Handling Mechanism and Constant Improvement

In order to respond quickly to customers’ demand, the Group has set up a customer service department in each grassroots unit, arranged quality personnel in business units, and established the Quality and Safety Management Department at the headquarters to comprehensively and systematically identify the needs of customers, provide technical services, handle complaints, analyze data, take corrective and preventive measures and make continuous improvements. For key customers, a special service team consisting of sales, technology, production, quality and other personnel is set up to provide one-on-one services in respect of technology and improvement. Regarding the customer’s frequent issues and difficult quality issues, the Group continues to develop benchmarking management and sets up QC teams, corrects typical defects, and conduct One Lesson for One Solution and other kinds of quality improvement, thereby improving product quality and raising the staff’ awareness of quality and safety to procure achievement of the strategic target, namely high quality, internationalization and risk prevention.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Environmental, Social and Governance Report

MANAGEMENT
DISCUSSION
AND ANALYSIS

In 2020, the Group conducted 34 quality benchmarking improvement projects, corrected 78 typical defects, made 520 improvements under One Lesson for One Solution and conducted 102 curing standards improvement measures, leading to the continuous improvement of product quality, reducing quality defects and customer complaints, and minimizing quality risks. The loss rate caused by customer complaints in 2020 has been controlled below 0.07%.

(2) Customer Satisfaction

Focusing on the measurement of customer satisfaction, the Group has established and continuously optimizes its customer satisfaction evaluation program. Targeting at different customer groups, we design different questionnaires to comprehensively collect and analyze user feedback and comments in multiple dimensions such as quality, delivery, transportation and services through various channels including satisfaction surveys, customer visits, business loss analyses and product delivery performance evaluation. The Group conducts surveys and analyses on customer satisfaction annually to compile a customer satisfaction survey report which serves as the basis for planning and improving the quality system.

In recent years, the level of customer satisfaction of the Group has remained high in the industry, and the customer satisfaction rate of our certain branches remained above 90% in the past five years. The Group's brand awareness, corporate image, product quality and market profile have far-reaching influence on its customers, and the Group has been recognized and highly praised by many well-known enterprises at home and abroad in recent years. In 2020 when the epidemic of COVID-19 continues to threaten the whole world, the Group has won numerous honors (which include, among others, the "Golden Collar Champion", the "Best Supplier Against the Campaign", the "Excellent Supplier of the Year" and the "Excellent Partner Award") from the major customers such as Yili, Feihe Dairy, China Resources Snow Breweries and Swire Coca-cola by virtue of its guaranteed supply, reliable quality and superior services.

(3) Food Safety Control

The Group has been in strict compliance with the Food Safety Law and the National Food Safety Standards-General Safety Requirements for Food Contact Materials and Articles, and conducted regular assessment on risks and compliance throughout the whole process from regulation standard, raw materials, production process, product packaging, labeling to storage and transportation. Commencing from the source of food safety control, the Group carries out a stringent access and withdrawal mechanism for suppliers, which requires the necessity to enter into a technical agreement including food safety articles with all suppliers of raw and auxiliary material related to food safety to propel the upstream tracing management of suppliers and the effective transfer of food safety compliance statement in the supplying chain. As required, the relevant suppliers must provide the inspection report on food safety from third parties every year, optimize the control on suppliers according to classification and grade, and focus on the risks monitor and benchmarking assessment on key indicators of major raw materials. In addition, the Group continues to conduct daily unannounced inspections over suppliers, field quality inspections and regular quality evaluations, and communicates with major suppliers on a regular basis to promote the improvement in suppliers' product quality. And it cooperates with major suppliers to jointly develop and apply new safer materials and craft to constantly raise the performance of quality and safety of raw and auxiliary materials.

All grassroots members of the Group have passed the ISO9001 quality management system certification and all grassroots members involving food packaging and production have passed the ISO/FSSC22000 quality management system certification. In addition, all sections from the resource, the whole production process to the warehousing and transportation are operated and managed in the system. Each branch supervises the CCP and the operation of key production and surveillance equipment and regularly checks the effectiveness of online surveillance devices to increase the process capability index of key performance indicators in accordance with the requirements of the HACCP plan. By continuously sticking to the three-level

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Environmental, Social and Governance Report

verification mechanism of inspection by in-house organs, third-party professional inspection and random inspection by the Group, the Group inspects products randomly, and the key food safety indicators of products from monthly random inspection are inspected and verified by the experimental center authorized by CNAS. Experimental centers and grassroots members of the Group are organized to conduct matching and capability verification for laboratories on a regular basis with major customers, suppliers and authorized third-party agencies, in order to improve the inspection capability of all sections. The Group devises and carries out various system inspection, risks evaluation and the matching improvement activities for interior and exterior procedures, such as interior examining, rolling inspection, special review, LPA inspection, unannounced inspection in the headquarters, supervision & inspection, and product tracing drill. Moreover, the Group take effective corrections to the problems in a timely manner and impel the optimization of process and the standardization of measures, to ensure the effective operation of the system and the compliance of the product safety.

The Group has not experienced food safety incidents and received no customer complaints about food safety this year. The Group's products involved in the site inspections conducted by the State Administration for Market Regulation and local authorities thereof in 2020 were 100% qualified. Moreover, 100% of the Group's products involved in internal and external inspections were qualified.

(4) Management for Product Quality and Recalls

The Group has obtained the printing business license and the commodity barcode printing qualification certificate in accordance with the requirements of the Regulations on the Administration of Printing Industry and the Measures for the Administration of Commodity Barcodes, and is engaged in printing business activities within the permitted scope of business in the license. The Group has established and maintained an internal control system in accordance with relevant laws and regulations. For instance, the Group has formulated the Sales Contract Control Procedures, pursuant to which the proof of the qualifications of an entrusting party, including its registered trademarks and product barcodes, shall be collected and reviewed before accepting any printing orders/contracts therefrom; the Group has also established the Pre-printing Control Procedures, which requires re-verification and double-check of the entrusting party's registered trademarks, product barcodes and other qualification proof to ensure compliance before printing the printed matter.

In accordance with relevant laws and regulations, national standards and COFCO's requirements and according to its own situation, the Group has formulated the Technical Specifications of CPMC for the Construction of Traceability System and the Management Measures for Product Recalls to guide all branches and product lines through the construction of a tracing system. In addition, we constantly improve the product traceability and tracing efficiency through the construction of information platforms such as the SAP\SPC\QMS\OA\barcode management\on-line data collection systems. The headquarters regularly organizes branches to conduct product recall and traceability drills to test the rationality and effectiveness of the product recall control procedures. In the event of a product quality defect that requires a recall, the Group will immediately investigate the range of products involved, recycle the batches of products concerned, study the reasons for the defect, formulate and implement corrective measures, and verify and follow up the improvement results.

In 2020, the Group complied with laws and regulations of the PRC regarding product quality and safety as well as advertising and labelling, and did not have any recalls due to product quality or advertising and labelling problems.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

VI. Anti-corruption

As a subsidiary of COFCO, the Group strictly abide by the PRC laws and regulations as well as the anti-corruption-related rules and regulations stipulated by the Central Commission for Discipline Inspection and the Discipline Inspection and Supervision Team of COFCO to effectively advance the construction of party conduct and integrity and prevent bribery, extortion, fraud, money laundering and corruption. The discipline inspection committee of the Group continued to perform its duty of discipline inspection to further strengthen the building of discipline inspection system of the Company. Each subordinate enterprise was equipped with discipline inspection commissioners, who are responsible for the discipline inspection of their own organizations, to fulfill the supervision responsibility of work integrity at all levels. The Group has set up and published whistle-blowing channels including mailbox, hotline and text message to welcome employees and any third parties to truthfully report any violations of discipline and regulations in connection with the Group's business activities. The Group will carry out investigations in accordance with relevant procedures. In the case of violation of discipline and regulations, the Group will, after verification of the violation, impose party and political disciplinary sanctions and demand compensation for economic losses (if necessary) in light of the seriousness of the case. If the violation constitutes a crime, the case will be handed over to the judicial authority according to law for criminal justice.

In 2020, the Group achieved good results in implementing the responsibility system for clean and honest administration, strictly observing the CPC Central Committee's Eight-point Regulation, launching a campaign on the theme of "staying true to our founding mission", carrying out special rectification, primary level inspections and education campaigns regularly, increasing supervision and integrity awareness, and encouraging the responsibility in officers.

(1) Promoting the Implementation of the Responsibility System for Clean and Honest Administration under the Leadership of the Party Committee and Fulfilling the Responsibility of Accountability Stipulated by the Supervision of the Disciplinary Committee

The Group persistently studies and implements Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the spirit of the 19th National Congress of the CPC, the spirit of the 2nd, 3rd, 4th and 5th Plenary Sessions of the 19th Central Committee and the 4th Plenary Session of the 19th Central Commission for Discipline Inspection, focusing on the General Secretary Xi Jinping's important speech at the 4th Plenary Session of the 19th Central Commission for Discipline Inspection, and conscientiously implements clean and honest administration and anti-corruption. The Party Committee of the Group is keenly aware of the importance and urgency of strict party governance and arranged to sign a total of 89 annual main responsibility statement, supervision responsibility statement, and responsibility statement of "one post with two responsibilities" on the level basis for expressly stipulating the specific responsibilities of each organization and officer at each level for the building of clean and honest administration and the implementation of the two responsibilities. We continuously enhanced the awareness of responsibility and unexpected hardship in the construction of clean administration and anti-corruption battle. We promoted the performance of the disciplinary committee's supervisory responsibility with rule of law thinking and methods, stressed its supervisory role, constantly improved its supervision and accountability ability, and enhanced its independence and authority in the construction of clean and honest administration. We conducted discipline enforcement and accountability in accordance with regulations, disciplines, and laws, flexibly applied the four forms of supervision and discipline enforcement, maintained strict punishment on corruption to realize comprehensive clean and honest administration.

In 2020, the Group addressed 12 cases reported by petition, among which, 4 cases were addressed by means of conversation and inquiry letter, and 8 were concluded after preliminary verification. An aggregate of 3 persons were found in violation of relevant disciplines, regulations and laws, among which, 2 were subject to political discipline actions and 1 to punishment according to administrative discipline.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

(2) Strictly Implementing the Spirit of the CPC Central Committee’s Eight-point Regulation, Correcting “Four forms of misconduct” and Focusing on the Rectification of Formalism, Bureaucratic

We continued to consolidate and implement the spirit of the Eight-point regulations, correct the relevant results under the “Four forms of misconduct”, and strengthen the system construction and implementation of the Management Measures for Performance-based Compensation and Business Expenses of the Company. The officers are required to earnestly raise their awareness, strengthen self-construction, and set strict requirements on themselves. Efforts should be made to further strengthen the supervision network on functions, and we promote the relevant departments, finance, auditing and disciplinary inspection departments to fulfill their own responsibilities, by sharing information, building systems, carrying out joint rectification and strict control, to avoid violating the spirit of the Eight-point regulations and the “Four forms of misconduct”. We promoted the coordinating team established for the construction of clean and honest administration and anti-corruption to fulfill its duties of special supervision, and punish violations of the spirit of the Eight-point regulations and the “Four forms of misconduct”. We will study and implement the work of centralized rectification of formalism and bureaucracy as the primary task of upholding discipline and opposing the “Four forms of misconduct”. We will rectify in the five key areas, focus on organizing in-depth investigations and clarifying the outstanding problems and specific manifestations of formalism and bureaucracy in organizations at all levels, to strictly supervise and promote the formulation and implementation of the work plan to rectify formalism and bureaucracy. We strictly implemented the supervision and inspection reporting mechanism of integrity accordingly to the requirements of superiors, issued notices and reminders prior to 6 annual holidays through the Intranet, email, WeChat and alert message to warn against rule-breaking behaviors such as banquets and gift giving at public expenses, private use of public vehicles, excessive bonuses and allowances.

(3) General Promotion of Rectification and Supervision under the Discipline Inspections Conducted by the Central Committee of the CPC, Theme Educations and Internal Discipline Inspection

In 2020, the Discipline Committee of the Group gave much significance to political supervision in addition to daily and long-term supervision, and coordinated with the Party Committee of the Group to advance in general rectification under the 5th session of discipline inspection of COFCO, continuously follow up the rectifications under the inspections conducted by the Central Committee of the CPC and the theme education campaign, implement various special rectification and correction, so as to ensure appropriate execution of relevant policies issued by the Central Committee of the CPC and to serve the Company for its reform and development. Our Discipline Committee has strengthened monitoring on the issues existed in the discipline inspection and rectification, firmly implemented the rectification requirements under “three combination” and “four incorporation” policies, and urged the Party Committee of the Group to strengthen its responsibility for political development according to the rectification standards of “six promises” required by the COFCO, performing continuously its liability as principal for the rectification under the discipline inspection of the Central Committee of the CPC. We promoted our working team organized for such regard to convene the special conferences discussing further implementation of rectification under the discipline inspection of the Central Committee of the CPC, and issued the Working Plan of the Party Committee of CPMC for Continuous Implementation of Disciplinary Inspection Rectification According to the General Requirements from the Party Committee of the COFCO (2020). Strong supports were provided for the above working team to make special working arrangement, and members of the Group were monitored to make one-by-one review on completeness of the 47 long-term rectification measures. In addition, we continued to reinforce the reporting system on a semi-month basis, and require the respective principal entities to report the progress in rectification every half month. We also issued the Working Plan of the Party Committee of the CPMC on Continuous Reinforcement of the Rectification under the Discipline Inspection of the Central Committee of the CPC. Our working teams in charge of discipline inspection rectification and theme education rectification

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

MANAGEMENT
DISCUSSION
AND ANALYSIS

have convened working promotion meetings to continuously strengthen rectifications required by the Central Committee of the CPC. We continued to improve our performance in discipline inspection rectifications of the Central Committee of the CPC and the theme education of “staying true to our founding mission”. Combination of rectification and inspection has been made to regulate our working institution. Besides, we have strictly implemented 40 procedures under six sessions during the process of inspection and monitored completion of inspection for 7 members of the Group pursuant to the “CPMC Party Committee Inspection Work Plan (2019–2022)” and 2020 inspection work plan.

(4) Conducting Regular Integrity Education, Strictly Complying with Discipline Red Line, Achieving Previous Prevention and Warning Education

CORPORATE
GOVERNANCE
REPORT

The Group organized and convened two annual meetings of constructions of party conduct and integrity and anti-corruption and warning education for strict corporate governance. The meetings reported the typical cases of violations of laws and disciplines investigated and handled by COFCO, and conducted warning education based on these cases, focusing on the interpretation and training of important rules and disciplines under the Regulation of the Communist Party of China on Disciplinary Actions (《中國共產黨紀律處分條例》), Accountability Provisions of the CPC (《中國共產黨問責條例》) and the Law of the People’s Republic of China on Administrative Disciplinary Actions on Civil Servants (《中華人民共和國公職人員政務處分法》). We conducted regular regulations and disciplinary education, strictly clarified the red line of integrity, carried out publicity and education activities through multiple channels such as “whistle-blowing channel”, WeChat group and other channels on corporate intranet, established a regular warning briefing mechanism which released “daily integrity practice” in WeChat Group every week and issued a warning education briefing every two months, carried out disciplinary awareness and warning case courses in various company training courses at various levels, strengthened regular discipline education, strict red lines of discipline, and strove to prevent before, warning before, education before to establish a sound corporate environment. We strengthened the supervision of selection and appointment of officers, strictly adhered to the “four must before deciding” requirements and the “three must talk” system. In 2020, the Group conducted 13 talks on integrity for the managers of the party committee, 52 conclusive comments on integrity for the managers, and required managers to sign a letter of commitment to self-examination of integrity. Through the talks, training, tests and self-examination, we strengthened the managers’ awareness of integrity and earnestly implemented the manager’s selection and management supervision responsibility.

(5) Proactively taking actions to inspire cadres to take on new roles in a new era, and creating a good entrepreneurial atmosphere for officers

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

In 2020, the Group carefully studied the “four patterns” of supervision and discipline issued by Central government, strictly implemented the “four patterns” Implementation Measures of CPMC Supervision and Discipline as well as the requirements to encourage cadres to act and take responsibilities. The Group fully implemented three important ideas of “Three Differences”, the establishment of a fostering tolerance and giving the opportunity to right a wrong mechanism, and “Opinions on Further Encouraging Cadres to Fulfill Their Obligations and Their Responsibilities for a New Era” proposed by General Secretary Xi Jinping, and materially implemented the “Implementation Measures for CPMC to Implement ‘Three Differentiate’ and Establish a Fostering Tolerance and Giving the Opportunity to Right a Wrong Mechanism”. We adhered to the working principles of “supporting hard work, stimulating innovation, seeking truth from facts, being objective and fair, grasping policies, discriminating, strictly complying with the bottom line, and strict discipline”, and strove to create a good environment to innovative thinking and tolerant for mistakes, so that the majority of cadres could fulfill their duties and not afraid of making mistakes. The Disciplinary Committee of the Group further strengthened the construction of the disciplinary inspection system team, promoted political, policy, and professional work by strengthening political learning, selected disciplinary inspectors to actively participate in inspection and rectification work and improved the performance of discipline inspection personnel through the principle of “replaced punishment with good performance”.

REPORT OF THE
DIRECTORS

Directors and Senior Management Profile

EXECUTIVE DIRECTORS



ZHANG Xin

ZHANG Xin, aged 58, is an executive Director and the chairman of the Board. Mr. Zhang is primarily responsible for the overall management, major decision-making, strategic planning and business development of the Group. Mr. Zhang joined the Group in January 1995, and was appointed as an executive Director and the Chairman of the Board on 23 June 2008 and 23 March 2015, respectively. He has over 20 years of experience in the packaging industry. Mr. Zhang has been the vice president of the China Packaging Federation since November 2011. Mr. Zhang received a bachelor's degree in Aeronautical Machinery Processing from Nanchang Institute of Aeronautical Technology (now known as Nanchang Hangkong University) in 1983 and a master's degree in Business Administration from the University of Southeastern China in 2002. In 2005, Mr. Zhang was awarded the Governmental Special Allowance by the State Council of the PRC for his outstanding contributions to the development of engineering technology in the PRC. He is a senior engineer.



ZHANG Ye

ZHANG Ye, aged 47, is an executive Director and the General Manager. Mr. Zhang is primary responsible for the daily operation and management of the Group. Mr. Zhang joined the Group in April 1995, and had served as sales manager, sales director, general manager of the subsidiaries of the Company, assistant to the General Manager, deputy General Manager, etc. He also served as the chief legal consultant of the Group concurrently during the period from July 2011 to January 2016. He was appointed as an executive Director and a general manager of the Company on 22 December 2016 and 19 July 2016 respectively and currently serves as directors of certain subsidiaries of the Company. He has over 20 years of experience in the packaging industry. Mr. Zhang obtained an associate degree in physics from Shanghai Fudan University (上海復旦大學) in 1995, and obtained a bachelor degree in business management from the Continuing Education School of Shanghai Fudan University (上海復旦大學成人教育學院) in 1999.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Directors and Senior Management Profile

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS



LI Minghua

NON-EXECUTIVE DIRECTORS

LI Minghua, aged 52, is a non-executive Director. Mr. Li was appointed as a non-executive Director on 17 March 2020. Mr. Li had served as the general manager of the public relations department of China Foods Import and Export (Group) Co., Ltd. (中國糧油食品進出口(集團)有限公司) (currently known as COFCO Corporation) from August 2000 to April 2006; the deputy director of the strategy department and the general manager of the brand management department of China Foods (Group) Co., Ltd. (中國糧油食品(集團)有限公司) (currently known as COFCO Corporation) from April 2006 to October 2007; the deputy director of the research and development department and the general manager of the brand management department of COFCO Corporation from October 2007 to June 2008; and had served in the Party and mass discipline inspection and supervision department of COFCO Corporation from June 2008 to May 2019, and served as the chief officer of the Party and mass work department (corporate culture department). He has been the director of the human resources department of COFCO Corporation since June 2019.

Mr. Li obtained a Master of Arts degree from Renmin University of China in July 1993 and a Master of Business Administration degree from China Europe International Business School in September 2009.



CHEN Qianzheng

CHEN Qianzheng, aged 57, is a non-executive Director. Mr. Chen was appointed as a non-executive Director on 22 December 2016. Mr. Chen had served as a manager, assistant to general manager, deputy general manager and general manager successively at Wuhan COFCO Import and Export Co., Ltd. (武漢中糧進出口公司), a wholly owned subsidiary of China Foods Import and Export (Group) Co., Ltd. (中國糧油食品進出口(集團)有限公司) (currently known as COFCO Corporation), from Feb 1987 to May 2006. From May 2006 to July 2008, Mr. Chen worked at China Foods (Group) Co., Ltd. (中國糧油食品(集團)有限公司) (currently known as COFCO Corporation) as a general manager of its meat department. He was the deputy general manager and also serves as the general manager of the marking department, the general manager of the trading department and the deputy general manager of cold chain logistics department of COFCO Meat Investment Company Limited (中糧肉食投資有限公司) successively from July 2008 to November 2016. Mr. Chen received a bachelor degree from Huazhong Agricultural University (華中農業大學) in July 1985, and was accredited as a Senior International Business Engineer in May 2002.



ZHOU Yuan

ZHOU Yuan, aged 34, is a non-executive Director. Mr. Zhou was appointed as a non-executive Director of the Company on 25 February 2016. Mr. Zhou was a vice chairman and a director of ORG Packaging, a listed company on Shenzhen Stock Exchange and a substantial shareholder of the Company, since November 2010 and as a director of Huang Shan NOVEL Company Limited ("Huang Shan NOVEL"), a listed company on Shenzhen Stock Exchange, since January 2016. Mr. Zhou received a Bachelor degree of Engineering (with Honours) in the field of Mechanical Engineering from Monash University in Australia in December 2010.

Directors and Senior Management Profile

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS



SHEN Tao

SHEN Tao, aged 50, is a non-executive Director. Mr. Shen was appointed as a non-executive Director on 25 February 2016. Mr. Shen has had over 23 years of senior management experience in the packaging industry including acting as the general manager of Shanghai Shenjing Steel Processing Company Limited (上海申井鋼材加工有限公司), the general manager of Shanghai Baoyi Can Company Limited (上海寶翼製罐有限公司), the assistant general manager of Shanghai Baosteel Property Development Company Limited (上海寶鋼產業發展有限公司), and the assistant general manager of Baosteel Metal Company Limited (寶鋼金屬有限公司). Mr. Shen joined ORG Packaging in July 2008 and has been a director of ORG Packaging since October 2010. He worked as the vice general manager of ORG Packaging from October 2008 to February 2014, and has been the general manager of ORG Packaging since February 2014 and a director of Huang Shan NOVEL since January 2016. Mr. Shen received a Master degree in Business Administration from Peking University in January 2015. He also obtained the qualification of senior business operator (高級經營師) from the Occupational Skill Testing and Instruction Centre of China* (中國商業職業技能鑒定指導中心) and State Senior Business Operator Assessment Committee* (全國高級經營師評審委員會) in March 2004.

INDEPENDENT NON-EXECUTIVE DIRECTORS



CHENG Yuk Wo

CHENG Yuk Wo, aged 60, is an independent non-executive Director. Mr. Cheng was appointed as a Director on 23 June 2008. Mr. Cheng is a fellow of the Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants of Ontario, Canada. Mr. Cheng has over 30 years of experience in auditing, finance and business management. He has been the sole proprietor of Erik Cheng & Co., Certified Public Accountants in Hong Kong since 1999.

Mr. Cheng also serves as an Honorary director of Chiu Chow Chamber of Commerce and an Honorary Director of Hong Kong Rehabilitation Power.

Mr. Cheng currently acts as an independent non-executive director of a number of companies listed on the Stock Exchange, namely, CSI Properties Limited, HKC (Holdings) Limited, Chong Hing Bank Limited, Top Spring International Holdings Limited, Liu Chong Hing Investment Limited, Goldbond Group Holdings Limited, Chia Tai Enterprises International Limited, Miricor Enterprises Holdings Limited, Somerley Capital Holdings Limited, Kidsland International Holdings Limited and C.P. Pokphand Co. Ltd.. Mr. Cheng was previously also an independent non-executive director of C.P. Lotus Corporation, which was listed on the Stock Exchange until its withdrawal from listing effective on 29 October 2019 and DTXS Silk Road Investment Holdings Company Limited.

Mr. Cheng graduated from the University of Kent, England with a Bachelor's degree in Accounting in July 1983 and obtained a Master's degree in Accounting and Finance from the London School of Economics, England in August 1984.

Directors and Senior Management Profile

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS



PUN Tit Shan

PUN Tit Shan, aged 60, is an independent non-executive Director. Mr. Pun was appointed as a Director on 1 September 2016. He holds a master of business administration degree (with honour) from the University of Manchester. Mr. Pun is currently acted as investment director of Wellchamp Capital Limited and was head of investment of TC Concord Asset Management Ltd., the chief executive officer of Asia Wealth Securities Limited and the chief investment officer of Astrum Capital Management Limited. He has over 32 years of experience in the finance field, such as strategic dealing and arbitraging in the derivatives market, sales and marketing management in the primary and secondary equity market and sales and assets managing of high net-worth clients and investment advisory.

Currently, he is the vice-chairman of Institute of Financial Analyst and Professional Commentator and the Honorary Consultant of Hong Kong Ningxia Youth Association (香港寧夏青年會) since 2015. Mr. Pun was previously a board director of Hong Kong Futures Exchange Ltd. (1995–1999); a board director of Hong Kong Stock Exchange Options Clearing House Ltd. (1997–2000); a membership committee member of Hong Kong Securities Institute (1998–2002); a panel member of Derivatives Market Consultative Panel (2000–2003); a committee member of Hong Kong Securities Institute Professional Education Committee (2002–2004); and a member of Lions Club of Hong Kong Shouson Hill.

Mr. Pun is currently an independent non-executive director of Convoy Global Holdings Limited (Stock Code: 1019) which is listed on the Stock Exchange. Mr. Pun was an independent non-executive director of China New Economy Fund Limited which is listed on the Stock Exchange from 8 April 2016 to 5 June 2019.



CHEN Jihua

CHEN Jihua, aged 53, is an independent non-executive Director. Mr. Chen was appointed as a Director on 2 July 2019. Mr. Chen had served as the financial director of Red Bull Vitamin Beverages Company Limited from October 1995 to January 1998, the financial director of Saudi Arabia ALJ (China) Limited from September 1998 to June 1999; the vice president and financial director of Jitong Network Communications Holdings Company Limited from July 1999 to April 2001; the executive director, vice president and financial director of Aluminum Corporation of China Limited, a company listed on the Stock Exchange, the Shanghai Stock Exchange and the New York Stock Exchange, from April 2001 to October 2010; the director of ABC-CA Fund Management Co., Ltd. from March 2008 to October 2010; the president of Aluminum Corporation of China Overseas Holdings Limited from May 2009 to October 2010 and the vice president of China Pacific Insurance (Group) Co., Ltd., a company listed on the Stock Exchange and Shanghai Stock Exchange, from November 2010 to October 2011.

Mr. Chen has also served as the chairman of Beijing Huge Capital Management Co., Ltd since October 2011; the independent director of TruValue Asset Management Co., Ltd since July 2014; the independent director of China Railway Hi-tech Industry Corporation Limited, a company listed on Shanghai Stock Exchange, since January 2017; the independent director of Huang Shan NOVEL Company Limited, a company listed on the Shenzhen Stock Exchange, since June 2017 and the director of Jiangsu Wortact Group Co., Ltd., a company listed on National Equities Exchange and Quotations, since June 2016.

Mr. Chen received a master degree in accounting from Central University of Finance and Economic in March 1994. He is also a senior accountant in the PRC.

Directors and Senior Management Profile

NON-EXECUTIVE DIRECTORS (FORMER)



YU Youzhi

YU Youzhi, aged 57, was appointed as a non-executive Director on 15 August 2017 and resigned on 17 March 2020. Ms. Yu had served as the deputy director of communist party committee office of China Foods Import and Export (Group) Co., Ltd. (中國糧油食品進出口(集團)有限公司) (currently known as COFCO Corporation) from April 2003 to April 2006, and as the director of the communist party committee office of China Foods (Group) Co., Ltd. (中國糧油食品(集團)有限公司) (currently known as COFCO Corporation) from April 2006 to December 2008. She had also served as the deputy minister as well as the director of the labour union office of the communist party office (corporate culture department), and the vice chairman of the labour union of COFCO Corporation from 2008 to 2016. Ms. Yu received a bachelor degree in philosophy from Wuhan University in 1985.

MANAGEMENT
DISCUSSION
AND ANALYSIS

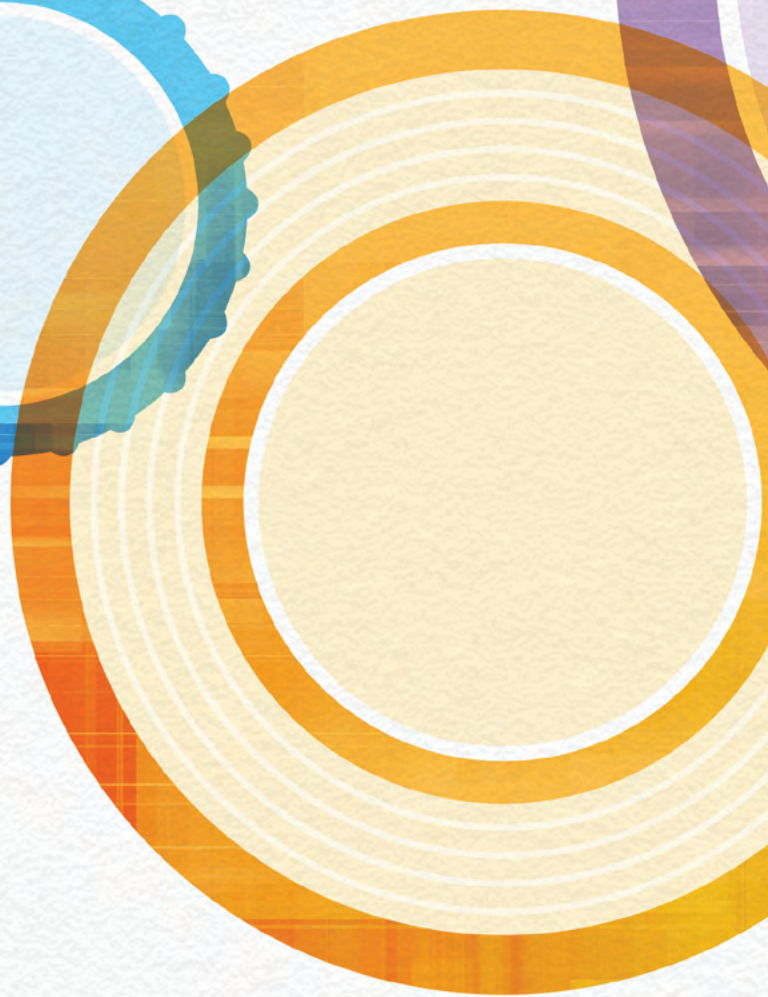
CORPORATE
GOVERNANCE
REPORT

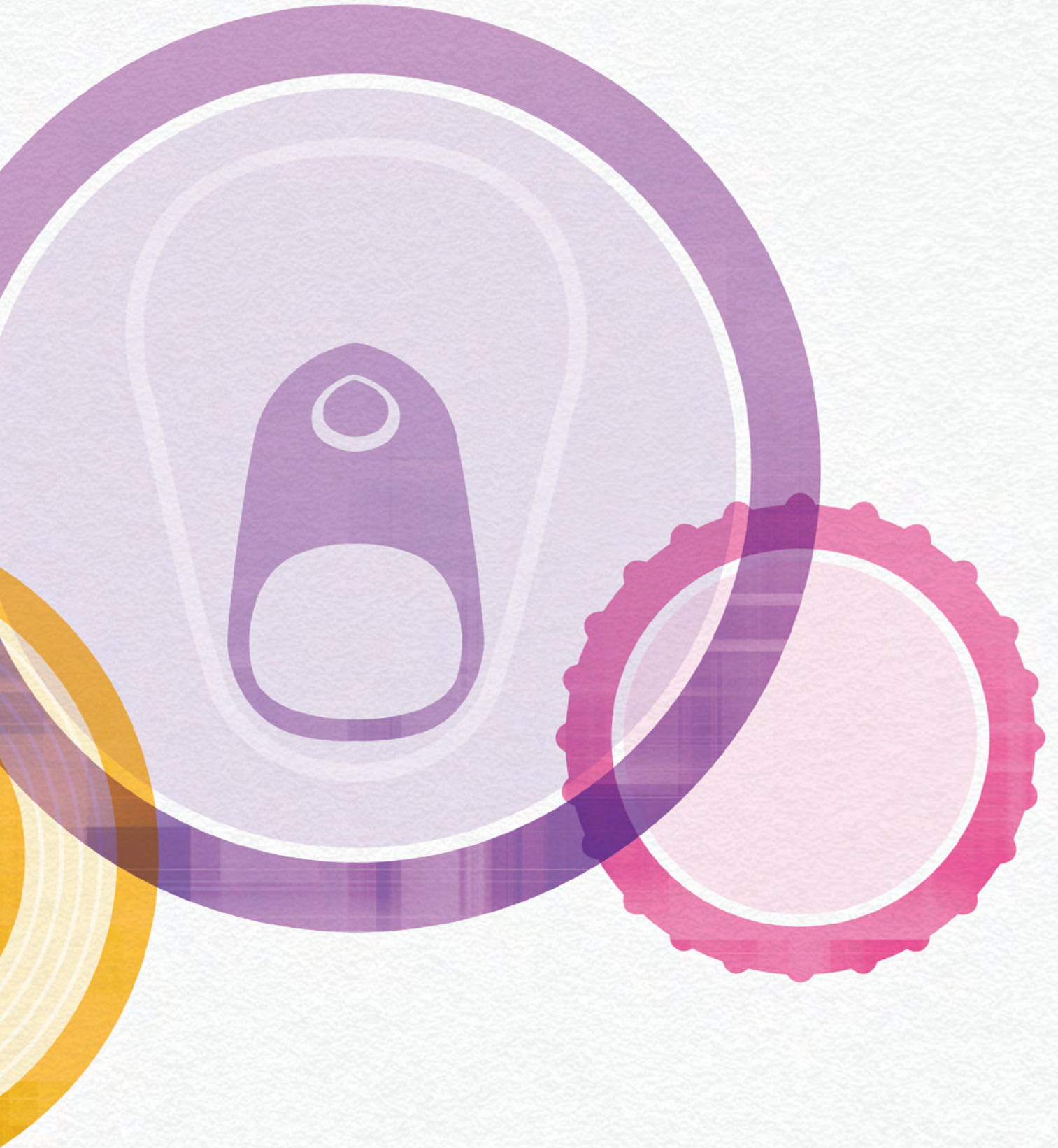
ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Report of the Directors





Report of the Directors

The Directors are pleased to present this annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company are manufacturing of packaging products for consumer goods. There was no significant change in the nature of the Group's principal activities during the year ended 31 December 2020. An analysis of the Group's performance during the year using financial key performance indicators is provided in the Management Discussion and Analysis section on pages 10 to 21 of this annual report.

Further discussion and analysis as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including a fair review of the business of the Group, a discussion of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business, are set out in the "Chairman's Letter", "General Manager's Report", "Management Discussion and Analysis" and "Notes to Financial Statements" sections of this annual report. The above sections form part of this report.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2020 and the Group's financial position as of that date are set out in the financial statements on pages 171 to 289 of this annual report. The Directors recommended the payment of a final dividend of RMB0.092 (equivalent to HK11.0 cents) per ordinary Share (2019: RMB0.057, equivalent to HK6.4 cents) and a final special dividend of RMB0.056 (equivalent to HK6.7 cents)(2019: Nil) for the year ended 31 December 2020. An interim dividend of RMB0.082 (equivalent to HK9.1 cents) per ordinary share and a special dividend of RMB0.048 (equivalent to HK\$5.3 cents) per ordinary share were paid on 18 September 2020 (2019 Interim Dividend: RMB0.073, equivalent to HK8.0 cents).

The proposed final dividend and final special dividend for the year ended 31 December 2020 will be distributed on or after Wednesday, 23 June 2021 to shareholders whose names appear on the shareholders' register of the Company on Wednesday, 9 June 2021 (the "Record Date").

Pursuant to "Notice Regarding Matters on Determination of Tax Residence Status of Chinese-controlled Offshore Incorporated Enterprises under Rules of Effective Management" (《關於境外註冊中資控股企業依據實際管理機構標準確定為居民企業有關問題的通知》) (the "Notice") which was issued by the State Administration of Taxation (the "SAT") of the PRC on 22 April 2009 and implemented on 1 January 2008, enterprises controlled by Chinese enterprises or enterprises groups and registered outside China shall be regarded as resident enterprises with de facto management bodies located in China, or "offshore-registered resident enterprises" (非境內註冊居民企業), if all of the following criteria are present or effected in the PRC: (1) senior management in charge of daily operations and offices; (2) decision-making or authorised departments regarding financial management and human resources; (3) primary assets, accounting books, seals, records and files of shareholders' meetings or board of directors' meetings; and (4) directors or senior management with 50% or more voting rights ordinarily reside in China. Whether or not a Chinese-controlled offshore enterprise is an offshore-registered resident enterprise is subject to preliminary review by the local tax bureau where the de facto management body of Chinese-controlled offshore enterprise or its controller is based and is subject to final confirmation by SAT.

As disclosed in the announcement of the Company dated 9 June 2013, the Company had received the SAT approvals which confirmed that the Company is regarded as a Chinese Resident Enterprise, effective from 1 January 2013. Therefore, the Company will implement enterprise income tax withholding arrangement for the proposed year 2020 final dividend and final special dividend.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Pursuant to the Notice, the Enterprise Income Tax Law and the Implementation Rules of the laws of PRC, the Company is required to withhold 10% enterprise income tax when it distributes the proposed year 2020 final dividend and final special dividend to its non-resident enterprise shareholders. In respect of all shareholders whose names appear on the Company's register of members on the Record Date who are not individuals (including HKSCC Nominees Limited, corporate nominees or trustees such as securities companies and banks, and other entities or organisations, which are all considered as non-resident enterprise shareholders), the Company will distribute the proposed year 2020 final dividend and final special dividend after deducting enterprise income tax of 10%. The Company will not withhold and pay the income tax in respect of the proposed year 2020 final dividend and final special dividend payable to any natural person shareholders whose names appear on the Company's register of members on the Record Date.

If any resident enterprise (as defined in the PRC's Enterprise Income Tax Law) listed on the Company's register of members which is duly incorporated in the PRC or under the laws of a foreign country (or a region) but with a PRC-based de facto management body, does not desire to have the Company withhold the said 10% enterprise income tax, it should lodge with the Company's Registrar, Computershare Hong Kong Investor Services Limited, documents from its governing tax authority confirming that the Company is not required to withhold and pay enterprise income tax in respect of the dividend that it is entitled at or before 4:30 p.m. on Thursday, 3 June 2021.

Investors should read the above carefully. If anyone would like to change the identity of the holders in the Company's register of members, please enquire about the relevant procedures with the nominees or trustees. The Company will withhold for payment of the enterprise income tax for its non-resident enterprise shareholders strictly in accordance with the relevant laws and requirements of the relevant government departments and adhere strictly to the information set out in the Company's register of members on the Record Date. The Company assumes no liability whatsoever and will not entertain any claims arising from any delay in, or inaccurate confirmation of, the status of the shareholders or any disputes over the mechanism of withholding.

SUMMARY OF FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited consolidated financial statements and restated/reclassified as appropriate, is set out on page 290 of this annual report. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and the Group during the Year are set out in note 14 to the audited financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in share capital of the Company for the year ended 31 December 2020 are set out in note 30 to the financial statements.

The Company has not adopted any share option scheme during the year ended 31 December 2020.

DISTRIBUTABLE RESERVES

At 31 December 2020, the Company's reserves available for distribution, calculated in accordance with the provisions of sections 291, 297 and 299 of the Hong Kong Companies Ordinance, amounted to approximately RMB173,325,000 (2019: approximately RMB73,437,000), of which approximately RMB164,787,000 (2019: approximately RMB63,904,000) has been proposed as a final dividend and a final special dividend for the Year.

Report of the Directors

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2020, aggregate sales to the Group's largest and five largest customers accounted for approximately 12.4% and 36.8%, respectively, of the Group's total sales. The Group's largest and five largest suppliers of the Group, in aggregate, accounted for approximately 20.6% and 46.3%, respectively, of the Group's total purchases for the Year.

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 Shares) had any beneficial interest in the Group's five largest customers or five largest suppliers during the year ended 31 December 2020.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The Directors during the Year and up to the date of this annual report were:

Executive Directors:

Mr. ZHANG Xin (*Chairman*)
Mr. ZHANG Ye (*General Manager*)

Non-executive Directors:

Mr. LI Minghua (*appointed on 17 March 2020*)
Ms. YU Youzhi (*resigned on 17 March 2020*)
Mr. CHEN Qianzheng
Mr. ZHOU Yuan
Mr. SHEN Tao

Independent non-executive Directors:

Mr. CHENG Yuk Wo
Mr. PUN Tit Shan
Mr. CHEN Jihua

In accordance with Article 103 of the Articles, Messrs. Zhang Xin, Zhang Ye and Pun Tit Shan will retire and, being eligible, will offer themselves for re-election at the 2021 AGM.

Each of the Directors has a specific term of appointment for three years.

No Director proposed for re-election at the 2021 AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all the independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

DIRECTORS OF SUBSIDIARIES

The names of directors who have served on the boards of directors of the Group's subsidiaries during the Year and up to the date of this annual report were:

Zhang Xin
Zhang Ye
Shi Yu
Zhao Wei
Gu Xiao Lei
Huang Jin
Yang Xiaoyan
Wang Jiliang
Ji Lifang
Gai Jun
Gong Xielong*
Ma Binyun*
Qu Hongliang
Mo Baohong
Zhang Xingsong
Qian Rong
Song Yinghui
Huang Supu
Li Qi

* He/She has resigned as a director of the relevant subsidiary(ies) of the Group.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 61 to 65 of this annual report.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS

No Director nor a connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the Group to which the holding company of the Company, the Company or any of the Company's subsidiaries or fellow subsidiaries was a party during the Year.

DIRECTORS' REMUNERATION

The Directors' fees are subject to the Shareholders' approval at the general meetings. Other emoluments are determined by the Remuneration Committee pursuant to the Articles with reference to market conditions, Directors' duties, responsibilities and performance and the results of the Group.

Details of the remuneration for Directors are set out in note 9 to the consolidated financial statements.

Report of the Directors

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, save as disclosed below, none of the Directors or chief executive of the Company had any interest or short positions 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 Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any Director or chief executive of the Company was deemed or taken to be under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register kept by the Company or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Interests in underlying shares of the Company

Name of Directors	Capacity/Nature of Interests	Number of underlying shares held in long position	Approximate percentage of interests (Note 1)
Mr. Zhang Xin	Beneficial owner	14,560,000 (Note 2)	1.31%
Mr. Zhang Ye	Beneficial owner	9,366,000 (Note 3)	0.84%

Notes:

- (1) The percentages are calculated based on the total number of Shares in issue as at 31 December 2020, i.e., 1,113,423,000 Shares.
- (2) Zhang Xin is interested in 14,560,000 Shares comprising (i) 12,500,000 Shares being the shares subscribed by him from the Company pursuant to the Subscription Agreement dated 22 May 2016, which are held by Majestic Merge Limited on behalf of him; and (ii) 2,060,000 Shares which is held by himself.
- (3) Zhang Ye is interested in 9,366,000 Shares comprising (i) 8,500,000 Shares being the shares subscribed by him from the Company pursuant to the Subscription Agreement dated 22 May 2016, which are held by Majestic Merge Limited on behalf of him; and (ii) 866,000 Shares which is held by himself.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2020, so far as was known to the Directors, the following persons (other than the Directors or chief executive of the Company) had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required kept by the Company under section 336 of the SFO:

Substantial shareholders and other persons	Notes	Capacity/Nature of Interests	Number of Shares held	Approximate percentage of aggregate interests in issued share capital of the Company (Note 6)
China Foods (Holdings) Limited ("China Foods (Holdings)")	(1)	Beneficial owner	330,658,800	29.70%
COFCO (Hong Kong) Limited ("COFCO (HK)")	(1) & (2)	Interests of controlled corporations	330,658,800	29.70%
COFCO Corporation ("COFCO")	(1) & (4)	Interests of controlled corporations	330,658,800	29.70%
ORG Technology Co. Ltd. ("ORG Technology")	(1) & (3)	Interests of controlled corporations	271,667,200	24.40%
Shanghai Yuanlong Investment Holdings (Group) Company Limited (上海原龍投資有限公司) ("Shanghai Yuanlong")	(1) & (3)	Interests of controlled corporations	271,667,200	24.40%
Mr. Zhou Yunjie	(1) & (3)	Interests of controlled corporations	271,667,200	24.40%
CMB Wing Lung (Trustee) Limited	(1) & (4)	Trustee of a trust	88,500,000	7.95%
Antopex Limited	(1) & (4)	Nominee for another person	88,500,000	7.95%
Chuang Neng Enterprises Limited	(1) & (4)	Interests of controlled corporations	88,500,000	7.95%
Majestic Merge Limited	(1) & (4)	Beneficial owner	88,500,000	7.95%
China International Capital Corporation Limited ("CICC")	(1) & (5)	Interest of controlled corporations	134,608,705	12.09%
Zhang Wei	(1) & (5)	Beneficial owner	133,660,000	12.00%

Notes:

(1) Long position in the shares of the Company.

Report of the Directors

MANAGEMENT
DISCUSSION
AND ANALYSIS

(2) China Foods (Holdings) is a wholly-owned subsidiary of COFCO (HK). COFCO (HK) is therefore deemed to be interested in the 330,658,800 Shares held by China Foods (Holdings). COFCO (HK) and China Foods (Holdings) are wholly-owned subsidiaries of COFCO. COFCO is therefore deemed to be interested in the shares held by COFCO (HK) and China Foods (Holdings).

(3) ORG Development Limited and Hubei ORG Tinplate Printing & Can Making Co., Ltd. ("Hubei ORG") hold 269,341,200 Shares and 2,326,000 Shares respectively. ORG Development Limited is wholly owned by ORG International Holdings Limited. ORG International Holdings Limited and Hubei ORG are wholly-owned by ORG Technology. ORG Technology is owned as to approximately 39.19% by Shanghai Yuanlong and approximately 0.74% by 北京二十一兄弟商貿有限公司 which in turn are owned as to approximately 78.00% and 80.00% respectively by Mr. Zhou Yunjie. Therefore, Mr. Zhou Yunjie, Shanghai Yuanlong and ORG Technology are deemed to be interested in all the Shares held by ORG Development Limited and Hubei ORG.

CORPORATE
GOVERNANCE
REPORT

(4) The entire share capital of Majestic Merge Limited is held by Chuang Neng Enterprises Limited, and the entire share capital of Chuang Neng Enterprises Limited is held by Antopex Limited, a nominee which is wholly-owned by CMB Wing Lung (Trustee) Limited.

(5) CICC is interested in 131,870,000 Shares and 2,738,705 Shares which held by its indirect wholly-owned subsidiaries, China International Capital Corporation Hong Kong Securities Limited ("CICC HK") and CICC Financial Trading Limited, respectively, as a person having a security interest in shares. To the best of the Company's knowledge, information and belief, and having made reasonable enquiry, such security interest in shares comprises the 133,660,000 Shares owned by Mr. Zhang Wei is held through CICC HK.

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

(6) The percentages are calculated based on the total number of shares of the Company in issue as at 31 December 2020, i.e., 1,113,423,000 Shares.

Save as disclosed above, as at 31 December 2020, the Company had not been notified of any other persons other than the Directors or chief executive of the Company who had an interest or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of the Part XV of the SFO, or which were required to be recorded in the register of interests required kept under section 336 of the SFO.

EQUITY-LINKED AGREEMENTS

For the year ended 31 December 2020, the Company has not entered into any equity-linked agreement.

SUFFICIENCY OF PUBLIC FLOAT

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

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

CONTINUING CONNECTED TRANSACTIONS

The companies now comprising the Group had entered into a number of transactions with parties which were connected persons of the Company under the Listing Rules. These transactions are considered to be continuing connected transactions under the Listing Rules, which need to be disclosed herein in compliance with the requirements under Chapter 14A of the Listing Rules. Details of the continuing connected transactions are as follows:

1. 2017 COFCO Packaging Materials Agreement

On 24 October 2017, the Company entered into a supply framework agreement (the “2017 COFCO Packaging Materials Agreement”) with COFCO in respect of the renewal of the 2014 Framework Agreement. Pursuant to the 2017 COFCO Packaging Materials Agreement, the Group will supply Products and Related Services to COFCO Group with reference to the prevailing market prices of same or similar products and services of the same period for a term of three years commencing on 1 January 2018. The 2017 COFCO Packaging Materials Agreement may be renewed by agreement between the parties subject to obtaining the necessary consents and approvals (if necessary) required by the Listing Rules. Details of the 2017 COFCO Packaging Materials Agreement were disclosed in the announcement of the Company dated 24 October 2017 and the circular of the Company dated 30 November 2017. The approval of the independent Shareholders was obtained at the extraordinary general meeting held on 20 December 2017.

The approved maximum aggregate annual value of the Products and Related Services to be supplied to COFCO Group in 2020 is expected not to exceed RMB670,000,000.

For the year ended 31 December 2020, the aggregate value of the Products and Related Services to be supplied to COFCO Group under the 2017 COFCO Packaging Materials Agreement was approximately RMB344,477,000.

2. 2017 COFCO IT Agreement

On 24 October 2017, the Company entered into a supply framework agreement (the “2017 COFCO IT Agreement”) with COFCO in respect of the renewal of the 2014 IT Services Framework Agreement. Pursuant to the 2017 COFCO IT Agreement, COFCO together with its subsidiaries and associates other than the Group (“COFCO Group”) agrees to procure IT software and IT facilities for the Group, supply IT services and market consulting services, and leasing to the Group at the respective annual caps for a period commencing on 1 January 2018 and ending on 31 December 2020 (the “IT Products and Services”). The 2017 COFCO IT Agreement may be renewed by agreement between the parties subject to obtaining the necessary consents and approvals (if necessary) required by the Listing Rules. Details of the 2017 COFCO IT Agreement were disclosed in the announcement of the Company dated 24 October 2017.

Pursuant to the 2017 COFCO IT Agreement, the annual caps in respect of the supply of IT Products and Services by COFCO Group to the Group of 2020 in relation to (i) the purchase of IT software and IT facilities is RMB800,000; (ii) the supply of IT services and market consulting services is RMB3,000,000; and (iii) leasing is RMB4,000,000.

For the year ended 31 December 2020, the aggregate value in relation to (i) the purchase of IT software and IT facilities; (ii) the supply of IT services and market consulting services; and (iii) leasing under 2017 COFCO IT Agreement were RMB475,000, RMB1,887,000 and RMB2,246,000, respectively.

Report of the Directors

MANAGEMENT
DISCUSSION
AND ANALYSIS

3. 2017 ORG Packaging Materials Agreement

On 24 October 2017, the Company entered into a framework agreement (the “2017 ORG Packaging Materials Agreement”) with ORG Packaging in respect of the renewal of the 2016 Sales and Purchases Framework Agreement. Pursuant to the 2017 ORG Packaging Materials Agreement, (i) the Group has agreed to sell to ORG Group and ORG Group has agreed to purchase from the Group printed tinplates, printed aluminium and caps and related can production services of such packaging materials, and (ii) ORG Group has agreed to sell to the Group and the Group has agreed to purchase from ORG Group tinplates, laminated steel and aluminium and related can production services of such packaging materials, from 1 January 2018 to 31 December 2020. Details of the 2017 ORG Packaging Materials Agreement were disclosed in the announcement of the Company dated 24 October 2017 and the circular of the Company dated 30 November 2017. The approval of the independent Shareholders was obtained at the extraordinary general meeting held on 20 December 2017.

Pursuant to the 2017 ORG Packaging Materials Agreement, the approved annual caps in respect of (i) the sale of printed tinplates, printed aluminium and caps and related can production services of such packaging materials by the Group to ORG Group of 2020 is RMB550,000,000; (ii) the sale of tinplates, laminated steel and aluminium and related can production services of such packaging materials by ORG Group to the Group of 2020 is RMB500,000,000.

For the year ended 31 December 2020, the aggregate value in relation to (i) the sale of printed tinplates, printed aluminium and caps and related can production services of such packaging materials by the Group to ORG Group; and (ii) the sale of tinplates, laminated steel and aluminium and related can production services of such packaging materials by ORG Group to the Group under 2017 ORG Packaging Materials Agreement were RMB163,586,000 and RMB127,463,000 respectively.

4. 2019 Financial Services Agreement with COFCO Finance

On 7 November 2019, the Company, CPMC Investment and COFCO Finance entered into a financial services agreement (the “2019 Financial Services Agreement”), pursuant to which COFCO Finance shall provide (i) the Deposit Services; (ii) the Loan Services; (iii) the Entrustment Loan Services, and (iv) the Other Financial Services to the Group. Details of the 2019 Financial Services Agreement were disclosed in the announcement of the Company dated 7 November 2019, and the circular of the Company dated 27 November 2019. The approval of the independent Shareholders was obtained at the extraordinary general meeting held on 23 December 2019.

Pursuant to the 2019 Financial Services Agreement, COFCO Finance has agreed to provide to the Group the following financial services for a term of three years commencing on 23 December 2019, the date on which the approval of the independent Shareholders was obtained at the extraordinary general meeting:

(a) *Deposit services*

The maximum daily deposit amount (including accrued interests) placed by the Group with COFCO Finance shall not exceed equivalent of RMB900 million. The deposit services and the above annual cap were subject to the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

(b) *Entrustment loan services and other financial services*

COFCO Finance has agreed to provide (i) the entrustment loan services to the Group pursuant to which COFCO Finance only acts as agent of the Group and charge handling fees and other services fees in connection with the entrustment loan services; and (ii) other financial services, including settlement services, forex trading services and other related consultancy and agency services to be provided by COFCO Finance to the Group under the 2019 Financial Services Agreement. COFCO Finance will charge handling fees in connection with the entrustment loan services and the other financial services for a maximum annual cap not exceeding RMB4 million. The above entrustment loan services and the other financial services were subject to the reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

For the year ended 31 December 2020, the maximum daily deposit amount (including accrued interests) amounted to RMB899,322,000 and there was no transaction of the entrustment loan services and the other financial services between the Group and COFCO Finance under the 2019 Financial Services Agreement.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

5. 2020 COFCO Packaging Materials Agreement

On 27 October 2020, the Company entered into a supply framework agreement (the "2020 COFCO Packaging Materials Agreement") with COFCO in respect of the renewal of the 2017 Framework Agreement. Pursuant to the 2020 COFCO Packaging Materials Agreement, the Group will supply Products and Related Services to COFCO Group with reference to the prevailing market prices of same or similar products and services of the same period for a term of three years commencing on 1 January 2021. The 2020 COFCO Packaging Materials Agreement may be renewed by agreement between the parties subject to obtaining the necessary consents and approvals (if necessary) required by the Listing Rules. Details of the 2020 COFCO Packaging Materials Agreement were disclosed in the announcement of the Company dated 27 October 2020 and the circular of the Company dated 17 November 2020. The approval of the independent Shareholders was obtained at the extraordinary general meeting held on 14 December 2020.

The approved maximum aggregate annual value of the Products and Related Services to be supplied to COFCO Group in 2021, 2022 and 2023 are expected not to exceed RMB500,000,000, RMB600,000,000 and RMB700,000,000 respectively.

6. 2020 COFCO IT Agreement

On 27 October 2020, the Company entered into a supply framework agreement (the "2020 COFCO IT Agreement") with COFCO in respect of the renewal of the 2017 IT Services Framework Agreement. Pursuant to the 2020 COFCO IT Agreement, COFCO together with its subsidiaries and associates other than the Group ("COFCO Group") agrees to procure IT software and IT facilities for the Group, supply IT services and market consulting services, and leasing to the Group at the respective annual caps for a period commencing on 1 January 2021 and ending on 31 December 2023 (the "IT Products and Services"). The 2020 COFCO IT Agreement may be renewed by agreement between the parties subject to obtaining the necessary consents and approvals (if necessary) required by the Listing Rules. Details of the 2020 COFCO IT Agreement were disclosed in the announcement of the Company dated 27 October 2020.

Pursuant to the 2020 COFCO IT Agreement, the annual caps in respect of the supply of IT Products and Services by COFCO Group to the Group from 2021 to 2023 in relation to (i) the purchase of IT software and IT facilities is RMB1,500,000, RMB1,500,000 and RMB1,500,000 respectively; (ii) the supply of IT services and market consulting services is RMB5,000,000, RMB5,000,000 and RMB5,000,000 respectively; and (iii) leasing is RMB4,000,000, RMB4,000,000 and RMB4,000,000 respectively.

Report of the Directors

7. 2020 ORG Packaging Materials Agreement

On 27 October 2020, the Company entered into a framework agreement (the “2020 ORG Packaging Materials Agreement”) with ORG Packaging in respect of the renewal of the 2017 ORG Packaging Materials Agreement. Pursuant to the 2020 ORG Packaging Materials Agreement, (i) the Group has agreed to sell to ORG Group and ORG Group has agreed to purchase from the Group printed tinplates, printed aluminium and caps and related can production services of such packaging materials, and (ii) ORG Group has agreed to sell to the Group and the Group has agreed to purchase from ORG Group tinplates, laminated steel and aluminium and related can production services of such packaging materials, from 1 January 2021 to 31 December 2023. Details of the 2020 ORG Packaging Materials Agreement were disclosed in the announcement of the Company dated 27 October 2020 and the circular of the Company dated 17 November 2020. The approval of the independent Shareholders was obtained at the extraordinary general meeting held on 14 December 2020.

Pursuant to the 2020 ORG Packaging Materials Agreement, the approved annual caps in respect of (i) the sale of printed tinplates, printed aluminium and caps and related can production services of such packaging materials by the Group to ORG Group from 2021 to 2023 are RMB250,000,000, RMB350,000,000 and RMB450,000,000; (ii) the sale of tinplates, laminated steel and aluminium and related can production services of such packaging materials by ORG Group to the Group from 2021 to 2023 are RMB200,000,000, RMB270,000,000 and RMB350,000,000.

Annual review of continuing connected transactions

The independent non-executive Directors have reviewed the above continuing connected transactions numbered 1 to 7 for the year ended 31 December 2020 and confirmed that the above continuing connected transactions were:

1. entered into in the ordinary and usual course of business of the Group;
2. entered into on normal commercial terms or on terms no less favorable than those available to or from independent third parties; and
3. in accordance with the terms of respective agreements governing the above continuing connected transactions that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Baker Tilly Hong Kong Limited, the Company’s auditor, were engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 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. Baker Tilly Hong Kong Limited have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group 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.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

Certain related party transactions as disclosed in note 38 to the audited financial statements of this annual report also constituted connected transactions or continuing connected transactions of the Company under the Listing Rules which are required to be disclosed in this report in accordance with Chapter 14A of the Listing Rules. The related party transactions in relation to the key management personnel remuneration as disclosed in note 38 to the consolidated financial statements of this annual report include connected transactions exempt from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.73(6) of the Listing Rules. Save as the aforesaid and the connected transaction and continuing connected transactions disclosed above, the Directors consider that all other related party transactions disclosed in note 38 to the consolidated financial statements of this annual report did not fall under the definition of "connected transactions" or "continuing connected transactions" (as the case may be) under Chapter 14A of the Listing Rules which are required to comply with any of the reporting, annual review, announcement, or independent shareholders' approval requirements under the Listing Rules. The Company confirmed it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules throughout the Year.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

Interest of the Directors in a competing business required to be disclosed pursuant to Rule 8.10 of the Listing Rules is as follows:

Name of Director	Name of company	Nature of competing business	Nature of interest	Appointment date
Mr. Zhou Yuan	ORG Technology (<i>Note</i>)	Manufacture of packaging products	As a vice chairman As a director	November 2010 October 2010
Mr. Shen Tao	ORG Technology (<i>Note</i>)	Manufacture of packaging products	As a general manager As a director	February 2014 October 2010

Note:

ORG Technology is a listed company on Shenzhen Stock Exchange (Stock Code: 002701) and a substantial Shareholder, holding approximately 24.40% of the issued share capital of the Company. ORG Technology is principally engaged in the comprehensive packaging services including packaging design, packaging production, filling and brand design and promotion. For further details of ORG Technology in respect of its business and financial position, please refer to its annual report dated 30 April 2020, which is available at <https://www.orgtech.cn/uploadfile/2020/0430/20200430054417195.pdf>.

Although Mr. Zhou Yuan is the vice chairman and a director of ORG Technology, and Mr. Shen Tao is the general manager and a director of ORG Technology, both of them have confirmed that they are mindful of their duty to avoid conflict of interest. In cases where conflict of interest situation arises, Mr. Zhou Yuan and Mr. Shen Tao will refrain from taking part in the decision making process and will abstain from voting on the relevant resolution in board meeting. On this basis and given that ORG Technology has its own management personnel other than Mr. Zhou Yuan and Mr. Shen Tao, the Directors believe that the Company is capable of carrying out its business independently of, and at arm's length from ORG Technology.

Same as disclosed above, as at 31 December 2020, no Directors are considered to have interests in any business which is likely to compete directly or indirectly with that of the Group.

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

From February 2020 to July 2020, the Company had bought back on the Stock Exchange a total of 47,526,000 Shares (highest price paid per share: HK\$3.00; lowest price paid per share: HK\$2.72). The total amount paid on the repurchased Shares of approximately HK\$140,338,000. Such repurchased Shares were cancelled in 2020.

Report of the Directors

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2020.

PERMITTED INDEMNITY

During the year ended 31 December 2020, the Company has arranged Directors' and officers' liability insurance for all Directors and senior management of the Company. The insurance covers the corresponding costs, charges, expenses and liabilities for legal action of corporate activities against them. Pursuant to Article 171 of the Articles, every Director or other officer of the Company shall be indemnified out of the assets of the Company against all liabilities (to the extent permitted by the Hong Kong Companies Ordinance) sustained or incurred by such Director or officer in or about the execution of his office or otherwise in relation thereto.

MANAGEMENT CONTRACTS

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

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC while the Company itself is listed on the Stock Exchange. Our operations accordingly shall comply with relevant laws and regulations in the PRC and Hong Kong.

The Company strictly abides by the laws and regulations of the PRC in its business operation, including but not limited to the laws and regulations in relation to product safety, printing business, foreign investment, labour and insurance, taxation, foreign exchange and environmental protection, specifically, Production Safety Law of the People's Republic of China, Regulation of the People's Republic of China on the Administration of Production License for Industrial Products, Measures for the Administration of Operating Licenses for Hazardous Chemicals, Product Quality Law of the People's Republic of China, Trademark Law of the People's Republic of China, Foreign Investment Law of the People's Republic of China, Regulation for Implementing the Foreign Investment Law of the People's Republic of China, Company Law of the People's Republic of China, Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China, Social Insurance Law of the People's Republic of China, Enterprise Income Tax Law of the People's Republic of China, Regulations of the People's Republic of China on the Management of Foreign Exchanges, Environmental Protection Law of the People's Republic of China, Atmospheric Pollution Prevention and Control Law of the People's Republic of China, etc.

During the year ended 31 December 2020, the Group did not breach any law and regulation that has a significant impact on the Group.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is devoted to promoting and maintaining the environmental and social sustainable development of the regions where it operates. As a responsible enterprise, the Group is in compliance with all the relevant laws and regulations in terms of the environmentally friendliness, health and safety, adopts effective measures, conserves energy and reduces waste. Further discussion on the Group's environmental policies and performance and an account of the Group's key relationships with its employees, are set out in the "Environmental, Social and Governance Report" of this annual report. The said section forms part of this report.

MANAGEMENT
DISCUSSION
AND ANALYSIS

CORPORATE
GOVERNANCE
REPORT

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT

DIRECTORS AND
SENIOR
MANAGEMENT
PROFILE

REPORT OF THE
DIRECTORS

KEY RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS

The Directors recognise that customers and business partners are the keys to the sustainable development of the Group. The Group is committed to building a close and caring relationship with its business partners and improving the quality of services to the customers.

The Group stays connected with its customers and suppliers and has ongoing communication with the customers and suppliers through various channels such as telephone, electronic mails and physical meetings to obtain their feedback and suggestions.

CORPORATE GOVERNANCE CODE

The Directors consider that the Company has complied with the CG Code as set out in Appendix 14 to the Listing Rules during the year ended 31 December 2020.

RETIREMENT SCHEMES

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Particulars of the retirement scheme are set out in note 2.4 to the financial statements of this annual report.

ANNUAL GENERAL MEETING

The 2021 AGM will be held on Monday, 31 May 2021.

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' eligibility to attend and vote at the 2021 AGM

Latest time to lodge transfer documents for registration	4:30 p.m. on 25 May 2021
Closure of Register of members	26 May to 31 May 2021 (both dates inclusive)
Record date	31 May 2021

For determining the Shareholders' entitlement to the final dividend and the final special dividend

Latest time to lodge transfer documents for registration	4:30 p.m. on 3 June 2021
Closure of Register of members	4 June to 9 June 2021 (both dates inclusive)
Record date	9 June 2021

In order to qualify for the proposed final dividend and attend the 2021 AGM, Shareholders should contact the Company's Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on the matters such as transfer of shares, change of name or address, or loss of share certificates.

AUDITOR

Baker Tilly Hong Kong Limited will retire and a resolution for their re-appointment as auditor of the Company will be proposed at the 2021 AGM.

Zhang Xin

Chairman

Hong Kong, 22 March 2021

公司資料

目錄

董事

執行董事

張新先生(主席)
張曄先生(總經理)

非執行董事

李明華先生(於2020年3月17日獲委任)
余友枝女士(於2020年3月17日辭任)
陳前政先生
周原先生
沈陶先生

獨立非執行董事

鄭毓和先生
潘鐵珊先生
陳基華先生

審核委員會

鄭毓和先生(委員會主席)
周原先生
陳基華先生

薪酬委員會

潘鐵珊先生(委員會主席)
沈陶先生
鄭毓和先生

提名委員會

張新先生(委員會主席)
鄭毓和先生
潘鐵珊先生

風險管理委員會

陳基華先生(委員會主席)
陳前政先生
張曄先生

公司秘書

嚴銘銳先生(CPA, ACG, ACS)

核數師

天職香港會計師事務所有限公司(註冊會計師)

公司資料

2020年大事回顧

主席致函

總經理報告

法律顧問

龍炳坤，楊永安律師行

主要來往銀行

中國農業銀行股份有限公司
交通銀行股份有限公司
中國銀行股份有限公司
中國銀行(香港)有限公司
中國建設銀行股份有限公司
荷蘭合作銀行
星展銀行
中國工商銀行股份有限公司
瑞穗銀行
三井住友銀行
三菱UFJ銀行

註冊辦事處

香港銅鑼灣
告士打道262號
中糧大廈33樓

總辦事處

中國
浙江省杭州市
杭州經濟技術開發區
圍懇街160號

香港證券登記處

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

公司網址

www.cofco-pack.com

股份代號

香港聯合交易所有限公司：00906
彭博資訊：906:HK
路透社：0906.HK

2020年大事回顧

目錄

公司資料

2020年大事回顧

主席致函

總經理報告

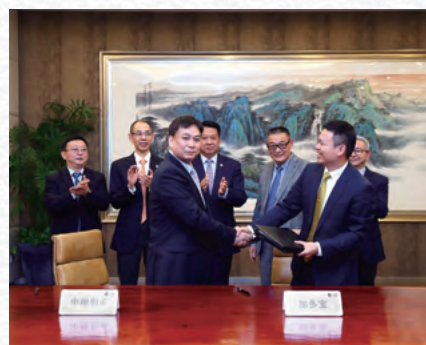


1

2020年，中糧包裝的盈利和派發的股息創歷史新高。

2

11月30日，中糧包裝與加多寶集團妥善解決糾紛，收回全部投資款人民幣15.04億元和部分承諾分紅。雙方簽訂戰略合作協議，中糧包裝成為加多寶集團包裝產品的首選和主要供應商，供應份額不低於70%。



2020年9月，中糧包裝與中國嬰幼兒配方奶粉龍頭企業飛鶴簽訂戰略合作協議，提供廠中廠服務。

3



4 2020年10月，中糧包裝與大慶市杜爾伯特縣人民政府簽署戰略合作協議，與伊利、蒙牛等國內知名品牌開展合作。



5 2020年，持續優化商業模式，與國內龍頭化工企業萬華集團設立中糧製桶(煙台)有限公司和中糧製桶(福建)有限公司，深度綁定戰略大客戶。

中糧包裝「金屬光學複合印刷技術的研發和應用」項目榮獲中國包裝聯合會「2020年度包裝行業科學技術獎」。

6



7 中糧包裝黨委書記、董事長張新被中國包裝聯合會授予「中國包裝聯合會成立40周年卓越成就獎」。

7

主席致函

親愛的股東：

本人謹代表中糧包裝控股有限公司(「本公司」)董事會(「董事會」)，欣然宣佈本公司及其附屬公司(統稱「本集團」或「中糧包裝」)截至2020年12月31日止年度(「本年度」)之已審核年度業績。

2020年，是極不平凡的一年，COVID-19疫情對全球帶來前所未有的衝擊，影響深遠，中國在一季度GDP創下有史以來最大跌幅。但可喜的是，國內疫情在短期內得到有效控制，經濟復蘇持續向好，在全球主要經濟體中一枝獨秀。中糧包裝在這非常之年，一手抓疫情防控，一手抓生產經營，化危為機，經營業績逆勢而上，銷售盈利均創歷史新高，淨利潤較去年同比增長28.5%，實現完美收官。

挑戰催生商機，疫情席捲過的大地依舊充滿著勃勃生機。新消費場景促使商家線上化，數字經濟蓬勃發展；新消費理念更注重安全、便捷、健康；新興宅文化帶動衛生清潔、食品飲料、居家日用、保健護理等消費品類的快速增長，啤酒罐化率也藉此乘風破浪。疫情加劇行業洗牌，大量中小企業加速退出，頭部企業在品牌力、產品力和供應鏈方面的競爭壁壘進一步築高，促進行業整體集中度提升。



中糧包裝作為行業龍頭，在疫情期間優勢明顯，突顯出強大的供應鏈生產保障力和靈活的組織協調力，並善於抓住新的市場機會，勇於變革、持續創新。兩片罐業務為國際啤酒巨頭提供海外供罐，鋼桶業務與萬華集團創新開展合資運營，奶粉罐業務與飛鶴、伊利、蒙牛開展戰略合作，打造國內首家智能化「黑燈」工廠，塑膠業務以「廠中廠」模式擴張，提供貼身靈活的製造服務。中糧包裝深耕國內市場，持續完善區域佈局，在原有區域如黑龍江、天津、武漢等地擴產加碼，並填補在昆明、煙台、福州等地佈局空白，保證優勢產品在細分市場市佔率第一，鞏固提高國內行業領先地位。海外市場

目錄

公司資料

2020年大事回顧

主席致函

總經理報告

主席致函

堅持「先有市場、後有工廠」的發展理念，穩步拓展國際業務。比利時項目克服疫情所帶來的巨大困難，於6月中旬恢復生產，運營良好。4月底，與加多寶集團簽訂回購協議，圓滿解決與加多寶集團曠日持久的糾紛，並在11月底簽訂戰略合作協議，進一步加強雙方業務合作，給集團帶來充裕的現金流，支持未來的可持續發展。本集團在今年共實施了股票回購，提升ROE，增加投資信心。

2021年，在以國內大循環為主體、國內國際雙循環相互促進的新發展格局下，中糧包裝始終堅持「高質量、國際化、防風險」的工作主線，強化創新驅動，推動製造升級，加快國際化人才培養，構建新一輪的戰略發展格局，我們充滿期待和信心。

最後，本人謹代表董事會，對管理層及各員工過去一年為本集團付出之竭誠努力及寶貴貢獻致以謝意。本人亦謹此對本集團客戶、供貨商、業務夥伴及股東一直以來的鼎力支持深表感謝。

張新
董事會主席

目錄

公司資料

2020年大事回顧

主席致函

總經理報告

總經理報告

目錄

本人欣然向股東報告，截至2020年12月31日止年度的本集團銷售收入約為人民幣73.45億元，較上年同期增加約0.8%；本公司股本持有人應佔利潤約3.89億元，較2019年人民幣3.02億元增長約28.9%。截至2020年12月31日止年度的每股基本盈利為人民幣0.345元。

董事會建議派付截至2020年12月31日止年度之末期股息每股普通股人民幣0.092元（相等於11.0港仙）（2019年：人民幣0.057元，（相等於6.4港仙））和末期特別股息每股普通股人民幣0.056元（相等於6.7港仙）（2019年：無），唯須待2021年5月31日舉行之股東周年大會通過。是項建議末期股息將於2021年6月23日或之後派發予於2021年6月9日名列股東名之本公司股東。

公司資料

2020年，全球遭遇新冠疫情，對企業發展提出嚴峻挑戰。中糧包裝經受住考驗，整體業績表現優異，業務發展速度和盈利能力均實現穩定增長，彰顯了本集團在逆境中取得成功的能力。

疫情爆發初始，本集團迅速反應，積極應對，在行業內率先實現復工復產，有力保證下游客戶的穩定供應，並針對防疫政策、組織機構、制度體系、信息監控、物資保障、員工關愛、應急處置等重點環節，建立常態化疫情防控體系。

原材料價格震盪波動，呈現先抑後揚走勢。本集團精準把握時機，鎖定部分鋁材價格並快速推動內部產銷聯動機制，有效保證毛利率穩步增長。三大業務齊頭並進，行業向好趨勢不改。

2020年大事回顧

兩片罐行業競爭格局優化，供求關係改善，投產節奏有序，疫情助推罐化率，消費習慣改變起到持續催化作用。中糧包裝在全國產能佈局下，順應差異化罐型趨勢，加快在重點區域加碼打造，實現多罐型切換和高效率生產。已啟動天津和武漢二線佈局，成都和福建產線提速，並在昆明新建工廠，進一步擴張西南市場份額。馬口鐵業務在經歷疫情衝擊後，產品表現分化。核心產品維持高增長收入，小眾產品如食品罐受

主席致函



總經理報告

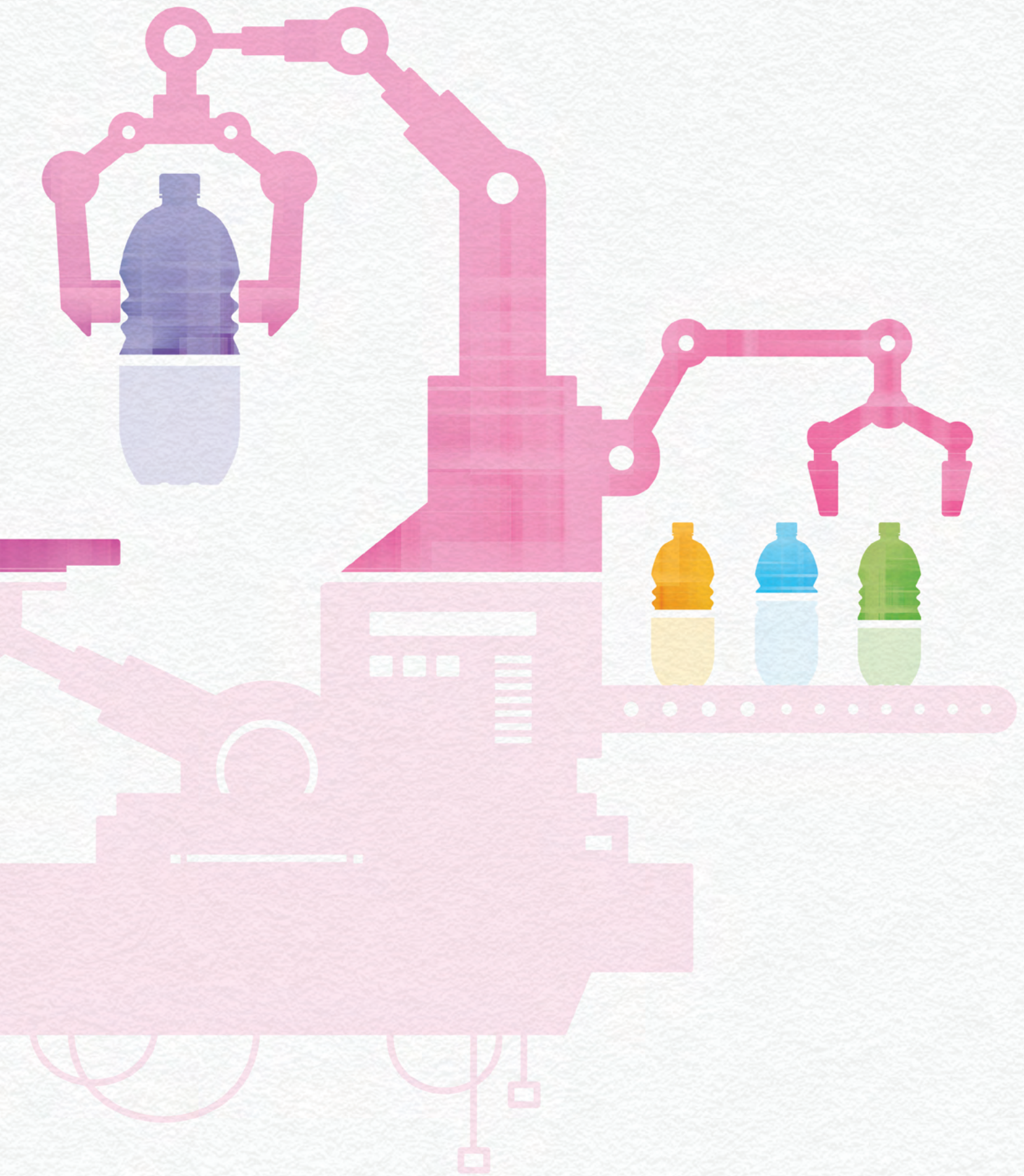
市場新趨勢的影響，需求釋放逐漸明顯。本集團通過深度綁定核心客戶、優化升級產品結構和穩步增加產能佈局，鋼桶、奶粉罐、噴霧罐、旋開蓋等均在全國細分市場列居行業第一。鋼桶成功進入國內最大的化工企業萬華化學產業鏈，立足於現有的煙台、福建兩廠外，中糧包裝有信心伴隨客戶的步伐走得更遠。奶粉罐相繼在內蒙、黑龍江等地擴張，積極向自動化轉型並打造智能工廠，中糧包裝已做好充足準備迎接國產奶粉的黃金時期。噴霧罐和旋開蓋在以高低搭配為組合的戰略下，始終保持差異化、低成本的競爭優勢，並適時尋求穩步擴張。塑膠業務盈利穩步上行，持續向好。對於消毒液、洗手液等持續熱賣品，即使是在疫情最嚴重的2月，中糧包裝克服自身困難，有力保證湖北區域的客戶生產不停，供應不斷，以實際行動交出滿意答卷。保持市場敏銳嗅覺，投資符合消費者喜好的時尚健康產品包裝，如洗衣凝珠、高端低溫鮮奶等。積極開發大客戶，成功進入聯合利華供應體系，繼續以「廠中廠」模式貼身伴隨，打造小而美的快速反應製造體系。

中糧包裝在非常之年，有力推動降本增效項目，全年累計億元收益。借助信息化平台，實行數據可視化，開展各工廠庫存對標，快速壓降積壓庫存，成效顯著。通過精簡組織架構、自動化設備改造、生產數據自動採集、遠程信息化辦公平台打造等多項措施，極大提升人力效能。加大科技創新，推動研發創新項目運用，如一物一碼、單片鋁罐成型、DPM設備開發等。新品開發以客戶需求為導向，不斷推陳出新，數字化設計仿真平台建設取得階段性成果。對食品安全實行全流程管控，有序推進雙重預防機制建設，構建安全生產標準化體系，聚焦重點風險，組織開展安全專項整治行動，持續開展環保專項治理，編製完成《中糧包裝生態可持續發展系統建設規劃(2020-2022)》，推動企業的可持續發展。

2020年是前所未有的一年，中糧包裝克服了諸多挑戰，並成功化解了加多寶重大經營風險，為2020年劃上一個有力的句點。本集團在鞏固國內市場領導地位的同時，推進海外項目擴張，引領行業協同，嚴控生產成本，提升盈利能力和投資回報，認真履行社會責任，推動企業的可持續發展，以優質產品與服務回饋客戶，為股東創造更大價值。

張曄

執行董事及總經理



管理層 論述及分析



管理層論述及分析

業務介紹

本集團主要從事食品、飲料及日化產品等消費品所使用包裝產品的生產與銷售，深度覆蓋茶飲料、碳酸飲料、果蔬飲料、啤酒、乳製品、日化等消費品包裝市場。此外，本集團提供包括高科技包裝設計、印刷、物流及全方位客戶服務等在內的綜合包裝解決方案。作為中國金屬包裝龍頭企業，本集團致力於成為中國綜合消費品包裝領導者。本集團的產品主要包括鋁製包裝產品、馬口鐵包裝產品和塑膠包裝產品。本集團透過戰略性分佈於中國境內的34家營運子公司、2家合營企業、1家境外營運子公司及其下屬分公司開展業務，以便有效地服務客戶。本集團在多個細分市場領域排名第一位，獲得了眾多國內外知名品牌客戶的青睞和信任。本集團已建立了穩固的客戶群，其中包括國內外知名的高端消費品生產商。



管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

- **鋁製包裝**

本集團鋁製包裝產品採用鋁材為主要生產原材料，主要包括兩片飲料罐（兩片罐）、單片罐。鋁製包裝產品具有生產自動化程度高，產品可完全回收利用等特點，是近幾年公司核心業務之一。

2020年一季度下游受疫情衝擊嚴重，自二季度景氣復甦後，表現持續穩定良好。隨著消費者對健康意識清晰，無糖、減糖、低度甚至無酒精的飲料酒水成為越來越多年輕消費者的選擇，新生代品類也在不斷提速擴容中，成為重要的增長動力。傳統市場伴隨大眾消費能力提升，消費觀念轉變，龍頭公司通過產業結構升級，淘汰落後產能，推動中高端產品佔比提升改善盈利，催生新增動能。電商等新渠道帶來新機遇，居家消費場景疊加去塑令催化罐化率的提升。2020年，本集團鋁製包裝銷售收入約為人民幣31.07億元（2019年：約人民幣33.09億元），較2019年下降6.1%，佔整體銷售約42.3%（2019年：約45.4%）。2020年鋁製包裝業務毛利率約為17.1%（2019年：約16.5%）。

兩片飲料罐（兩片罐）

兩片罐產品主要用於啤酒、碳酸飲料和茶飲料等產品的包裝。2020年，本集團兩片罐業務實現銷售收入約為人民幣29.48億元（2019年：約人民幣31.46億元），較2019年下降6.3%。本集團兩片罐的知名客戶為百威英博、雪花啤酒、青島啤酒、可口可樂及加多寶等。

單片罐

單片罐產品主要用於日化用品、啤酒和碳酸飲料、醫藥產品的包裝。2020年，本集團單片罐產品銷售收入約為人民幣1.59億元（2019年：約1.63億元），較2019年下降2.5%。本集團單片罐的知名客戶為百威英博、青島啤酒、嘉士伯啤酒、大造集團及中化集團等。

管理層論述及分析

管理層論述及分析

- **馬口鐵包裝**

本集團的馬口鐵包裝採用馬口鐵作為主要生產原材料，產品包括鋼桶、奶粉罐、氣霧罐、金屬蓋、三片飲料罐、方圓罐、印塗鐵及其他金屬包裝。本集團在多個細分市場均處於行業領先地位，其中鋼桶、奶粉罐、旋開蓋和噴霧罐的市場份額為全國第一。

奶粉罐、旋開蓋作為日常飲食中的剛需，疊加疫情催化，需求強勁，擁有廣闊市場空間。家庭渠道的消費升級和健康消費觀念將持續推動調味品行業結構改善，其中復合調味品高度迎合年輕消費群體，市場空間快速擴容。國產乳品頭部企業在國家政策鼓勵下，通過併購優質標的和新建奶源基地積極開展對上游奶源端的投資，實行全國化佈局，推動行業升級。2020年，本集團馬口鐵包裝銷售收入約為人民幣36.60億元（2019年：約人民幣33.90億元），較2019年提高約8.0%，佔整體銷售約49.8%（2019年：約46.5%），2020年馬口鐵包裝業務毛利率約為14.5%（2019年：約14.0%）。

鋼桶

本集團生產的200升及以上容積鋼桶主要用於盛裝化工產品及大包裝的食用油等食品原料。2020年實現銷售收入約人民幣9.58億元（2019年：約人民幣8.82億元），較去年同期增長約8.6%。本集團鋼桶知名客戶包括萬華、中石化、立邦、埃克森美孚、中糧及益海嘉裡等。

奶粉罐

奶粉罐主要用於嬰幼兒配方奶粉、健康食品等產品的包裝，本集團是中國最大的奶粉罐生產商。2020年，奶粉罐業務銷售收入約人民幣6.78億元（2019年同期：約人民幣5.89億元），較去年增長約15.1%。本集團的奶粉罐知名客戶為飛鶴、伊利、蒙牛、雀巢等。

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

氣霧罐

氣霧罐產品主要用於汽車護理用品、酒精消毒劑、空氣清新劑、個人護理和除蟲產品等家居日化產品以及其他化學產品的包裝。2020年實現銷售收入約人民幣4.82億元(2019年：約人民幣3.84億元)，較去年同期增長約25.5%。本集團的氣霧罐知名客戶為天津固諾、上海莊臣、上海大造、中山欖菊及河北康達等。

金屬蓋

金屬蓋產品包括旋開蓋和皇冠蓋。2020年，本集團金屬蓋業務銷售收入約為人民幣5.37億元(2019年：約人民幣4.92億元)，較去年同期增長約9.1%。本集團金屬蓋知名客戶為海天、老乾媽、家家紅、歡樂家、廚邦、華潤雪花啤酒、百威英博及青島啤酒等。

三片飲料罐(三片罐)

三片飲料罐(以下簡稱三片罐)廣泛用於蛋白飲料、功能飲料、八寶粥、果蔬汁及咖啡飲品等產品的包裝。2020年三片罐銷售收入約人民幣1.82億元(2019年：約人民幣3.29億元)，較去年同期下降約44.7%。本集團三片罐知名客戶為銀鷺、露露、養元、伊利等。

方圓罐

本集團方圓罐產品主要用於各種化工油漆、塗料、小包裝油脂等產品的包裝。2020年方圓罐業務銷售收入約人民幣2.64億元(2019年：約人民幣2.40億元)，較去年增長約10.0%。本集團方圓罐的知名客戶包括威士伯集團、亞士漆、葉氏集團、嘉寶莉和益海嘉里等。

管理層論述及分析

管理層論述及分析

印塗鐵

本集團印塗鐵產品主要用於各種禮品糖果盒、食品、化工、瓶蓋、電池和其他電子電器產品(如電飯煲等)，也用於滿足自身製罐(如奶粉罐，三片飲料罐等)及金屬蓋(旋開蓋、皇冠蓋)產品生產的配套需求。2020年，印塗鐵業務對外銷售收入約為人民幣3.05億元(2019年：約人民幣2.45億元)，較去年同期增長約24.5%。本集團印塗鐵知名客戶有奧瑞金科技、老乾媽、蘇泊爾、東山電池及松下等。

- **塑膠包裝**

本集團生產的塑膠產品主要用於個人護理、日化產品及食品飲料等產品的包裝。2020年，塑膠包裝精準把握塑膠粒子採購價格，獲取成本優勢，持續推進大客戶開發工作。2020年，本集團實現塑膠包裝業務銷售收入約為人民幣5.78億元(2019年：約人民幣5.88億元)，較去年同期下降約1.8%，約佔總收入的7.9%(2019年：約8.1%)。2020年塑膠包裝業務毛利率約為17.2%(2019年：約13.4%)。本集團塑膠包裝的知名客戶有寶潔、利潔時、藍月亮、海天、莊臣及亨氏等。

企業管治報告

2021年展望

2021年，「新冠疫苗接種計劃」在全球相繼開展，儘管疫情結束的前景仍不明朗，世界經濟形勢依然複雜嚴峻，但復甦是全球經濟主旋律。過去的一年，中國消費品市場由負轉正後，展現出強勁增長，成為拉動國內經濟的主要動力。從中長期看，中國的消費品市場依然會是經濟增長的主要推動力量。

年輕群體正成為引領消費升級的主力軍，多元、精緻、便捷、健康的產品需求，衝擊傳統飲料市場，細分賽道興起，精釀啤酒、零糖飲料、零添加調味品無不體現消費市場的巨大潛力。國家對綠色低碳循環發展經濟的大力推行，也為罐化率的提升帶來機遇。個人清潔用品在後疫情時代持續走紅體現了消費者在消費心理和行為上的根本轉變。

本集團推行的多產品組合適時抓住機會，在困難時期展現出優秀能力。在供應鏈打造、差異化罐型開發、全國規模化產能佈局、大客戶綁定和精細化運營管理上不斷提升壁壘，在穩居國內行業頭部地位的同時，穩步拓展海外市場，行穩方能致遠。本集團會繼續以提升投資回報為堅定目標，以良好業績持續回報股東。

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

財務回顧

截至2020年12月31日止年度，本集團的收入約人民幣73.45億元（2019年：約人民幣72.87億元），增加約人民幣0.58億元或0.8%。2020年的毛利率約15.8%（2019年：約15.1%），較去年同期略有上升，主要因為降本增效的措施帶動毛利率提升。

截至2020年12月31日止年度的淨利潤約人民幣3.94億元（2019年：約人民幣3.07億元），較去年同期增長約人民幣0.87億元或28.5%；主要原因是毛利率提升及財務成本下降。

集團盈利

截至2020年12月31日止年度，本集團的除所得稅前利潤約為人民幣5.07億元（2019年：約人民幣3.87億元），較去年同期增長約人民幣1.20億元或31.1%。

財務費用約為人民幣99百萬元（2019年：約為人民幣136百萬元），較去年同期大幅下降，主要因資金綜合成本下降。

所得稅項開支約人民幣1.13億元（2019年：約人民幣0.80億元）。2020年本集團的實際所得稅稅率約為22.3%（2019年：約20.8%）。

流動資金、財務資源及槓桿比率

於2020年，本集團的資金來源主要為經營活動所產生的現金及銀行貸款。

	2020年12月31日 人民幣(百萬元)	2019年12月31日 人民幣(百萬元)
資產淨額	5,503	5,215
現金與現金等價物	1,944	679
借款總額	4,264	4,338
本公司股本持有人應佔權益	5,218	4,936
流動比率	1.4	1.1
槓桿比率*	44.5%	74.1%

* 槓桿比率按貸款淨額除以本公司股本持有人應佔權益計算，其中貸款淨額為貸款總額減去現金與現金等價物。

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

管理層論述及分析

管理層論述及分析

於2020年12月31日，本集團的資產淨額約為人民幣55.03億元（2019年12月31日：約人民幣52.15億元）。本公司股本持有人應佔權益約人民幣52.18億元，較截至2019年12月31日約人民幣49.36億元略有增長。

截至2020年12月31日的流動比率和槓桿比率分別為約1.4和約44.5%（2019年12月31日：分別約1.1和約74.1%）。於2020年12月31日，流動比率約1.4，較於2019年12月31日上升0.3。槓桿比率從於2019年12月31日約74.1%下降至於2020年12月31日約44.5%，主要是由於清遠加多寶草本的股權回購款全部收回，現金流充裕。計息銀行貸款於2020年12月31日為約人民幣42.64億元；於2020年12月31日及2019年12月31日，本集團並無因獲取未償還的銀行貸款而予以抵押的資產。

資本開支、承擔及或然負債

截至2020年12月31日止年度，本集團資本性開支約為人民幣5.02億元，資本開支分別如下：

	人民幣 百萬元	佔資本開支 百分比
比利時項目	121	24.1%
兩片罐項目	130	25.9%
馬口鐵項目	113	22.5%
塑膠項目	58	11.5%
鋼桶項目	44	8.8%
其他設備購置	36	7.2%
合計	502	100.0%

於2020年12月31日，本集團之資本承諾如下：

	2020 人民幣千元	2019 人民幣千元
有關已訂約但未於綜合財務報表中撥備的：		
物業、廠房及設備	383,452	224,305
應付一家合營企業之資本出資	8,280	1,122,759

於2020年4月28日簽署回購協議後，加多寶集團已同意解除本集團向清遠加多寶草本進一步投資人民幣1,122,759,000元的出資義務。

於2020年12月31日，除上述外，本集團並無其他重大承擔及或然負債。

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

外匯風險

本集團主要營運於中國，除部份以美元、歐元及港元計值之銀行借款和存款外，大部份資產、收入、款項及現金結餘均以人民幣結算。董事認為匯率波動對公司的業績無重大的影響。

人力資源

截至2020年12月31日，本集團有6,131名全職僱員(2019年：6,692名)，當中約1,657名為工程師及技術人員或具有高等教育背景的僱員。下表載列於2020年12月31日本集團按職能劃分的僱員數目：

職能	僱員數目	佔僱員 總數的百分比
管理及行政	777	12.7%
銷售及營銷	233	3.8%
研發技術及工程	817	13.3%
生產及質量控制	4,304	70.2%
合計	6,131	100.0%

截至2020年12月31日，本集團員工總成本約為人民幣6.46億元，去年同期為人民幣6.65億元。本集團根據員工的崗位表現，區域工資水平及行業市場情況等來核定僱員薪酬。本集團中國內地的員工福利包括養老保險、醫療保險、失業保險、生育及工傷保險和住房公積金等。除中國法律要求外，本集團自2009年1月1日起亦自願認繳一項年金計劃，該計劃是本集團為僱員達到若干年歲後的利益而設。本集團香港的員工福利包括強制性公積金、人壽保險和醫療保險。

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

管理層論述及分析

重大風險及不確定性

為了實現業務穩健經營，本公司管理層高度關注公司經營可能面臨的風險因素，依託關鍵風險指標，經過評估和分析，本公司可能面臨的風險主要包括：

1. 宏觀調控帶來的經營風險：

由於宏觀政策調控，對下游企業產生一定的影響，會間接影響包裝企業(包括本集團)的銷售及利潤。

2. 原材料價格及匯率波動帶來的經營風險：

原料成本在生產成本中佔比較高，因此，原料價格的波動對利潤產生一定的影響。

3. 市場競爭風險：

本產業集中度較低，行業內具有一定規模和實力的企業均以進一步擴大產銷規模、最大化市場佔有率為主要目標之一，市場競爭激烈。

4. 食品安全風險：

由於產品的食品安全性能未達到國家或行業的安全標準造成客戶方的食品安全問題，進而發生風險，出現退貨或金額損失。

5. 質量風險：

由於不能滿足法規標準或與產品的質量、性能相關的客戶需求導致的批量質量問題，產生批量的廢品或庫存，造成損失。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

仲裁

茲提述本公司日期為2017年10月30日、2018年7月6日、2018年7月9日、2018年8月31日、2019年6月23日、2019年11月15日、2020年3月20日、2020年4月28日、2020年5月15日、2020年6月22日、2020年6月24日及2020年11月30日之公告以及日期為2017年11月30日及2020年6月5日之通函，內容有關(其中包括)本公司的間接全資附屬公司中糧包裝投資有限公司(「中糧包裝投資」)與王老吉有限公司(「王老吉公司」)、智首有限公司(「智首」)及清遠加多寶草本植物科技有限公司(「清遠加多寶草本」，與王老吉公司及智首統稱為「加多寶集團公司」)於2017年10月30日簽訂增資協議(「增資協議」)。

由於王老吉公司未按增資協議履行其應向清遠加多寶草本注入加多寶商標作為實物出資的承諾，中糧包裝投資於2018年7月6日向香港國際仲裁中心(「香港國際仲裁中心」)對王老吉公司、智首及清遠加多寶草本提出仲裁申請(「中糧包裝投資仲裁」)。本集團於2019年11月14日收到香港國際仲裁中心出具的《部分仲裁裁決書》(「裁決結果」)。

於收到裁決結果後，各方一直保持著良好的協商溝通。於2020年4月28日，增資協議訂約方及加多寶(天津)飲料有限公司(「加多寶(天津)」)簽訂了回購協議(「回購協議」)以處理有關增資協議及裁決結果的事宜。根據回購協議，加多寶(天津)將以人民幣1,504,631,126元的代價回購中糧包裝投資於清遠加多寶草本中持有的30.58%股權，而清遠加多寶草本亦會向中糧包裝投資支付根據增資協議累計的承諾分紅人民幣237,642,626元。

另外，根據回購協議，在加多寶(天津)和清遠加多寶草本完成支付第一期代價及第一期承諾分紅後，中糧包裝投資在收到上述款項的15個工作日內向中國相關法院提交申請撤回在國內提出的訴訟(「中糧包裝投資訴訟」)(見本公司日期為2018年8月31日之公告)。此外，在收到上述款項的四個月內(除加多寶(天津)未按回購協議支付第二期代價外)，中糧包裝投資亦應終止中糧包裝投資仲裁，而各方在裁決結果項下的權利、義務終止。同時，智首也需向香港國際仲裁中心提交申請，撤回其於2019年6月向中糧包裝投資提出的仲裁申請(「智首仲裁」)。

於2020年12月31日，本集團已收悉回購協議項下的回購清遠加多寶草本的全數代價人民幣1,504,631,126元，以及第一期和第二期承諾分紅合共人民幣50,000,000元。於本年度報告日期，中糧包裝投資仲裁、中糧包裝投資訴訟及智首仲裁亦已按回購協議約定撤回及終止。有關回購協議的詳情，請參閱本公司日期為2020年4月28日之公告及日期為2020年6月5日之通函。

有關增資協議、仲裁、回購協議及上述背景的詳情，請參閱上述公告及通函。

企業管治報告

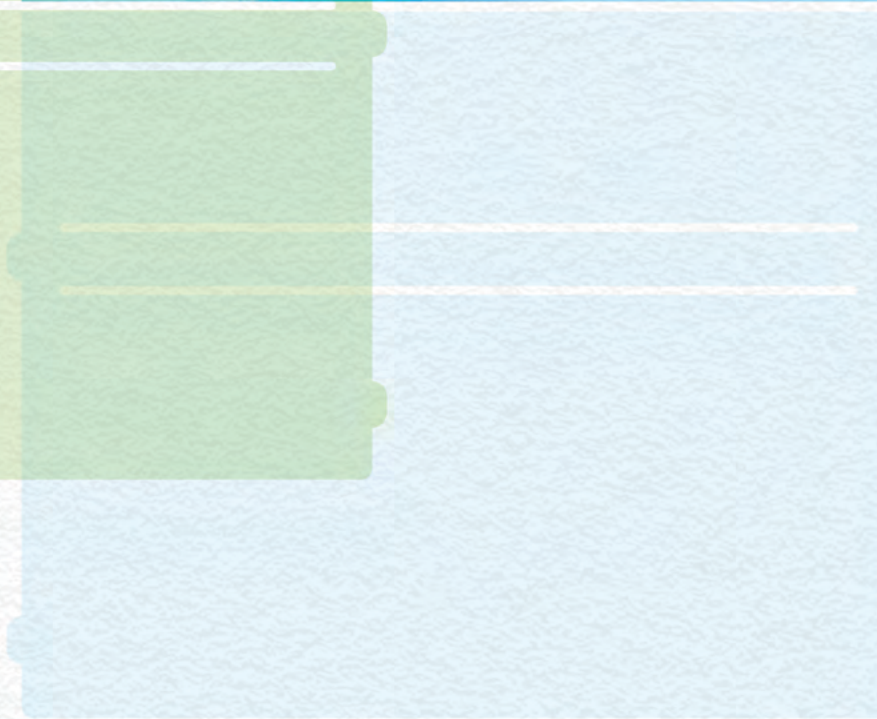
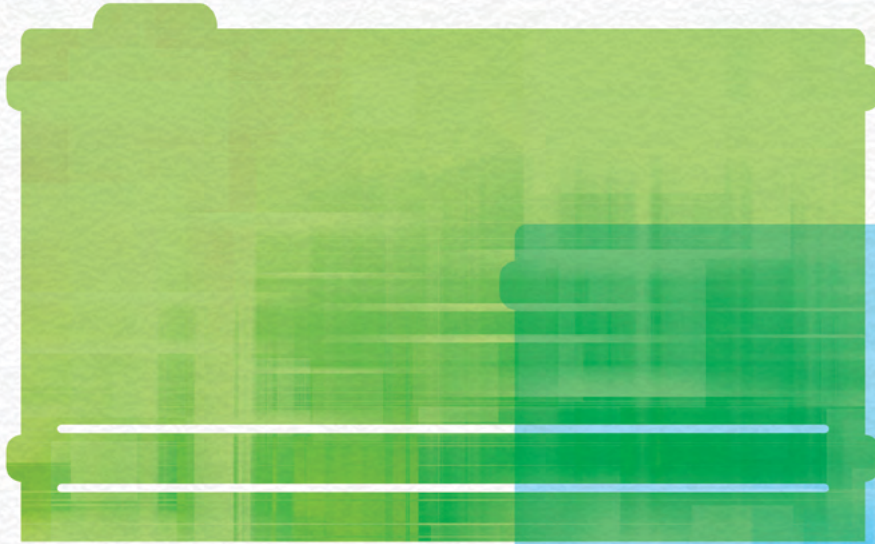
環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

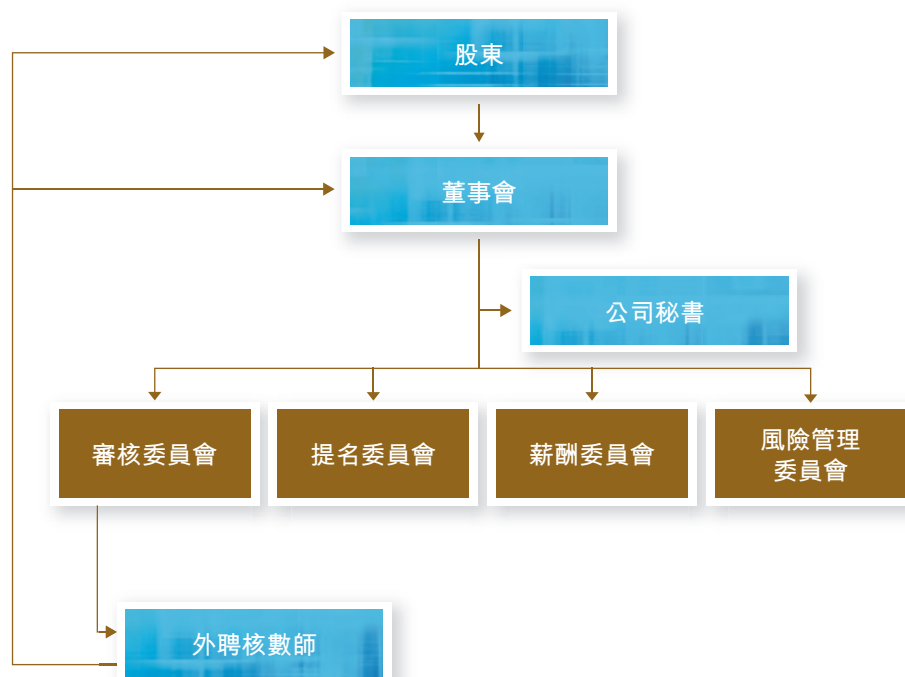
企業 管治報告





企業管治報告

企業管治架構



董事會完全知悉企業道德對經營成功公司之重要性，並相信良好且穩健之企業管治架構使本公司得以在招攬及挽留優秀人才方面享有優勢，提升顧客之忠誠度及加強與供應商之關係，維持作為綜合消費品包裝產品之領先生產商之地位。於年內，本公司已採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治守則（「企業管治守則」）內所有守則條文作為其本身之企業管治守則。董事認為自本公司股份於2009年11月16日於香港聯合交易所有限公司（「聯交所」）主板上市起，除已於本年報中所披露者外，本公司一直遵守企業管治守則所載之守則條文。

董事會將繼續不時檢討及監察其現時之企業慣例及本公司之程序，並會維持並進一步提升本公司之企業管治常規水平，以確保具有正式及具透明度的程序，以保障及盡量提升現時及潛在股東、投資者、僱員、業務夥伴及公眾之整體利益。

董事進行證券交易之標準守則

本公司採納上市規則附錄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」）。經向全體董事作出特定查詢後，全體董事確認於截至2020年12月31日止年度內，彼等已遵守標準守則所載的標準。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

董事會

董事會組成

董事會負責領導及監控本集團之業務經營，所作出之決策乃為符合本公司股東（「股東」）最佳利益及盡量提升股東回報。董事會負責制訂策略方向、監督經營活動及監察本集團整體財務及管理表現。年內及直至本年度報告日期，董事會由以下兩名執行董事、四名非執行董事及三名獨立非執行董事組成。

執行董事：

- 張新先生(主席)
- 張曄先生(總經理)

非執行董事：

- 李明華先生(於2020年3月17日獲委任)
- 余友枝女士(於2020年3月17日辭任)
- 陳前政先生
- 周原先生
- 沈陶先生

獨立非執行董事：

- 鄭毓和先生
- 潘鐵珊先生
- 陳基華先生

董事會的成員各有所長，而每名董事對於本集團所從事業務均具備充分行業知識、豐富的企業及策略規劃經驗及／或專門技術。

董事的履歷資料載於本年報第141至145頁。除本年度報告「董事及高級管理人員簡介」一節所披露者外，董事會及高級管理層之間並無財務、業務、家庭或其他重大或相關關係。

本公司已委任三名獨立非執行董事，佔董事會人數三分之一。其中一名獨立非執行董事鄭毓和先生擁有會計專業資格。獨立非執行董事的一項重要責任是確保及監察企業管治架構行之有效。彼等的參與提供足夠的制衡以保障本集團及其股東之利益，當中包括審閱本年報其他章節所述的持續關連交易。董事會確認，本公司已收到各獨立非執行董事根據上市規則第3.13條就其各自於截至2020年12月31日止年度內出具之獨立性確認函，並認為該等董事均具獨立性。

儘管鄭毓和先生已於本公司擔任獨立非執行董事超過九年，惟董事會認為鄭毓和先生誠實守信，具獨立判斷能力及個性。彼獨立於管理層，並不參與任何業務或涉及其他關係或可能嚴重影響其獨立判斷能力之情形。董事會認為，鄭毓和先生滿足上市規則第3.13條之獨立性指引，並認為其獨立性不受其較長任職年限影響。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

企業管治報告

管理層論述及分析

董事會職責

董事會負責監督本公司業務及事務之管理，旨在盡量提升股東回報。董事會的主要職責如下：

- 決定所有企業事宜；
- 負責本集團業務管理、方向及監督；
- 確保本集團的財務申報及合規的有效性；
- 制定業務策略及業務規劃；
- 計劃及監督合併、收購或分拆和其他主要資本支出項目；
- 內部監控及風險管理；
- 評估本集團及高級管理層之表現；及
- 負責年度及中期財務業績及股東溝通。

企業管治報告

董事會由本公司主席（「主席」）領導，負責領導和監控本公司、制訂整體戰略及政策、評估本集團及管理層的表現，並負責批准重大或根據上市規則須予以披露的事宜或交易。

管理層由本公司總經理（「總經理」）領導，負責本集團的業務和日常營運，以及落實董事會制定的戰略及政策。總經理負責監察及監督業務單位或職能部門的運作。

環境、社會及管治報告

由董事會授予權力

為協助董事會履行職務及促進有效管理，董事會將其若干職能交予審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）、提名委員會（「提名委員會」）、風險管理委員會（「風險管理委員會」）及高級管理層負責。於2009年10月23日，董事會批准於股份在聯交所上市後成立審核委員會、薪酬委員會及提名委員會。於2016年12月22日，董事會批准成立風險管理委員會。董事會將日常營運、業務策略及日常管理的授權及責任委派予總經理及高級管理層。最終決策權仍由董事會掌控，惟四個委員會職責範圍另有規定除外。

董事及高級管理人員簡介

主席及總經理

企業管治守則守則條文A.2.1條規定，主席與總經理之角色應有區分，並不應由一人同時兼任。目前，主席張新先生於年內負責本集團的業務策略及確保董事會有效營運。此外，主席之角色為鼓勵董事積極參與董事會活動及促進執行與非執行董事之間建立建設性關係。憑藉執行董事及高級管理層的支持，張新先生於年內確保董事及時獲得充足及完備可靠的資料。總經理張曄先生於年內主要負責本集團日常營運的行政管理及確保本集團的業務計劃及策略有效落實以達到本集團之目標。

董事會報告

董事之委任、重選和罷免

各董事訂立了為期三年的具體委任條款。

本公司組織章程細則(「公司章程」)規定，經董事會委任之任何董事任期僅至下一次本公司股東大會(不論屬填補董事會臨時空缺或於現有董事會增加成員)止，該等董事屆時有資格在會上膺選連任。此外，根據公司章程，在每次股東週年大會上，佔所有董事(不論執行或非執行)三分之一的董事須輪席告退及膺選連任，惟每名董事須至少每三年一次告退，而告退之董事可膺選連任。

本公司股東可於董事任期屆滿前隨時在按照本公司公司章程召開及舉行的任何股東大會上罷免該董事，而不論公司章程有任何相反規定或本公司與該董事有任何協議。

董事會會議及董事會常規

根據企業管治守則之守則條文第A.1.1條，董事會應定期舉行會議，一年至少舉行四次，約每季一次。根據公司章程，董事會已預定每年召開至少四次會議，約每季一次。董事會實際及定期舉行會議。截至2020年12月31日止年度，董事會舉行10次會議。董事根據公司章程親身或以電話方式出席會議。董事會議於年內的出勤情況概要如下：

	出席記錄／ 於年內舉行董事會會議總數*
執行董事	
張新先生	10/10
張擘先生	10/10
非執行董事	
李明華先生(註1)	8/8
余友枝女士(註2)	2/2
陳前政先生	10/10
周原先生	10/10
沈陶先生	10/10
獨立非執行董事	
鄭毓和先生	10/10
潘鐵珊先生	10/10
陳基華先生	10/10

* 年內10次董事會會議中，有1次涉及持續關連交易，其中被認為存在重大利益的董事已放棄投票。

註：

1. 李明華先生於2020年3月17日獲委任為非執行董事，任期內共舉行8次董事會會議，參加8次。
2. 余友枝女士於2020年3月17日辭任非執行董事，任期內共舉行2次董事會會議，參加2次。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

企業管治報告

管理層論述及分析

根據現時董事會常規，董事會會議之通告於會議舉行日期前送呈全體董事。一般而言，董事會定期會議通知至少14天前向全體董事發出，亦會就所有其他董事會會議發出合理通知。本公司之公司秘書（「公司秘書」）協助主席編製董事會會議議程及文件連同所有適當、完整及可靠之資料。各董事於董事會會議期間可要求公司秘書將任何事宜列入議程中。所有主要議程項目連同全面簡介文件，於每次董事會會議或委員會會議至少3天前寄予所有董事，以告知董事最新發展及本公司財務狀況，以便彼等作出知情決定。

股東大會

2020年股東週年大會（「2020年股東週年大會」）和2次股東特別大會分別於2020年6月22日、2020年6月22日和2020年12月14日舉行。股東大會於年內的出席記錄概要如下：

	出席記錄／ 於年內舉行股東大會 總數
執行董事	
張新先生	3/3
張擘先生	3/3
非執行董事	
李明華先生(註1)	0/3
余友枝女士(註2)	—
陳前政先生	0/3
周原先生	0/3
沈陶先生	0/3
獨立非執行董事	
鄭毓和先生	3/3
潘鐵珊先生	3/3
陳基華先生	0/3

註：

1. 李明華先生於2020年3月17日獲委任為非執行董事，任期內共舉行3次股東大會，但由於新冠肺炎疫情而未能參加。
2. 余友枝女士於2020年3月17日辭任非執行董事，任期內沒有共舉行股東大會。

守則的守則條文第A.6.7條訂明獨立非執行董事及其他非執行董事應出席會議並對本公司股東的意見有公正的了解。陳前政先生、周原先生、沈陶先生及陳基華先生因新冠肺炎疫情而無法出席本公司於2020年6月22日及2020年12月14日舉行的股東大會。

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

提供及獲得資料

所有董事可獲公司秘書提供意見及服務。董事會及董事委員會會議記錄由公司秘書保存，該等會議記錄於董事發出合理通知下可供董事於任何合理時間內查閱。任何董事均可要求提供獨立專業意見，而開支會由本公司承擔，以履行董事對本公司的職責。

重要事項通常透過書面決議方式通過，以便於該等事項在獲得批准前，所有董事(包括獨立非執行董事)均已知悉有關事項並可發表意見(如適用)。此外，董事必須申明其在董事會將予考慮並批准之事項或交易中之利益。倘主要股東或董事在董事會將考慮之事項中存在董事會釐定為屬重大之利益衝突，則本公司將不透過書面決議方式決議。獨立非執行董事會擔當積極角色，並就有關該事項之所有事宜作出獨立判斷。倘任何董事或其緊密聯繫人在所提呈的任何董事會決議案中擁有任何重大權益，則該董事不得於董事會會議上就批准彼或其任何緊密聯繫人於其中直接或間接擁有重大權益的任何合約或安排或事宜的任何決議案投票(亦不得計入法定人數內)(除公司章程另有規定外)。

董事及高級職員的責任保險

於2020/2021年度，本公司已為其所有董事及高級管理層安排董事及高級職員的責任保險。該等保險為企業活動所產生之相關成本、費用、開支及法律行動之責任提供保障。

董事責任

本公司確保每位新委任董事對本集團之營運及業務有適當的瞭解，以及完全知悉彼在法規及普通法、上市規則、適用法律規定及其他監管規定以及本公司之業務及管治政策下之責任。

非執行董事就本公司業務方向及策略規劃提供獨立見解及意見。非執行董事亦定期審閱本公司之財務資料及營運表現。

獨立非執行董事於董事會會議上擔當積極角色，並就重大事項或交易作出獨立判斷。彼等會於出現潛在利益衝突時，發揮主導作用。本公司有三名獨立非執行董事並佔董事會人數三分之一，符合上市規則第3.10(1)條的規定。於三名獨立非執行董事中，鄭毓和先生持有上市規則第3.10(2)條要求之會計或相關財務管理的專業知識之適當專業資格。

公司秘書

嚴銘銓先生已獲委任為公司秘書，自2016年3月6日起生效，彼已遵守上市規則第3.29條有關專業培訓的規定。

企業管治職責

董事會負責履行守則條文第D.3.1條所載的企業管治職責。截至2020年12月31日止年度，董事會已檢討並討論本集團的企業管治政策，並對本集團的企業管治政策的成效感到滿意。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

企業管治報告

董事的持續專業發展

所有董事均就本公司之營運表現、狀況及展望得悉每月最新情況，以讓董事會整體以及各董事履行其職責。此外，所有董事均認為要持續發展並更新本身知識及技能方可為本公司作出貢獻。下表概列個別董事於截至2020年12月31日止年度參與持續專業發展的情況。

	閱讀監管規定 更新資料	出席外界 研討會／活動
執行董事		
張新先生	✓	✓
張擘先生	✓	✓
非執行董事		
李明華先生 (於2020年3月17日獲委任)	✓	✓
余友枝女士 (於2020年3月17日辭任)	✓	✓
陳前政先生	✓	✓
周原先生	✓	✓
沈陶先生	✓	✓
獨立非執行董事		
鄭毓和先生	✓	✓
潘鐵珊先生	✓	✓
陳基華先生	✓	✓

審核委員會

於2009年10月23日，本公司批准於股份在聯交所上市後成立審核委員會，書面權責範圍內列明其權力及職責。審核委員會大多數成員為獨立非執行董事。

審核委員會於截至2020年12月31日止年度曾舉行3次會議。審核委員會成員的組成及出席記錄詳情如下：

審核委員會成員	出席紀錄／會議總數
鄭毓和先生(委員會主席)(註1)	3/3
周原先生(註2)	3/3
陳基華先生(註1)	3/3

註：

1. 獨立非執行董事
2. 非執行董事

公司秘書亦有出席會議。公司秘書草擬之會議記錄已於各會議後於合理時間內寄發予審核委員會成員。審核委員會成員概無為本公司現時核數公司之前合夥人。

董事會亦已採納緊遵企業管治守則之所載守則條文規定之審核委員會權責範圍，有關企業管治守則之詳情刊載於聯交所網站及本公司網站。

審核委員會之主要職責包括下列各項：

- 審閱並監督本集團之財務匯報程序及財務報告之完整性；
- 監察本集團風險管理及內部監控系統之有效性；及
- 考慮外聘核數師之獨立性。

截至2020年12月31日止年度，審核委員會已履行以下工作：

- 與高級管理層檢討本集團所採納的會計政策及常規，並討論了核數及內部監控系統及財務匯報之事項；
- 審閱本公司之財務報表及本公司中期報告及年報、本公司核數師給予管理層之函件，於截至2020年12月31日止年度內之核數範疇及費用；
- 批准2020年年度的內部審計計劃；
- 審核持續關連交易；及
- 與外聘核數師會晤，討論截至2020年12月31日止年度內之核數範圍。

審核委員會亦推薦董事會續聘天職香港會計師事務所有限公司為本公司截至2021年12月31日止年度之外聘核數師，惟須於即將舉行之股東週年大會上獲取股東批准。

本集團高級管理層須向審核委員會提供充足和及時的支持以履行其職責。審核委員會亦知悉在其認為有必要時可尋求獨立專業意見，公司秘書可代為安排，費用由本公司支付。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

企業管治報告

管理層論述及分析

提名委員會

於2009年10月23日，本公司批准於股份在聯交所上市後成立提名委員會。董事會亦已採用符合企業管治守則之守則條文規定之提名委員會權責範圍，並於聯交所網站及本公司網站刊登。提名委員會大多數成員為獨立非執行董事。

提名委員會的主要職責是(i)檢討董事會的架構、規模及組成，並就提出的任何變更向董事會作出建議；(ii)就獲提名出任本集團董事及高級管理層的人選向董事會作出建議；及(iii)評核獨立非執行董事的獨立性。

於截至2020年12月31日止年度，提名委員會已履行以下工作：

- 檢討董事會的架構、規模及組成，確保董事會具備均衡且符合本集團業務所需的技能、知識及經驗；
- 提名新非執行董事；
- 就2020年股東週年大會上的董事會重選進行推薦；及
- 評核全體獨立非執行董事的獨立性。

提名政策

提名委員會評估候選人是否適合作為董事會成員時，將參考多項因素，包括：

- (a) 信譽；
- (b) 所需的技能，知識，經驗，文化和教育背景，性別，年齡和其他素質，同時適當考慮董事會多元化的好處；
- (c) 擬議候選人可以在何種程度上對董事會的整體有效性做出貢獻，及與現有董事開展建設性的工作；
- (d) 擬議候選人作為董事的技能和經驗，以及他們如何提升董事會整體的效率和表現；
- (e) 擬議候選人現有職位的性質，包括董事職位或與本公司及或其董事的其他關係，以及因此而對其行使獨立判斷的能力可能產生的影響；及
- (f) 可能影響擬議候選人投入多少時間履行職責的因素。

上述因素只供參考之用，並非意在涵蓋所有因素，也不具決定作用。提名委員會具有酌情權，可決定提名任何其認為適當的人士。

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

董事會成員多元化政策

截至2019年12月31日止年度，董事會已採納董事會成員多元化政策，並已就實施政策所設定之所有可計量目標進行討論。本公司明白並深信董事會成員多元化的裨益。其致力確保董事會在技能、經驗以及視角的多元化方面達到適當的平衡，符合本公司業務所需。根據董事會成員多元化政策，所有董事會的委任將繼續以用人唯才為原則，並周詳考慮董事會成員多元化的裨益。甄選候選人時將以一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他方面)、技能及知識。最終決定將以用人唯才為原則並基於獲選候選人將為董事會帶來之貢獻而作出。

截至2020年12月31日止年度，提名委員會共舉行2次會議。於年內提名委員會成員的組成及出席記錄詳情如下：

提名委員會成員	出席紀錄／會議總數
張新先生(委員會主席)(註1)	2/2
鄭毓和先生(註2)	2/2
潘鐵珊先生(註2)	2/2

註：

1. 執行董事
2. 獨立非執行董事

薪酬委員會

於2009年10月23日，本公司批准於股份在聯交所上市後成立薪酬委員會，書面權責範圍內列明其權力及職責。薪酬委員會大多數成員為獨立非執行董事。

薪酬委員會的職責主要是(i)對本公司董事及高級管理人員的全體薪酬政策及架構向董事會提出建議，並確保任何董事或其任何聯繫人不得參與釐定其本身的薪酬；(ii)釐定董事及高級管理人員的特定薪酬待遇；及(iii)因應董事會議決的企業方針及目標而檢討及批准以表現為基準的薪酬。薪酬委員會可於其認為有需要時尋求獨立專業意見，費用由本公司支付。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

企業管治報告

管理層論述及分析

於截至2020年12月31日止年度，薪酬委員會已履行以下工作：

- 檢討及討論本集團的薪酬政策以及本公司董事及高級管理人員的薪酬待遇；及
- 向董事會建議執行董事、非執行董事、獨立執行董事和本集團高級管理人員的薪酬。

有關各董事於截至2020年12月31日止年度的薪酬詳情載列於財務報表附註9。

薪酬委員會權責範圍緊遵企業管治守則之守則條文規定，並於聯交所網站及本公司網站刊登。

本公司人力資源及行政部向薪酬委員會提供行政支持及執行經核准之薪酬待遇及其他人力資源相關決定。

截至2020年12月31日止年度，薪酬委員會舉行2次會議。於年內薪酬委員會之成員之組成及出席記錄詳情如下：

薪酬委員會成員	出席紀錄／舉行 董事會會議總數
潘鐵珊先生(委員會主席)(註1)	2/2
沈陶先生(註2)	2/2
鄭毓和先生(註1)	2/2

註：

1. 獨立非執行董事
2. 非執行董事

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

風險管理委員會

風險管理委員會於2016年12月22日成立，董事會已為風險管理委員會採納符合企業管治守則所載守則條款之職權範圍，並於聯交所及本公司網站發佈。

風險管理委員會的主要職責為(i)檢討本集團的企業風險管理架構，風險評估及風險管理指引、政策及流程；(ii)檢討本集團的主要風險及關鍵新興風險，及緩和該等風險的控制措施；及(iii)檢討企業風險管理職能的有效性。

於截至2020年12月31日止年度，風險管理委員會已履行以下工作：

- 檢討及討論整體風險管理框架以及風險評估及風險管理的指引、政策及程序；
- 檢討及討論本集團之主要風險，如信貸風險及市場風險；及
- 檢討整體風險管理功能之成效。

截至2020年12月31日止年度，風險管理委員會舉行1次會議。於年內風險管理委員會之成員之組成及出席記錄詳情如下：

風險管理委員會成員	出席紀錄／舉行 董事會會議總數
陳基華先生(委員會主席)(註1)	1/1
陳前政先生(註2)	1/1
張擘先生(註3)	1/1

註：

1. 獨立非執行董事
2. 非執行董事
3. 執行董事

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

問責性及審核

董事及核數師的確認

審核委員會及董事會已審閱本集團截至2020年12月31日止年度之綜合財務報表。董事確認，彼等的責任乃編製本集團之賬目、財務報表、表現狀況及展望。管理層向董事會提供資料及解釋，以讓董事會可於提呈董事會審批之前對財務及其他資料作出知情評估。董事相信，彼等已選用及貫徹一致地應用適當的會計政策、作出審慎及合理的判斷及估計，並確保按「持續經營」基準編製財務報表。

本公司核數師天職香港會計師事務所有限公司確認其於截至2020年12月31日止年度經審核財務報表之獨立核數師報告之報告職責。

風險管理及內部監控

董事會有責任維持合適及有效的風險管理及內部監控制度，以保障本集團及股東的利益，並定期檢討及監督內部控制及風險管理制度的成效，以確保制度完備充分。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

本集團的風險管理及內部監控制度包括有關財務、運營和合規控制以及風險管理的程序，以及有明確責任及授權的完善組織架構等。各部門負責其日常運作，並須執行董事會不時採納的業務策略及政策。

本公司內部審核部門及風險管理部門支持董事會、審核委員會及風險管理委員會審閱風險管理及內部監控系統的有效性，並於本年度遵循年度計劃履行其職能，並於會上向董事會提呈彼等有關評估結果的報告。審核委員會及風險管理部門就本集團風險管理及內部監控系統的效力作出獨立檢討，並向董事會提出彼等的建議。董事會負責檢討內部審核報告及批准由管理層製訂的政策及程序。

為加強本集團之內幕消息控制系統，並確保其公開披露事項之真實性、準確性、完整性與及時性，本集團亦採納及實施一套內幕消息程序。本集團已不時採納若干合理措施，確保存在適當保障以防止違反有關本集團之披露規定，包括維持具備明確組織架構、權力規限以及根據本公司指引及監管規定之報告方式及責任之良好監控環境。設立合適監控措施，促進處理及傳播內幕消息。僅有需要知悉有關事宜之限定數目僱員可查閱有關資料。掌握內幕消息之僱員充分熟知彼等之保密責任。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

經與本集團管理層、審核委員會成員、風險管理委員會成員及外部獨立核數師討論，董事會對本集團的風險管理及內部監控制度及程序於截至2020年12月31日止財政年度的成效進行了檢討和評估。董事會亦會研究有關風險管理及內部監控事宜的重大調查結果及管理層對該等調查結果的回應。

董事會認為，現有的風險管理及內部監控制度充分而且有效。董事會已審核本集團會計及財務報告職能人員的資源、資格及經驗以及彼等的培訓方案及預算，並對上述的充足性感到滿意。

董事會亦評估本集團內部審核職能及外部審核程序的有效性，並透過其審核委員會的工作而令其本身信納，內部審核職能配備充足資源，並就本公司所面臨有關風險方面有效地向董事會提供保證，且外部審核程序具效益。

此外，本集團亦實施SAP系統以提升運營處理能力及改善職責分工及更好的內部監控系統。

核數師酬金

於截至2020年12月31日止年度內，本公司核數師天職香港會計師事務所有限公司之酬金分析載列如下：

所提供之服務	已繳／應繳費用 人民幣千元
核數服務	1,700
非核數服務	804
合計	2,504

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

與股東溝通

董事會知悉與本公司股東及投資者維持清晰、及時及有效溝通的重要性，亦知悉與投資者之有效溝通乃建立股東信心及吸引新投資者的關鍵。

本公司主要透過如下方式與股東溝通：

- (i) 舉行股東週年大會，藉以提供讓股東直接與董事會溝通機會；
- (ii) 本公司根據上市規則之規定刊發之公告、年報、中期報告及／或通函，以及新聞稿，以提供本集團最新資料；
- (iii) 定期更新本公司網頁及於本公司網頁及聯交所網頁及時披露資料；
- (iv) 不時與分析師及基金經理舉行面對面會議或電話會議。本公司與機構股東定期對話，財務業績發佈時亦會舉行發佈會。歡迎股東及投資者瀏覽本公司網站及透過本公司投資者關係部門提出詢問，該部門之聯繫詳情載於本公司網站；及
- (v) 股東如對其持股量及享有股息的權利有任何疑問，可聯絡本公司的證券登記處香港中央證券登記有限公司。

股東權利

本公司擬於2021年5月31日(星期一)舉行之股東週年大會(「2021年股東週年大會」)乃為股東提供與本公司董事、管理層及外聘核數師見面及提出疑問的機會。於2021年股東週年大會上，股東週年大會主席及各審核委員會、風險管理委員會、薪酬委員會及提名委員會主席／成員均會出席回答股東之提問。

根據公司章程，本公司應分別於股東週年大會召開前最少21日前向股東發出通知，及於所有其他股東大會召開前最少14日前向股東發出通知。

根據公司章程，持有不少於已發行股份(附有於股東大會上投票之權利)十分之一之任何兩名股東可透過向董事會或公司秘書發出書面請求，要求本公司召開股東特別大會。書面請求中必須陳述舉行大會之目的。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

股東可以向本公司寄發書面查詢，以向董事會作出任何查詢或建議。聯絡詳情如下：

地址： 香港銅鑼灣告士打道262號中糧大廈33樓

傳真： (852) 2833 0554

為免生疑問，股東須將已簽署的書面要求、通知或聲明或查詢(視情況而定)的正本存放於及郵寄或傳真至上述地址或傳真號碼，並提供彼等的全名、聯絡詳情及身份，以便本公司回覆。股東資料可能根據法律規定而予以披露。

截至2020年12月31日止年度，本公司並無對其公司章程作出任何變動。公司章程的最新版本可在本公司網站及聯交所網站查閱。股東亦可參考公司章程以取得有關其權利的詳情。

根據上市規則，所有在股東大會提呈的決議案均將以投票方式表決，且投票表決結果將緊隨有關股東大會召開後於聯交所網站(www.hkexnews.hk)及本公司網站(www.cofco-pack.com)刊登。

以投票方式表決

根據公司章程，於2021年股東週年大會上提呈之所有決議案將以投票方式表決。股東每持有一股股份即擁有一票。以投票方式表決之結果分別於會後宣佈以及於聯交所及本公司網站中刊登。

派付股息政策

本公司於考慮本公司的派息能力後將向股東宣派及/或建議派付股息，有關金額視乎(其中包括)其實際及預期財務業績、目前及未來之營運、流動資金水平、資本要求、合約及監管限制等因素。董事會可全權酌情決定是否派付股息，須經股東批准(如適用)。倘董事會決定建議及派付股息，則形式、頻率及數額將視乎影響本集團的實際財務業績、目前及未來之營運、流動資金水平、資本要求、合約、監管限制等因素而定。除中期及/或末期股息外，董事會亦不時考慮宣派特別股息。本公司會定期或於必要時審查並重新評估股息政策及其有效性。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告



環境、社會及 管治報告



環境、社會及管治報告

管理層論述及分析

本集團致力於成為國際知名消費品包裝企業，專注於消費品包裝產品的生產和銷售，在為社會提供安全環保的綠色包裝和高品質服務的同時，全心全意服務客戶、股東、員工。2020年，本集團以推進高質量發展為主題，以改革創新為驅動力，一手抓疫情防控，一手抓復工復產，全面加強黨的政治建設和系統建設，堅持黨建促發展，黨建引領業績；本集團全面推進「兩壓一降」實施落地，大力開展降本增效，加多寶投資款項全額收回，現金流穩健提升，產品區域佈局不斷優化，噴霧罐、奶粉罐等超級產品線業務增速明顯，全年銷售收入和盈利均實現歷史新高；本集團擁有領先的技術研發機構，主導和參與制訂多項包裝產品行業標準，擁有多項中國包裝技術專利，榮獲多項國際包裝大獎；擁有完善的產品質量控制體系和食品衛生安全管理體系，產品品質達到美國和歐盟標準；我們重視人才發展，落實員工關懷工作，維護職工權益，努力營造和諧的勞動關係。同時，本集團緊抓源頭控制、過程管控及末端治理，採用新技術、新工藝、新材料，實現節能減排，體現社會價值。

企業管治報告

一、員工

(一) 員工職業成長與發展

本集團始終將人才發展作為重點工作，嚴格遵守國家和地方法律法規，構建和諧勞動關係，為公司的長遠發展奠定良好的基礎。

對於員工招聘，本集團依據相關法律法規，建立了完善的招聘、晉陞及解僱機制，規範員工招聘、晉陞及解僱程序，以工作表現為基準，並嚴格遵循多元化及反歧視規則，員工招聘不受種族、性別、體能或宗教信仰的影響，使員工招聘、晉陞及解僱機制更為科學、合理、有效。本集團嚴禁僱用童工及強制勞工，所有業務均符合中國相關法律法規及相關標準要求，並採取嚴格的審核及防範措施，防止經營中出現此等情況。就本集團所知，本集團在招聘、晉陞及解僱員工，反歧視、防止童工及強迫勞動方面，並無任何不遵守相關法律法規的情況。

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

2020年度員工情況

類別		數目	百分比
按性別劃分	男性	4,360	71%
	女性	1,771	29%
按類別劃分	高級管理層	613	10%
	中級管理層	1,470	24%
	普通員工	4,048	66%
按年齡劃分	30歲以下	1,449	24%
	30-50歲	4,013	65%
	50歲以上	669	11%

2020年度員工流失率

類別		流失率
按性別劃分	男性	22%
	女性	9%
按年齡劃分	30歲以下	16%
	30-50歲	14%
	50歲以上	1%

本集團倡導以人為本的人才發展理念，不斷優化整合人力資源，建立多樣化人才引進、培育模式。與員工共同規劃其職業發展，鼓勵員工在工作時間實現自我增值，激發員工創新創造活力，打造多元化團隊。如：實行員工職業發展「雙通道」，即「行政管理通道」和「專業技術通道」，並制定對應的職務評聘機制，定期進行管理崗位競聘和專業技術職務評聘，鼓勵員工發揮所長。

本集團重視各崗位業務職能培訓，積極營造員工學習氛圍，定期開展學習討論，全面提升員工素質，提高工作技能和效率。2020年，由於疫情常態化防控要求，本集團在原有培訓體系基礎上，開發運用了多種線上培訓和會議平台，持續開展多層次多門類的培訓課程。如針對生產管理人員開展的標桿管理系列培訓，培訓主題包括具體質量問題解決方法、改善地圖、效率提升等，2020年開展標桿管理培訓6次，共計380人次。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

環境、社會及管治報告

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告



「標桿管理」系列課程培訓

如HR人才隊伍建設培訓，針對人力資源職能能力的提升，2020年組織開展HR系統提升班共3期，內容包括人力資源工作招聘工具、課程設計、日常人力資源工作分享等，參與培訓共計90人次。針對一線技術員工的專業技術培訓，內容包括：塑膠業務吹瓶中級技術員培訓、鋼桶製造部工藝技術培訓、六西格瑪綠帶知識DM階段培訓等，參與培訓共計60人次。



HR人才隊伍建設

(二) 員工保障、激勵與關懷

本集團堅持員工的福利政策待遇認真按照國家法律法規要求執行。堅持遵循「按崗分配、突出能力和績效、兼顧公平及可持續發展」的薪酬分配原則。足額繳納各項法定社會保險、享受法定節假日等福利，為完善員工福利保障體系，有效解決公司和員工後顧之憂，還為員工購買商業保險(險種包括意外險、補充醫療保險等)，並根據員工個人意願為其繳納年金。根據政府要求及企業實際調整員工工資等。在假期方面，2020年本集團根據相關法規，結合內部實際，及時完善公司內部假期管理制度，明確假期類別及對應條件、假期審批手續和假期待遇等，保障男女員工平等、合法的休假權益。

在安全保障方面，本集團認真貫徹和嚴格執行及遵守國家、行業及地方政府有關安全等法規標準，堅持以人為本，安全發展，堅守發展不能以犧牲安全為代價的紅線，以不發生較大及以上生產安全事故為底線，落實安全生產責任，進一步健全風險防控措施，增強全員安全意識，提高風險防範管理水平，確保較大安全風險得到控制。如認真貫徹落實習近平總書記關於安全生產重要論述與指示精神，切實樹牢安全發展理念，實施安全生產專項整治三年行動計劃，制定三年行動任務分解表，明確每項工作牽頭部門、配合部門、跟進人和具體實施計劃，有效推進實施；精心組織，有力推進雙重預防機制建設，切實把每一類風險都控制在可接受範圍內，把每一個隱患都治理在形成之初，把每一起事故都消滅在萌芽狀態，實現把風險控制在隱患形成之前、把隱患消滅在事故前面；通過各種宣傳、教育和培訓活動，如舉辦「安全月」、安全技能考試、消防安全應急演練、與一把手講安全等活動，強化員工安全意識和素質，提高員工安全技能水平，杜絕違章作業，減少操作失誤，從而降低事故發生率，實現「要我安全」到「我要安全、我會安全、我懂安全」的思想轉變，從根本上提高人的安全可靠。2020年全年本集團未發生三級及以上的質量安全責任事故。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

環境、社會及管治報告

管理層論述及分析

在員工關懷方面，2020年為促進復工復產，加強疫情常態化管理，同時提升員工的活力及凝聚力，本集團從多種角度出發，根據各類員工群體的特點設計相適應的主題活動，通過活動傳播本集團的價值和文化導向，傳遞積極向上的正能量。通過活動激發員工的活力、增強凝聚感，豐富員工的生活內容。如「情暖中糧人，情繫忠良心」春節慰問活動、「521員工關愛日」活動。形式豐富，各具特色，營造了積極、進取、健康、陽光的工作生活氛圍。

企業管治報告



「521員工關愛日」活動

環境、社會及管治報告

為積極引導廣大員工追求健康向上的生活方式，豐富員工業餘生活，緩解工作壓力，提高身體素質，愉悅身心健康，讓員工以更飽滿的精神面貌投入到工作中。本集團組織開設各類藝術、娛樂、健身活動的活動，如「906釣魚俱樂部」、「906乒羽俱樂部」等。

董事及高級管理人員簡介



「906」乒羽俱樂部

董事會報告

(三) 員工溝通

2020年，本持續貫徹和深化黨的主題教育實踐活動，深入基層，弘揚「忠良文化」的同時，更加注重與員工的溝通，主動聽取員工反饋，急員工之所急，想員工之所想。如：持續建設企業內網，及時發佈企業經營動態，打造多元化交流平台，組織線上青年閱讀會，同時設置廉潔從業窗口，接受員工的意見和監督，增強信息的溝通反饋；同時，通過召開職工代表大會，公開徵求和收集員工合理化建議和提案，開放正規渠道，真實、快速響應廣大職工的訴求，切實做好員工服務工作。



中糧包裝投資有限公司工會二屆三次職工代表大會順利召開

二、自主創新與節能環保

(一) 自主創新

1. 創新文化建設

創新是企業進步和發展的源泉，本集團重視技術創新文化的建設，在「堅持創新驅動的發展理念，把科技創新作為高質量發展的核心驅動力」的精神指引下，始終將研發創新精神貫穿於技術工作的各個環節。

2020年，本集團進一步完善健全研發創新管理制度，依據中糧包裝研發創新特點，制定了《中糧包裝關於落實集團黨組加強科技創新促進高質量發展決定的實施意見》。優化項目管理機制，修訂《中糧包裝技術研發項目管理流程》，對公司研發項目進行分級管理，提高各級研發項目的執行效率。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

環境、社會及管治報告

管理層論述及分析

本集團積極營造良好的創新文化氛圍，舉行一年一度的技術創新大會，總結上一年度的創新工作，並且再鑄技術發展新的里程碑。分享和推廣技術創新的曩曩碩果，全面提升科技管理力度，更好地推動技術進步，為公司經營發展增添新動力。本集團持續加大科研開發力度，不斷總結技術創新工作經驗，努力推動公司科技創新並大力推動科技成果向生產力的轉換，通過對技術創新項目的獎勵，對科技論文精細研討，對優秀論文給予榮譽嘉獎，進一步激發和鼓勵廣大技術人員奮發圖強，提升自主技術創新能力，為公司的持續發展提供永恆動力。

企業管治報告

與此同時，本集團積極塑造具有自身特色的創新文化宣傳。內網門戶持續主辦技術創新板塊，定期更新技術前沿、食品安全、項目管理、檢驗檢測、知識產權、貨架期等專業板塊，使之已成為內部技術人員技術創新的刊物平台。同時通過設立科技情報信息交流群，包括技術負責人、技術骨幹、技術中心科技情報專員，形成科技信息反饋機制，每季度發佈《包裝技術資訊》，深入傳播行業先進資訊，進一步宣傳推廣科技創新理念，為技術人員提供了思路拓寬和技術研討的新媒介，成為技術人員創意的源泉，提升技術人員的整體業務水平。

2. 創新研發項目與專利技術管理

(1) 創新研發項目

2020年，本集團堅持創新驅動的發展理念，把科技創新作為高質量發展的核心驅動力。完成研發立項32項，同比2019年增加28%，並對關鍵技術進行專利保護，本年度已申報27項專利，授權12項。

環境、社會及管治報告

主要創新研發項目如下：

根據市場及產品發展需要，結合本集團綜合技術優勢，通過持續的技術研發、設計創新，開發了多種新產品，滿足了客戶需求。2020年開發82FDS旋開蓋，經過努力先後攻克了多個技術難點，順利完成項目開發任務，得到了重點客戶的高度認可，同時也取得了一項實用新型專利；9137#二道筋新罐型快速開發實現量產，提升了本集團在新產品開發過程中應對問題的快速解決能力，加深了本集團與優質客戶的合作關係。D300瘦腰罐，拓展東北大米罐市場提供先決條件。已完成產品設計，工藝、模具、設備的開發，並實現批量生產。產品外型美觀，設計豎筋、瘦腰，立體感強，手持方便，有效地支持了客戶推廣。

董事及高級管理人員簡介

董事會報告

在信息化技術快速發展的時代，加強新技術研發效率顯得尤為重要。本集團採用CAE技術進行產品設計，突破仿真設計技術難點，以仿真驅動優化設計、數字化虛擬產品支持營銷的方式，在大客戶維護與新產品開發中取得顯著成效。可大幅降低新品開發成本，縮短開發週期，塑膠類新產品設計迭代優化僅需1周時間。

堅持綠色生態環保理念，持續擴寬紫外光固化技術應用範圍，積極推進該技術在皇冠蓋的工藝與食品安全論證。深度推進印刷中UV光油、LED的工藝提升，實現環保型新材料應用推進節能減排工作。

(2) 專利情況，國家和行業標準制定

本集團促進專利和知識產權工作穩步推進，鼓勵技術人員在研發創新活動中申請相關發明的專利保護，提高專利技術含量，加快知識產權轉化生產力的步伐。通過多年的努力和積累，本集團保持著專利的領先性，體現一流的技術水平和創新能力。本集團採取眾多舉措激勵內部技術人員以更大的熱情投入到研發創新工作中，對具有核心價值、具備良好效益的專利進行分級激勵，進一步鼓勵、支持技術人員科技創新的積極性、主動性。

本集團牽頭或參與制定國家／行業標準，技術創新知識成果豐富。作為主要牽頭單位，2020年度主持制定行業標準2項、國家標準2項，參與制定或修訂國家標準6項、ISO標準1項。本年度申請專利36項（同比增加125%，發明10項），授權29項（發明1項），完成多個專利複審，已獲有效專利總數共計272項（發明26項）。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

(二) 節能環保

1. 環境管理

本集團嚴格遵守《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《污染地塊土壤環境管理辦法》、《國家危險廢物名錄》等環境管理相關的國家法律法規，致力於為社會提供綠色環保的包裝，共同建設良好的生態環境，推進社會的可持續發展。

2020年，本集團深入落實國家生態文明和綠色發展要求，致力建設環境友好型企業，預防和控制環境污染，減少污染物的排放。本集團結合實際，制定了《中糧包裝生態可持續發展系統建設規劃(2020-2022年)》，圍繞資源節約、環境保護謀劃頂層設計，根據規劃要求明確任務分解表(4大模塊，18分項，70個子項)，並按任務時間節點持續跟進落實，將綠色、低碳、循環發展理念融入到企業文化，構建生態可持續發展長效管理機制。本集團深入開展2020年生態環保專項行動，完成生態環保核查問題整改行動與「回頭看」，固廢、危廢與無組織廢氣管理專項治理、摸清所屬企業屬地「三線一單」底數並加強相關機制建設。

本集團通過節能減排關鍵環節的技術創新，採用新型節能技術，持續不斷推進節能項目實施，使得本集團取得了良好的社會效益。2020年開展節能減排項目33項，項目涉及餘熱利用、空壓機節能、污泥乾化、電價計算等方面，覆蓋三片罐業務、兩片罐業務、鋼桶業務。包括節材技術、節能環保技術、UV印刷技術、自動化技術等研發創新項目，通過空壓機提效降耗、餘熱利用等技術應用，合計耗電總量約15,898萬度，節電約230萬度；通過設備節能優化、餘熱利用、中波紅外烘房等技術應用，耗氣總量約2,350萬立方，節氣約60萬立方，減低二氧化碳排放約5,000噸；在求取適用水源上並無任何問題或困難，耗水總量約206萬噸，節水3萬噸。其中重點項目成效，如污泥乾化技術在昆山公司、武漢公司等分公司試點實施，減少污泥處理量，節約處理費用90萬。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

2. 環境保護實踐

本集團生產過程中消耗天然氣、電力、自來水，產生廢氣、廢水以及固廢等，為降低對環境及天然資源的影響，已制定並採取有效的管理措施。一是根據國家相關法律法規要求及《中糧集團節能環保管理規定》，結合中糧包裝實際，制定了《中糧包裝環境保護管理規定（試行）》和《節能減排管理辦法》，對新項目環境保護管理、污染物排放控制、污染防治與環境優化等進行了明確和規範。二是將降耗指標納入年度責任書管理，每月對各工廠能耗進行對標考核，實施節能減排項目降低能耗；三是設置廢水、廢氣處理設施，治理生產過程中產生的廢氣、廢水，確保運行可靠有效，達標排放；一般固體廢物、建築垃圾的回收和處置工作均應有市政部門認可的相關單位進行處置；生產過程中產生的危險廢物委託資質單位處置。四是優化原輔材料，優化工藝，優化生產，減少污染物的產生；推行清潔生產，將污染物消除或削減在生產過程中；執行國家綜合利用的規定和政策，廣泛開展「三廢」綜合利用，化害為利，變廢為寶。

本集團主要無害廢棄物為廢鋁、廢鐵等：採用資源循環重複利用方式處置，2020年共回收處置廢鋁19,314噸，廢鐵32,583噸。

本集團主要有害廢棄物為廢水、廢液、廢氣等。處理情況如下：

廢水處理：本集團2020年的廢水產生量為171萬噸。建設污水處理站，經處理達標後，納管排放。

廢液處理：嚴格按照國家規定要求委託有資質的第三方單位處置，開具「五聯單」，依法依規納入政府監管。同時在各分公司產品線內開展對標管理，減少危險廢物產生以及對周邊環境及天然資源的影響。2020年為貫徹《中華人民共和國環境保護法》和最新發佈的新固廢法，持續推進《中糧包裝危險廢物安全環保管理要求（試行）》落實，保護和改善生態環境，完善環保標準體系，加強本集團危險廢物的管理，預防安全環保事故／事件發生，並持續改進其有效性，落實社會責任。本集團2020年的廢液產生量為612噸。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

環境、社會及管治報告

管理層論述及分析

廢氣處理：選用催化燃燒、蓄熱燃燒和活性碳吸附脫附等處理設備設施，做到達標、減量排放。本集團大力推進減排降污工作，在廢氣排放符合國家現行標準的基礎上，著力減少企業在生產工藝中產生的VOCs排放量並取得了階段性成效。本集團2020年的廢氣產生量為711萬噸。

源頭上對材料技術發展和環保趨勢進行分析，重點研發LED/UV/水性／N-BPA/覆膜鐵新材料新技術的應用，降低VOCs排放，2020年累計減少VOCs排放550噸。

末端治理上選用催化燃燒、蓄熱燃燒和活性碳吸附脫附等處理設備設施，做到達標、減量排放。截止到2020年年底，鋼桶產品線、馬口鐵產品線、塑膠產品線廢氣處理基本實現全覆蓋，完成主要廢氣排放處理；兩片罐產品線完成7家工廠廢氣處理；RTO項目成功推廣運行，目前已有13套RTO設備正常運行，基本滿足國家及地方政府廢氣治理要求。

並且，本集團各分公司努力實踐環境保護承諾，獲得地方政府補助；其中，杭州公司RTO項目已獲財政補助130萬；福建製罐公司、成都製罐公司和武漢公司RTO項目分別獲得財政稅務減免46.25萬元、45.99萬元、35.86萬元。

企業管治報告

環境、社會及管治報告

三、社會公益

2020年是扶貧攻堅至關重要的一年，作為中糧集團的專業化公司，本集團定點扶貧四川省甘孜州覺日村，黨委緊緊圍繞打贏脫貧攻堅收官戰目標，堅決貫徹中糧集團黨組脫貧攻堅各項部署，堅持做到扶貧力度不減、扶貧資金不少、扶貧幹部不撤，紮實推進扶貧工作，建立扶貧工作領導小組和日常推進機制，進一步壓實扶貧工作責任，與駐村扶貧幹部保持密切溝通聯繫，大力支持駐村幹部在脫貧攻堅基層一線建功立業。

按中糧集團統一部署要求，本集團黨委堅持每季度研究一次脫貧攻堅工作，完成撥付年度扶貧資金300萬元；「以購代捐」、「以買代幫」購買扶貧產品共計45.87715萬元；培訓基層幹部5名、各類技術人員7名；黨委委員、紀委書記呂青於9月13日深入甘孜縣調研扶貧工作，監督落實駐村幹部年度扶貧工作責任，關心慰問了一線駐村扶貧幹部。

董事及高級管理人員簡介

董事會報告



呂青深入甘孜縣調研扶貧工作

本集團駐覺日村扶貧幹部孟闊同志堅決貫徹落實中糧集團扶貧工作各項部署安排，紮實開展駐村工作，做實做細村民基本生產生活所需的大小工作，切實推動解決覺日村「兩不愁三保障」突出問題，順利通過國家脫貧攻堅普查和成效考核。扶貧幹部還積極創新扶貧工作，如開辦農民夜校向村民宣講國家扶貧政策，發展紅色村旅遊鞏固脫貧成果，成立覺日村藏族舞蹈隊發揚藏族文化，籌建花卉大棚、高山蔬菜種植、蘋果園等項目促進村民增收，幫扶培訓蔬菜種植貧困戶12人，引導建檔立卡戶外出務工人員16人，實現2020年貧困戶工資性收入佔比41%，相比往年上漲20%。開展村黨支部黨建共建，結對幫扶覺日村殘疾困難黨員1名。



中糧包裝定點扶貧甘孜縣覺日村

四、供應商管理

本集團奉行綠色可持續發展戰略，致力於選擇產品優良且具有良好社會責任的供應夥伴，並與供應商攜手共同打造安全、環保、經濟、高效的綠色可持續發展供應鏈。

(一) 攜手供應商，構建「產品質量安全網」

本集團嚴把產品質量安全的源頭准入關。從新供應商新材料的初選、認證、准入、日常管理、持續改進與退出建立了一整套嚴謹的供應商質量安全管理系統，形成全套標準制度規範體系；通過加強原材料的檢測驗證、開展供應商的現場審核、定期評價考核，技術質量專題交流，召開供應商質量安全會議，獎勵優秀供應商等活動，不斷提升供應商的質量安全意識與管理水平，促進供應商持續改進，原材料合格率穩步提升。

本集團攜手供應商對產品的食品安全風險管控前移，不斷提升食品安全保障能力。與供應商簽訂包含食品安全條款的技術協議，使食品安全承諾與符合性聲明在整個供應鏈上得到有效傳遞。推動供應商向上游開展溯源管理，對所有食品接觸用材料及添加劑開展風險評估與合規性驗證；推動供應商增加在線監測裝置強化生產過程控制；推動供應商加強實驗室投入，不斷提升檢驗檢測能力，並要求每年送權威第三方機構開展食品衛生指標的檢測驗證，確保產品食品安全責任零事故與重大質量零事故。同時，本集團與重點供應商聯合開發更高安全的新材料、新工藝，使中糧包裝在行業內率先應用更高食品安全性能材料，進一步提高了行業食品安全水平。

(二) 努力打造「綠色供應鏈」，不斷推動產業鏈「減排降耗」

在生產工藝方面，與上游供應商合作通過材料減薄，擴大卷材、波形材使用，減少原料耗用量，本集團在鋁材減薄方面一直處於行業前列。

在減排方面，與上游供應商合作實現金屬包裝行業內首家創新應用UV塗料、LED-UV印刷技術，促進傳統金屬印刷向LED印刷轉型升級；大力推廣使用覆膜鐵、水性環保塗料等原輔材料，從源頭降低VOCs排放，推動實現綠色生產。

在材料回收循環使用方面，通過塑料托盤替代木托盤，塑料襯紙替代瓦楞襯紙，提高了包裝物回收循環利用，減少包裝物消耗，2020年塑料托盤使用佔比在70%以上，塑料襯紙使用佔比也提升至約65%，木托盤回收率在81%以上，塑料托盤及塑料襯紙的回收率在98%以上。

在再生原料應用方面，與行業優秀供應商合作，對來源可控、性能穩定、質量優良的回收再生塑料顆粒進行研究與測試，在多款日化洗護用品的包裝瓶上獲得成功。對可降解塑料的研究與測試，目前也已經開始，未來將在不同類型的包裝瓶上擇機測試。

在生產副產品再利用方面，與上游供應商合作通過設備、技術改造共同推進材料邊角料重新回爐再利用。

(三) 攜手供應商，打造「陽光供應鏈」

對內，本集團積極構建以集體決策、戰略採購、招標採購、網上採購等為主體陽光採購模式，定期開展內、外部審核，加強對採購人員作業規範性的監控。定期在供應鏈系統開展廉潔從業警示教育行動，加大反腐防範力度，強化採購人員職業道德操守教育。

對外，本集團推行「誠信交易」，在選擇供應商時優先選擇社會責任表現良好的供應商。本集團與供應商、運輸商、廢料收購商共簽《陽光協議》，同時定期發佈《謝絕禮品告知書》，構建舉報平台，積極引導供應商及合作夥伴共同遵守社會責任標準，堅持可持續發展模式。

五、產品責任

2020年，本集團堅持以習近平新時代中國特色社會主義思想為指導，持續深入學習貫徹習近平總書記關於質量安全工作的重要論述和黨的十九屆五中全會精神，全面落實「四個最嚴」食品安全法規標準要求，堅定不移貫徹高質量發展理念，積極響應國家防疫政策，快速保障客戶防疫產品的穩定供貨。本集團始終遵循系統管理、預防為主、分類分級、全員參與的質量安全風險管理原則，通過系統策劃、全面風險評估、不斷完善質量安全管理體系與制度，建立健全質量安全管理機制，把質量安全風險管理融入日常經營管理全過程，實現包裝產品全流程合規、全流程監控、全流程可追溯。2020年本集團全年未發生食品安全事件和重大質量投訴。

(一) 客戶投訴機制與持續改進

為快速響應客戶需求，本集團在各基層單位均設立客戶服務部門，在事業部設置質量專員，在總部設立質量與安全管理部，全面、系統地開展客戶需求識別、技術服務、投訴處理、數據分析、糾正預防與持續改進工作；針對重點客戶成立由銷售、技術、生產、質量等人員組成的專項服務小組，提供一對一的技術質量服務；針對客戶投訴頻發、疑難質量問題，持續開展標桿管理、QC小組、典型糾防、一點課一點改善等多種形式的質量改善活動，不斷提升產品力，提升全員質量安全意識，促進實現「高質量、國際化、防風險」戰略目標。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

環境、社會及管治報告

管理層論述及分析

本集團2020年組織開展質量對標提升項目34項、典型糾防78項、「一點課，一點改善」520項，固化標準化改善措施102項，持續提升產品力，減少質量缺陷與客戶投訴，降低質量風險。2020年的客戶投訴損失率在0.07%以下。

(二) 客戶滿意度

本集團以客戶滿意度測量為着力點，建立並不斷優化客戶滿意度測評方案。針對不同客戶群體設計不同的調查問卷，從質量、交付、運輸、服務等多維度，通過滿意度問卷調查、客戶走訪、業務流失分析、產品交付表現等多個渠道，全面收集、分析用戶意見和建議。本集團每年開展客戶滿意度調查與分析，形成客戶滿意度調查報告，作為質量體系策劃與改進的依據。

企業管治報告

近年來，本集團客戶滿意度在同行業中處於較高水平，部分分公司的近五年客戶滿意度均保持在90%以上，本集團的品牌知名度、企業形象、產品質量及市場形象在客戶心中影響深遠，近年來獲得了國內外眾多知名企業的認可與高度評價。2020年疫情期間，本集團以穩妥的保障供應、可靠的產品質量、高標準的服務，榮獲伊利、飛鶴、華潤雪花、太古可樂等重點客戶的「金領冠軍」、「最佳戰役供應商」、「年度優秀供應商」、「優秀合作夥伴」等榮譽嘉獎。

(三) 食品安全管控

本集團嚴格遵守《食品安全法》、《食品安全國家標準 — 食品接觸材料及製品通用安全要求》等系列法規標準，從法規標準 — 原輔材料 — 生產過程 — 產品包裝 — 標籤標識 — 倉儲運輸等方面定期組織開展全流程風險評估與合規性評價。對食品安全管控從源頭開始，嚴格執行供應商的准入與退出機制，與所有涉及食品安全的原輔材料供應商簽訂包含食品安全條款的技術協議，推動供應商向上游開展溯源管理，使食品安全符合性聲明在整個供應鏈上得到有效傳遞，要求相關供應商每年提供第三方食品衛生檢測報告；優化供應商分類分級管控，聚焦重點原材料重點指標的風險監測與對標評估；持續開展對供應商的日常飛行檢查、現場質量審核與定期質量評價，組織與重點供應商定期交流，促進供方質量提升；並與重點供應商聯合開發應用更高安全的新材料、新工藝，不斷提高原輔材料的質量安全可靠。性。

環境、社會及管治報告

本集團所有基層企業均通過ISO9001質量管理體系認證，所有涉及食品類包裝產品生產的基層企業均建立ISO/FSSC22000食品安全管理體系，從源頭 — 生產全過程 — 倉儲運輸所有環節均納入體系運行管理。各分公司按照HACCP計劃要求，每月監測CCP點以及關鍵生產設備與監視設備的運行情況，定期驗證在線監測裝置的有效性，不斷提升關鍵特性指標的過程能力指數；始終堅持企業自檢、專業第三方送檢與集團抽檢的三級驗證機制。本集團每月抽檢產品，由通

董事及高級管理人員簡介

董事會報告

過CNAS認可的實驗中心對食品安全關鍵指標進行檢測驗證，並組織實驗中心、基層企業與重點客戶、重點供應商、權威第三方機構定期開展實驗室比對與能力驗證工作，不斷提升各級檢測能力；積極策劃並主動實施各類體系審核、風險評估與內外部流程對標提升活動，如內審、滾動審核、專項審核、LPA檢查、總部飛行檢查、監督檢查、產品追溯演練等工作，對發現的問題及時落實有效整改，推進流程優化與措施標準化，以確保體系有效運行，保證產品安全合規。

本集團今年未發生食品安全事故與食品安全類客戶投訴；在2020年國家市場監督管理總局及各級地方政府的監督抽查中，本集團涉及產品100%合格；本集團內外部督查檢查100%合格。

(四) 產品質量與產品召回管理

本集團嚴格按照《印刷業管理條例》、《商品條碼管理辦法》等法規要求，取得印刷經營許可證和商品條碼印刷資格證書，並嚴格按照許可範圍從事印刷經營活動。並根據相關法律法規要求，建立健全內控管理制度，如《銷售合同控制程序》，接受委託印刷訂單或合同前，收集、評審委託方的註冊商標、商品條碼等相關資質；建立《印前控制程序》，在印刷物承印前，再次驗證並核對委託方的註冊商標、商品條碼等資質資料，確認合規後方可投入印刷。

本集團按照相關法律法規、國家標準和中糧集團有關要求，結合自身實際，編製《中糧包裝可追溯體系建設技術規範》和《產品召回管理辦法》，用於指導各分公司、各產品線可追溯體系建設工作；另通過SAP\SPC\QMS\OA\條碼管理\在線數據採集系統等信息化平台建設，不斷提升產品的追溯能力與追溯效率。總部定期組織分公司開展產品召回與可追溯演練，以驗證產品召回控制程序的合理性和有效性。倘若出現產品質量不合格需要召回的情形，本集團將會立即排查涉及的產品範圍，回收有關批次的產品，並研究不合格原因，制定並落實整改措施，驗證並跟蹤改進效果。

本集團遵守中國有關產品質量安全及廣告標識相關的法律法規，2020年未發生因產品質量或廣告標識問題而需要召回的事件。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

六、反貪污

本集團作為中糧集團下屬企業，嚴格按照國家法律法規及中央紀委國家監委、中糧集團紀檢監察組關於廉潔從業相關規章制度，持續有效地推進黨風廉政建設，防止賄賂、勒索、欺詐、洗錢及反腐敗工作。本集團紀律檢查委員會繼續履行監督執紀職責，進一步加強公司紀檢工作體系建設。下屬企業均設立紀檢專員，負責分管本單位的紀檢工作，層層落實廉潔從業監督責任。本集團公開受理舉報投訴的聯繫方式，暢通信件、電話、短信等舉報渠道，歡迎員工及任何第三方實事求是地檢舉任何與本集團業務有關的違紀違規事件。本集團根據相關办理流程開展調查，對於出現違紀違規情形的，經公司核實後視情節輕重和影響程度，給予黨紀和政紀處分，必要時要求賠償經濟損失，若構成犯罪的，依法移送司法機關並追究刑事責任。

2020年，本集團在落實黨風廉政責任制、從嚴從緊落實中央八項規定精神、開展「不忘初心、牢記使命」主題教育及專項整治回頭看、深化巡視整改與基層巡察、開展經常性教育監督強化廉潔意識、激勵幹部擔當作為等方面重點加強，取得了良好效果。

(一) 推動落實廉政建設責任制，切實履行紀委監督執紀問責職責

本集團持之以恆學習貫徹習近平新時代中國特色社會主義思想和黨的十九大精神，深入貫徹黨的十九屆二中、三中、四中、五中全會精神和十九屆中央紀委四次全會精神，重點學習習近平總書記在十九屆中央紀委四次全會上的重要講話精神，認真落實黨風廉政建設和反腐敗工作會議精神。深刻認識堅持黨要管黨、從嚴治黨的現實重要性、緊迫性，組織分級簽署年度主體責任、監督責任及一崗雙責工作責任書共89份，明確各級組織和幹部的廉政建設責任和具體任務要求，強化兩個責任的落實，推動不斷增強黨風廉政建設和反腐敗鬥爭的憂患意識、擔當意識、責任意識。用法治思維和法治方式推進紀委監督責任的履行，明確監督職責，聚焦監督主業，突出監督主責，不斷提高紀委監督執紀問責能力，增強紀委在黨風廉政建設責任之中的獨立性和權威性。依規依紀依法開展執紀問責工作，靈活運用監督執紀四種形態，保持懲治腐敗高壓態勢，一體推進不敢腐、不能腐、不想腐。

2020年，本集團處置信訪舉報問題線索12件，分別採取談話函詢數4件、初步核實數8件進行辦理和了結。累計查處違紀違規違法人員3人，其中政紀處分2人，組織處理1人。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

(二) 從嚴從緊落實中央八項規定精神、糾正「四風」，重點整治形式主義、官僚主義

持續鞏固落實中央八項規定精神、糾正「四風」相關成果，加強《履職待遇、業務支出管理辦法》制度規範建設和執行。要求廣大幹部切實提高認識，加強自身建設，從嚴自我要求。進一步強化職能大監督網，推動經辦部門、財務、審計及紀檢部門各負其責，信息互通，系統打造，聯手整改，嚴格把關，避免發生違反中央八項規定精神和「四風」問題。推動廉政建設和反腐敗工作協調小組履行好專責監督職責，對違反中央八項規定精神和「四風」問題堅決查處。將學習落實集中整治形式主義、官僚主義的工作作為正風肅紀、反對「四風」的首要任務。對照五個方面整治重點，集中力量組織開展深入調研和摸清查擺各級單位存在的形式主義、官僚主義突出問題和具體表現，嚴格監督推動落實整治形式主義、官僚主義的工作方案制定和落實。按照上級要求嚴格執行年度6個重要節假日廉潔情況監督檢查報告機制，節前堅持做好通知和提醒，通過內網、郵件、微信、警示簡報等方式密集強化提醒，強調嚴禁公款吃喝、公款送禮、嚴禁公車私用、嚴禁濫發獎金津貼等違規行為。

(三) 統籌推動做好中央巡視整改、主題教育整改、內部巡視巡察整改監督

2020年，本集團紀委突出政治監督，加強日常監督、長期監督，協同黨委統籌推進中糧集團第五輪巡視整改落實、持續跟進中央巡視整改「回頭看」、主題教育整改「回頭看」、落實各項專項整治與巡察整改工作，確保黨中央各項決策部署落實到位，服務公司改革發展大局。紀委重點針對巡視整改階段工作存在的問題加強督促，堅決貫徹巡視整改「三個結合」「四個融入」要求，按照中糧集團巡視整改「六個到位」標準監督推動本集團黨委強化政治擔當，切實履行持續深化中央巡視整改主體責任。推動巡視整改領導工作小組召開持續深化中央巡視整改專題會，印發《中糧包裝黨委貫徹落實集團黨組部署要求持續深化巡視整改工作方案(2020年)》。推動巡視整改領導工作小組部署專項工作，監督各單位對47項長期整改措施的完成情況逐一梳理檢查。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

管理層論述及分析

同時，繼續推動落實巡視整改半月報機制，每半月要求各責任單位提交本系統巡視整改工作進展情況。印發《中糧包裝黨委持續深化中央巡視整改「回頭看」工作方案》。推動巡視整改工作領導小組、主題教育整改整治工作小組召開持續深化中央巡視整改「回頭看」工作推進會議。圍繞持續推進中央巡視整改，做好中央巡視整改、「不忘初心、牢記使命」主題教育整改「回頭看」工作。建立巡視整改和巡察上下聯動格局，規範建立工作機構，按照《中糧包裝黨委巡察工作規劃（2019-2022年）》及2020年巡察工作計劃，嚴格落實巡察工作六大環節40項程序，監督推動完成7家單位巡察任務。

企業管治報告

（四）開展經常性廉潔從業教育，嚴明紀律紅線，做到防範在前、警示教育在前

本集團組織召開了2次年度黨風廉政建設和反腐敗工作會議暨從嚴治企警示教育大會，通報了中糧集團內外查處的有關違規違紀違法典型案例，以案明紀進行警示教育，重點對《中國共產黨紀律處分條例》、《中國共產黨問責條例》、《中華人民共和國公職人員政務處分法》等重要規章紀律進行解讀培訓。開展經常性規章紀律教育，嚴明廉潔紅線，通過內網「廉潔從業窗口」版塊、微信群等方式多渠道開展宣傳教育，建立定期發佈警示簡報機制，每周微信群發佈「廉潔一練」、每兩月發佈一期警示教育簡報、在各類各層培訓班中開展紀律意識和警示案例課程等，加強經常性紀律教育，嚴明紀律紅線，努力做到防範在前，警示在前、教育在前，推動風清氣正企業氛圍建設。加強選人用人監督，嚴格「凡提四必」要求，堅持實行「三必談」制度。2020年，本集團針對黨委管理經理人先後開展了13人次任職廉政談話、開具經理人廉潔從業結論性評價意見52人次，要求經理人簽訂廉潔從業自查承諾書，通過談話、培訓、測試、自查等不同方式強化經理人的廉潔從業意識，認真落實經理人選用及管理監督責任。

環境、社會及管治報告

（五）積極主動作為，激勵廣大幹部新時代新擔當新作為，推動營造良好幹事創業氛圍

2020年，本集團認真學習中央關於監督執紀「四種形態」精神，嚴格落實《中糧包裝監督執紀「四種形態」實施辦法》，同時也落實好新時期激勵廣大幹部敢擔當敢作為的要求。認真貫徹落實習近平總書記「三個區分開來」、建立容錯糾錯機制的重要思想和《關於進一步激勵廣大幹部新時代新擔當新作為的意見》，落實《中糧包裝貫徹「三個區分開來」、建立容錯糾錯機制實施辦法》，堅持「支持實幹、激勵創新，實事求是、客觀公正，把握政策、區分對待，嚴守底線、精準量紀」的工作原則，努力營造鼓勵創新、寬容失誤的良好氛圍，讓廣大幹部卸下包袱、放開手腳幹事。本集團紀委進一步加強紀檢系統隊伍建設，通過推動加強政治學習，督促提高政治性、政策性和專業性；通過抽調紀檢人員積極參與巡視整改和巡察工作等，「以幹代訓」，提高紀檢人員的履職能力。

董事及高級管理人員簡介

董事會報告

董事及高級管理人員簡介

執行董事



張新

張新，現年58歲，為本公司執行董事兼董事會主席。張先生主要負責本集團的整體管理、重大決策、策略計劃及業務發展。張先生於1995年1月加入本集團，2008年6月23日獲委任為執行董事及於2015年3月23日獲委任為董事會主席。他在包裝業擁有逾20年經驗。張先生2011年11月起擔任中國包裝聯合會副會長。張先生於1983年獲得南昌航空工業學院（現稱為南昌航空大學）航空機械加工學士學位，並於2002年獲得東南大學工商管理碩士學位。於2005年，張先生因對中國工程技術發展有傑出的貢獻獲享中國國務院政府特殊津貼。他是高級工程師。



張曄

張曄，現年47歲，為執行董事兼總經理。張先生主要負責本集團日常營運管理。張先生於1995年4月加入本集團，歷任銷售經理、銷售總監、本公司附屬公司的總經理、總經理助理、副總經理等職務。彼於2011年7月至2016年1月期間曾兼任本集團總法律顧問。彼於2016年12月22日獲委任為執行董事及於2016年7月19日獲委任為本公司總經理，現為本公司若干附屬公司的董事。彼於包裝行業擁有逾20年經驗。張先生於1995年畢業於上海復旦大學物理專業大學專科，並於1999年獲上海復旦大學成人教育學院企業管理學士學位。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

董事及高級管理人員簡介

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

非執行董事



李明華

李明華，現年52歲，為非執行董事。李先生於2020年3月17日獲委任為非執行董事。李先生於2000年8月至2006年4月擔任中國糧油食品進出口(集團)有限公司(現稱為中糧集團有限公司)公關新聞部總經理，2006年4月至2007年10月擔任中國糧油食品(集團)有限公司(現稱為中糧集團有限公司)戰略部副總監兼品牌管理部總經理，2007年10月至2008年6月擔任中糧集團有限公司研發部副總監兼品牌管理部總經理，2008年6月至2019年5月中糧集團有限公司黨群紀檢監察部門工作，曾任黨群工作部(企業文化部)部長，2019年6月至今擔任中糧集團有限公司人力資源部總監。

李先生於1993年7月獲得中國人民大學文學碩士學位，2009年9月獲得中歐國際工商學院工商管理碩士學位。



陳前政

陳前政，現年57歲，為非執行董事。陳先生於2016年12月22日獲委任為非執行董事。陳先生於1987年2月至2006年5月歷任武漢中糧進出口公司(為中國糧油食品進出口(集團)有限公司(現稱為中糧集團有限公司)的全資附屬公司)的經理、總經理助理、副總經理及總經理等職務。彼於2006年5月至2008年7月擔任中國糧油食品(集團)有限公司(現稱為中糧集團有限公司)肉食部總經理。彼亦於2008年7月至2016年11月擔任中糧肉食投資有限公司副總經理，同時歷任中糧肉食投資有限公司營銷部總經理、貿易部總經理、冷鏈物流部常務副總經理。陳先生於1985年7月畢業於華中農業大學並取得學士學位，2002年5月獲得高級國際商務師資格。



周原

周原，現年34歲，為非執行董事。周原先生於2016年2月25日獲委任為本公司非執行董事。周原先生自2010年11月起出任深圳證券交易所上市公司及本公司主要股東奧瑞金包裝副董事長兼董事，及自2016年1月起出任深圳證券交易所上市公司黃山永新股份有限公司(「黃山永新」)董事。周原先生於2010年12月獲得澳大利亞蒙納士大學機械工程學的工程學士(榮譽)學位。

董事及高級管理人員簡介



沈陶

沈陶，現年50歲，為非執行董事。沈先生於2016年2月25日獲委任為非執行董事。沈先生於包裝行業擁有超過23年高層管理經驗，包括任職上海申井鋼材加工有限公司總經理、上海寶翼製罐有限公司總經理、上海寶鋼產業發展有限公司總經理助理，以及寶鋼金屬有限公司總經理助理。沈先生於2008年7月加入奧瑞金包裝，並自2010年10月起出任奧瑞金包裝董事，從2008年10月至2014年2月出任奧瑞金包裝副總經理，自2014年2月起出任奧瑞金包裝總經理及自2016年1月起出任黃山永新董事。沈先生於2015年1月獲得北京大學工商管理碩士學位。沈先生亦於2004年3月獲得中國商業職業技能鑒定指導中心及全國高級經營師評審委員會頒授的高級經營師資格。

獨立非執行董事



鄭毓和

鄭毓和，現年60歲，為獨立非執行董事。鄭先生於2008年6月23日獲委任為董事。鄭先生分別為英格蘭及威爾士特許會計師公會、香港會計師公會及加拿大安大略省特許會計師公會的資深會員。鄭先生擁有超過30年審計、財務及業務管理經驗。彼自1999年起在香港獨資經營註冊會計師行鄭毓和會計師行。

鄭先生亦為香港潮州商會名譽會董及香港復康力量的名譽總理。

鄭先生現為眾多聯交所上市公司獨立非執行董事，即資本策略地產有限公司、香港建設(控股)有限公司、創興銀行有限公司、萊蒙國際集團有限公司、廖創興企業有限公司、金榜集團控股有限公司、正大企業國際有限公司、卓珈控股集團有限公司、新百利融資控股有限公司、凱知樂國際控股有限公司及卜蜂國際有限公司。鄭先生曾為卜蜂蓮花有限公司(曾於聯交所上市之公司，直至於2019年10月29日除牌)及大唐西市絲路投資控股有限公司之獨立非執行董事。

鄭先生於1983年7月在英格蘭肯特大學畢業，取得會計學士學位，並於1984年8月在英格蘭倫敦經濟學院取得會計及金融碩士學位。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

董事及高級管理人員簡介

管理層論述及分析



潘鐵珊

企業管治報告

潘鐵珊，現年60歲，為獨立非執行董事。潘先生於2016年9月1日獲委任為董事。他擁有曼徹斯特大學工商管理榮譽碩士學位。潘先生現任宏昌資本有限公司投資總監，並曾任天宸康合資產管理有限公司投資總監、亞洲創富證券有限公司行政總裁和阿仕特朗資本管理有限公司首席投資總監。彼於衍生工具市場的策略買賣及套利、一級及二級股票市場的營銷管理、高淨值客戶的銷售及資產管理以及投資諮詢等金融範疇具備逾32年經驗。

彼自2015年至今為專業財經分析及評論家協會副主席及香港寧夏青年會榮譽顧問。潘先生曾為香港期貨交易所有限公司董事會董事（1995年至1999年）、香港聯合交易所期權結算所有限公司董事會董事（1997年至2000年）、香港證券專業學會會籍委員會委員（1998年至2002年）、衍生工具市場諮詢顧問委員會委員（2000年至2003年）、香港證券專業學會專業教育委員會委員（2002年至2004年）及香港壽臣山獅子會會員。

潘先生現時為於聯交所上市的康宏環球控股有限公司（股份代號：1019）的獨立非執行董事。潘先生曾於2016年4月8日至2019年6月5日擔任於聯交所上市的中國新經濟投資有限公司的獨立非執行董事。

環境、社會及管治報告

董事及高級管理人員簡介



陳基華

董事會報告

陳基華，現年53歲，為獨立非執行董事。陳先生於2019年7月2日獲委任為董事。陳先生於1995年10月至1998年1月任紅牛維他命飲料有限公司財務總監；1998年9月至1999年6月任沙特阿拉伯ALJ（中國）有限公司財務總監；1999年7月至2001年4月任吉通網絡通訊股份有限公司副總裁及財務總監；2001年4月至2010年10月任中國鋁業股份有限公司（一間於聯交所、上海交易所及紐約交易所上市的公司）執行董事、副總裁及財務總監；2008年3月至2010年10月任農銀匯理基金管理有限公司董事；2009年5月至2010年10月任中鋁海外控股有限公司總裁；2010年11月至2011年10月任中國太平洋保險（集團）股份有限公司（一間於聯交所及上海交易所上市的公司）副總裁。

陳先生亦於2011年10月起任北京厚基資本管理有限公司董事長；於2014年7月起任創金合信基金管理公司的獨立董事；於2017年1月起任中鐵高新工業股份有限公司（一間於上海交易所上市的公司）的獨立董事；於2017年6月起任黃山永新股份有限公司（一間於深圳交易所上市的公司）的獨立董事；及於2016年6月起任江蘇沃田集團股份有限公司（一間於全國中小企業股份轉讓系統上市的公司）的董事。

陳先生於1994年3月獲得中央財政金融學院會計專業碩士學位。他亦是中國的高級會計師。

董事及高級管理人員簡介

非執行董事(前任)



余友枝

余友枝，現年57歲，於2017年8月15日獲委任為非執行董事及於2020年3月17日辭任。余女士於2003年4月至2006年4月擔任中國糧油食品進出口(集團)有限公司(現稱為中糧集團有限公司)直屬黨委辦公室副主任及於2006年4月至2008年12月擔任中國糧油食品(集團)有限公司(現稱為中糧集團有限公司)直屬黨委辦公室主任。彼亦於2008年至2016年間擔任中糧集團有限公司黨群工作部(企業文化部)副部長、兼任黨群工作部(企業文化部)工會辦公室主任及工會副主席。余女士於1985年獲得武漢大學哲學學士學位。

管理層論述及分析

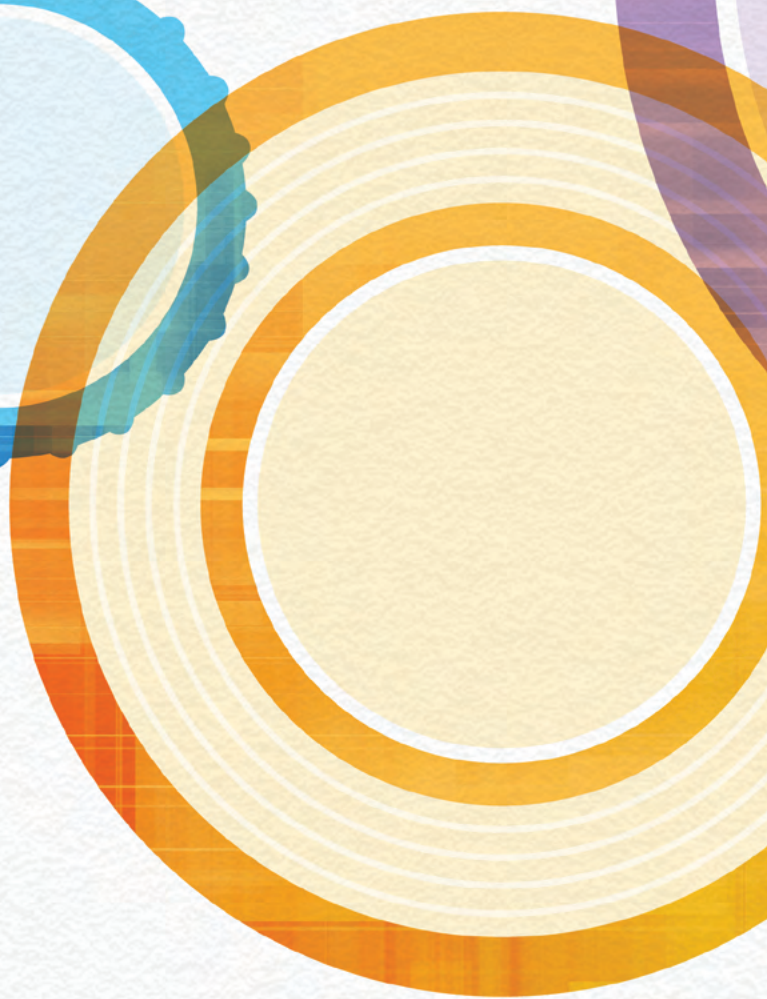
企業管治報告

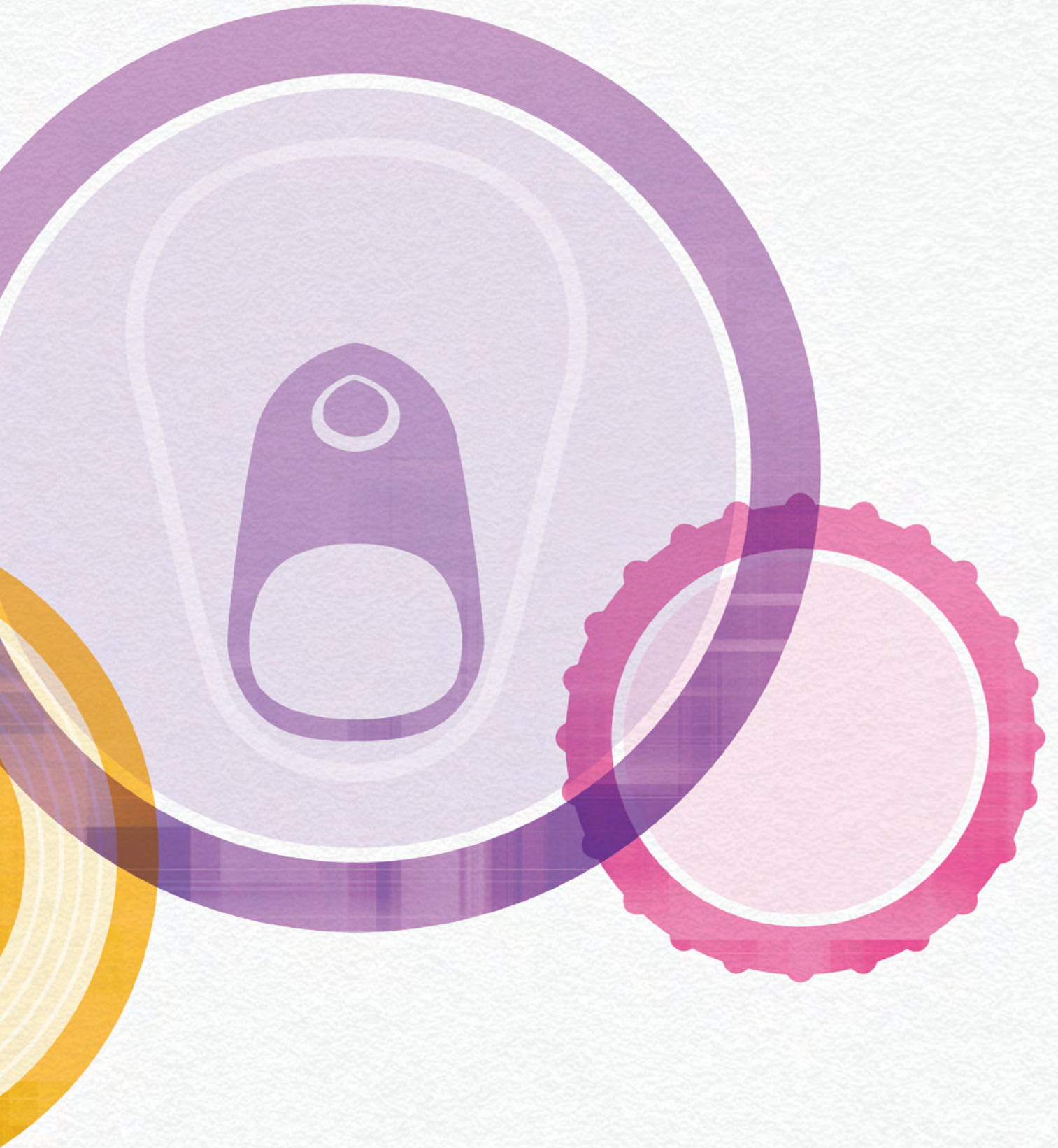
環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

董事會 報告





董事會報告

董事會欣然呈報本年報及本集團截至2020年12月31日止年度的經審核綜合財務報表。

主要業務及業務審視

本公司的主要業務為投資控股。本公司附屬公司主要從事消費品所使用的包裝產品的生產。於截至2020年12月31日止年度，本集團的主要業務在性質上並無重大變動。使用財務關鍵表現指標對本集團本年度表現作出之分析載於本年報第90頁至101頁的管理層論述及分析。

就香港法例第622章《公司條例》附表5要求進行之討論及分析，包括對本集團業務之中肯審視、對本集團面對之主要風險及不明朗因素的討論以及本集團業務相當可能進行之未來發展的揭示，已載於本年報「主席致函」、「總經理報告」「管理層論述及分析」及「財務報表附註」幾節內。上述幾節乃本報告之一部份。

業績及股息

本集團截至2020年12月31日止年度的利潤及本集團於該日的財務狀況載於本年報第171頁至第289頁的財務報表內。董事會建議派發截至2020年12月31日止年度末期股息每股普通股人民幣0.092元(相等於11.0港仙)(2019年：人民幣0.057元，相等於6.4港仙)和末期特別股息每股普通股人民幣0.056元(相等於6.7港仙)(2019年：無)。本公司已於2020年9月18日分別派付中期股息每股普通股人民幣0.082元(相當於9.1港仙)及特別股息每股普通股人民幣0.048元(相當於5.3港仙)(2019年中期股息：人民幣0.073元，相當於8.0港仙)。

董事會建議於2021年6月23日(星期三)或之後向在2021年6月9日(星期三)(「股權登記日」)名列本公司股東名冊的股東派發截至2020年12月31日止年度的末期股息和末期特別股息。

根據中國國家稅務總局(「國家稅務總局」)於2009年4月22日發出並自2008年1月1日起實施的《關於境外註冊中資控股企業依據實際管理機構標準確定為居民企業有關問題的通知》(「該通知」)，倘以下所有條件適用於中國或在中國進行，中國企業或企業集團控制的並在中國境外註冊的企業應被視為在中國境內有實際管理機構的居民企業，或「非境內註冊居民企業」：(1)負責日常經營及管理辦公場所的高層管理人員；(2)財務管理及人力資源的決策或授權部門；(3)企業的主要資產、會計賬簿、公司印章及股東會議或董事會會議紀要檔案；及(4)企業50%或以上有投票權的董事或高層管理人員經常居住於中國境內。中資控制的非境內企業是否為非境內註冊居民企業須由境外中資控制企業的實際管理機構所在地或其控制者所在地的地方稅務機關進行初步審核，並由國家稅務總局最終確認。

誠如本公司日期為2013年6月9日的公告所披露，本公司已收到國家稅務總局的批覆，確認本公司於2013年1月1日起為中國居民企業。因此，本公司將就2020年度建議末期股息和末期特別股息實施企業所得稅代扣代繳安排。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

根據該通知、中國法例《企業所得稅法》及《實施條例》，本公司向非居民企業股東派發2020年度建議末期股息和末期特別股息時，須代扣代繳10%的企業所得稅。對於在股權登記日名列本公司股東名冊的所有以非個人名義登記的股東（包括香港中央結算（代理人）有限公司，其他企業代理人或受託人如證券公司、銀行等，或其他組織及團體皆被視為非居民企業股東），本公司將扣除10%的企業所得稅後派發2020年度建議末期股息和末期特別股息；對於向在股權登記日名列本公司股東名冊的所有自然人股東派發2020年度建議末期股息和末期特別股息時，本公司將不代扣代繳個人所得稅。

任何名列本公司股東名冊上的依法在中國境內成立，或者依照外國（或地區）法律成立但實際管理機構在中國境內的居民企業（如中國《企業所得稅法》中所定義），如不希望本公司代扣代繳上述10%的企業所得稅，請在2021年6月3日（星期四）下午四時三十分或之前向本公司之股份過戶登記處香港中央證券登記有限公司呈交其主管稅務機關所出具以證明本公司毋須就其所享有之股息代扣代繳企業所得稅之文件。

請廣大投資者認真閱讀上文內容。如需更改本公司股東名冊內之持有人身份，請向代理人或受託人查詢相關手續。本公司將嚴格根據法律及有關政府部門的要求，並依照股權登記日的本公司股東名冊所載資料代扣代繳非居民企業股東的企業所得稅。對於任何因股東身份未能及時確定或確定不準而提出的任何要求或對代扣代繳企業所得稅的爭議，本公司將不承擔責任及不予受理。

財務資料摘要

本集團過往五個財政年度已發佈的業績及資產、負債及非控股權益摘要載於本年報第290頁，乃摘錄自經審核綜合財務報表並已適當地重列／重新分類。該摘要並不構成經審核財務報表的一部份。

物業、廠房及設備

本公司及本集團於年內物業、廠房及設備的變動詳情載於經審核財務報表附註14。

股本及股份期權

有關本公司於截至2020年12月31日止年度的股本變動詳情載列於財務報表附註30。

於截至2020年12月31日止年度內，本公司並無採納任何股份期權計劃。

可供分派儲備

於2020年12月31日，本公司可供分派儲備乃根據香港公司條例第291、297及299條條文計算，約為人民幣173,325,000元（2019年：約人民幣73,437,000元），其中約人民幣164,787,000元（2019年：約人民幣63,904,000元）為年內建議派發之末期股息及末期特別股息。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

董事會報告

主要客戶及供應商

截至2020年12月31日止年度，本集團的最大及五大客戶分別佔本集團銷售總額約12.4%及36.8%。年內本集團的最大及五大供應商合共佔本集團購買總額約20.6%及46.3%。

截至2020年12月31日止年度，本公司董事或其任何緊密聯繫人或任何股東（據董事所知悉擁有本公司已發行股份5%以上）概無於本集團五大客戶或五大供應商中擁有任何實益權益。

董事及董事服務合約

年內及直至本年度報告日期董事名單載列如下：

執行董事：

張新先生(主席)
張曄先生(總經理)

非執行董事：

李明華先生(於2020年3月17日獲委任)
余友枝女士(於2020年3月17日辭任)
陳前政先生
周原先生
沈陶先生

獨立非執行董事：

鄭毓和先生
潘鐵珊先生
陳基華先生

根據公司章程第103條，張新先生、張曄先生和潘鐵珊先生將於2021年股東週年大會上輪值退任及符合資格並願膺選連任。

各董事訂立了為期三年的具體委任條款。

概無擬於2021年股東週年大會上膺選連任的董事與本公司之間訂立本公司於一年內不能決定免付賠償(法定賠償除外)而終止的服務合約。

本公司已收取各獨立非執行董事根據上市規則第3.13條之規定提交確認其符合獨立性之週年確認書。本公司認為所有獨立非執行董事均符合載於上市規則第3.13條之獨立性指引，並根據該指引條文屬獨立人士。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

附屬公司董事

年內及直至本年度報告日期，出任本集團附屬公司董事之名單，現詳列如下：

張新
張擘
施于
趙偉
顧小雷
黃進
楊小燕
王繼良
季力方
蓋軍
龔謝龍*
馬斌雲*
瞿洪亮
莫寶洪
張興松
錢嶸
宋英輝
黃素樸
李琪

* 他/她已經辭任本集團有關附屬公司董事職務。

董事及高級管理人員簡介

董事及本集團高級管理人員簡介資料載於本年報第141頁至第145頁。

董事的交易、安排及合約權益

本年度內，董事或董事之關連實體概無在對本集團有重大影響之任何交易、安排及合約(本公司控股公司、本公司或本公司任何附屬公司或同系附屬公司為合約訂約方)中直接或間接擁有重大權益。

董事酬金

董事酬金須於股東大會取得股東批准方可作實。其他酬金由薪酬委員會根據本公司的公司章程經參照市況、董事職責及表現以及本集團業績予以釐定。

董事酬金之詳情載於綜合財務報表附註9。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

董事會報告

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

截至2020年12月31日，除下文所披露者外，本公司董事或主要行政人員概無於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例有關條文本公司董事或主要行政人員被認為或被視作擁有的權益及淡倉），或根據證券及期貨條例第352條規定須登記於該條所指的本公司所存置的權益登記冊的任何權益或淡倉，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

於本公司相關股份的權益

董事姓名	身份／權益性質	所持相關股份好倉數目	佔權益概約百分比 (附註1)
張新先生	實益擁有人	14,560,000 (附註2)	1.31%
張曄先生	實益擁有人	9,366,000 (附註3)	0.84%

附註：

- (1) 百分比乃根據於2020年12月31日已發行的股份總數，即1,113,423,000股股份計算。
- (2) 張新先生於14,560,000股股份中擁有權益，包括(i)12,500,000股股份，即其根據日期為2016年5月22日之認購協議向本公司認購之股份，由威合有限公司代其持有；及(ii)2,060,000股股份由本人持有。
- (3) 張曄先生於9,366,000股股份中擁有權益，包括(i)8,500,000股股份，即其根據日期為2016年5月22日之認購協議向本公司認購之股份，由威合有限公司代其持有；及(ii)866,000股股份由本人持有。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

主要股東及其他人士於股份及相關股份的權益及淡倉

截至2020年12月31日，就本公司董事所知悉，以下人士(本公司董事或主要行政人員除外)於股份及相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部條文的規定向本公司披露，或根據證券及期貨條例第336條的規定須記錄於本公司所存置的權益登記冊內：

主要股東及其他人士	附註	身份／權益性質	持有股份數目	佔本公司已發行股本權益總額的概約百分比 (附註6)
中國食品(控股)有限公司 (「中國食品(控股)」)	(1)	實益擁有人	330,658,800	29.70%
中糧集團(香港)有限公司 (「中糧(香港)」)	(1)及(2)	受控法團權益	330,658,800	29.70%
中糧集團有限公司(「中糧集團」)	(1)及(4)	受控法團權益	330,658,800	29.70%
奧瑞金科技股份有限公司 (「奧瑞金科技」)	(1)及(3)	受控法團權益	271,667,200	24.40%
上海原龍投資控股(集團) 有限公司(「上海原龍」)	(1)及(3)	受控法團權益	271,667,200	24.40%
周雲傑先生	(1)及(3)	受控法團權益	271,667,200	24.40%
招商永隆信託有限公司	(1)及(4)	信託受託人	88,500,000	7.95%
Antopex Limited	(1)及(4)	另一人士代理人	88,500,000	7.95%
創能企業有限公司	(1)及(4)	受控法團權益	88,500,000	7.95%
威合有限公司	(1)及(4)	實益擁有人	88,500,000	7.95%
中國國際金融股份有限公司 (「中金」)	(1)及(5)	受控法團權益	134,608,705	12.09%
張煒	(1)及(5)	實益擁有人	133,660,000	12.00%

附註：

(1) 於本公司股份中的好倉。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

董事會報告

管理層論述及分析

- (2) 中國食品(控股)為中糧香港的全資附屬公司。因此，中糧香港被視為於中國食品(控股)持有的330,658,800股股份中擁有權益。中糧香港及中國食品(控股)為中糧集團的全資附屬公司。因此，中糧被視為於中糧香港及中國食品(控股)持有之股份中擁有權益。
- (3) 奧瑞金發展有限公司及湖北奧瑞金製罐有限公司(「湖北奧瑞金」)分別持有269,341,200股及2,326,000股股份。奧瑞金發展有限公司為奧瑞金國際控股有限公司之全資附屬公司。奧瑞金國際控股有限公司及湖北奧瑞金為奧瑞金融科技的全資附屬公司。奧瑞金融科技由上海原龍及北京二十一兄弟商貿有限公司分別擁有約39.19%及約0.74%，而上海原龍及北京二十一兄弟商貿有限公司由周雲傑先生分別擁有約78.00%及80.00%。因此，周雲傑先生、上海原龍及奧瑞金融科技被視為於奧瑞金發展有限公司和湖北奧瑞金所持之所有股份中擁有權益。
- (4) 威合有限公司的全部股本由創能企業有限公司持有，而創能企業有限公司的全部股本由招商永隆信託有限公司全資擁有的代名人Antopex Limited持有。
- (5) 中金作為擁有股份抵押權益的人士於其間接全資附屬公司中國國際金融香港證券有限公司(「中金香港」)和CICC Financial Trading Limited分別持有的131,870,000股及2,738,705股股份中擁有權益。就本公司經作出所有合理查詢後深知、盡悉及確信，有關股份抵押權益包括張煒先生通過中金香港持有的133,660,000股股份。
- (6) 有關百分比乃根據本公司於2020年12月31日的已發行股份總數(即1,113,423,000股股份)計算。

企業管治報告

除上文所披露者外，截至2020年12月31日，本公司並無獲悉有任何其他人士(本公司董事或主要行政人員除外)於股份或相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部條文的規定向本公司披露或根據證券及期貨條例第336條的規定須記錄於本公司所存置的權益登記冊內。

環境、社會及管治報告

股票掛鈎協議

截至2020年12月31日止年度，本公司並無訂立任何股票掛鈎協議。

足夠公眾持股量

根據本公司所得的公開資料並就董事所知，董事確認本公司於本年度報告寄發前的最後實際可行日期，一直維持根據上市規則規定的公眾持股量。

董事及高級管理人員簡介

董事會報告

持續關連交易

目前組成本集團的公司與不同人士進行了多項交易，根據上市規則，該等人士為本公司的關連人士。根據上市規則，該等交易為持續關連交易，並須根據上市規則第14A章要求於下文披露。持續關連交易之詳情如下：

1. 2017年中糧包裝材料協議

於2017年10月24日，本公司與中糧就重續2014年框架協議訂立供應框架協議（「2017年中糧包裝材料協議」）。根據2017年中糧包裝材料協議，本集團將向中糧集團參照相同或類似產品及服務於相同期間的現行市價供應產品及相關服務，為期三年，自2018年1月1日起開始。2017年中糧包裝材料協議可經訂約雙方協商而續訂，惟須獲得上市規則所要求的必要同意及批准（如必要）。2017年中糧包裝材料協議的詳情於本公司日期為2017年10月24日的公告及日期為2017年11月30日的通函中披露。於2017年12月20日舉行的股東特別大會上已取得獨立股東之批准。

於2020年，向中糧集團供應的產品及相關服務的經批准最大年度總值不得超過人民幣670,000,000元。

截至2020年12月31日止年度，根據2017年中糧包裝材料協議將向中糧集團提供的產品及相關服務之價值總額約為人民幣344,477,000元。

2. 2017年中糧資訊科技協議

於2017年10月24日，本公司與中糧就重續2014年資訊科技服務框架協議訂立供應框架協議（「2017年中糧資訊科技協議」）。根據2017年中糧資訊科技協議，中糧連同其附屬公司及聯繫人（本集團除外）（「中糧集團」）同意，於2018年1月1日起至2020年12月31日止期間按相關年度上限為本集團代購資訊科技軟件及資訊科技設施、提供資訊科技服務及市場諮詢服務以及向本集團租賃（「資訊科技產品及服務」）。2017年中糧資訊科技協議可經訂約雙方協商而續訂，惟須獲得上市規則所要求的必要同意及批准（如必要）。2017年中糧資訊科技協議的詳情於本公司日期為2017年10月24日的公告中披露。

根據2017年中糧資訊科技協議，中糧集團2020年向本集團供應資訊科技產品及服務各自的年度上限如下：(i)就代購資訊科技軟件及資訊科技設施而言，為人民幣800,000元；(ii)就提供資訊科技服務及市場諮詢服務而言，為人民幣3,000,000元；及(iii)就租賃而言，為人民幣4,000,000元。

截至2020年12月31日止年度，根據2017年中糧資訊科技協議，與(i)購買資訊科技軟件及資訊科技設施；(ii)提供資訊科技服務及市場諮詢服務；及(iii)租賃有關之價值總額分別為人民幣475,000、人民幣1,887,000及人民幣2,246,000元。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

管理層論述及分析

3. 2017年奧瑞金包裝材料協議

於2017年10月24日，本公司與奧瑞金包裝就重續2016年買賣框架協議訂立框架協議（「2017年奧瑞金包裝材料協議」）。根據2017年奧瑞金包裝材料協議，自2018年1月1日至2020年12月31日，(i)本集團同意向奧瑞金集團出售，及奧瑞金集團同意自本集團購買印鐵、印鋁及蓋及與該等包裝材料有關的製罐服務及(ii)奧瑞金集團同意向本集團出售及本集團同意向奧瑞金集團購買素鐵、覆膜鐵及鋁及與該等包裝材料有關的製罐服務。有關2017年奧瑞金包裝材料協議之詳情已於本公司日期為2017年10月24之公告及本公司日期為2017年11月30日之通函中披露。於2017年12月20日舉行之股東特別大會上已取得獨立股東之批准。

根據2017年奧瑞金包裝材料協議，就(i)2020年本集團向奧瑞金集團出售印鐵、印鋁及蓋及與該等包裝材料有關的製罐服務批准的年度上限為人民幣550,000,000元；(ii)2020年奧瑞金集團向本集團出售素鐵、覆膜鐵及鋁及與該等包裝材料有關的製罐服務批准的年度上限為人民幣500,000,000元。

於截至2020年12月31日止年度，根據2017年奧瑞金包裝材料協議，有關(i)本集團向奧瑞金集團出售印鐵、印鋁及蓋及與該等包裝材料有關的製罐服務；及(ii)奧瑞金集團向本集團出售素鐵、覆膜鐵及鋁及與該等包裝材料有關的製罐服務總值分別為人民幣163,586,000元及人民幣127,463,000元。

4. 2019年與中糧財務的財務服務協議

於2019年11月7日，本公司、中糧包裝投資及中糧財務訂立財務服務協議（「2019年財務服務協議」），據此，中糧財務將向本集團提供(i)存款服務；(ii)貸款服務；(iii)委託貸款服務及(iv)其他金融服務。2019年財務服務協議之詳情披露可見於本公司日期為2019年11月7日之公告，以及本公司日期為2019年11月27日之通函。於2019年12月23日舉行之股東特別大會上已取得獨立股東之批准。

根據2019年財務服務協議，中糧財務同意於2019年12月23日（在股東特別大會上取得獨立股東批准之日期）起計三年內向本集團提供下列財務服務：

(a) 存款服務

本集團存放於中糧財務的每日最高人民幣存款額（包括應計利息）不得超過人民幣900,000,000元。存款服務及上述年度上限須遵守上市規則第14A章有關申報、公告、年度審核及獨立股東批准的規定。

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

(b) 委託貸款服務及其他財務服務

中糧財務已同意根據2019年財務服務協議(i)向本集團提供委託貸款服務，據此中糧財務僅以本集團代理人身份行事，並就委託貸款服務收取手續費及其他服務費用；及(ii)由中糧財務向本集團提供其他財務服務包括結算服務、外匯交易服務及其他相關諮詢及代理服務。中糧財務將會就委託貸款服務及其他財務服務收取不超過人民幣4,000,000元的年度最高上限手續費。上述委託貸款服務及其他財務服務僅須遵守申報、公告及年度審核規定，惟豁免遵守上市規則第14A章項下獨立股東批准之規定。

截至2020年12月31日止年度，每日最高存款額(包括應計利息)達人民幣899,322,000元，而本集團與中糧財務之間概無根據2019年財務服務協議進行委託貸款服務及其他財務服務之交易。

5. 2020年中糧包裝材料協議

於2020年10月27日，本公司與中糧就重續2017年框架協議訂立供應框架協議(「2020年中糧包裝材料協議」)。根據2020年中糧包裝材料協議，本集團將向中糧集團參照相同或類似產品及服務於相同期間的現行市價供應產品及相關服務，為期三年，自2021年1月1日起開始。2020年中糧包裝材料協議可經訂約雙方協商而續訂，惟須獲得上市規則所要求的必要同意及批准(如必要)。2020年中糧包裝材料協議的詳情於本公司日期為2020年10月27日的公告及日期為2020年11月17日的通函中披露。於2020年12月14日舉行的股東特別大會上已取得獨立股東之批准。

於2021年、2022年及2023年，向中糧集團供應的產品及相關服務的經批准最大年度總值分別不得超過人民幣500,000,000元、人民幣600,000,000元及人民幣700,000,000元。

6. 2020年中糧資訊科技協議

於2020年10月27日，本公司與中糧就重續2017年資訊科技服務框架協議訂立供應框架協議(「2020年中糧資訊科技協議」)。根據2020年中糧資訊科技協議，中糧連同其附屬公司及聯繫人(本集團除外)(「中糧集團」)同意，於2021年1月1日起及至2023年12月31日止期間按相關年度上限為本集團代購資訊科技軟件及資訊科技設施、提供資訊科技服務及市場諮詢服務以及向本集團租賃(「資訊科技產品及服務」)。2020年中糧資訊科技協議可經訂約雙方協商而續訂，惟須獲得上市規則所要求的必要同意及批准(如必要)。2020年中糧資訊科技協議的詳情於本公司日期為2020年10月27日的公告中披露。

根據2020年中糧資訊科技協議，中糧集團自2021年起至2023年向本集團供應資訊科技產品及服務各自的年度上限如下：(i)就代購資訊科技軟件及資訊科技設施而言，分別為人民幣1,500,000元、人民幣1,500,000元及人民幣1,500,000元；(ii)就提供資訊科技服務及市場諮詢服務而言，分別為人民幣5,000,000元、人民幣5,000,000元及人民幣5,000,000元；及(iii)就租賃而言，分別為人民幣4,000,000元、人民幣4,000,000元及人民幣4,000,000元。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

7. 2020年奧瑞金包裝材料協議

於2020年10月27日，本公司與奧瑞金包裝就重續2017年奧瑞金包裝材料協議訂立框架協議（「2020年奧瑞金包裝材料協議」）。根據2020年奧瑞金包裝材料協議，自2021年1月1日至2023年12月31日，(i)本集團同意向奧瑞金集團出售，及奧瑞金集團同意自本集團購買印鐵、印鋁及蓋及與該等包裝材料有關的製罐服務及(ii)奧瑞金集團同意向本集團出售及本集團同意向奧瑞金集團購買素鐵、覆膜鐵及鋁及與該等包裝材料有關的製罐服務。有關2020年奧瑞金包裝材料協議之詳情已於本公司日期為2020年10月27日之公告及本公司日期為2020年11月17日之通函中披露。於2020年12月14日舉行之股東特別大會上已取得獨立股東之批准。

根據2020年奧瑞金包裝材料協議，就(i)2021年至2023年本集團向奧瑞金集團出售印鐵、印鋁及蓋及與該等包裝材料有關的製罐服務批准的年度上限分別為人民幣250,000,000元、人民幣350,000,000元及人民幣450,000,000元；(ii)2021年至2023年奧瑞金集團向本集團出售素鐵、覆膜鐵及鋁及與該等包裝材料有關的製罐服務批准的年度上限分別為人民幣200,000,000元、人民幣270,000,000元及人民幣350,000,000元。

持續關連交易之年度審閱

獨立非執行董事已審閱截至2020年12月31日止年度上述1至7項持續關連交易並確認上述持續關連交易：

1. 於本集團正常及一般業務過程中訂立；
2. 按一般商業條款或按不遜於給予或來自獨立第三方的條款訂立；及
3. 符合規管上述持續關連交易之各項協議之公平合理條款及符合本公司和股東的整體利益。

本公司核數師天職香港會計師事務所有限公司獲委聘遵照香港會計師公會發出的《香港審驗應聘服務準則3000》的歷史財務資料審計或審閱以外的審驗應聘，並參照《實務說明》第740號關於香港《上市規則》所述持續關連交易的核數師函件，就本集團的持續關連交易作出報告。天職香港會計師事務所有限公司已發出其無保留意見函件，當中載有其有關本集團根據上市規則第14A.56條所披露之持續關連交易的結果及結論。本公司已經向聯交所提交核數師函件之副本。

管理層論述及分析

企業管治報告

環境、社會及管治報告

董事及高級管理人員簡介

董事會報告

本年度報告經審核財務報表附註38所披露的若干關連人士交易根據上市規則亦構成本公司的關連交易或持續關連交易，根據上市規則第14A章須於本報告中披露。本年報綜合財務報表附註38所披露有關主要管理人員薪酬的關連人士交易包括根據上市規則第14A.73(6)條獲豁免遵守申報、公告及獨立股東批准規定的關連交易。除上述者及上文所披露的關連交易及持續關連交易外，董事認為，本年報綜合財務報表附註38披露的所有其他關連人士交易並不屬於上市規則第14A章下「關連交易」或「持續關連交易」(視情況而定)的定義，毋須遵守上市規則項下任何申報、年度審核、公告或獨立股東批准的規定。本公司確認其於本年度之整體年度已遵守上市規則第14A章的披露規定。

董事於競爭業務的權益

依據上市規則第8.10條，董事於競爭性業務中所需權益如下：

董事姓名	公司名稱	競爭業務性質	權益性質	委任日期
周原先生	奧瑞金科技(附註)	包裝產品生產	副主席 董事	2010年11月 2010年10月
沈陶先生	奧瑞金科技(附註)	包裝產品生產	總經理 董事	2014年2月 2010年10月

附註：

奧瑞金科技為一間於深圳證券交易所之上市公司(股份代號：002701)及主要股東，佔本公司發行股本的約24.40%。奧瑞金科技主要從事綜合包裝服務包括包裝設計、包裝生產、裝罐及品牌設計及推廣。有關奧瑞金科技業務及財務狀況更多細節，請參考2020年4月30日之年報，於網址<https://www.orgtech.cn/uploadfile/2020/0430/20200430054417195.pdf>可獲得。

雖然周原先生為奧瑞金科技之副主席及董事，沈陶先生為奧瑞金科技之總經理及董事，但彼等已確認，彼等很在意各自職責從而避免權益之衝突。倘若當權益發生衝突時，周原先生及沈陶先生避免參與決策進程並於董事會中放棄相關決議之投票權。基於此以及除了周原先生及沈陶先生，奧瑞金科技本身亦聘有管理人員，董事認為，本公司有能力獨立開展其業務，並與奧瑞金科技保持一定距離。

除上文所披露者外，於2020年12月31日，概無董事被視為可能與本集團直接或間接競爭的業務中擁有任何權益。

購買、出售或贖回本公司之上市證券

由2020年2月至2020年7月，本公司已於聯交所合共購回47,526,000股股份(每股最高價：3.00港元；每股最低價：2.72港元)。購回股份之已付總金額約140,338,000港元。該已購回股份於2020年內獲註銷。

管理層論述及分析

企業管治報告

環境、社會及
管治報告

董事及高級管理
人員簡介

董事會報告

董事會報告

管理層論述及分析

除上文所披露者外，於截至2020年12月31日止年度內，本公司及其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

獲准許的彌償

截至2020年12月31日止年度，本公司已為其所有董事及高級管理層安排董事及高級職員的責任保險。該等保險為企業活動所產生之相關成本、費用、開支及法律行動之責任提供保障。依據公司章程第171條，本公司各董事或其他主管人員有權就彼等於執行職務時或就此而可能承擔或引致之所有債務（某種程度上被香港公司條例允許），從本公司之資產中獲得賠償。

企業管治報告

管理合約

於年內，本公司並無就本集團的全部及部份業務或任何重要業務的管理或行政工作簽訂或存有任何合約。

遵守法律及法規

本集團業務主要由本公司在聯交所上市之中國附屬公司經營。因此，我們的運營主要遵循中國及香港相關法律法規。

環境、社會及管治報告

本公司業務經營需要遵守中國法律法規，包括但不限於產品安全、印刷業務、外商投資、勞動與保險事宜、稅收、外匯及環保等方面的法律法規。具體包括《中華人民共和國安全生產法》、《中華人民共和國工業產品生產許可證管理條例》、《危險化學品安全管理條例》、《中華人民共和國產品質量法》、《中華人民共和國商標法》、《中華人民共和國外商投資法》、《中華人民共和國外商投資法實施條例》、《中華人民共和國公司法》、《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》、《中華人民共和國企業所得稅法》、《中華人民共和國外匯管理條例》、《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》等。

截至2020年12月31日止年度，本集團未違反對本集團有重大影響之任何法律法規。

環保政策及表現

董事及高級管理人員簡介

本集團致力於促進及維持本地區社會與環境之可持續發展。本集團作為負責任企業，在涉及環境友好、健康及安全、採納有效措施、節能及減排等方面嚴格遵循所有相關法律法規。有關本集團環保政策與表現及本集團與員工主要關係之進一步討論載於本年報「環保、社會及管治報告」章節。所述章節構成本報告之部份。

董事會報告

與顧客及供應商之主要關係

董事們意識到顧客與商業夥伴是本集團可持續發展之關鍵。本集團致力與商業夥伴建立親密友好關係及為顧客提供更優質服務。

本集團與顧客及消費者保持聯繫並通過多元化方式，如電話、電郵及日常會議來獲得他們的反饋及寶貴意見。

企業管治守則

董事認為本公司於截至2020年12月31日止年度一直遵守上市規則附錄14所載之企業管治守則。

退休計劃

本集團根據強制性公積金計劃條例，為其所有香港僱員設立一項定額供款之強制性公積金退休福利計劃。退休計劃的詳情載列於本年度報告財務報表附註2.4。

股東週年大會

2021年股東週年大會謹定於2021年5月31日(星期一)舉行。

暫停辦理股份過戶登記手續

為釐定股東出席2021年股東週年大會並於會上投票的資格

交回股份過戶文件以作登記之最後時限	2021年5月25日下午4時30分
暫停辦理股份過戶登記手續	2021年5月26日至5月31日(包括首尾兩天)
股權登記日	2021年5月31日

為釐定股東收取末期股息及末期特別股息之權利

交回股份過戶文件以作登記之最後時限	2021年6月3日下午4時30分
暫停辦理股份過戶登記手續	2021年6月4日至6月9日(包括首尾兩天)
股權登記日	2021年6月9日

為符合收取建議末期股息及出席2021年股東週年大會的資格，股東必須就有關股份過戶、更改名稱或地址，或遺失股票等事宜聯絡本公司之股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖。

核數師

天職香港會計師事務所有限公司將於2021年股東週年大會上退任，並將在大會上提呈決議案以續聘其為本公司核數師。

主席
張新
香港，2021年3月22日

Independent Auditor's Report

獨立核數師報告



To the members of CPMC Holdings Limited
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of CPMC Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 171 to 289, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for opinion

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

致中糧包裝控股有限公司全體股東
(於香港註冊成立的有限公司)

意見

本核數師已審核中糧包裝控股有限公司(「貴公司」)及其附屬公司(「貴集團」)列載於第171頁至第289頁的綜合財務報表，當中包括於2020年12月31日的綜合財務狀況表以及截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策之概要。

本核數師認為，該等綜合財務報表已按照由香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)，真實公平地顯示 貴集團於2020年12月31日之綜合財務狀況及截至該日止年度之綜合財務業績及綜合現金流量，並已按照香港公司條例而妥為編製。

意見基準

本核數師已根據香港會計師公會頒佈的香港審核準則(「香港審核準則」)進行審核。本核數師於該等準則項下的責任於本核數師報告中的核數師就「審核綜合財務報表須承擔的責任」部分詳述。根據香港會計師公會的專業會計師道德守則(「守則」)，本核數師獨立於 貴集團，並已遵循守則履行其他道德責任。本核數師相信，本核數師所獲得的審核證據充足且適當地為本核數師的意見提供基準。

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

關鍵審核事宜

根據本核數師專業的判斷，關鍵審核事宜乃為本核數師審核本期間綜合財務報表中最為重要的事項。本核數師在審核綜合財務報表和總結意見時已處理該等事宜，並不會就此等事宜單獨發表意見。就下述各項事宜，本核數師已為各項事宜提供有關本核數師在審核時如何解決該等事宜的詳述。

本核數師已履行於本核數師報告中的核數師就審核綜合財務報表須承擔的責任中所述的責任，包括與該等事宜相關的責任。因此，本核數師的審核包括執行程序以評估綜合財務報表內存有重大錯誤陳述的風險。本核數師審核程序(包括就解決下述事宜執行的程序)的結果為本核數師對隨附綜合財務報表出具審核意見提供基礎。

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

Independent Auditor's Report

獨立核數師報告

Key audit matters (continued)

關鍵審核事宜(續)

Key Audit Matter 關鍵審核事宜	How our audit addressed the key audit matter 本核數師於審核時如何解決關鍵事宜
<p><i>Goodwill impairment</i> 商譽減值</p> <p>In accordance with Hong Kong Accounting Standard 36 "Impairment of Assets", the Group is required to test the amount of goodwill for impairment annually. The net carrying amount of goodwill of RMB233,973,000 as of 31 December 2020 was material to the consolidated financial statements. In addition, management's assessment on the impairment was complex and highly judgemental and was based on assumptions, specifically budgeted gross margins, discount rates and revenue and long-term growth rates, which were affected by expected future market or economic conditions.</p> <p>根據香港會計準則第36號「資產減值」，貴集團須每年釐定商譽減值金額。商譽於2020年12月31日為數人民幣233,973,000元之賬面淨值對綜合財務報表而言乃屬重大。此外，管理層的減值評估程序較為複雜且涉及高度判斷，並以多項假設為基準，尤其是受到預期未來市況或經濟狀況影響之預算毛利率、現貼率及收入及永續增長率。</p> <p>Relevant disclosures are included in Note 3 and Note 16 to the consolidated financial statements.</p> <p>相關披露載於綜合財務報表附註3及16。</p>	<p>We understood and tested the processes and key controls of the Group over the assessment on the goodwill impairment;</p> <p>本核數師已了解並檢測 貴集團進行商譽減值評估的流程和關鍵控制措施；</p> <p>We obtained the relevant cash-generating unit's cash flow forecasts prepared by management for goodwill impairment and assessed the historical accuracy of management's forecasts by comparing the current year's actual cash flows with the prior year's cash flow forecasts;</p> <p>本核數師已獲得管理層為商譽減值目的而編製的相關現金產生單位現金流量預測，並通過比較本年實際現金流量與上年現金流量預測評估管理層預測的歷史準確度；</p> <p>We considered management's estimation and challenged the appropriateness of key assumptions (such as budgeted gross margins, discount rates and revenue and long-term growth rates) adopted in the value-in-use calculations by:</p> <p>本核數師已審議管理層作出的估計，並對使用價值計算法中所採用關鍵假設(如預算毛利率、貼現率及收入及永續增長率)的適當性提出了質疑，方法如下：</p> <ul style="list-style-type: none"> • Comparing the budgeted gross margins with the Group's past performance, taking into consideration of market trends; • 將預算毛利率與 貴集團過往的表現進行對比，並考慮市場趨勢； • Assessing the discount rates by considering weighted average cost of capital for the individual cash-generating unit and comparable companies in the open market, as well as considering territory specific factors, such as risk-free interest rate and debt ratio prevailing in relevant market; and • 通過考慮個別現金產生單位及公開市場上可資比較公司的加權平均資本成本以及考慮領域特定因素(如相關市場普遍存在的無風險利率和債務比率)來評估貼現率；及 • Comparing the revenue and long-term growth rates used in the five-year forecast period with the approved budget and market development of the relevant business and industry. • 將五年預測期中所用的收入及永續增長率與經核准預算及相關業務和行業的市場動態進行對比。

INDEPENDENT
AUDITOR'S
REPORT

獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

Key audit matters (continued)

關鍵審核事宜(續)

Key Audit Matter 關鍵審核事宜	How our audit addressed the key audit matter 本核數師於審核時如何解決關鍵事宜
<i>Goodwill impairment (Continued)</i> 商譽減值(續)	
	<p>We evaluated management's assessment of the sensitivity of the Group's impairment model against reasonably possible changes around the key assumptions.</p> <p>本核數師已評估管理層就 貴集團減值模型對主要假設的合理可能變動的敏感度作出的評估。</p> <p>Based on the procedures described, we consider the judgements and estimates made by management in respect of impairment assessment on goodwill were supported by available evidence.</p> <p>基於上述程序，本核數師認為管理層就商譽減值評估所作出的判斷和估計均有證據提供支持。</p>

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

Independent Auditor's Report

獨立核數師報告

Key audit matters (continued)

關鍵審核事宜(續)

Key Audit Matter 關鍵審核事宜	How our audit addressed the key audit matter 本核數師於審核時如何解決關鍵事宜
<i>Impairment assessment of trade receivables arising from contracts with customers</i> 來自客戶合約的貿易應收款減值評估	
<p>We identified the impairment assessment of trade receivables arising from contracts with customers as a key audit matter due to the significance of trade receivables to the Group's consolidated financial statements and the involvement of subjective judgement and management estimates in evaluating the expected credit losses ("ECL") of the Group's trade receivables arising from contracts with customers at the end of the reporting period.</p> <p>由於來自客戶合約的貿易應收款對 貴集團的綜合財務報表而言屬重大，且評核 貴集團於報告期末的來自客戶合約的貿易應收款的預期信貸虧損(「預期信貸虧損」)涉及主觀判斷及管理層估計，本核數師識別來自客戶合約的貿易應收款的減值評估為一項關鍵審核事項。</p>	<p>Our audit procedures included the assessment of the design, implementation and operating effectiveness of the Group's key internal controls which govern credit control, debt collection and estimates of expected credit losses.</p> <p>本核數師的審核程序包括評估規管信貸監控、債務收取及估計預期信貸虧損之 貴集團的關鍵內部控制的設計、實施及運作成效。</p> <p>We also assessed the reasonableness of management's expected credit loss allowances by examining the information used by management to form such judgements and estimates, including checking the accuracy of the historical default information, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information.</p> <p>本核數師亦藉檢測管理層用以形成相關判斷及估計的資料(包括核查過往違約資料的準確性、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)來評估管理層預期信貸虧損撥備的合理性。</p>
<p>As at 31 December 2020, the Group's trade receivables arising from contracts with customers amounting to RMB2,047,653,000 (net of allowance of HK\$2,745,000), which represented approximately 17.4% of total assets of the Group.</p> <p>於2020年12月31日， 貴集團來自客戶合約的貿易應收款為人民幣2,047,653,000元(扣除撥備2,745,000港元)，佔 貴集團總資產約17.4%。</p>	<p>We also assessed whether trade receivables were appropriately categorised in the ageing report by comparing a sample of individual items with the underlying good delivery notes, sales invoices and other relevant underlying documentation.</p> <p>本核數師亦通過比較個別項目的樣本與相關貨品的交貨單、銷售發票及其他相關文件，評估貿易應收款是否在賬齡報告中妥善分類。</p>
<p>As disclosed in note 21 to the consolidated financial statements, the management of the Group estimates the amount of lifetime ECL of trade receivables arising from contracts with customers based on provision matrix through grouping of various debtors that have similar loss patterns, after considering internal credit ratings of trade debtors, ageing, repayment history and/or past due status of respective trade receivables arising from contracts with customers. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information.</p> <p>誠如綜合財務報表附註21所披露， 貴集團管理層經考慮貿易債務人的內部信貸評級、相關來自客戶合約的貿易應收款的賬齡、還款記錄及／或逾期狀況後，按照通過將具有類似信貸風險特徵的多項應收款的分組所得的撥備矩陣，估計來自客戶合約的貿易應收款的全期預期信貸虧損。估計虧損率乃按債務人預期年期內的歷史已觀察違約率估計，並就前瞻性資料調整。</p>	<p>We also reviewed the Group's subsequent collection of the trade receivables.</p> <p>本核數師亦審查 貴集團日後收回貿易應收款的情況。</p>
<p>The loss allowance amount of the trade receivables arising from contracts with customers is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit losses.</p> <p>來自客戶合約的貿易應收款的虧損撥備金額按有關資產的賬面值與估計未來現金流量的現值(經考慮預期未來信貸虧損)間的差額計量。</p>	

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

Other information included in the Annual Report

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

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

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

Responsibilities of the directors for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and 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 of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

除本年報所載之外的資料

本公司董事須對其他資料負責。其他資料包括年報所載資料，不包括綜合財務報表及本核數師就此編製之核數師報告。

本核數師對綜合財務報表之意見並未涵蓋其他資料，且本核數師並未就其他資料發表任何形式之核證結論。

就審核綜合財務報表而言，本核數師的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或本核數師在審核過程中獲悉的資料存在重大不符，或似乎存在其他重大錯誤陳述。倘本核數師基於已完成的工作得出結論，該等其他資料出現重大錯誤陳述，本核數師須報告該項事實。本核數師於此方面無事宜須報告。

董事就綜合財務報表所承擔的責任

本公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，本公司董事負責評估貴集團有能力持續經營，並於適用情況下披露與持續經營相關的事宜，以及使用持續經營會計基準，惟本公司董事擬清盤貴集團或停止營業，或別無其他實際替代方案，則屬除外。

審核委員會協助本公司董事履行監管貴集團財務呈報過程的責任。

Independent Auditor's Report

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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.

核數師就審核綜合財務報表須承擔的責任

本核數師的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括本核數師意見的核數師報告。本核數師的報告僅根據香港公司條例第405條向全體股東匯報而不作其他用途。本核數師概不就本報告的內容向任何其他人士負責或承擔責任。

合理保證是高水平的保證，但不能保證按香港審核準則進行審核時總能發現所有存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，倘合理預期其個別或匯總起來可能影響該等綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

本核數師在根據香港審核準則進行審核的過程中，運用專業判斷，保持職業懷疑態度。本核數師亦：

- 識別及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，設計及執行審核程序以應對該等風險，以及取得充足及適當的審核憑證，作為本核數師意見的基礎。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，故未能發現因欺詐而導致的重大錯誤陳述的風險比因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的適當性及作出會計估計及相關披露資料的合理性。

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

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, actions taken to eliminate threats or safeguards applied.

核數師就審核綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎的適當性作出結論。根據所得的審核憑證，決定是否存在與事件或情況有關的重大不明朗因素，可能對貴集團持續經營的能力構成重大疑慮。倘本核數師認為存在重大不明朗因素，則有必要在核數師報告中提請使用者留意綜合財務報表中的相關披露資料。倘有關披露不足，則修訂本核數師的意見。本核數師的結論是基於截至核數師報告日止所取得的審核憑證。然而，未來事件或情況可能導致貴集團無法繼續持續經營。
- 評估綜合財務報表的整體列報方式、架構和內容，包括披露資料，以及綜合財務報表是否公平地列報相關交易及事項。
- 就貴集團中實體或業務活動的財務資料獲取充分、適當的審核憑證，以對綜合財務報表發表意見。本核數師負責指導、監督和執行集團審核。本核數師對審核意見承擔全部責任。

本核數師就(其中包括)審核工作的計劃範圍和時間、在審核過程中的重大審核發現(包括內部控制的重大缺失)與審核委員會進行溝通。

本核數師亦向審核委員會作出聲明，說明本核數師已遵守有關獨立性的道德要求，並就所有被合理認為可能影響本核數師獨立性的關係和其他事宜以及(倘適用)為消除威脅或採用保障措施採取的行動，與審核委員會進行溝通。

Independent Auditor's Report

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 Chan Kwan Ho, Edmond.

核數師就審核綜合財務報表須承擔的責任(續)

從與審核委員會溝通的事宜中，本核數師決定對本期綜合財務報表的審核最為重要的事宜為關鍵審核事宜。本核數師會於核數師報告中闡述該等事宜，除非法律法規不允許對某事宜作出公開披露，或在極端罕見的情況下，本核數師認為於報告中溝通某事宜造成的不利後果可能合理預期將會超過其產生的公眾利益，本核數師將不會於此等情況下在報告中闡述該等事宜。

出具本獨立核數師報告的審計項目合夥人是陳鈞浩。

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 22 March 2021

Chan Kwan Ho, Edmond

Practising Certificate Number P02092

天職香港會計師事務所有限公司
執業會計師

香港，2021年3月22日

陳鈞浩

執照號碼P02092

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 December 2020
截至2020年12月31日止年度

		Note	2020	2019
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Revenue	收入	5	7,344,747	7,287,271
Cost of sales	銷售成本	8(a)	(6,181,523)	(6,189,886)
Gross profit	毛利		1,163,224	1,097,385
Other income, gains and losses	其他收入、收益及虧損	6	107,290	61,389
Selling and marketing expenses	銷售及營銷費用		(323,161)	(315,794)
Administrative expenses	行政費用		(341,344)	(320,200)
Finance costs	財務費用	7	(99,063)	(135,878)
Share of profit of a joint venture	應佔一家合營企業利潤		91	—
Profit before income tax	除所得稅前利潤	8	507,037	386,902
Income tax expense	所得稅開支	11	(113,004)	(80,363)
Profit for the year	年度利潤		394,033	306,539
Attributable to:	應佔：			
Equity holders of the Company	本公司股本持有人		389,388	302,090
Non-controlling interests	非控股權益		4,645	4,449
			394,033	306,539
Earnings per share attributable to ordinary equity holders of the Company	本公司普通股股本持有人應佔每股盈利	13		
Basic (RMB)	基本(人民幣元)		0.345	0.259
Diluted (RMB)	攤薄(人民幣元)		0.345	0.259

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

The accompanying notes form part of these consolidated financial statements.

附註構成該等綜合財務報表的一部分。

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2020
截至2020年12月31日止年度

		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit for the year	年度利潤	394,033	306,539
Other comprehensive income/(loss)	其他全面收益/(虧損)		
<i>Item that may be reclassified to profit or loss in subsequent periods:</i>	<i>於其後期間可能重新分類至損益之項目：</i>		
- Exchange differences arising on translation of foreign operations	- 換算海外業務時之匯兌差額	231,066	(88,618)
Other comprehensive income/(loss) for the year, net of tax	年度其他全面收益/(虧損)(已扣除稅項)	231,066	(88,618)
Total comprehensive income for the year	年度全面收益總額	625,099	217,921
Attributable to:	應佔：		
Equity holders of the Company	本公司股本持有人	619,105	212,138
Non-controlling interests	非控股權益	5,994	5,783
		625,099	217,921

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

The accompanying notes form part of these consolidated financial statements.

附註構成該等綜合財務報表的一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2020

於2020年12月31日

			2020	2019
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	5,162,887	5,016,568
Right-of-use assets	使用權資產	15	393,112	330,717
Deposits for purchase of items of property, plant and equipment	購買物業、廠房及設備項目的按金		125,144	216,993
Prepayments	預付款	22	38,165	32,567
Goodwill	商譽	16	233,973	233,973
Other intangible assets	其他無形資產	17	23,375	26,659
Interests in joint ventures	於合營企業之權益	18	8,371	1,507,068
Investment in an associate	於一家聯營公司之投資	19	—	24,984
Deferred tax assets	遞延稅項資產	29	26,937	29,000
Total non-current assets	總非流動資產		6,011,964	7,418,529
Current assets	流動資產			
Inventories	存貨	20	1,247,512	1,070,777
Trade and bills receivables	貿易應收款及應收票據	21	2,156,082	1,839,913
Prepayments, other receivables and other assets	預付款、其他應收款及其他資產	22	333,245	256,835
Tax recoverable	可收回稅項		5,925	3,251
Pledged deposits and restricted deposit	已抵押存款及有限制存款	23	97,407	49,712
Cash and cash equivalents	現金及現金等價物	23	1,944,230	678,514
Total current assets	總流動資產		5,784,401	3,899,002
Current liabilities	流動負債			
Trade and bills payables	貿易應付款及應付票據	24	1,448,866	1,123,456
Other payables and accruals	其他應付款及應計項目	25	429,043	559,159
Lease liabilities	租賃負債	26	10,268	8,259
Interest-bearing bank borrowings	計息銀行借款	28	2,300,147	1,857,772
Tax payable	應繳稅項		21,693	17,045
Total current liabilities	總流動負債		4,210,017	3,565,691
Net current assets	流動資產淨額		1,574,384	333,311
Total assets less current liabilities	總資產減流動負債		7,586,348	7,751,840

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

Consolidated Statement of Financial Position

綜合財務狀況表 As at 31 December 2020
於2020年12月31日

			2020	2019
		<i>Note</i>	RMB'000	RMB'000
		<i>附註</i>	人民幣千元	人民幣千元
Non-current liabilities	非流動負債			
Interest-bearing bank borrowings	計息銀行借款	28	1,963,573	2,480,470
Lease liabilities	租賃負債	26	70,978	18,398
Deferred tax liabilities	遞延稅項負債	29	46,148	34,961
Government grants	政府補貼		2,686	3,018
Total non-current liabilities	總非流動負債		2,083,385	2,536,847
Net assets	淨資產		5,502,963	5,214,993
Equity	權益			
Equity attributable to equity holders of the Company	本公司股本持有人應佔權益			
Share capital	股本	30	2,730,433	2,730,433
Reserves	儲備	31	2,487,247	2,205,271
			5,217,680	4,935,704
Non-controlling interests	非控股權益		285,283	279,289
Total equity	總權益		5,502,963	5,214,993

Approved and authorised for issue by the board of directors on 22 March 2021.

由董事會於2021年3月22日批准及授權刊發。

Zhang Xin
張新
Director
董事

Zhang Ye
張擘
Director
董事

The accompanying notes form part of these consolidated financial statements.

附註構成該等綜合財務報表的一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2020

截至2020年12月31日止年度

		Attributable to equity holders of the Company 本公司股本持有人應佔								
		Share capital	Share-based payment reserve 以股份為基礎支付	Capital reserves	Statutory reserve	Exchange fluctuation reserve 匯兌	Retained profits	Total	Non-controlling interests	Total equity
		股本	儲備	資本儲備	法定儲備	波動儲備	留存利潤	合計	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
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
As at 1 January 2019	於2019年1月1日	2,730,433	18,780	267,476	446,831	(350,797)	1,784,314	4,897,037	351,551	5,248,588
Profit for the year	年度利潤	-	-	-	-	-	302,090	302,090	4,449	306,539
Other comprehensive (loss)/ income for the year:	年度其他全面(虧損)/收益:									
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	-	-	-	-	(89,952)	-	(89,952)	1,334	(88,618)
Total comprehensive (loss)/ income for the year	年度全面(虧損)/收益總額	-	-	-	-	(89,952)	302,090	212,138	5,783	217,921
Acquisition of non-controlling interests	收購非控股權益	-	-	3,227	-	-	-	3,227	(135,125)	(131,898)
Capital contribution from non-controlling interests	非控股權益的資本投入	-	-	-	-	-	-	-	57,080	57,080
2018 final dividend declared	已宣派2018年末期股息	-	-	-	-	-	(56,379)	(56,379)	-	(56,379)
2019 interim dividend	2019年中期股息	12	-	-	-	-	(84,749)	(84,749)	-	(84,749)
Repurchase of own shares	回購自身股份	30	-	-	-	-	(35,570)	(35,570)	-	(35,570)
Appropriation to the statutory reserve	分配至法定儲備	-	-	-	49,349	-	(49,349)	-	-	-
As at 31 December 2019	於2019年12月31日	2,730,433	18,780*	270,703*	496,180*	(440,749)*	1,860,357*	4,935,704	279,289	5,214,993
As at 1 January 2020	於2020年1月1日	2,730,433	18,780	270,703	496,180	(440,749)	1,860,357	4,935,704	279,289	5,214,993
Profit for the year	年度利潤	-	-	-	-	-	389,388	389,388	4,645	394,033
Other comprehensive income for the year:	年度其他全面收益:									
Exchange differences on translation of foreign operations	換算海外業務時之匯兌差額	-	-	-	-	229,717	-	229,717	1,349	231,066
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	229,717	389,388	619,105	5,994	625,099
2019 final dividend declared	已宣派2019年末期股息	12	-	-	-	-	(63,904)	(63,904)	-	(63,904)
2020 special and interim dividend	2020年特別及中期股息	12	-	-	-	-	(144,745)	(144,745)	-	(144,745)
Repurchase of own shares	回購自身股份	30	-	-	-	-	(128,480)	(128,480)	-	(128,480)
Appropriation to the statutory reserve	分配至法定儲備	-	-	-	65,488	-	(65,488)	-	-	-
As at 31 December 2020	於2020年12月31日	2,730,433	18,780*	270,703*	561,668*	(211,032)*	1,847,128*	5,217,680	285,283	5,502,963

* These reserve accounts comprise the consolidated reserves of RMB2,487,247,000 (2019: RMB2,205,271,000) in the consolidated statement of financial position.

* 該等儲備賬目構成綜合財務狀況表中的綜合儲備人民幣2,487,247,000元(2019年: 人民幣2,205,271,000元)。

The accompanying notes form part of these consolidated financial statements.

附註構成該等綜合財務報表的一部分。

INDEPENDENT
AUDITOR'S
REPORT
獨立核數師報告

CONSOLIDATED
STATEMENT
OF PROFIT
OR LOSS
綜合損益表

CONSOLIDATED
STATEMENT OF
COMPREHENSIVE
INCOME
綜合全面收益表

CONSOLIDATED
STATEMENT
OF FINANCIAL
POSITION
綜合財務狀況表

CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY
綜合權益變動表

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2020
截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

			2020	2019
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Cash flows from operating activities	經營活動產生之現金流量			
Profit before income tax	除所得稅前利潤		507,037	386,902
Adjustments for:	調整：			
Finance costs	財務費用	7	99,063	135,878
Interest income	利息收入	6	(16,091)	(9,710)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損	6	8,622	2,064
Loss on disposal of a joint venture	出售一家合營企業虧損	6	2,436	-
Gain on disposal of an associate	出售一家聯營公司收益	6	(16)	-
Share of profit of a joint venture	應佔一家合營企業利潤		(91)	-
Committed dividend income from a joint venture	來自一家合營企業的承諾分紅收入	6	(50,000)	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8(c)	376,861	342,402
Depreciation of right-of-use assets	使用權資產折舊	8(c)	23,227	17,696
Amortisation of other intangible assets	其他無形資產攤銷	8(c)	4,829	4,861
Impairment loss of trade receivables, prepayments and other assets, net	貿易應收款、預付款及其他資產減值虧損淨額	8(c)	2,654	5,079
Reversal of provision of inventories	存貨撥備撥回	8(a)	(205)	(350)
Amortisation of government grants	政府補貼攤銷		(332)	(4,006)
COVID-19-related rent concessions	與COVID-19相關的租金優惠	8(c)	(300)	-
Foreign exchange differences, net	匯兌差額淨額		(21,674)	(3,960)
Operating profit before changes in working capital	營運資金變動前之經營利潤		936,020	876,856
Increase in inventories	存貨增加		(176,530)	(213,699)
Decrease/(increase) in trade and bills receivables	貿易應收款及應收票據減少/(增加)		66,155	(152,627)
(Increase)/decrease in prepayments, other receivables and other assets	預付款、其他應收款及其他資產(增加)/減少		(66,682)	79,625
(Increase)/decrease in pledged deposits and restricted deposit	已抵押存款及有限制存款(增加)/減少		(47,695)	1,982
Increase/(decrease) in trade and bills payables	貿易應付款及應付票據增加/(減少)		319,167	(72,236)
Increase in other payables and accruals	其他應付款及應計項目增加		131,056	249,008
Cash generated from operations	經營產生之現金		1,161,491	768,909
Interest paid	已付利息		(97,156)	(134,749)
PRC Enterprise Income Tax paid	已付中國企業所得稅		(97,780)	(93,702)
Net cash generated from operating activities	經營活動產生之現金淨額		966,555	540,458

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合現金流量表

	Note 附註	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Cash flows from investing activities			
Interest received	6	16,091	9,710
Committed dividend received from a joint venture		50,000	-
Purchase of items of property, plant and equipment		(349,101)	(499,297)
Deposits paid for purchase of items of property, plant and equipment		(112,777)	(128,546)
Proceeds from disposal of items of property, plant and equipment		14,016	1,468
Addition to prepayments, other receivables and other assets		(15,676)	(13,890)
Additions to leasehold land		(14,384)	-
Additions to other intangible assets		(1,545)	(2,567)
Investment in a joint venture		(8,280)	-
Proceeds from disposal of a joint venture		874,804	-
Proceeds from disposal of an associate		25,000	-
Acquisition of subsidiaries		-	(20,646)
Net cash generated from/(used in) investing activities		478,148	(653,768)
Cash flows from financing activities			
New bank loans raised		1,502,028	1,971,605
Repayments of bank loans		(1,325,813)	(1,811,933)
Repayments of lease liabilities		(13,203)	(10,346)
Interest paid on lease liabilities		(1,907)	(1,129)
Repurchase of own shares		(128,480)	(35,570)
Dividends paid		(208,649)	(141,128)
Acquisition of a non-controlling interest		-	(131,898)
Capital contributions from non-controlling interests		-	57,080
Net cash used in financing activities		(176,024)	(103,319)
Net increase/(decrease) in cash and cash equivalents		1,268,679	(216,629)
Cash and cash equivalents at beginning of year		678,514	893,877
Effect of foreign exchange rate changes, net		(2,963)	1,266
Cash and cash equivalents at end of year		1,944,230	678,514
Analysis of balances of cash and cash equivalents			
Cash and bank balances	23	1,052,899	90,325
Deposits in COFCO Finance Company Limited ("COFCO Finance"), a subsidiary of COFCO Corporation	23	891,331	588,189
Cash and cash equivalents as stated in the consolidated statement of financial position and the consolidated statement of cash flows		1,944,230	678,514

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

The accompanying notes form part of these consolidated financial statements.

附註構成該等綜合財務報表的一部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2020
截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

1. Corporate and information of the Group

CPMC Holdings Limited (the “Company”) is a limited liability company incorporated in Hong Kong. On 16 November 2009, the Company listed its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office of the Company is located at 33/F., COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the manufacture of packaging products, including beverage cans, food cans, aerosol cans, metal caps, printed and coated tinplates, steel barrels, round and square shaped cans and plastic packaging in the People’s Republic of China (the “PRC”).

As at 31 December 2020, (i) COFCO (Hong Kong) Limited (“COFCO (Hong Kong)”) beneficially held approximately 29.70% (2019: 28.48%) of the issued shares of the Company, being the single largest shareholder of the Company; and (ii) 奧瑞金科技股份有限公司 (ORG Technology Co. Ltd.*) (“ORG Technology”) beneficially held approximately 24.40% (2019: 23.40%) of the issued shares of the Company, being the second largest shareholder of the Company. COFCO (Hong Kong) is a company incorporated in Hong Kong and ultimately held by COFCO Corporation (“COFCO”), a state-owned enterprise registered in the PRC. ORG technology is a company established in the PRC and listed on the Shenzhen Stock Exchange.

1. 公司及集團資料

中糧包裝控股有限公司(「本公司」)是一家在香港註冊成立的有限責任公司。本公司的股份於2009年11月16日在香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊辦公地址為香港銅鑼灣告士打道262號中糧大廈33樓。

本公司乃一家投資控股公司。本公司及其附屬公司(統稱「本集團」)主要在中華人民共和國(「中國」)從事製造包裝產品,包括飲料罐、食品罐、氣霧罐、金屬蓋、印塗鐵、鋼桶、方圓罐及塑膠包裝。

於2020年12月31日, (i) 中糧集團(香港)有限公司(「中糧(香港)」)實益持有本公司約29.70% (2019年: 28.48%)之已發行股份, 為本公司之最大單一股東; 及(ii) 奧瑞金科技股份有限公司(「奧瑞金科技」)實益持有本公司約24.40% (2019年: 23.40%)之已發行股份, 為本公司之第二大股東。中糧(香港)為在香港註冊成立之公司, 並由中糧集團有限公司(「中糧」)最終持有。中糧為於中國註冊之國有企業。奧瑞金科技為在中國成立及於深圳證券交易所上市之公司。

* For identification purposes only

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合財務報表附註

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

1. Corporate and information of the Group (continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

1. 公司及集團資料(續)

附屬公司資料

本公司的主要附屬公司的詳情如下：

Name 名稱	Place of registration and principal place of business 註冊及主要經營地點	Issued ordinary/registered share capital 已發行普通股/已註冊股本	Percentage of equity attributable to the Company 本公司所佔權益百分比		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Hangzhou COFCO-MC packaging Co., Ltd.* 杭州中糧美特容器有限公司*	PRC 中國	US\$30,050,000 30,050,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Guangzhou Panyu MCP Industries Ltd.* 廣州番禺美特包裝有限公司*	PRC 中國	US\$30,290,000 30,290,000美元	-	100	Manufacture of metal and plastic packaging 金屬和塑膠包裝生產
Wuxi Huapeng Closures Co., Ltd.** 無錫華鵬瓶蓋有限公司**	PRC 中國	US\$25,000,000 25,000,000美元	-	84.48	Manufacture of metal packaging 金屬包裝生產
Hangzhou CPMC Co., Ltd.* 杭州中糧包裝有限公司*	PRC 中國	US\$64,500,000 64,500,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Tianjin CPMC Co., Ltd.* 天津中糧包裝有限公司*	PRC 中國	US\$50,000,000 50,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
CPMC (Chengdu) Co., Ltd.* 中糧包裝(成都)有限公司*	PRC 中國	US\$43,300,000 43,300,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Zhangjiagang CPMC Co., Ltd.*** 張家港中糧包裝有限公司***	PRC 中國	RMB17,000,000 人民幣17,000,000元	-	100	Manufacture of metal packaging 金屬包裝生產
CPMC (Wuhan) Co., Ltd.* 中糧包裝(武漢)有限公司*	PRC 中國	US\$30,000,000 30,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Hangzhou CPMC Canmaking Co., Ltd.* 杭州中糧製罐有限公司*	PRC 中國	US\$39,750,000 39,750,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Shanghai Pinguan Plastic Industry Co., Ltd.** 上海品冠塑膠工業有限公司**	PRC 中國	US\$3,800,000 3,800,000美元	-	100	Manufacture of plastic packaging 塑膠包裝生產
CPMC (Kunshan) Co., Ltd.* 中糧包裝(昆山)有限公司*	PRC 中國	US\$24,200,000 24,200,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
CPMC (Zhenjiang) Co., Ltd.* 中糧包裝(鎮江)有限公司*	PRC 中國	US\$32,750,000 32,750,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Guangzhou CPMC Canmaking Co., Ltd.* 廣州中糧製罐有限公司*	PRC 中國	US\$89,052,877 89,052,877美元	-	100	Manufacture of metal packaging 金屬包裝生產

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

1. Corporate and information of the Group (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

1. 公司及集團資料(續)

附屬公司資料(續)

本公司的主要附屬公司的詳情如下：(續)

Name 名稱	Place of registration and principal place of business 註冊及主要經營地點	Issued ordinary/registered share capital 已發行普通股/已註冊股本	Percentage of equity attributable to the Company 本公司所佔權益百分比		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Sino-Asia Package (Tianjin) Co., Ltd.** 環亞包裝(天津)有限公司**	PRC 中國	US\$10,000,000 10,000,000美元	-	100	Manufacture of plastic packaging 塑膠包裝生產
Sino-Asia Plastic Package (Zhongshan) Co., Ltd.** 中山環亞塑料包裝有限公司**	PRC 中國	US\$7,200,000 7,200,000美元	-	100	Manufacture of plastic packaging 塑膠包裝生產
Victoria Package (Suzhou) Co., Ltd.*** 蘇州維港包裝有限公司***	PRC 中國	RMB100,000,000 人民幣100,000,000元	-	100	Manufacture of plastic packaging 塑膠包裝生產
Weigang Packaging (Tianjin) Co., Ltd.** 維港包裝(天津)有限公司**	PRC 中國	US\$10,000,000 10,000,000美元	-	100	Manufacture of plastic packaging 塑膠包裝生產
CPMC (Tianjin) Barrel Co., Ltd.* 天津中糧製桶有限公司*	PRC 中國	US\$15,000,000 15,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Nanning CPMC Canmaking Co., Ltd.** 南寧中糧製罐有限公司**	PRC 中國	US\$30,000,000 30,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
CPMC Investment Co., Ltd.* ("CPMC Investment") 中糧包裝投資有限公司* (「中糧包裝投資」)	PRC 中國	US\$404,090,000 404,090,000美元	-	100	Investment holding 投資控股
CPMC (Guangzhou) Plastic Package Co., Ltd.* 中糧包裝(廣州)塑膠有限公司*	PRC 中國	US\$10,000,000 10,000,000美元	-	100	Manufacture of plastic packaging 塑膠包裝生產
Harbin CPMC Co., Ltd (Formerly known as "FC Packaging (Harbin) Limited")* 中糧包裝(哈爾濱)有限公司(前稱「永富容器(哈爾濱)有限公司」)*	PRC 中國	RMB80,800,000 人民幣80,800,000元	-	100	Manufacture of metal packaging 金屬包裝生產
Fujian FC Packaging Limited 福建永富容器有限公司	PRC 中國	US\$3,000,000 3,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
CPMC (Guangzhou) Barrel Co., Ltd.* 廣州中糧製桶有限公司*	PRC 中國	US\$8,000,000 8,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Weigang Packaging (Suqian) Co. Ltd.** 宿遷維港包裝有限公司**	PRC 中國	US\$6,000,000 6,000,000美元	-	100	Manufacture of plastic packaging 塑膠包裝生產

1. Corporate and information of the Group (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Name 名稱	Place of registration and principal place of business 註冊及主要經營地點	Issued ordinary/registered share capital 已發行普通股/已註冊股本	Percentage of equity attributable to the Company 本公司所佔權益百分比		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Suzhou CPMC Co., Ltd.* 中糧包裝(蘇州)有限公司*	PRC 中國	US\$5,000,000 5,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Xiamen CPMC Co., Ltd.** 中糧包裝(廈門)有限公司**	PRC 中國	RMB12,000,000 人民幣12,000,000元	-	60	Manufacture of metal packaging 金屬包裝生產
Fujian CPMC Canmaking Co., Ltd.* 福建中糧製罐有限公司*	PRC 中國	US\$42,000,000 42,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
Harvest Epoch Packaging Co., Ltd.** 浙江紀鴻包裝有限公司**	PRC 中國	US\$80,000,000 80,000,000美元	-	68.8	Manufacture of metal packaging 金屬包裝生產
Chengdu CPMC Canmaking Co., Ltd.* 成都中糧製罐有限公司*	PRC 中國	RMB250,000,000 人民幣250,000,000元	-	100	Manufacture of metal packaging 金屬包裝生產
CPMC (Jiaxing) Barrel Co., Ltd.* 嘉興中糧製桶有限公司*	PRC 中國	US\$10,000,000 10,000,000美元	-	100	Manufacture of metal packaging 金屬包裝生產
CPMC (Weifang) Barrel Co., Ltd.*** 濰坊中糧製桶有限公司***	PRC 中國	RMB64,520,000 人民幣64,520,000元	-	100	Manufacture of metal packaging 金屬包裝生產
Benepack Belgium NV*	Belgium 比利時	EUR15,000,000 15,000,000歐元	-	50.9	Manufacture of light metal packaging 輕金屬包裝生產
Heilongjiang MC Packaging Co., Ltd.* 黑龍江美特容器有限公司*	PRC 中國	RMB25,000,000 人民幣25,000,000元	-	100	Manufacture of metal packaging 金屬包裝生產
Chengdu Weigang Packaging Co., Ltd.* 成都維港包裝有限公司*	PRC 中國	RMB13,000,000 人民幣13,000,000元	-	100	Manufacture of plastic packaging 塑膠包裝生產
CPMC (Chongqing) Co., Ltd.* 中糧包裝(重慶)有限公司*	PRC 中國	RMB56,000,000 人民幣56,000,000元	-	100	Manufacture of metal and plastic packaging 金屬和塑膠包裝生產

* Wholly foreign-owned enterprises

** Sino-foreign equity joint ventures

*** Domestic-funded enterprises

1. 公司及集團資料(續)

附屬公司資料(續)

本公司的主要附屬公司的詳情如下:(續)

The English names of all the above companies are direct transliterations of their Chinese registered names.

上述所有公司的英文名稱乃其中文註冊名稱的直接字譯。

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

1. Corporate and information of the Group (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in excessive length in the particulars.

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosure required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost basis, except for certain derivative financial instruments which have been measured at fair value. These consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

1. 公司及集團資料(續)

附屬公司資料(續)

本公司的主要附屬公司的詳情如下：(續)

上表載列董事認為主要影響本年度業績或構成本集團大部份淨資產的本公司附屬公司。董事認為，提供其他附屬公司的詳情會使篇幅冗長。

2.1 編製基準

該等綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(包括全部適用之香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)及香港公認會計原則和香港公司條例編製。就編製綜合財務報表而言，倘有關資料合理預期會影響主要用戶作出的決定，則有關資料被視為重大。此外，綜合財務報表亦包括香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例規定的適用披露。

除若干衍生金融工具以公平值計量外，綜合財務報表乃按歷史成本法編製。本綜合財務報表以人民幣(「人民幣」)列值，且除另有說明外，所有價值均約整至最接近的千位(人民幣千元)。

綜合基準

綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至2020年12月31日止年度的財務報表。附屬公司為本公司直接或間接控制之實體(包括結構性實體)。當本集團對參與被投資公司業務的浮動回報承擔風險或享有權利以及能透過對被投資公司之權力(即目前賦予本集團能力以主導被投資公司相關活動之現有權利)影響該等回報時，即取得控制權。

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent and uniform accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合基準(續)

當本公司直接或間接擁有被投資公司少於多數的投票或同類權利，本集團於評估其是否對被投資公司擁有控制權時考慮所有相關因素及情況，其中包括：

- (a) 與被投資公司的其他投票權持有人的合約安排；
- (b) 因其他合約安排產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司之財務報表乃於與本公司相同之報告期間按相同會計政策編製。附屬公司的業績自本集團取得控制權之日起綜合入賬，並至該控制權終止當日為止一直綜合入賬。

損益及其他全面收益之各個組成部分歸屬於本公司之擁有人及非控股權益，即使此舉會導致非控股權益有虧絀結餘。所有有關本集團各成員公司間之交易之集團內公司間資產及負債、權益、收入、開支及現金流量會於綜合入賬時悉數對銷。

倘事實及情況顯示上文所述三項控制因素之其中一項或多項出現變動，本集團會重新評估其是否控制被投資公司。並無失去控制權之附屬公司擁有權權益變動以股本交易入賬。

倘本集團失去對任何附屬公司之控制權，則其撤銷確認(i)該附屬公司之資產(包括商譽)及負債、(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計匯兌差額；及確認(i)所收代價之公平值、(ii)所保留任何投資之公平值及(iii)損益中任何因此產生之盈餘或虧損。先前於其他全面收益內確認之本集團應佔部分重新分類為損益或留存利潤(視何者屬適當)，基準與本集團直接出售相關資產或負債所需使用之基準相同。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.2 Changes in accounting policies and disclosures

The Group has adopted the Conceptual Framework for Financial Reporting 2018 and the following revised HKFRSs for the first time for the current year's consolidated financial statements.

Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendments to HKFRS 16	COVID 19-Related Rent Concessions
Amendments to HKAS 1 and HKAS 8	Definition of Material

Except for the amendments to HKFRSs mentioned below, the application of the Amendments to References to the Conceptual Framework in HKFRS Standards and the amendments to HKFRSs in the current year had no material impact on the Group's consolidated financial positions and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

2.2 會計政策及披露之變動

本集團已於本年度綜合財務報表首次採納2018年財務報告概念框架以及下列經修訂香港財務報告準則。

香港財務報告準則第3號之修訂本	業務的定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂本	利率基準改革
香港財務報告準則第16號之修訂本	與COVID-19相關的租金優惠
香港會計準則第1號及香港會計準則第8號之修訂本	重大的定義

除下文所述香港財務報告準則之修訂本外，就本年度應用香港財務報告準則中概念框架的提述的修訂本及經修訂香港財務報告準則對本集團於本年度及過往年度的綜合財務狀況及表現及／或載列於綜合財務報表的披露並無重大影響。

2.2 Changes in accounting policies and disclosures (continued)

Impacts on early application of Amendment to HKFRS 16 COVID-19-Related Rent Concessions

The Group has applied the amendment for the first time in the current year. The amendment introduces a new practical expedient for lessees to elect not to assess whether a COVID-19-related rent concession is a lease modification. The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 that meets all of the following conditions:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to other terms and conditions of the lease.

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying HKFRS 16 Leases if the changes were not a lease modification. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs. The application of the amendment had no impact to the opening retained profits at 1 January 2020.

Except for the amendments to HKFRS 16 early adopted in this year, the Group has not applied the new and revised HKFRSs, that have been issued but are not yet effective, in the current accounting period.

2.2 會計政策及披露之變動 (續)

提早應用香港財務報告準則第16號之修訂本與COVID-19相關的租金優惠的影響

本集團已於本年度首次應用該修訂。該修訂為承租人引進新的可行權宜方法，使其可選擇不評估與COVID-19相關的租金優惠是否為一項租賃修訂。該可行權宜方法僅適用於滿足以下所有條件由COVID-19直接產生的租金優惠：

- 租賃付款變動導致的租賃經修訂代價與緊接變動前的租賃代價大致相同或低於該代價；
- 租賃付款的任何減少僅會影響原定於2021年6月30日或之前到期的付款；及
- 租賃的其他條款及條件並無實質變動。

應用可行權宜方法將租金優惠導致的租賃付款變動列賬的承租人會以相同方式將應用香港財務報告準則第16號租賃的變動入賬(倘變動並非租賃修訂)。租賃付款的寬減或豁免被入賬列作可變租賃付款。相關租賃負債會作出調整以反映寬減或豁免之金額，並會於該事件發生期間在損益內確認相應調整。應用該修訂對2020年1月1日的期初留存利潤並無影響。

除本年度提早採納的香港財務報告準則第16號之修訂本外，本集團並無於本會計期間應用已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.3 Issued but not yet effective Hong Kong financial reporting standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in the consolidated financial statements.

HKFRS 17	Insurance Contracts and related Amendments ³
Amendments to HKFRS 3	Reference to the Conceptual Framework ²
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2 ¹

Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ³
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract ²
Amendments to HKFRSs 2018–2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41 ²

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並無於綜合財務報表應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第17號	保險合約及相關修訂 ³
香港財務報告準則第3號之修訂本	概念框架之提述 ²
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂本	利率基準改革—第二階段 ¹
香港財務報告準則第10號及香港會計準則第28號(2011年)之修訂本	投資者與其聯營公司或合營企業之間的資產出售或投入 ⁴
香港會計準則第1號之修訂本	將負債分類為流動或非流動 ³
香港會計準則第16號之修訂本	物業、廠房及設備—達至擬定用途前之所得款項 ²
香港會計準則第37號之修訂本	虧損合同—履行合同之成本 ²
香港財務報告準則2018年至2020年之修訂本	香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號相應闡釋範例及香港會計準則第41號之修訂本 ²

2.3 Issued but not yet effective Hong Kong financial reporting standards (continued)

- ¹ Effective for annual periods beginning on or after 1 January 2021
- ² Effective for annual periods beginning on or after 1 January 2022
- ³ Effective for annual periods beginning on or after 1 January 2023
- ⁴ Effective for annual periods beginning on or after a date to be determined

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 3 are intended to replace a reference to the previous Framework for the Preparation and Presentation of Financial Statements with a reference to the Conceptual Framework for Financial Reporting issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HKFRIC-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HKFRIC-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 January 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

- ¹ 於2021年1月1日或之後開始的年度期間生效
- ² 於2022年1月1日或之後開始的年度期間生效
- ³ 於2023年1月1日或之後開始的年度期間生效
- ⁴ 於待定日期或之後開始的年度期間生效

預期將適用於本集團之該等香港財務報告準則之進一步資料於下文載述。

香港財務報告準則第3號之修訂本旨在以2018年6月頒佈的引用財務報告概念框架取代引用先前財務報告編製及呈列框架，而毋須大幅度改變其規定。該等修訂本亦就香港財務報告準則第3號就實體引用概念框架以釐定構成資產或負債之內容之確認原則增設一項例外情況。該例外情況規定，對於可能屬於香港會計準則第37號或香港財務報告詮釋委員會一詮釋第21號範圍內的負債及或然負債而言，倘該等負債屬單獨產生而非於企業合併中產生，則應用香港財務報告準則第3號的實體應分別參考香港會計準則第37號或香港財務報告詮釋委員會一詮釋第21號，而非概念框架。此外，該等修訂本澄清或然資產於收購日期不符合確認條件。本集團預計自2022年1月1日起提前採納該等修訂本。由於該等修訂本提前適用於收購日期為首次應用日期或之後的業務合併，因此本集團於過渡日期將不會受該等修訂本的影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.3 Issued but not yet effective Hong Kong financial reporting standards (continued)

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate (“RFR”). The Phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity’s financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 and shall be applied retrospectively, but entities are not required to restate the comparative information. The amendments are not expected to have any significant impact on the Group’s consolidated financial statements.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

當現有利率基準被可替代無風險利率(「無風險利率」)替代方案替代時，香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂本解決先前影響財務報告之修訂本未處理的問題。第二階段之修訂本提供對於釐定金融資產及負債之合約現金流量之基準之變動進行會計處理時無需調整賬面值而更新實際利率的可行權宜方法，前提為該變動為利率基準改革之直接後果且釐定合約現金流量的新基準於經濟上等同於緊接變動前的先前基準。此外，該等修訂本允許利率基準改革所規定對對沖指定及對沖文件進行更改，而不會中斷對沖關係。過渡期間可能產生的任何損益均通過香港財務報告準則第9號的正常規定進行處理，以衡量及確認對沖無效性。倘無風險利率被指定為風險組成部分時，該等修訂本亦暫時減輕了實體必須滿足可單獨識別的要求的風險。倘實體合理地預期無風險利率風險組成部分於未來24個月內將變得可單獨識別，則該減免允許實體於指定對沖後假定已滿足可單獨識別之規定。此外，該等修訂本亦規定實體須披露額外資料，以使財務報表的使用者能夠了解利率基準改革對實體的金融工具及風險管理策略的影響。該等修訂本於2021年1月1日或之後開始的年度期間生效，並應追溯應用，但實體毋須重述比較資料。該等修訂本預期不會對本集團綜合財務報表造成任何重大影響。

2.3 Issued but not yet effective Hong Kong financial reporting standards (continued)

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to HKAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港財務報告準則第10號及香港會計準則第28號(2011年)之修訂本針對香港財務報告準則第10號及香港會計準則第28號(2011年)之間有關投資者與其聯營公司之間資產出售或投入兩者規定之不一致情況。該等修訂本規定，當投資者與其聯營公司或合營公司之間的資產出售或投入構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務之資產時，由該交易產生之收益或虧損於該投資者之損益內確認，惟僅以不相關投資者於該聯營公司或合營公司之權益為限。該等修訂本已前瞻應用。香港會計師公會已於2016年1月剔除香港財務報告準則第10號及香港會計準則第28號(2011年)之修訂本的以往強制生效日期，而新的強制生效日期將於對聯營公司及合營公司的會計處理完成更廣泛的檢討後釐定。然而，該等修訂本現時可供採納。

香港會計準則第1號之修訂本澄清將負債分類為流動或非流動的規定。該等修訂本指明，倘實體延遲償還負債的權利受限於實體符合特定條件，則倘該實體符合當日之條件，其有權於報告期末延遲償還負債。負債的分類不受該實體行使其延遲償還負債權利的可能性的影響。該等修訂本亦澄清被視為償還負債的情況。該等修訂本於2023年1月1日或之後開始的年度期間生效，並應追溯應用。允許提早應用。該等修訂本預期不會對本集團的財務報表造成任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.3 Issued but not yet effective Hong Kong financial reporting standards (continued)

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港會計準則第16號之修訂本禁止實體從物業、機器及設備的成本中扣除資產達到管理層預定的可使用狀態(包括位置與條件)過程中產生的全部出售所得款項。實體必須將該等資產的出售所得款項計入當期損益。該等修訂本於2022年1月1日或之後開始的年度期間生效，並僅追溯應用實體於首次採用該等修訂本的財務報表所呈列的最早期間的期初或之後可供使用的物業、機器及設備項目。允許提前批准。該等修訂本預期不會對本集團的綜合財務報表造成任何重大影響。

香港會計準則第37號之修訂本澄清，就根據香港會計準則第37號評估合約是否屬虧損性而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的增量成本(例如直接勞工及材料)及與履行合約直接相關的其他成本分配(例如分配履行合約所用物業、機器及設備項目的折舊開支以及合約管理及監管成本)。一般及行政成本與合約並無直接關連，除非根據合約明確向對手方收取費用，否則不包括在內。該等修訂本於2022年1月1日或之後開始的年度期間生效，並適用於實體於其首次應用修訂本的年度報告期初尚未履行其所有責任的合約。允許提早應用。初步應用該等修訂本的任何累積影響將確認為首次應用日期的期初權益的調整，而毋須重列比較資料。該等修訂本預期不會對本集團的綜合財務報表造成任何重大影響。

2.3 Issued but not yet effective Hong Kong financial reporting standards (continued)

Annual Improvements to HKFRSs 2018–2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 9 Financial Instruments: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's consolidated financial statements.
- HKFRS 16 Leases: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 1.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港財務報告準則2018年至2020年之年度改進載列香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號隨附之闡釋範例及香港會計準則第41號之修訂本。預期將適用於本集團之修訂本之詳情如下：

- 香港財務報告準則第9號金融工具：澄清於實體評估是否新訂或經修改金融負債的條款與原金融負債的條款存在實質差異時所包含的費用。該等費用僅包括借款人與貸款人之間已支付或收取的費用，包括借款人或貸款人代表其他方支付或收取的費用。實體將有關修訂本應用於實體首次應用有關修訂本的年度報告期開始或之後修改或交換的金融負債。該等修訂本自2022年1月1日或之後開始的年度期間生效。允許提早應用。預期該等修訂本不會對本集團的綜合財務報表造成任何重大影響。
- 香港財務報告準則第16號租賃：刪除香港財務報告準則第16號隨附之闡釋範例13中有關租賃物業裝修的出租人付款說明。此舉消除於應用香港財務報告準則第1號有關租賃激勵措施處理方面的潛在困惑。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies

Investments in an associate and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

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

The Group's investments in an associate and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of an associate and a joint venture is included in the consolidated statement of profit or loss and consolidated statement of comprehensive income respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate or a joint venture are eliminated to the extent of the Group's investments in an associate or a joint venture, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of an associate or a joint venture is included as part of the Group's investments in an associate or a joint venture.

2.4 主要會計政策概要

於聯營公司及合營企業的投資

聯營公司為本集團於其一般不少於20%股本投票權中擁有長期權益的實體，且可對其發揮重大影響力。重大影響力指的是參與投資對象的財務和經營決策的權力，但不是控制或共同控制這些決策的權力。

合營企業指一項共同安排，對安排擁有共同控制權之訂約方據此對合營企業資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有之控制，共同控制僅在相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

本集團於聯營公司及合營企業的投資乃按本集團根據權益會計法應佔資產淨值減任何減值虧損於綜合財務狀況表列賬。作出調整以符合可能存在的任何不同會計政策。

本集團應佔聯營公司及合營企業收購後業績及其他全面收益分別計入綜合損益表及綜合全面收益表。此外，倘於聯營公司或合營企業的權益直接確認變動，則本集團會於綜合權益變動表確認其應佔任何變動(倘適用)。本集團與其聯營公司或合營企業間交易的未變現收益及虧損將以本集團於聯營公司或合營企業的投資為限對銷，惟倘未變現虧損證明所轉讓資產減值則除外。收購聯營公司或合營企業所產生的商譽已計入作本集團於聯營公司或合營企業投資的一部份。

2.4 Summary of significant accounting policies (continued)

Investments in an associate and joint ventures (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

2.4 主要會計政策概要(續)

於聯營公司及合營企業的投資(續)

倘於聯營公司之投資變成於合營公司之投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。在所有其他情況下，失去對聯營公司之重大影響力或對合營公司之共同控制權後，本集團按其公平值計量及確認任何剩餘投資。聯營公司或合營公司於失去重大影響力或共同控制權時的賬面值與剩餘投資及出售所得款項的公平值之間的任何差額乃於損益內確認。

當聯營公司或合營企業的投資歸類為持作出售時，則按香港財務報告準則第5號持作出售及已終止營運的非流動資產入賬。

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公平值計算，該公平值為本集團轉讓的資產於收購日期的公平值、本集團對被收購方之前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇以公平值或按比例分佔被收購方可識別淨資產計量屬於現時所有權權益並賦予其持有人在清盤時按比例分佔被收購方淨資產的非控股股東權益。所有非控股權益的其他組成部份按公平值計量。收購相關成本於產生時支銷。

當所收購的一組活動及資產包括一項資源投入及一項實質過程，而兩者對創造產出的能力有重大貢獻，本集團認定其已收購一項業務。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將收購的資產及承接的負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Business combinations and goodwill (continued)

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or group of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

倘業務合併分階段進行，先前持有的股權乃按其於收購日期的公平值重新計量，而任何帶來的收益或虧損將於損益確認。

將由收購方轉讓的任何或然代價於收購日期按公平值確認。被分類為資產或負債的或然代價按公平值計量，公平值變動則於損益確認。分類為權益的或然代價不會被重新計量，而其後結算將於權益內入賬。

商譽起初按成本計量，即已轉讓總代價、已確認非控股權益及本集團先前由持有的被收購方股權的公平值總額，超逾與所收購可識別資產淨值及所承擔負債的差額。如總代價及其他項目的總額低於所收購資產淨值的公平值，於重新評估後其差額將於損益確認為議價收購收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行檢討。本集團於12月31日進行商譽之年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或各組現金產生單位，而無論本集團其他資產或負債是否已分配予該等單位或該組單位。

減值乃通過評估與商譽有關的現金產生單位(或一組現金產生單位)的可收回金額釐定。當現金產生單位(或一組現金產生單位)的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於未來期間撥回。

2.4 Summary of significant accounting policies (continued)

Business combinations and goodwill (continued)

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures its derivative and non-derivative financial instruments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 主要會計政策概要(續)

業務合併及商譽(續)

倘商譽已被分配至一個現金產生單位(或一組現金產生單位)而該單位的部份業務已出售,則在釐定出售帶來的收益或虧損時,與所出售業務相關的商譽會計入該業務的賬面值。在該等情況下出售的商譽,乃根據所出售業務的相對價值及現金產生單位的保留份額進行計量。

公平值計量

本集團於各報告期末按公平值計量其衍生及非衍生金融工具。公平值為於計量日期市場參與者間進行的有序交易中出售資產所收取或轉移負債所支付的價格。公平值計量乃基於出售資產或轉移負債的交易於資產或負債的主要市場進行,或在未有主要市場的情況下,則於資產或負債的最有利市場進行的假設。主要或最有利市場必須為本集團可進入的市場。資產或負債的公平值乃基於市場參與者為資產或負債定價時所用的假設計量(假設市場參與者以符合彼等最佳經濟利益的方式行事)。

非金融資產的公平值計量須計及市場參與者能自最大限度使用該資產達致最佳用途,或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者,所產生的經濟效益。

本集團使用適用於不同情況且具備足夠可用數據以計量公平值的估值方法,以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.4 主要會計政策概要(續)

公平值計量(續)

於財務報表計量或披露公平值的所有資產及負債，均根據對公平值計量整體而言屬重大的最低級別輸入數據在下列公平值等級內進分類：

第1級 – 基於相同資產或負債於活躍市場的報價(未經調整)

第2級 – 基於對公平值計量而言屬重大的可觀察(直接或間接)最低級別輸入數據的估值方法

第3級 – 基於對公平值計量而言屬重大的不可觀察最低級別輸入數據的估值方法

就經常於綜合財務報表確認的資產及負債而言，本集團於各報告期末透過(按對公平值計量整體而言屬重大的最低級別輸入數據)重新評估分類，釐定等級中各個級別間是否出現轉移。

2.4 Summary of significant accounting policies (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value-in-use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the consolidated statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated statement of profit or loss in the period in which it arises.

2.4 主要會計政策概要(續)

非金融資產減值

倘若出現減值跡象或需要對資產(存貨、遞延稅項資產及金融資產除外)進行年度減值測試，則會估計該資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值與其公平值減出售成本的較高者，並就個別資產釐定，除非資產並無產生在很大程度上可獨立於其他資產或資產類別的現金流入。在此情況下，將就資產所屬現金產生單位釐定可收回金額。

減值虧損僅於資產賬面值超逾可收回金額時確認。於評估使用價值時，估計未來現金流量以可反映現時市場對貨幣時間價值及資產特定風險評估的稅前貼現率貼現至現值。減值虧損於其於與已減值資產功能相符之開支類別產生之期間自綜合損益表扣除。

於各報告期末均評估是否有跡象顯示過往已確認的減值虧損不再存在或有所減少。若出現上述跡象，則估計可收回金額。資產(商譽除外)過往已確認的減值虧損僅於釐定資產可收回金額所用的估計有變時撥回，惟金額不會超過假設過往年度並無就該項資產確認減值虧損而應有的賬面值(已扣除折舊／攤銷)。減值虧損撥回於產生期間計入綜合損益表。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and 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 of a parent of the Group.

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group 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 (if the Group is itself such a plan) and the sponsoring employers of the post-employment benefit plan;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);

2.4 主要會計政策概要(續)

關連人士

下列各人士視為與本集團有關聯：

- (a) 為一名人士或該名人士的近親，而該人士：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本集團一間母公司的主要管理層成員。

或

- (b) 為一間實體而任何下列條件適用：
 - (i) 該實體及本集團為同一集團的成員公司；
 - (ii) 一間實體為另一間實體的聯營公司或合營企業(或另一間實體的母公司、附屬公司或同系附屬公司)；
 - (iii) 該實體及本集團為相同的第三方的合營企業；
 - (iv) 一間實體為一間第三方實體的合營企業，而另一間實體為該第三方實體的聯營公司；
 - (v) 該實體為本集團或與本集團有關的實體的僱員福利退休福利計劃(倘本集團本身即為有關計劃)及退休福利計劃的贊助僱主；
 - (vi) 該實體由(a)項所述人士控制或共同控制；

2.4 Summary of significant accounting policies (continued)

Related parties (continued)

- (b) the party is an entity where any of the following conditions applies: (continued)
- (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); and
- (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 parent of the Group.

Property, plant and equipment and depreciation

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

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life, taking into account its estimated residual value of 10%. The estimated useful lives are as follows:

Buildings	20 to 30 years
Leasehold improvements	3 to 5 years
Machinery and equipment	12 to 20 years
Vehicles	5 years
Electronic equipment, office equipment and fixtures	5 years

2.4 主要會計政策概要(續)

關連人士(續)

- (b) 為一間實體而任何下列條件適用：(續)
- (vii) (a)(i)項所述的人士對該實體具有重大影響力或為該實體(或該實體的母公司)的主要管理層成員；及
- (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供管理要員服務。

物業、廠房及設備與折舊

物業、廠房及設備(在建工程除外)按成本減累計折舊及任何減值虧損入賬。物業、廠房及設備項目的成本包括其購買價及任何使資產達致擬定用途運作狀況及地點而直接應計的成本。

物業、廠房及設備項目投入運作後產生的開支，例如維修保養開支，一般於產生期間自綜合損益表扣除。倘達到確認標準，則重大檢查的開支會於資產賬面值中資本化作為替換。倘須定期替換大部份物業、廠房及設備，則本集團會將該等部份確認為有特定可使用年期的個別資產及相應地予以折舊。

折舊乃於各項物業、廠房及設備的估計可使用年期內以直線法將其成本撇銷至剩餘價值計算得出(計及其估計剩餘價值為10%)。估計可使用年期如下：

樓宇	20年至30年
租賃物業裝修	3年至5年
機器及設備	12年至20年
運輸工具	5年
電子設備、辦公設備及裝置	5年

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Property, plant and equipment and depreciation (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each reporting period.

An item of property, plant and equipment, including any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the consolidated statement of profit or loss in the year the asset is derecognised as the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents buildings, plants, machinery and production lines under construction, or renovation works in progress and is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least annually.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 主要會計政策概要(續)

物業、廠房及設備與折舊(續)

倘一項物業、廠房及設備各部份擁有不同的可使用年期，則該項物業、廠房及設備的成本將按合理基礎於各部份之間予以分配，而各部份將個別折舊。剩餘價值、可使用年期及折舊方法最少於各報告期末進行一次檢討及於適當時作出調整。

物業、廠房及設備包括任何經初始確認的主要部份於出售或預期日後使用或出售不會有任何經濟利益時終止確認。於終止確認資產當年的綜合損益表確認的出售或棄用盈虧指有關資產的出售所得款項淨額與賬面值之差額。

在建工程指正在建設的樓宇、廠房、機器及生產線，或正在進行的裝修，按成本減任何減值虧損入賬而不作折舊。成本包括施工期間的工程直接成本及有關借貸資金的資本化借貸成本。在建工程於落成可用時獲重新分類至物業、廠房及設備的適當類別。

無形資產(商譽除外)

個別收購的無形資產於初始確認時按成本計量。業務合併之中收購無形資產的成本乃該資產於收購日期的公平值。無形資產的可使用年期評估為有限或無限。可使用年期有限的無形資產隨後於可使用年期內攤銷，並評估是否有跡象顯示無形資產可能出現減值。可使用年期有限的無形資產的攤銷年期及攤銷方法至少每年進行審閱。

每年個別或按現金產生單位對可使用年期為無限之無形資產進行減值測試。此等無形資產不予攤銷。可使用年期為無限之無形資產之可使用年期會每年檢討，以釐定評定為無限之年期是否繼續有證據支持。倘沒有，評定為無限之可使用年期改為有限按將來適用法入賬。

2.4 Summary of significant accounting policies (continued)

Intangible assets (other than goodwill) (continued)

Patents and licences

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 to 15 years.

Research and development costs

All research costs are charged to the consolidated statement of profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Computer software

Acquired computer software licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 3 to 8 years.

Customer relationship

Customer relationship represents the fair value attributable to the customer base or existing contractual bids with customers acquired as a result of business combination.

Leases

The Group assesses at contract inception whether a 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.4 主要會計政策概要(續)

無形資產(商譽除外)(續)

專利及許可

購買專利及許可乃以成本減去任何減值虧損列賬，並按其估計可使用年期(10至15年)以直線法攤銷。

研發成本

所有研究成本於產生時自綜合損益表扣除。

開發新產品的項目產生的支出僅當本集團能顯示下列各項，方予資本化及遞延：完成該項無形資產使其可供使用或出售在技術上的可行性、其完成的意向及使用或出售該資產的能力、該資產日後如何產生經濟利益、是否有資源可以完成該項目，以及在開發過程中是否可以可靠地計量該項支出。不符合該等準則的產品開發支出在產生時支銷。

電腦軟件

購買電腦軟件牌照乃以成本減去任何減值虧損列賬，並按其估計可使用年期(3至8年)以直線法攤銷。

客戶關係

客戶關係指因業務合併導致的客戶基礎或與所收購客戶的現有合約投標應佔的公平值。

租賃

本集團於合同開始時評估合同是否為或包含租賃。倘合同為換取代價而授予在一段時期內已識別資產之使用控制權，則該合同為租賃或包含租賃。

本集團作為承租人

本集團對所有租賃(惟短期租賃除外)採取單一確認及計量方法。本集團確認租賃負債以作出租賃款項，而使用權資產指使用相關資產的權利。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Leases (continued)

Group as a lessee (continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	50 years
Leased properties	2 to 20 years
Machineries	10 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(a) 使用權資產

於租賃開始日期(即相關資產可供使用之日)確認使用權資產。使用權資產按成本減累計折舊及任何減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產成本包括已確認租賃負債款項、已產生的初始直接成本及於開始日期或之前作出的租賃付款減任何已收取租賃優惠。使用權資產按租期及資產估計可使用年期(以較短者為準)以直線法計提折舊如下：

租賃土地	50年
租賃物業	2至20年
機器	10年

倘於租期結束時租賃資產的擁有權轉移至本集團或成本反映購買選擇權的行使，折舊則根據資產的估計可使用年期計算。

2.4 Summary of significant accounting policies (continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

(b) 租賃負債

於租賃開始日期按租賃期內將作出的租賃付款現值確認租賃負債。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、取決於指數或利率的可變租賃款項以及預期根據剩餘價值擔保支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及支付終止租賃的罰款(倘租賃條款反映本集團行使選擇權終止租賃)。並非取決於指數或利率的可變租賃付款在出現導致付款的事件或條件所發生期間內確認為開支。

於計算租賃付款的現值時，因租賃中所隱含的利率不易確定，則本集團於租賃開始日期使用增量借貸利率。於開始日期後，租賃負債金額的增加反映了利息的增長及減少租賃付款。此外，倘發生變更、租賃期限發生變化、租賃付款額發生變化(例如，因指數或利率變化而導致的未來租賃付款額發生變化)或購買相關資產的期權評估價值變化，則重新計量租賃負債的賬面值。

(c) 短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於其機器及設備的短期租賃(即自開始日期起計租期為12個月或以下，並且不包含購買選擇權的租賃)。低價值資產租賃的確認豁免亦應用於被視為辦公設備及筆記本電腦的低價值資產的租賃。短期租賃的租賃付款及低價值資產租賃於租期內按直線法確認為一項開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Leases (continued)

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. 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. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying assets to the lessee are accounted for as finance leases.

Investment and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

2.4 主要會計政策概要(續)

租賃(續)

本集團作為出租人

當本集團作為出租人時，其於租賃開始(或於租賃修訂)時將各份租賃分類為經營租賃或融資租賃。

本集團並無轉移資產擁有權之絕大部分風險及附帶利益之租賃，均分類為經營租賃。倘合約包含租賃及非租賃部分，本集團根據相對個別售價基準將合約代價分配至各部分。租金收入於租期內按直線法入賬並按其經營性質於損益中計入收益。磋商及安排經營租賃所產生之最初直接成本會加入租賃資產賬面值，並按與租金收入相同之基準於租期內確認。或然租金於賺取期間確認為收益。

將與相關資產所有權有關的絕大部分風險及回報轉移予承租人的租賃入賬列作融資租賃。

投資及其他金融資產

初始確認及計量

金融資產於初始確認時分為按公平值計入其他全面收益及按公平值計入損益，其後則按攤銷成本計量。

2.4 Summary of significant accounting policies (continued)

Investment and other financial assets (continued)

Initial recognition and measurement (continued)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out in "Revenue recognition" paragraph below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

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

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

初始確認及計量(續)

初始確認時的金融資產分類取決於金融資產的合約現金流量特徵以及本集團管理彼等的業務模式。除了並不包含顯著的融資組成部份或本集團已就此應用不就重大融資部份的影響作出調整的實務中的簡易方法之貿易應收款外，本集團初始按公平值加上(倘金融資產並非按公平值計入損益)交易成本計量金融資產。並不包含顯著的融資組成部份或本集團已就此應用實務中的簡易方法之貿易應收款，乃根據下文「收入確認」一段載述的政策按照香港財務報告準則第15號釐定之交易價格計量。

為使金融資產按攤銷成本或按公平值計入其他全面收益進行分類及計量，需就未償還本金產生純粹支付本金及利息(「純粹支付本金及利息」)現金流量。現金流量並非純粹本息付款的金融資產，不論其業務模式如何，均按公平值計入損益分類及計量。

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式確定現金流量是否來自收取合約現金流量、出售金融資產，或兩者兼有。按攤銷成本分類及計量的金融資產乃於旨在持有金融資產以收取合約現金流量的業務模式中持有，而按公平值計入其他全面收益分類及計量的金融資產乃於旨在持有金融資產以收取合約現金流量及出售的業務模式中持有。並未於上述業務模式中持有的金融資產按公平值計入損益分類及計量。

任何正常方式購買或出售金融資產應於交易日確認，即本集團承諾購買或出售資產的日期。正常方式購買或出售指遵循在相關市場中的規則或慣例在約定的時間內交付該項資產之金融資產購買或出售。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Other financial assets

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

For debt instruments that are stated at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the consolidated statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments that are measured at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost whilst fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value changes recognised in other comprehensive income is recycled to the consolidated statement of profit or loss.

2.4 主要會計政策概要(續)

其他金融資產

後續計量

金融資產的後續計量如下所述取決於其類別：

按攤銷成本列賬的金融資產(債務工具)

按攤銷成本列賬的債務工具其後使用實際利率法計量，並可能受減值影響。當資產終止確認、修訂或減值時，收益及虧損於綜合損益表中確認。

按公平值計入其他全面收益的金融資產(債務工具)

就按公平值計入其他全面收益計量的債務工具，其利息收入、外匯重估及減值虧損或撥回於綜合損益表內確認，並按與按攤銷成本列賬的金融資產相同方式計算，而公平值變動於其他全面收益確認。於終止確認時，於其他全面收益確認的累計公平值變動回流到綜合損益表內。

2.4 Summary of significant accounting policies (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

終止確認金融資產

金融資產(或倘適用,一項金融資產的一部份或一組同類金融資產的一部份)主要在下列情況下將予終止確認(即自本集團的綜合財務狀況表移除):

- 自資產收取現金流量的權利已屆滿;或
- 本集團已轉讓自資產收取現金流量的權利,或已根據一項「轉付」安排承擔責任,在無重大延誤情況下,將所得現金流量全數付予第三方;及本集團(a)已轉讓資產的絕大部份風險及回報,或(b)並無轉讓或保留資產的絕大部份風險及回報,但已轉讓資產的控制權。

當本集團已轉讓其自一項資產收取現金流量的權利或已訂立轉付安排,其評估其是否仍保留資產擁有權的風險及回報及保留程度。當其並未轉讓或保留資產的絕大部份風險及回報或轉移資產的控制權,本集團就其持續參與的程度持續確認所轉讓資產。在此情況下,本集團亦確認相關負債。已轉讓的資產及相關負債乃按反映本集團保留的權利及責任的基準計量。

本集團以擔保形式持續參與轉讓資產,乃以資產之原賬面值及本集團可能需要償還之最高代價兩者之較低者計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of each reporting period, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset is in default when contractual payments are past due over a long period of time. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

金融資產減值

本集團就並非按公平值計入損益持有的所有債務工具確認預期信貸虧損(「預期信貸虧損」)撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取並按原始實際利率的相若利率貼現的所有現金流量之間的差額釐定。預期現金流量將包括出售所持抵押品或合約條款所包含的其他信貸升級措施所得的現金流量。

一般方法

預期信貸虧損分兩個階段確認。就初始確認以來信貸風險並無大幅增加的信貨敞口而言，會為未來12個月可能發生的違約事件所產生的信貸虧損(12個月預期信貸虧損)計提預期信貸虧損撥備。就初始確認以來信貸風險大幅增加的信貨敞口而言，須就預期於敞口的餘下年期產生的信貸虧損計提虧損撥備，不論違約的時間(全期預期信貸虧損)。

於各報告期末，本集團評估相關金融工具的信用風險自初始確認後是否已顯著增加。進行評估時，本集團將金融工具於報告日期發生違約的風險與金融工具於初始確認當日發生違約的風險進行比較，並會考慮毋須付出不必要的成本或努力即可獲得的合理且可靠資料，包括過往及前瞻性資料。

本集團認為，倘合約付款逾期過久，則金融資產視作違約。然而，於若干情況下，在並無計及本集團持有的任何增信安排前，本集團亦可於內部或外部資料顯示本集團不大可能悉數收取尚未償還合約金額時將金融資產視作違約。倘無法合理預期收回收約現金流量，則撇銷金融資產。

2.4 Summary of significant accounting policies (continued)

Impairment of financial assets (continued)

General approach (continued)

Debt instruments that are measured at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below:

- Stage 1 Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs.
- Stage 2 Financial instruments for which credit risk has increased significantly since initial recognition but they are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs.
- Stage 3 Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方法(續)

按公平值計入其他全面收益計量的債務工具及按攤銷成本列賬的金融資產按一般方法進行減值，彼等於計量預期信貸虧損時分類為下列階段，惟貿易應收款則應用下文所述簡易方法：

- 第一階段 自初始確認以來信貸風險並無大幅增加及其虧損撥備按等同於12個月預期信貸虧損的金額計量的金融工具。
- 第二階段 自初始確認以來信貸風險大幅增加但並非信貸減值金融資產及其虧損撥備按等同於全期預期信貸虧損的金額計量的金融工具。
- 第三階段 於報告日期出現信貸減值(但並非購入或源生信貸減值)及其虧損撥備按等同於全期預期信貸虧損的金額計量的金融資產。

簡易方法

就並不包含顯著的融資組成部份或本集團已就此應用不就重大融資部份的影響作出調整的實務時的貿易應收款而言，本集團應用簡易方法計算預期信貸虧損。根據簡易方法，本集團並無追溯信貸風險變動，而是根據各報告期末的全期預期信貸虧損確認虧損撥備。本集團已設立根據其過往信貸虧損經驗計算的撥備矩陣，並按債務人的特定前瞻性因素及經濟環境作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables and accruals, and interest-bearing bank borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated statement of profit or loss.

2.4 主要會計政策概要(續)

金融負債

初始確認及計量

金融負債於初始確認時劃分為按公平值計入損益的金融負債、貸款及借貸、應付款，或劃分為指定作有效對沖的對沖工具的衍生工具(如適用)。

所有金融負債初步按公平值確認，而如屬貸款及借貸以及應付款，則扣除直接應佔交易成本。

本集團的金融負債包括貿易應付款及應付票據、其他應付款及應計項目及計息銀行借款。

後續計量

金融負債的後續計量取決於被等的分類進行，載列如下：

按攤銷成本列賬的金融負債

於初始確認後，金融負債隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認或按實際利率法進行攤銷程序時，其收益及虧損在綜合損益表內確認。

攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部份的費用或成本後計算。實際利率攤銷計入綜合損益表的財務費用內。

終止確認金融負債

金融負債於負債項下責任被解除或撤銷或屆滿時終止確認。

如一項現有金融負債被來自同一貸款方且大部份條款均有差別的另一項金融負債所取代，或現有負債的條款被大幅修改，此種置換或修改被視作終止確認原有負債並確認新負債處理，而兩者的賬面值差額於綜合損益表內確認。

2.4 Summary of significant accounting policies (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as commodity futures contracts, to hedge its price risk of raw materials. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of commodity purchase contracts that meet the definition of a derivative as defined by HKFRS 9 is recognised in the consolidated statement of profit or loss as cost of sales. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the consolidated statement of profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 主要會計政策概要(續)

金融工具的抵銷

當具法定權利抵銷確認金額及計劃以淨額結算，或同時變賣資產以清償負債，方可將金融資產和金融負債互相抵銷，並在綜合財務狀況表內以淨額列示。

衍生金融工具

初始確認及後續計量

本集團利用衍生金融工具(例如遠期商品合約)以對沖其原材料價格風險。該等衍生金融工具乃按訂立衍生工具合約當日的公平值作初始確認，其後則按公平值重新計量。倘公平值為正數，衍生工具列賬為資產，而倘公平值為負數時，則列賬為負債。

商品購買合約的公平值倘符合香港財務報告準則第9號所界定一項衍生工具的定義，則於綜合損益表內確認為銷售成本。根據本集團預期購買、銷售或使用要求就收取或交付一項非金融項目而訂立及持續持有的商品合約乃按成本持有。

衍生工具公平值變動產生的收益或虧損直接計入綜合損益表。

存貨

存貨按成本值與可變現淨值兩者的較低者列賬。若是在製產品及成品，成本值按加權平均成本法計算，包括直接物料成本、直接勞動成本及固定成本中的適當部份。可變現淨值乃根據估計售價扣除完成及出售時預期產生的任何估計成本計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, 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. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in "Impairment of financial assets" paragraph.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made on the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

2.4 主要會計政策概要(續)

現金及現金等價物

現金及現金等價物包括存放銀行現金及庫存現金、銀行及其他金融機構的活期存款及可隨時轉換為已知數額現金、價值變動風險極微及於收購後三個月內到期的短期高流動性投資。就綜合現金流量表而言，現金及現金等價物亦包括按要求償還的銀行透支，其成為本集團現金管理的組成部份。現金及現金等價物根據「金融資產減值」一段所載政策評估預期信貸虧損。

撥備

倘若因過往事件導致現有債務(法定或推定)及日後可能需要有資源流出以償還債務，則確認撥備，但必須能可靠估計有關債務金額。

倘若折現的影響重大，則確認的準備金額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而產生的折現現值增額，列作財務費用計入綜合損益表。

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅於損益外確認，不論是否於其他全面收益或權益內直接確認。

即期稅項資產及負債，乃根據於報告期末已頒佈或已實際頒佈的稅率(及稅法)，並考慮本集團業務所在國家的現有詮釋及慣例，按預期自稅務機構退回或付予稅務當局的金額計算。

2.4 Summary of significant accounting policies (continued)

Income tax (continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項採用負債法就於報告期末資產及負債的稅基與兩者用作財務報告的賬面值之間的所有暫時差額計提準備。

遞延稅項負債乃就所有應課稅暫時差額而確認，惟下列情況除外：

- 遞延稅項負債乃因在一項並非業務合併的交易中初次確認商譽或一項資產或負債而產生，並於交易時並不影響會計利潤或應課稅利潤；及
- 就與於附屬公司、聯營公司及合營企業投資有關的應課稅暫時差額而言，暫時差額的撥回時間為可控制，而該等暫時差額於可見將來可能不會撥回。

遞延稅項資產乃就所有可扣稅暫時差額、未動用稅項抵免及未動用稅項虧損的結轉而確認。遞延稅項資產以將有應課稅利潤以動用可扣稅暫時差額、未動用稅項抵免及未動用稅項虧損的結轉以作對銷為限，惟下列情況除外：

- 與可扣稅暫時差額有關的遞延稅項資產乃因在一項並非業務合併的交易中初次確認資產或負債而產生，並於交易時並不影響會計利潤及應課稅利潤；及
- 就與於附屬公司、聯營公司及合營企業投資有關的可扣稅暫時差額而言，遞延稅項資產僅於暫時差額於可見將來有可能撥回以及將有應課稅利潤以動用暫時差額以作對銷的情況下，方予確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Income tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the consolidated statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the consolidated statement of profit or loss by way of a reduced depreciation charge.

2.4 主要會計政策概要(續)

所得稅(續)

於各報告期末審閱遞延稅項資產的賬面值，並在不再可能有足夠應課稅利潤以動用全部或部份遞延稅項資產時，相應扣減該賬面值。未被確認的遞延稅項資產會於各報告期末重新評估，並在可能有足夠應課稅利潤以收回全部或部份遞延稅項資產時予以確認。

遞延稅項資產及負債乃按預期適用於變現資產或清還負債期間的稅率，根據於報告期末已頒佈或實際上已頒佈的稅率(及稅法)計算。

遞延稅項資產可與遞延稅項負債對銷，當且僅當本集團有可合法執行權利以對銷即期稅項資產及即期稅項負債的，而遞延稅項及遞延負債與同一稅務當局對同一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，按淨額基準清償即期稅項負債及資產，或同時變現資產及清償負債)徵收的所得稅有關。

政府補貼

政府補貼於可合理地確定將會收取補貼及將符合所有附帶條件時按公平值確認。如補貼涉及開支項目，則會於其擬補貼的成本列為支銷的期間有系統地確認為收入。

如補貼與資產有關，則其公平值會計入遞延收入賬中，並按有關資產的預計可使用年期以每年等額分期款項撥入綜合損益表，或其公平值從資產的賬面值中扣減並透過扣減的折舊開支而轉撥至綜合損益表。

2.4 Summary of significant accounting policies (continued)

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, 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 between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes interest expense accreted on the contract liability using the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

Sale of products

Revenue from the sale of products is recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of the industrial products.

Some contracts for the sale of products provide customers with volume rebates. The volume rebates give rise to variable consideration.

2.4 主要會計政策概要(續)

收入確認

客戶合約收入

客戶合約收入於貨品或服務的控制權轉讓至客戶時確認，其金額反映本集團預期就交換該等貨品或服務而有權獲得的代價。

倘合約代價包括可變動金額，則代價金額按本集團將貨品或服務轉讓至客戶作為交換而有權獲得的金額估計。可變動代價於合約開始時估計，並受限制，直至已確認的累計收入金額於可變動代價的有關不明朗因素其後解決時極大可能不會出現重大收入撥回為止。

倘合約包含融資部份，可就將貨品或服務轉讓至客戶提供為期超過一年的融資，從而給客戶帶來重大利益，則於合約開始時收入按應收金額的現值計量，並按本集團與客戶間的獨立融資交易反映的貼現率貼現。倘合約包含融資部份，可給本集團帶來為期超過一年的重大融資利益，則根據合約確認的收入包括合約負債按實際利率法計算的利息開支。就客戶付款與轉讓規定貨品或服務之間的期限為一年或以內的合約而言，交易價格採用香港財務報告準則第15號項下不就重大融資部份的影響作出調整的實務。

銷售產品

銷售產品的收入於資產控制權轉讓至客戶的特定時間點(一般為交付該等工業產品時)確認。

部份銷售產品的合約向客戶提供批量回扣。批量回扣導致可變動代價產生。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Revenue recognition (continued)

Volume rebates

Retrospective volume rebates may be provided to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the most likely amount method is used for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The requirements on constraining estimates of variable consideration are applied and a refund liability for the expected future rebates is recognised.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2.4 主要會計政策概要(續)

收入確認(續)

批量回扣

倘客戶於期內購買的產品數量超過合約規定的最低限量，本集團將向其提供追溯批量回扣。回扣可抵扣客戶的應付金額。為估計預期未來回扣的可變動代價，設有單一最低限量的合約採用最可能的金額方法，設有多個最低限量的合約採用預期價值方法。選定預測可變動代價金額的最佳方法主要受合約設定的最低限量數目帶動。本集團應用約束可變動代價之估計的規定，並就預期未來回扣確認退款負債。

其他收入來源

租金收入按租賃年期的時間比例確認。

利息收入按應計基準以實際利率法利用將金融工具在預計可用年期期間或更短期間(如適當)估計在日後收取的現金準備折現至金融資產賬面淨值的利率確認。

股息收入於股東收取付款的權利確立，股息隨附的經濟利益將流入本集團且股息金額能可靠地計量時確認。

合約負債

在本集團轉移相關貨品或服務前，合約負債於收取客戶付款或付款到期時(以較早者為準)予以確認。合約負債於本集團履行合約(即向客戶轉移相關貨品或服務的控制權)時確認為收入。

2.4 Summary of significant accounting policies (continued)

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Employee benefits

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.

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operates in the Mainland China are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute certain percentages of its payroll costs to the central pension scheme. The contributions are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 主要會計政策概要(續)

退款負債

退款負債指退還部份或全部已收(或應收)客戶代價的責任，按本集團最終預期將退還客戶的金額計量。本集團於各報告期末更新其估計退款負債(及交易價格的相應變動)。

僱員福利

短期僱員福利及界定退休計劃供款

薪金、年度獎金、受薪年假、界定退休計劃供款及非貨幣性福利成本於僱員提供相關服務的年度入賬。當延期支付或清償該等成本而其影響重大時，則該等數額以現值列報。

退休金計劃

本集團亦根據強制性公積金計劃條例，為其所有僱員設立一項定額供款之強制性公積金退休福利計劃(「強積金計劃」)。供款按僱員有關薪金之某一百分比作出，並於按照強積金計劃之規則應付時於綜合損益表支銷。強積金計劃之資產與本集團之資產分開，由獨立管理基金持有。本集團向強積金計劃作出之僱主供款，在作出時已全數歸僱員所有。

本集團於中國內地所經營附屬公司的僱員，須參與當地地方政府設立的中央退休金計劃。該等附屬公司須按彼等薪酬成本的若干百分比向中央退休金計劃供款。有關供款乃根據中央退休金計劃的規則於應付時在綜合損益表中扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Employee benefits (continued)

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.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds have been borrowed generally, and used for the purpose of obtaining qualifying assets, a capitalisation rate of 12.0% (2019: 11.6%) has been applied to the expenditure on the individual assets.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the consolidated financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's Memorandum and Articles of Association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These consolidated financial statements are presented in RMB. The functional currency of the Company is the Hong Kong dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

2.4 主要會計政策概要(續)

僱員福利(續)

終止福利

終止福利於以下較早日期發生時確認：當本集團無法再撤回該等福利的要約時，及當其確認涉及支付終止福利的重組成本時。

借貸成本

可直接分配至購買、建築或生產合資格資產(即需要一段長時間方可達致擬定用途或出售之資產)之借貸成本被資本化為該等資產之部份成本。當資產已大致可作擬定用途或出售時，借貸成本將會停止資本化。特定用於合資格資產的借貸在尚未支銷時用作臨時投資所得之投資收入，於資本化之借貸成本中扣除。所有其他借貸成本於其產生期間支銷。借貸成本包括實體因有關借貸資金產生的利息及其他成本。

若已借取非特定用途借款以取得合資格資產，則對個別資產開支採用12.0% (2019年：11.6%)的資本化率。

股息

末期股息於股東大會上獲股東批准後確認為負債。建議末期股息披露於綜合財務報表附註內。

因本公司章程大綱及細則授權董事宣派中期股息，故中期股息同時獲建議及宣派。因此，中期股息於建議及宣派後隨即確認為負債。

外幣

該等綜合財務報表均以人民幣呈列，本公司的功能貨幣為港元。本集團內的實體各自決定其功能貨幣，各實體的財務報表項目均以所定功能貨幣計量。本集團實體入賬的外幣交易初始按交易日當日的有關功能貨幣的匯率換算入賬。以外幣為計價單位的貨幣資產及負債，按有關功能貨幣於報告期末的匯率進行換算。結算或兌換貨幣項目產生之差額於損益確認。

2.4 Summary of significant accounting policies (continued)

Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas entities of the Group are currencies other than RMB. At the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.4 主要會計政策概要(續)

外幣(續)

按照歷史成本以外幣計量之非貨幣項目使用初次交易之日之匯率兌換。按照公平值以外幣計量之非貨幣項目利用計量公平值之日之匯率兌換。兌換以公平值計量之非貨幣項目產生之損益之處理方式與確認項目之公平值變動產生之損益之處理方式一致(即其公平值損益於其他全面收益或損益確認之匯兌差額亦分別於其他全面收益或損益中確認)。

為釐定於終止確認預付代價相關的非貨幣資產或非貨幣負債時初始確認相關資產、開支或收入的匯率，初次交易之日為本集團初始確認預付代價產生的非貨幣資產或非貨幣負債之日。倘多次預先付款或收款，本集團會就每次支付或收取預付代價釐定交易日期。

本集團若干海外實體之功能貨幣並非人民幣。於報告期結束時，這些實體的資產和負債按照報告期結束時的匯率折算成本呈列為人民幣，而其損益表按照年內加權平均匯率折算成人民幣。

所產生的匯兌差額於其他全面收益確認，並於匯兌波動儲備累計。於出售外國業務時，與該特定外國業務有關之其他全面收益部份於綜合損益表內確認。

因收購海外業務而產生的任何商譽及對因收購產生的資產及負債賬面值的任何公平值調整，均被視為該海外業務的資產及負債，並以結算匯率換算。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

2.4 Summary of significant accounting policies (continued)

Foreign currencies (continued)

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

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 regularly environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2.4 主要會計政策概要(續)

外幣(續)

就綜合現金流量表而言，海外附屬公司的現金流按照現金流發生當日的匯率折算成人民幣。海外附屬公司於整個年度中產生之經常性現金流量按該年度之加權平均匯率換算成人民幣。

分部報告

經營分部及財務報表所呈報各分部項目的金額，乃根據向本集團各項業務及地域地區分配資源及評估其業績表現而定期向本集團最高行政管理層提供的財務資料當中識別出來。

個別重要的經營分部不會合計以供財務報告之用，但如該等分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別不重要的經營分部如果符合以上大部分條件，則可以合計為一個報告分部。

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Revenue from contracts with customers

The Group applied the following judgement that significantly affects the determination of the amount of revenue from contracts with customers:

Determining the method to estimate variable consideration and assessing the constraint for the sale of industrial products

Certain contracts for the sale of industrial products include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

3. 重大會計判斷及估計

本集團綜合財務報表的編製需要管理層作出影響收入、開支、資產及負債呈報金額及彼等隨附之披露以及或然負債之披露的判斷、估計及假設。該等假設及估計的不明朗因素會導致未來須對受影響資產及負債的賬面值進行重大調整。

判斷

在應用本集團會計政策的過程中，管理層已作出下列重大判斷(涉及估計者除外)，該等判斷對於綜合財務報表內確認的金額產生最大影響：

客戶合約收入

本集團採用下列對釐定客戶合約收入的金額有重大影響的判斷：

釐定可變動代價的估計方法及評估銷售工業產品的限制

部份銷售工業產品的合約涵蓋批量回扣，從而導致可變動代價產生。於估計可變動代價時，本集團須採用預期價值方法或最可能的金額方法，依據為何種方法為預測本集團將有權獲得的代價金額的最佳方法。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

3. Significant accounting judgements and estimates (continued)

Judgements (continued)

Determining the method to estimate variable consideration and assessing the constraint for the sale of industrial products (continued)

In estimating the variable consideration for the sale of industrial products with volume rebates, the Group determined that using a combination of the most likely amount method and the expected value method is appropriate. The selected method that better predicts the amount of variable consideration related to volume rebates is primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 重大會計判斷及估計(續)

判斷(續)

釐定可變動代價的估計方法及評估銷售工業產品的限制(續)

於估計銷售工業產品(隨帶批量回扣)的可變動代價時,本集團認定聯合採用最可能的金額方法及預期價值方法較為適宜。選定更貼切預測批量回扣相關可變動代價金額的方法主要受合約設定的最低限量數目帶動。最可能的金額方法用於設有單一最低限量的合約,預期價值方法則用於設有多個最低限量的合約。

將任何可變動代價金額計入交易價格之前,本集團會考慮可變動代價金額是否受限制。根據其歷史經驗、業務前景及現行經濟狀況,本集團認定估計可變動代價並無受限制。此外,可變動代價的有關不明朗因素將於短期內解決。

劃分投資物業及業主自佔物業

本集團須判斷物業是否屬投資物業,並制定出此類判斷的標準。投資物業乃持作收取租金或資本增值或同時為這兩個目的而持有的物業。憑此,本集團考慮一項物業產生的現金流是否大部份獨立於本集團持有的其他資產。部份物業被持有作賺取租金或資本增值用途,另一部份則被持有作生產貨物或提供服務或行政用途。倘若此等部份可分別出售(或根據融資租賃條款分別出租),本集團則對此等部份分別記賬。倘若此等部份不能分別出售,則只能於一小部份作生產貨物或提供服務或行政用途時,該項物業方為投資物業。判斷乃按照個別物業基準作出,以釐定配套服務是否重要,以致物業不符合投資物業之資格。

3. Significant accounting judgements and estimates (continued)

Estimation uncertainty

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

Variable consideration for volume rebates

The Group estimates variable consideration to be included in the transaction price for the sale of industrial products with volume rebates.

The Group's expected volume rebates are analysed on a per customer basis for contracts that are subject to a single volume threshold. Determining whether a customer will likely be entitled to a rebate depends on the customer's historical rebate entitlement and accumulated purchases to date.

The Group applied a statistical model for estimating expected volume rebates for contracts with more than one volume threshold. The model uses the historical purchasing patterns and rebate entitlement of customers to determine the expected rebate percentages and the expected value of the variable consideration. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate percentages estimated by the Group.

The Group updates its assessment of expected volume rebates quarterly and the refund liabilities are adjusted accordingly. Estimates of expected volume rebates are sensitive to changes in circumstances and the Group's past experience regarding rebate entitlements may not be representative of customers' actual rebate entitlements in the future. As at 31 December 2020, the amount recognised as refund liabilities was RMB59,995,000 (2019: RMB8,453,000) for the expected volume rebates, which is included in "Other payables and accruals".

3. 重大會計判斷及估計(續)

估計不明朗因素

涉及未來的主要假設及於報告期末估計不明朗因素的其他主要來源(前述因素均擁有導致於下個年度就資產及負債的賬面值作出大幅調整的重大風險)討論如下。

批量回扣的可變動代價

本集團會估計將計入銷售工業產品(隨帶批量回扣)的交易價格的可變動代價。

就設有單一最低限量的合約，本集團根據各個客戶對其預期批量回扣進行分析。釐定客戶是否有權獲得回扣取決於客戶的歷史回扣配額及迄今的累計採購量。

就設有多個最低限量的合約，本集團採用統計模式以估計預期批量回扣。該模式採用客戶的歷史採購模式及回扣配額釐定預期回扣百分比及可變動代價的預期價值。經驗較客戶的歷史採購模式及回扣配額出現任何重大變動均會影響本集團估計的預期回扣百分比。

本集團每季更新其對預期批量回扣的評估，並相應調整退款負債。預期批量回扣的估計極易受環境變動的影響。本集團有關回扣配額的過往經驗並不代表客戶未來的實際回扣配額。於2020年12月31日，就預期批量回扣確認作退款負債的金額為人民幣59,995,000元(2019年：人民幣8,453,000元)，計入「其他應付款及應計項目」。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

3. Significant accounting judgements and estimates (continued)

Estimation uncertainty (continued)

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At the end of each reporting period, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 21.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2020 was RMB233,973,000 (2019: RMB233,973,000). Further details are disclosed in Note 16 to the consolidated financial statements.

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

貿易應收款的預期信貸虧損撥備
本集團使用撥備矩陣計算貿易應收款的預期信貸虧損撥備。撥備率乃基於具有類似虧損模式的多個客戶分類組別的逾期天數釐定。

撥備矩陣最初基於本集團的歷史觀察違約率。本集團將通過調整矩陣以調整歷史信用損失經驗與前瞻性資訊。例如，如果預測經濟狀況(如國內生產總值)將在未來一年內惡化，這可能導致製造行業違約數量增加，歷史違約率將得到調整。於各報告期末，歷史觀察到的違約率都會被更新，並分析未來其可能發生的變化。

對歷史觀察到的違約率、預測的經濟狀況及預期信貸虧損之間的相關性的評估是一個重要的估計。預期信貸虧損的金額對環境的變化和預測的經濟狀況很敏感。本集團的歷史信貸虧損經驗和對經濟狀況的預測也可能無法代表客戶未來的實際違約。有關本集團貿易應收款的預期信貸虧損的資料披露於附註21。

商譽減值

本集團至少按年基準評估商譽是否出現減值。該過程需要估計獲分配商譽的現金產生單位的使用價值。本集團須於估計使用價值時對現金產生單位的預期未來現金流量作出估計，亦須選用合適的貼現率以計算該等現金流量的現值。於2020年12月31日，商譽的賬面金額為人民幣233,973,000元(2019年：人民幣233,973,000元)。進一步詳情披露於綜合財務報表附註16。

3. Significant accounting judgements and estimates (continued)

Estimation uncertainty (continued)

Income taxes

The Group is mainly subject to income taxes in the Mainland China. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets

As at 31 December 2020, the Group had deferred tax assets of RMB26,937,000 (2019: RMB29,000,000). To the extent it is probable that taxable profit will be available against which the deductible temporary differences will be utilised, deferred tax assets are recognised for temporary differences arising from impairment provisions for impairment of trade receivables, prepayments and other receivables and property, plant and equipment and decelerated tax depreciation and amortisation, certain accrual items. The amount of unrecognised deferred tax assets arising from tax losses at 31 December 2020 was RMB76,986,000 (2019: RMB103,977,000). Further details are disclosed in Note 29 to the consolidated financial statements.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay”, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

3. 重大會計判斷及估計(續)

估計不明朗因素(續)

所得稅

本集團主要需於中國內地繳納所得稅。在確定所得稅之撥備時須作出重大判斷。在日常業務過程中，很多交易及計算乃未能確定最終落實的稅款。本集團須估計未來是否繳納額外稅項，以就預期稅務審核事宜確認負債。倘該等事宜之最終稅務結果與起初記錄入賬的金額不同，該等差額將會影響確定撥備期間之所得稅及遞延稅款撥備。

遞延稅項資產

於2020年12月31日，本集團有遞延稅項資產人民幣26,937,000元(2019年：人民幣29,000,000元)。遞延稅項資產乃就貿易應收款、預付款及其他應收款以及物業、廠房及設備、遞減稅項折舊及攤銷、若干應計項目減值計提之減值撥備產生臨時性差異確認，惟僅於很可能有應課稅利潤抵扣可扣減臨時性差異為限。於2020年12月31日，稅務虧損產生的未確認遞延稅項資產金額為人民幣76,986,000元(2019年：人民幣103,977,000元)。更多詳情披露於綜合財務報表附註29。

租賃 — 估算增量借款利率

本集團無法輕易釐定租賃內所隱含的利率，因此，使用增量借款利率(「增量借款利率」)計量租賃負債。增量借款利率為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而以類似抵押品於類似期間借入所需資金應支付之利率。因此，增量借款利率反映了本集團「應支付」的利率，當無可觀察的利率時(如就並無訂立融資交易之附屬公司而言)或當須對利率進行調整以反映租賃之條款及條件時(如當租賃並非以附屬公司之功能貨幣訂立時)，則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據(如市場利率)估算增量借款利率並須作出若干實體特定的估計(如附屬公司的單獨信貸評級)。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

4. Operating Segment Information

For management purposes, the Group has one operating segment of packaging products, which can be analysed by three business units based on their products and services as follows:

- (a) Tinplate packaging – the Group uses tinplate as the main raw material for its tinplate packaging products, which include three-piece beverage cans, food cans (including milk powder cans), aerosol cans, metal caps, printed and coated tinplates, steel barrels, round and square shaped cans and other metal packaging;
- (b) Aluminium packaging – the Group uses aluminium as the main raw material for its aluminium packaging products, which mainly consist of two-piece beverage cans and one-piece bottles; and
- (c) Plastic packaging – the Group's plastic packaging products are mainly used for milk bottles, shampoo bottles, plastic devices of electronic products, daily use hardware, package printing, sports drink bottles and related plastic-made products.

Management monitors the results of the Group's business units separately for the purpose of making decisions about resource allocation and performance assessment. The performance for each of the business unit is evaluated based on revenue, as explained below:

		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Tinplate packaging	馬口鐵包裝	3,659,703	3,389,694
Aluminium packaging	鋁製包裝	3,107,099	3,309,159
Plastic packaging	塑膠包裝	577,945	588,418
		7,344,747	7,287,271

4. 經營分部信息

就管理而言，本集團有一個經營分部—包裝產品，可按其產品及服務以三個業務單位分析如下：

- (a) 馬口鐵包裝 – 本集團使用馬口鐵作為其馬口鐵包裝產品的主要原材料，其中包括三片飲料罐、食品罐(包括奶粉罐)、氣霧罐、金屬蓋、印塗鐵、鋼桶、方圓罐及其他金屬包裝；
- (b) 鋁製包裝 – 本集團使用鋁作為其鋁製包裝產品的主要原材料，主要包括兩片飲料罐及單片罐；及
- (c) 塑膠包裝 – 本集團的塑膠包裝產品主要用於奶瓶、洗髮水瓶、電子產品的塑膠附件、日用五金、包裝印刷、運動飲料瓶及相關塑膠製品。

管理層單獨監察本集團業務單位的業績，以就資源分配及表現評估作出決定。各業務單位的表現按收入進行評估，如下文所闡釋：

4. Operating Segment Information (continued)

Geographical information

The Group's revenue from external customers is based on the location of customers and information about its non-current assets by geographical location of the assets are detailed below:

		Revenue from external customers		Non-current assets (note)	
		來自外部客戶的收入		非流動資產(附註)	
		2020	2019	2020	2019
		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
Mainland China	中國內地	7,053,282	7,089,264	5,528,855	7,131,883
Overseas	海外	291,465	198,007	456,172	257,646
		7,344,747	7,287,271	5,985,027	7,389,529

Note: Non-current assets excluded those relating to financial instruments and deferred tax assets.

附註：非流動資產不包括與金融工具及遞延稅項資產有關者。

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Customer A	客戶A	908,002	866,393
Customer B	客戶B	N/A*	753,415
		不適用*	

* The corresponding revenue dose not contribute over 10% of the total revenue of the Group.

有關主要客戶的資料

相應年度佔本集團收入總額超過10%的來自客戶的收入如下：

* 相應收入並未佔本集團收入總額超過10%。

4. 經營分部信息(續)

地理資料

本集團來自外部客戶的收入乃根據客戶的位置劃分，有關按資產地理位置劃分的本集團非流動資產的資料詳述如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

5. Revenue

An analysis of revenue is as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約收入		
Sale of goods	銷售貨品	7,344,747	7,287,271

Revenue from contracts with customers

(i) *Disaggregated revenue information*

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
By type of goods	按貨物類別劃分		
Tinplate packaging	馬口鐵包裝	3,659,703	3,389,694
Aluminium packaging	鋁製包裝	3,107,099	3,309,159
Plastic packaging	塑膠包裝	577,945	588,418
Total revenue from contracts with customers	客戶合約收入總額	7,344,747	7,287,271
By geographical markets	按地區市場劃分		
Mainland China	中國內地	7,053,282	7,089,264
Overseas	海外	291,465	198,007
Total revenue from contracts with customers	客戶合約收入總額	7,344,747	7,287,271

All of the Group's revenue from contracts with customers is recognised at a point in time when the goods are transferred.

(ii) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Sale of products

The performance obligation is satisfied upon delivery of the packaging products and payment is generally due within 30 to 180 days from delivery, except for new customers, where payment in advance is normally required and the Group recognises it as contract liabilities until the goods have been delivered to customers. Some contracts provide customers with volume rebates which give rise to variable consideration subject to constraint.

5. 收入

以下是收入的分析：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約收入		
Sale of goods	銷售貨品	7,344,747	7,287,271

客戶合約收入

(i) *分拆收入資料*

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
By type of goods	按貨物類別劃分		
Tinplate packaging	馬口鐵包裝	3,659,703	3,389,694
Aluminium packaging	鋁製包裝	3,107,099	3,309,159
Plastic packaging	塑膠包裝	577,945	588,418
Total revenue from contracts with customers	客戶合約收入總額	7,344,747	7,287,271
By geographical markets	按地區市場劃分		
Mainland China	中國內地	7,053,282	7,089,264
Overseas	海外	291,465	198,007
Total revenue from contracts with customers	客戶合約收入總額	7,344,747	7,287,271

本集團的所有客戶合約收入均於商品轉讓的特定時間點確認。

(ii) *履約責任*

本集團履約責任之資料概述如下：

銷售產品

履約責任於包裝產品交付時即告完成，賬款通常須於交付後30至180天內到期支付，惟新客戶大多須預先付款及本集團將其確認為合約負債，直至向客戶交付貨品為止。部分合約向客戶提供批量回扣，從而導致可變動代價(須受限制)。

6. Other income, gains and losses

6. 其他收入、收益及虧損

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Other income	其他收入		
Bank interest income	銀行利息收入	4,522	5,362
Interest income from COFCO Finance (Note 38(a))	來自中糧財務的利息收入(附註38(a))	11,569	4,348
Committed dividend income from a joint venture (Note 18(c))	來自一家合營企業的承諾分紅收入(附註18(c))	50,000	-
Government grants*	政府補貼*	20,763	18,249
Rental income	租金收入	2,867	2,434
Other income (Note 19)	其他收入(附註19)	1,250	7,500
		90,971	37,893
Other gains and losses	其他收益及虧損		
Loss on disposal of a joint venture (Note 18(b))	出售一家合營企業虧損(附註18(b))	(2,436)	-
Gain on disposal of an associate (Note 19)	出售一家聯營公司收益(附註19)	16	-
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損	(8,622)	(2,064)
Foreign exchange differences, net	外匯差額淨額	15,736	14,380
Other gains	其他收益	11,625	11,180
		16,319	23,496
		107,290	61,389

* The government grants are granted by the local authorities in the Mainland China to support local entities. There are no unfulfilled conditions or contingencies relating to these grants.

* 政府補貼乃由中國內地地方當局授予以支持當地企業。這些補貼並無尚未達成的條件或有事項。

7. Finance costs

7. 財務費用

An analysis of finance costs is as follows:

下列為財務費用分析：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Interest on bank loans	銀行貸款利息	110,647	152,601
Interest on lease liabilities	租賃負債利息	1,907	1,129
		112,554	153,730
Less: Interest capitalised	減：資本化利息	(13,491)	(17,852)
		99,063	135,878

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

8. Profit before income tax

The Group's profit before income tax is arrived at after charging/(crediting):

8. 除所得稅前利潤

本集團除所得稅前利潤乃經扣除／
(計入)以下項目後達致：

			2020	2019
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
(a) Cost of sales	銷售成本			
Cost of inventories sold	已出售存貨成本		6,195,944	6,193,567
Realised and unrealised fair value gains on derivative financial instruments, net	衍生金融工具已變現及未變現公平值收益淨額	27	(14,216)	(3,331)
Reversal of provision of inventories	存貨撥備撥回		(205)	(350)
			6,181,523	6,189,886
(b) Staff costs (including directors' and chief executive's remuneration)	員工成本(包括董事及主要行政人員酬金)			
Wages and salaries	工資及薪金		586,865	573,668
Pension scheme contributions**	退休金計劃供款**		15,834	45,093
Other benefits	其他福利		43,566	46,102
			646,265	664,863
(c) Other items	其他項目			
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14	376,861	342,402
Depreciation of right-of-use assets	使用權資產折舊	15	23,227	17,696
Amortisation of other intangible assets	其他無形資產攤銷	17	4,829	4,861
Research and development costs*: - Current year expenditure	研發成本*: - 本年度開支		26,703	17,491
COVID-19-related rent concessions	與COVID-19相關的租金優惠		(300)	-
Expenses relating to short-term leases	與短期租賃有關的支出		6,181	5,542
Impairment losses of trade receivables, net of reversal*	貿易應收款減值虧損(扣除撥回)*	21	2,303	5,061
Impairment losses of prepayments, other receivables and other assets, net of reversal*	預付款、其他應收款及其他資產減值虧損(扣除撥回)*	22	351	18
Auditor's remuneration: - Audit service	核數師酬金: - 核數服務		1,700	1,700
- Non-audit services	- 非核數服務		804	700
			2,504	2,400

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合財務報表附註

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

8. Profit before income tax (continued)

* The research and development costs, impairment losses of trade receivables, prepayments, other receivables and other assets are included in administrative expenses in the consolidated statement of profit or loss.

** As at 31 December 2020, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2019: Nil).

9. Directors' and chief executive's remuneration

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Fees	袍金	1,210	1,103
Other emoluments:	其他薪酬：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,627	1,744
Performance related bonuses*	表現獎勵花紅*	1,769	1,697
Pension scheme contributions	退休金計劃供款	202	209
		3,598	3,650
		4,808	4,753

* Certain executive directors of the Company are entitled to bonus payments which are determined as a percentage of the profit after income tax of the Group.

8. 除所得稅前利潤(續)

* 研發成本、貿易應收款、預付款、其他應收款及其他資產減值虧損已計入綜合損益表內之行政費用。

** 於2020年12月31日，本集團並無已沒收供款可供扣減其未來年度之退休金計劃供款(2019年：無)。

9. 董事及主要行政人員之酬金

根據上市規則、香港公司條例第383(1)條以及公司(披露董事利益資料)規例第2部，年內董事及主要行政人員之酬金披露如下：

* 本公司若干執行董事可獲發參考本集團除所得稅後利潤而釐定之花紅。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

9. Directors' and chief executive's remuneration (continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Mr. Cheng Yuk Wo	鄭毓和先生	311	308
Mr. Pun Tit Shan	潘鐵珊先生	311	308
Mr. Fu Tingmei*	傅廷美先生*	-	155
Mr. Chen Jihua*	陳基華先生*	311	155
		933	926

The independent non-executive directors' emoluments shown above were for their services as directors of the Company. There were no other emoluments payable to the independent non-executive directors during the year (2019: Nil).

* Mr. Fu Tingmei resigned as independent non-executive director of the Company on 2 July 2019 and Mr. Chen Jihua was appointed as independent non-executive director of the Company on 2 July 2019.

9. 董事及主要行政人員之酬金 (續)

(a) 獨立非執行董事

年內付予獨立非執行董事的袍金如下：

上文所列示獨立非執行董事的酬金乃彼等出任本公司董事的服務費用。年內並無應付予獨立非執行董事的其他薪酬(2019年：無)。

* 傅廷美先生於2019年7月2日辭任本公司獨立非執行董事及陳基華先生於2019年7月2日獲委任為本公司獨立非執行董事。

(b) Executive directors, non-executive directors and the chief executive

(b) 執行董事、非執行董事及主要行政人員

		Salaries, allowances and benefits				Performance related bonuses	Pension scheme contributions	Total
		Fees 袍金	in kind 實物福利	Performance related bonuses 表現獎勵	Pension scheme contributions 退休金計劃			
		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	
2020	2020年							
Executive directors:	執行董事：							
Mr. Zhang Xin	張新先生	-	843	906	110	1,859		
Mr. Zhang Ye	張擘先生	-	784	863	92	1,739		
		-	1,627	1,769	202	3,598		
Non-executive directors:	非執行董事：							
Mr. Zhou Yuan	周原先生	88	-	-	-	88		
Mr. Shen Tao	沈陶先生	89	-	-	-	89		
Mr. Li Minghua [#]	李明華先生 [#]	-	-	-	-	-		
Ms. Yu Youzhi [#]	余友枝女士 [#]	-	-	-	-	-		
Mr. Chen Qianzheng	陳前政先生	100	-	-	-	100		
		277	1,627	1,769	202	3,875		

9. Directors' and chief executive's remuneration (continued)

9. 董事及主要行政人員之酬金 (續)

(b) Executive directors, non-executive directors and the chief executive (continued)

(b) 執行董事、非執行董事及主要行政人員 (續)

		Salaries, allowances and benefits Fees	in kind 薪金、津貼及 袍金	Performance related bonuses 表現獎勵 花紅	Pension scheme contributions 退休金計劃 供款	Total 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
2019	2019年					
Executive directors:	執行董事:					
Mr. Zhang Xin	張新先生	-	978	982	123	2,083
Mr. Zhang Ye	張曄先生	-	766	715	86	1,567
		-	1,744	1,697	209	3,650
Non-executive directors:	非執行董事:					
Mr. Zhou Yuan	周原先生	88	-	-	-	88
Mr. Shen Tao	沈陶先生	89	-	-	-	89
Ms. Yu Youzhi [#]	余友枝女士 [#]	-	-	-	-	-
Mr. Chen Qianzheng	陳前政先生	-	-	-	-	-
		177	1,744	1,697	209	3,827

[#] Ms. Yu Youzhi resigned as non-executive director of the Company on 17 March 2020 and Mr. Li Minghua was appointed as non-executive director of the Company on 17 March 2020.

[#] 余友枝女士於2020年3月17日辭任本公司非執行董事及李明華先生於2020年3月17日獲委任為本公司非執行董事。

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were for their services as directors of the Company and its subsidiaries, if applicable.

上文所列示執行董事的酬金乃彼等有關本公司及本集團管理及事宜的服務費用。上文所列示非執行董事的酬金乃彼等出任本公司及附屬公司(如適用)董事的服務費用。

There was no arrangement under which a director or the chief executive waived or agreed to waive remuneration in both years.

上年及本年內並無董事或主要行政人員根據任何安排放棄或同意放棄酬金。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

10. Five highest paid employees

The five highest paid employees during the year included two (2019: two) directors, details of whose remuneration are set out above. Details of the remuneration for the year of the remaining three (2019: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,906	1,799
Performance related bonuses	表現獎勵花紅	1,775	1,248
Pension scheme contributions	退休金計劃供款	273	258
		3,954	3,305

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2020	2019
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	3	3
		3	3

10. 五名薪酬最高的僱員

年內五名薪酬最高的僱員包括兩名(2019年:兩名)董事,其薪金詳情已載於上文。年內其餘三名(2019年:三名)最高薪酬非本公司董事或主要行政人員僱員的酬金詳情如下:

酬金在以下範圍內之既非董事亦非主要行政人員之最高薪僱員之數目如下:

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合財務報表附註

11. Income tax expense

Hong Kong Profits Tax has not been provided as the Group did not generate any assessable profits arising in Hong Kong during the year (2019: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
PRC Enterprise Income tax	中國企業所得稅		
Current tax	即期稅項	104,712	88,352
Over-provisions in respect of prior years	過往年度超額撥備	(4,958)	(7,453)
Deferred tax	遞延稅項	13,250	(536)
		113,004	80,363

A reconciliation of the tax expense applicable to profit/(loss) before income tax at the statutory rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense is as follows:

		2020			
		Hong Kong 香港 RMB'000 人民幣千元	PRC 中國 RMB'000 人民幣千元	Other 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Profit/(loss) before income tax	除所得稅前利潤／ (虧損)	(8,490)	526,415	(10,888)	507,037
Tax at the statutory tax rates*	按法定稅率計算之稅項*	(1,401)	131,604	(2,722)	127,481
Profit not subject to tax due to tax concessions**	因稅項優惠毋須繳稅的利潤**	-	(13,108)	-	(13,108)
Income not taxable for tax	不可課稅之收入	(154)	(13,169)	-	(13,323)
Expenses not deductible for tax	不可扣稅之開支	1,555	2,425	-	3,980
Over-provisions in respect of prior years	過往年度超額撥備	-	(4,958)	-	(4,958)
Tax losses utilised from prior years	動用過往年度的稅項虧損	-	(836)	-	(836)
Tax losses not recognised	未確認之稅項虧損	-	11,046	2,722	13,768
Tax charge at the Group's effective rate	本集團按實際稅率計算之稅項開支	-	113,004	-	113,004

11. 所得稅開支

年內由於本集團於香港並無產生任何應課稅利潤，故並無就香港利得稅作出撥備(2019年：無)。其他地方的應課稅利潤按本集團業務所在司法權區的現行稅率計算。

以本公司及其大部份附屬公司註冊司法權區的法定利率按除所得稅前利潤／(虧損)計算的稅務開支與稅務開支之對賬如下：

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

11. Income tax expense (continued)

11. 所得稅開支(續)

		2019			
		Hong Kong 香港 RMB'000 人民幣千元	PRC 中國 RMB'000 人民幣千元	Other 其他 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Profit/(loss) before income tax	除所得稅前利潤／ (虧損)	(7,273)	398,402	(4,227)	386,902
Tax at the statutory tax rates*	按法定稅率計算之稅項*	(1,200)	99,601	(1,251)	97,150
Profit not subject to tax due to tax concessions**	因稅項優惠毋須繳稅的利潤**	—	(15,973)	—	(15,973)
Income not taxable for tax	不可課稅之收入	(174)	(11,253)	(15)	(11,442)
Expenses not deductible for tax	不可扣稅之開支	1,374	2,277	—	3,651
Over-provisions in respect of prior years	過往年度超額撥備	—	(7,453)	—	(7,453)
Tax losses utilised from prior years	動用過往年度的稅項虧損	—	(10,605)	—	(10,605)
Tax losses not recognised	未確認之稅項虧損	—	23,769	1,266	25,035
Tax charge at the Group's effective rate	本集團按實際稅率計算之稅項開支	—	80,363	—	80,363

* Pursuant to the approvals issued by the State Administration of Taxation of the PRC during the year ended 31 December 2013, the Company and most of its subsidiaries registered in Hong Kong and the British Virgin Islands are regarded as Chinese Resident Enterprises (collectively the "CREs") and the relevant enterprise income tax policies of the PRC are applicable to the CREs commencing from 1 January 2013.

* 根據中國國家稅務總局於截至2013年12月31日止年度發出的批覆，自2013年1月1日起，本公司及其於香港及英屬維爾京群島註冊的大部分附屬公司被認定為中國居民企業(合稱「中國居民企業」)，而該等中國居民企業適用中國企業所得稅的相關稅收政策。

** Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries are subject to 25% during the year (2019: 25%). Three (2019: Three) of the Group's subsidiaries operating in the PRC have granted a preferential EIT rate of 15%, by the relevant tax authorities. One (2019: Two) of the Group's subsidiaries are qualified as high-tech enterprises in the PRC, and the relevant tax authorities have granted the subsidiaries a preferential EIT rate of 15%. One (2019: Three) of the Group's subsidiaries are qualified as small enterprises earning low profits in the PRC, and the relevant tax authorities have granted the subsidiaries preferential EIT rate of 5% (2019: 5% and 10%) respectively.

** 根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法的實施條例，年內中國附屬公司的稅率為25%(2019年：25%)。本集團其中三家(2019年：三家)附屬公司乃於中國經營，相關稅務機關授予該等附屬公司之優惠企業所得稅稅率為15%。本集團其中一家(2019年：兩家)附屬公司符合中國之高新技術企業資格，相關稅務機關授予該等附屬公司之優惠企業所得稅稅率為15%。本集團其中一家(2019年：三家)附屬公司符合中國之小型微利企業資格，相關稅務機關授予該等附屬公司之優惠企業所得稅稅率分別為5%(2019年：5%及10%)。

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合財務報表附註

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

12. Dividends

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Interim – RMB0.082 (2019: RMB0.073) per ordinary share	中期 – 每股普通股 人民幣0.082元 (2019年: 人民幣0.073元)	91,301	84,749
Interim special – RMB0.048 (2019: Nil) per ordinary share	中期特別 – 每股普通股 人民幣0.048元 (2019年: 無)	53,444	–
Proposed final – RMB0.092 (2019: RMB0.057) per ordinary share	建議末期 – 每股普通股 人民幣0.092元 (2019年: 人民幣0.057元)	102,435	63,904
Proposed final special – RMB0.056 (2019: Nil) per ordinary share	建議末期特別 – 每股普通股 人民幣0.056元 (2019年: 無)	62,352	–
		309,532	148,653

The proposed final dividend for the year ended 31 December 2020 is subject to the approval by the Company's shareholders at the forthcoming Annual General Meeting.

The final dividend in respect of the year ended 31 December 2019 was proposed by the directors of the Company on 25 March 2020, and subsequently approved at the Company's Annual General Meeting on 22 June 2020 and recognised as distribution during the year ended 31 December 2020.

13. Earnings per share attributable to ordinary equity holders of the Company

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of RMB389,388,000 (2019: RMB302,090,000) and the weighted average number of ordinary shares of 1,129,926,000 (2019: 1,167,861,000) in issue during the year.

The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The diluted earnings per share for the years ended 31 December 2020 and 2019 was same as the basic earnings per share as there were no potential dilutive ordinary shares in existence in both years.

12. 股息

截至2020年12月31日止年度建議末期股息有待於本公司股東於應屆股東週年大會上批准。

本公司董事於2020年3月25日建議派付截至2019年12月31日止年度的末期股息，其後於本公司於2020年6月22日的股東週年大會上獲批准，被確認為於截至2020年12月31日止年度的分派。

13. 本公司普通股股本持有人應佔每股盈利

每股基本盈利的金額乃根據本年度的本公司普通股股本持有人應佔利潤人民幣389,388,000元(2019年: 人民幣302,090,000元)及年內已發行普通股的加權平均數1,129,926,000股(2019年: 1,167,861,000股)計算得出。

於計算中使用之普通股加權平均數為用作計算每股基本盈利之年內已發行普通股數目，以及就視作行使全部潛在攤薄普通股為普通股假設無償發行之普通股加權平均數。

截至2020年及2019年12月31日止年度之每股攤薄盈利與每股基本盈利相同，原因為於該兩個年度並無任何潛在攤薄普通股。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

13. Earnings per share attributable to ordinary equity holders of the Company (continued)

The calculations of basic and diluted earnings per share are based on:

	2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	389,388	302,090
		Number of shares 股份數目
	2020 '000 千股	2019 '000 千股
Shares		
Issued ordinary shares at 1 January	1,160,949	1,174,560
Effect of shares repurchased	(31,023)	(6,699)
Weighted average number of ordinary shares at 31 December	1,129,926	1,167,861

13. 本公司普通股股本持有人應佔每股盈利(續)

每股基本及攤薄盈利計算乃基於：

Notes to the Consolidated Financial Statements
For the year ended 31 December 2020 綜合財務報表附註
截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

14. Property, plant and equipment

14. 物業、廠房及設備

		Buildings	Leasehold improvements	Machinery and equipment	Vehicles	Electronic equipment, office equipment and fixtures 電子設備、辦公室設備及裝置	Construction in progress	Total
		樓宇 RMB'000 人民幣千元	租賃物業裝修 RMB'000 人民幣千元	機器及設備 RMB'000 人民幣千元	運輸工具 RMB'000 人民幣千元	及裝置 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	合計 RMB'000 人民幣千元
At 31 December 2019 and 1 January 2020:	於2019年12月31日及2020年1月1日:							
Cost	成本	1,846,966	23,356	4,799,076	64,095	220,813	406,244	7,360,550
Accumulated depreciation and impairments	累計折舊及減值	(297,234)	(13,195)	(1,848,462)	(42,614)	(142,477)	-	(2,343,982)
Net carrying amount	賬面淨值	1,549,732	10,161	2,950,614	21,481	78,336	406,244	5,016,568
At 1 January 2020, net of accumulated depreciation and impairments	於2020年1月1日，扣除累計折舊及減值	1,549,732	10,161	2,950,614	21,481	78,336	406,244	5,016,568
Additions	添置	234	3,376	294	-	229	539,865	543,998
Exchange adjustments	匯兌調整	-	-	-	-	-	1,820	1,820
Disposals	出售	(7,118)	-	(14,567)	(344)	(609)	-	(22,638)
Depreciation provided during the year	於本年度折舊撥備	(58,789)	(2,791)	(289,911)	(5,565)	(19,805)	-	(376,861)
Transfer upon completion	完成時轉入	12,460	-	541,068	4,024	24,180	(581,732)	-
At 31 December 2020, net of accumulated depreciation and impairments	於2020年12月31日，扣除累計折舊及減值	1,496,519	10,746	3,187,498	19,596	82,331	366,197	5,162,887
At 31 December 2020:	於2020年12月31日:							
Cost	成本	1,849,990	26,732	5,288,160	64,605	236,891	366,197	7,832,575
Accumulated depreciation and impairments	累計折舊及減值	(353,471)	(15,986)	(2,100,662)	(45,009)	(154,560)	-	(2,669,688)
Net carrying amount	賬面淨值	1,496,519	10,746	3,187,498	19,596	82,331	366,197	5,162,887

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

14. Property, plant and equipment (continued)

14. 物業、廠房及設備(續)

		Buildings	Leasehold improvements	Machinery and equipment	Vehicles	Electronic equipment, office equipment and fixtures	Construction in progress	Total
		樓宇	租賃物業裝修	機器及設備	運輸工具	電子設備、辦公室設備及裝置	在建工程	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 31 December 2018 and 1 January 2019:	於2018年12月31日及2019年1月1日:							
Cost	成本	1,710,033	15,528	4,475,719	57,054	198,837	467,404	6,924,575
Accumulated depreciation and impairments	累計折舊及減值	(255,373)	(10,887)	(1,576,768)	(42,899)	(130,631)	-	(2,016,558)
Net carrying amount	賬面淨值	1,454,660	4,641	2,898,951	14,155	68,206	467,404	4,908,017
At 1 January 2019, net of accumulated depreciation and impairments	於2019年1月1日，扣除累計折舊及減值	1,454,660	4,641	2,898,951	14,155	68,206	467,404	4,908,017
Additions	添置	757	8,799	22,688	1,773	1,760	444,692	480,469
Disposals	出售	(79)	(971)	(22,167)	(486)	(5,813)	-	(29,516)
Depreciation provided during the year	於本年度折舊撥備	(42,006)	(2,308)	(279,032)	(4,257)	(14,799)	-	(342,402)
Transfer upon completion	完成時轉入	136,400	-	330,174	10,296	28,982	(505,852)	-
At 31 December 2019, net of accumulated depreciation and impairments	於2019年12月31日，扣除累計折舊及減值	1,549,732	10,161	2,950,614	21,481	78,336	406,244	5,016,568
At 31 December 2019:	於2019年12月31日:							
Cost	成本	1,846,966	23,356	4,799,076	64,095	220,813	406,244	7,360,550
Accumulated depreciation and impairments	累計折舊及減值	(297,234)	(13,195)	(1,848,462)	(42,614)	(142,477)	-	(2,343,982)
Net carrying amount	賬面淨值	1,549,732	10,161	2,950,614	21,481	78,336	406,244	5,016,568

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

FIVE-YEAR FINANCIAL SUMMARY
五年財務概要

15. Right-of-use assets

15. 使用權資產

		Leasehold land 租賃土地 RMB'000 人民幣千元	Leased properties 租賃物業 RMB'000 人民幣千元	Machineries 機器 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：				
At 1 January 2019	於2019年1月1日	366,719	27,770	746	395,235
Additions	添置	-	11,416	-	11,416
Exchange adjustments	匯兌調整	-	22	-	22
At 31 December 2019	於2019年12月31日	366,719	39,208	746	406,673
At 1 January 2020	於2020年1月1日	366,719	39,208	746	406,673
Additions	添置	14,384	70,459	-	84,843
Disposals/write-off	出售／撇銷	-	(3,672)	-	(3,672)
Exchange adjustments	匯兌調整	-	843	-	843
At 31 December 2020	於2020年12月31日	381,103	106,838	746	488,687
Accumulated depreciation:	累計折舊：				
At 1 January 2019	於2019年1月1日	58,250	-	-	58,250
Charge for the year	年內支出	7,628	9,989	79	17,696
Exchange adjustments	匯兌調整	-	10	-	10
At 31 December 2019	於2019年12月31日	65,878	9,999	79	75,956
At 1 January 2020	於2020年1月1日	65,878	9,999	79	75,956
Charge for the year	年內支出	7,790	15,359	78	23,227
Estimated on disposals/ write-off	估計出售／撇銷	-	(3,672)	-	(3,672)
Exchange adjustments	匯兌調整	-	64	-	64
At 31 December 2020	於2020年12月31日	73,668	21,750	157	95,575
Carrying amount:	賬面值：				
At 31 December 2020	於2020年12月31日	307,435	85,088	589	393,112
At 31 December 2019	於2019年12月31日	300,841	29,209	667	330,717

The total cash outflows for leases is RMB21,291,000 (2019: RMB17,017,000).

租賃現金流出總額為人民幣21,291,000元(2019年：人民幣17,017,000元)。

The Group leases leasehold lands, leased properties and machineries under leases which run for a period from 2 to 50 (2019: 2 to 50) years, at the end of which period all terms are renegotiated. The leases include no variable lease payments.

本集團根據為期二至五十年(2019年：二至五十年)的租約租賃租賃土地、租賃物業及機器，於期限屆滿後所有條款均可重新商討。有關租賃並無包括可變租賃付款。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

16. Goodwill

		RMB'000 人民幣千元
Cost at 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於2019年1月1日、 2019年12月31日、 2020年1月1日及 2020年12月31日之成本	240,973
Accumulated impairments	累計減值	(7,000)
Net carrying amount	賬面淨值	233,973

Impairment testing of goodwill

For the purpose of impairment testing, goodwill acquired through business combinations in the amounts of RMB57,305,000, RMB155,836,000 and RMB27,832,000 is allocated to the tinplate packaging cash-generating unit, plastic packaging cash-generating unit and aluminium packaging cash-generating unit, respectively.

Tinplate packaging cash-generating unit

The recoverable amount of the tinplate packaging cash-generating unit was determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections was 15.1% (2019: 15.3%) and cash flows beyond the five-year period were extrapolated using a growth rate of 2.0% (2019: 2.0%), which was the same as the long term average growth rate of the packaging industry.

Plastic packaging cash-generating unit

The recoverable amount of the plastic packaging cash-generating unit was determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections was 15.1% (2019: 16.0%) and cash flows beyond the five-year period were extrapolated using a growth rate of 2.0% (2019: 2.0%), which was the same as the long term average growth rate of the packaging industry.

16. 商譽

商譽減值測試

為了進行減值測試，透過業務合併收購金額為人民幣57,305,000元、人民幣155,836,000元及人民幣27,832,000元的商譽分別分配至馬口鐵包裝現金產生單位、塑膠包裝現金產生單位及鋁包裝現金產生單位。

馬口鐵包裝現金產生單位

馬口鐵包裝現金產生單位的可收回金額乃根據使用價值計算釐定，其使用基於高級管理層批准的五年期財政預算的現金流量預測。適用於現金流量預測的貼現率為15.1% (2019年：15.3%)，而於五年期間後的現金流量乃使用2.0% (2019年：2.0%)的增長率推斷，乃與包裝行業的長期平均增長率一致。

塑膠包裝現金產生單位

塑膠包裝現金產生單位的可收回金額乃根據使用價值計算釐定，其使用基於高級管理層批准的五年期財政預算的現金流量預測。適用於現金流量預測的貼現率為15.1% (2019年：16.0%)，而於五年期間後的現金流量乃使用2.0% (2019年：2.0%)的增長率推斷，乃與包裝行業的長期平均增長率一致。

16. Goodwill (continued)

Impairment testing of goodwill (continued)

Aluminium packaging cash-generating unit

The recoverable amount of the aluminium packaging cash-generating unit was determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections was 13.3% (2019: 13.5%) and cash flows beyond the five-year period were extrapolated using a growth rate of 2.0% (2019: 2.0%), which was the same as the long term average growth rate of the packaging industry.

Assumptions were used in the value-in-use calculation of the tinplate packaging, plastic packaging and aluminium packaging cash-generating units as at 31 December 2020 and 2019. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

Budgeted gross margins – Management determined the budgeted gross margins based on past performance and its expectations for market development.

Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant cash-generating units.

Growth rates – The growth rates are based on the industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry.

Based on the above assessments, no further impairment of the carrying amounts of goodwill as at 31 December 2020 and 2019 is recognised, there was sufficient headroom available as at 31 December 2020 and 2019. A reasonably possible change in the key assumptions would not cause the recoverable amount to fall below the carrying amount of the respective cash-generating unit.

16. 商譽(續)

商譽減值測試(續)

鋁包裝現金產生單位

鋁包裝現金產生單位的可收回金額乃根據使用價值計算釐定，其使用基於高級管理層批准的五年期財政預算的現金流量預測。適用於現金流量預測的貼現率為13.3% (2019年：13.5%)，而於五年期間後的現金流量乃使用2.0% (2019年：2.0%)的增長率推斷，乃與包裝行業的長期平均增長率一致。

計算馬口鐵包裝、塑膠包裝及鋁包裝現金產生單位於2020年及2019年12月31日的使用價值時採用假設。以下描述管理層於進行商譽減值測試時所採用的各項主要現金流量預測假設。

預算毛利率 – 管理層根據過往表現及對市場發展的預期釐定預算毛利率。

貼現率 – 所使用的貼現率為稅前及反映與相關現金產生單位有關的特定風險。

增長率 – 該增長率乃基於行業增長預測釐定，不超過有關行業的平均長期增長率。

基於以上評估，於2020年及2019年12月31日，商譽的賬面值並無進一步確認減值，且於2020年及2019年12月31日的可減值空間充足。關鍵假設的合理可能變動不會導致可收回金額低於各現金產生單位的賬面值。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

17. Other intangible assets

17. 其他無形資產

		Customer relationship 客戶關係 RMB'000 人民幣千元	Patents and licences 專利及許可 RMB'000 人民幣千元	Computer software 電腦軟件 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Cost at 1 January 2020, net of accumulated amortisation	於2020年1月1日之 成本，扣除累計 攤銷	1,540	16,469	8,650	26,659
Additions	添置	–	5	1,540	1,545
Amortisation provided during the year	年內攤銷撥備	–	(2,964)	(1,865)	(4,829)
At 31 December 2020	於2020年12月31日	1,540	13,510	8,325	23,375
At 31 December 2020:	於2020年12月31日：				
Cost	成本	1,540	38,697	27,831	68,068
Accumulated amortisation	累計攤銷	–	(25,187)	(19,506)	(44,693)
Net carrying amount	賬面淨值	1,540	13,510	8,325	23,375
Cost at 1 January 2019, net of accumulated amortisation	於2019年1月1日之 成本，扣除累計 攤銷	1,540	17,249	10,165	28,954
Additions	添置	–	2,131	436	2,567
Amortisation provided during the year	年內攤銷撥備	–	(2,910)	(1,951)	(4,861)
Exchange adjustments	匯兌調整	–	(1)	–	(1)
At 31 December 2019	於2019年12月31日	1,540	16,469	8,650	26,659
At 31 December 2019:	於2019年12月31日：				
Cost	成本	1,540	38,692	26,291	66,523
Accumulated amortisation	累計攤銷	–	(22,223)	(17,641)	(39,864)
Net carrying amount	賬面淨值	1,540	16,469	8,650	26,659

18. Interests in joint ventures

18. 合營企業的權益

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Share of net assets	分佔淨資產	8,371	876,074
Goodwill on acquisition	收購時的商譽	–	1,167
		8,371	877,241
Other non-current receivables	其他非流動應收款	–	629,827
		8,371	1,507,068

The balance at 31 December 2020 represented the Group's interests in two joint ventures, which are not individually material, whereas the balance at 31 December 2019 represented the Group's 30.58% interests in Qingyuan JDB Herbal Plant Technology Co., Ltd. ("Qingyuan JDB Herbal") which is incorporated in the PRC and is principally engaged in the research, development, production, processing and sale of non-alcoholic beverages.

於2020年12月31日的結餘代表本集團於兩家合營企業的權益，這兩項投資並非個別重大，而於2019年12月31日的結餘則代表本集團於清遠加多寶草本植物科技有限公司（「清遠加多寶草本」）的30.58%權益。清遠加多寶草本是在中國註冊成立的公司，主要從事非酒精飲料的研究、開發、生產、加工和銷售。

18. Interests in joint ventures (continued)

(a) Investment in Qingyuan JDB Herbal

On 30 October 2017, CPMC Investment Co., Ltd. (“CPMC Investment”), an indirect wholly-owned subsidiary of the Company, entered into a capital increase agreement (the “Capital Increase Agreement”) with Wisdom Kingdom Limited, Wong Lo Kat Limited (“Wong Lo Kat”) and Qingyuan JDB Herbal, pursuant to which, among others, CPMC Investment agreed to make a capital contribution of RMB2,000,000,000 to Qingyuan JDB Herbal in exchange for 30.58% equity interest therein, whilst Wong Lo Kat will inject the JDB Trademarks to Qingyuan JDB Herbal in exchange for 45.87% equity interest therein. The first capital contribution to Qingyuan JDB Herbal by CPMC Investment is registered in the share register of Qingyuan JDB Herbal on 8 December 2017.

According to the Capital Increase Agreement, CPMC Investment was ensured with a dividend of not less than 10% of the actual amount of the capital increase injected in Qingyuan JDB Herbal in the first year, and the distributed dividend shall increase year by year with a maximum amount of 20% of the actual amount of the then capital increase contributed by CPMC Investment (the “Committed Dividend”). The rate of the Committed Dividend cannot be reduced after increased. The rate of the increase of the Committed Dividend will be generally contributable to the business and profitability of Qingyuan JDB Herbal in the upcoming years and determined annually.

As at 31 December 2019, the Group had made contribution up to RMB1,507,068,000, of which RMB877,241,000 was made in the form of cash capital contribution and RMB629,827,000 was made in the form of asset capital contribution.

18. 合營企業的權益(續)

(a) 於清遠加多寶草本的投資

於2017年10月30日，本公司間接全資附屬公司中糧包裝投資有限公司(「中糧包裝投資」)與智首有限公司、王老吉有限公司(「王老吉公司」)及清遠加多寶草本訂立增資協議(「增資協議」)，據此(其中包括)，中糧包裝投資同意向清遠加多寶草本增資人民幣2,000,000,000元，從而持有30.58%的股份；王老吉公司將向清遠加多寶草本注入加多寶商標，從而持有45.87%的股份。中糧包裝投資對清遠加多寶草本的首次增資已於2017年12月8日於清遠加多寶草本的股份註冊登記。

根據增資協議，確保中糧包裝投資獲得的股息不低於第一年清遠加多寶草本實際增資金額的10%，所分配股息將逐年增加，最高限額為中糧包裝投資當時貢獻的實際增資額的20% (「承諾股息」)。承諾股息比例在增加後不能降低。承諾股息的增加幅度一般會對未來數年清遠加多寶草本的業務和盈利能力產生影響，並每年釐定。

於2019年12月31日，本集團已注入人民幣1,507,068,000元，其中人民幣877,241,000元以現金出資的形式注入及人民幣629,827,000元以實物出資的形式注入。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

18. Interests in joint ventures (continued)

(a) Investment in Qingyuan JDB Herbal (continued)

However, as disclosed in the Company's announcements dated 6 July 2018, 9 July 2018, 31 August 2018, 23 June 2019, 15 November 2019 and 20 March 2020, Wong Lo Kat did not perform its undertaking to inject the JDB Trademarks to Qingyuan JDB Herbal as its asset capital contribution pursuant to the Capital Increase Agreement. Consequently, the Group filed an arbitration application to Hong Kong International Arbitration Centre ("HKIAC") against Wong Lo Kat, Wisdom Kingdom and Qingyuan JDB Herbal on 6 July 2018. On 14 November 2019, the Group received the partial arbitral awards (the "Arbitration Results") granted by HKIAC and a summary of the awards under the partial arbitral awards is as follows:

1. Confirmed that Wong Lo Kat's application to terminate the Capital Increase Agreement is ineffective;
2. Wong Lo Kat shall inject the JDB Trademarks into Qingyuan JDB Herbal and complete all relevant trademark injection procedures pursuant to the Capital Increase Agreement, and Qingyuan JDB Herbal shall cooperate in the relevant trademark injection procedures;
3. Wong Lo Kat shall promptly indemnify CPMC Investment with an amount of RMB229,907,827 (representing unpaid Committed Dividend payable by Qingyuan JDB Herbal to the Group);
4. Wong Lo Kat shall pay an interest of RMB7,734,799 (representing interest accrued on the unpaid Committed Dividend as stated in (3) above) to CPMC Investment (together with a further daily interest based on the annual interest rate of 4% accruing from 1 November 2019 up to the date of full settlement of the compensation amount); and
5. Wisdom Kingdom and Qingyuan JDB Herbal shall jointly liable with Wong Lo Kat for awards stated in 2 to 4 above.

18. 合營企業的權益(續)

(a) 於清遠加多寶草本的投資(續)

然而，誠如本公司日期為2018年7月6日、2018年7月9日、2018年8月31日、2019年6月23日、2019年11月15日及2020年3月20日的公告所披露，由於王老吉公司未按增資協議履行其應向清遠加多寶草本注入加多寶商標作為實物出資的承諾，因此，本集團於2018年7月6日向香港國際仲裁中心(「香港國際仲裁中心」)對王老吉公司、智首及清遠加多寶草本提出仲裁申請。本集團於2019年11月14日收到香港國際仲裁中心出具的《部分仲裁裁決書》(「裁決結果」)和《部分仲裁裁決書》的裁決概要如下：

1. 確認王老吉公司申請終止增資協議無效；
2. 王老吉公司須根據增資協議將加多寶商標注入清遠加多寶草本並完成相關的商標注入手續，而清遠加多寶草本亦須配合相關商標注入手續；
3. 王老吉公司須馬上賠償中糧包裝投資人民幣229,907,827元(代表清遠加多寶草本尚未支付本集團之承諾分紅)；
4. 王老吉公司須向中糧包裝投資支付利息人民幣7,734,799元(代表上述(3)中未支付的計提承諾分紅的利息)連同自2019年11月1日起按年利率4%計算的日息，直至賠償金額付清為止)；及
5. 智首及清遠加多寶草本須就上文第2至4項所述裁決和王老吉公司承擔連帶責任。

18. Interests in joint ventures (continued)

(a) Investment in Qingyuan JDB Herbal (continued)

After receiving of the Arbitration Results, the JDB Group Companies (collectively referred to as the "JDB Group") had actively negotiated with the Group and remitted an earnest deposit of RMB250 million to the Group, which was included in Other Payables and Accruals as at 31 December 2019 (Note 25).

(b) Disposal of equity interests in Qingyuan JDB Herbal

On 28 April 2020, CPMC Investment, as a vendor, entered into a repurchase agreement Herbal (the "Repurchase Agreement") with JDB (Tianjin) Beverage Co., Ltd ("JDB Tianjin") to dispose all of its 30.58% equity interest in Qingyuan JDB at a total consideration of RMB1,504,631,126 (the "Repurchase Consideration"). Further details of the disposal have been set out in the Company's announcement dated 28 April 2020 and circular dated 5 June 2020.

The Repurchase Consideration shall be settled in the following manner:

- (i) RMB250,000,000 shall be set off by the earnest deposit as mentioned in note (a) above;
- (ii) 1st instalment of Repurchase Consideration – JDB Tianjin shall pay RMB500,000,000 to CPMC Investment by way of bank transfer within 10 to 40 working days from the date of the Repurchase Agreement; and
- (iii) 2nd instalment of Repurchase Consideration – JDB Tianjin shall pay RMB754,631,126 to CPMC Investment by way of bank transfer on or before 31 July 2020.

18. 合營企業的權益(續)

(a) 於清遠加多寶草本的投資(續)

收到裁決結果後，加多寶集團公司(統稱為「加多寶集團」)已積極與本集團進行磋商，並向本集團支付人民幣2.5億元的誠意金，誠意金已於2019年12月31日計入其他應付款及應計項目(附註25)。

(b) 出售清遠加多寶草本股權

於2020年4月28日，中糧包裝投資(作為賣方)與加多寶(天津)飲料有限公司(「加多寶天津」)訂立回購協議(「回購協議」)。以總代價人民幣1,504,631,126元(「回購代價」)出售所有其在清遠加多寶草本的30.58%股權。有關出售的進一步詳情分別載於本公司於2020年4月28日刊登的公告及於2020年6月5日刊登的通函。

回購代價應以下列方式支付：

- (i) 人民幣250,000,000元應以上文附註(a)所述的誠意金抵銷；
- (ii) 第一期回購代價 – 加多寶天津應在回購協議之日起10至40個工作日內通過銀行轉賬方式向中糧包裝投資支付人民幣500,000,000元；及
- (iii) 第二期回購代價 – 加多寶天津應於2020年7月31日或之前通過銀行轉賬方式向中糧包裝投資支付人民幣754,631,126元。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

18. Interests in joint ventures (continued)

(b) Disposal of equity interests in Qingyuan JDB Herbal (continued)

The completion of the Repurchase Agreement took place on 23 July 2020 when the following precedent conditions to the Repurchase Agreement were fulfilled:

- (i) CPMC Investment had received the 1st installment of Repurchase Consideration (i.e. RMB500,000,000) and the 1st installment of the Committed Dividend (i.e. RMB20,000,000); and
- (ii) CPMC Investment or its controlling shareholder had complied with all requirements under the applicable laws and regulations (including the Listing Rules) in respect of the transaction contemplated under the Repurchase Agreement.

Accordingly, Qingyuan JDB Herbal ceased to be a joint venture of the Group on 23 July 2020 and a loss of disposal of RMB2,436,874 has been recognised in profit or loss (see Note 6).

(c) Committed Dividend

In previous years, because of the disputes with the JDB Group and that no dividend was either declared by Qingyuan JDB Herbal or compensated by Wong Lo Kat or Wisdom Kingdom Limited, no Committed Dividend was recognised.

18. 合營企業的權益(續)

(b) 出售清遠加多寶草本股權(續)

隨着滿足以下回購協議的先決條件，回購協議已於2020年7月23日完成：

- (i) 中糧包裝投資已收到第一期回購代價(即人民幣500,000,000)及第一期承諾分紅(即人民幣20,000,000)；及
- (ii) 中糧包裝投資或其控股股東已就回購協議項下交易遵守適用法律法規(包括上市規則)的規定(如需)。

因此，清遠加多寶草本於2020年7月23日不再為本集團之合營企業，出售虧損人民幣2,436,874元已於損益表中確認(見附註6)。

(c) 承諾分紅

過去幾年，由於與加多寶集團之間的糾紛，清遠加多寶草本沒有宣派任何分紅，而王老吉公司或智首有限公司也未給予任何分紅，因此未確認任何承諾分紅。

18. Interests in joint ventures (continued)

(c) Committed Dividend (continued)

As set out in the Repurchase Agreement, the parties agreed that Qingyuan JDB Herbal shall pay the Committed Dividend of RMB237,642,626 to CPMC Investment by way of instalment payments through bank transfer in the following manner:

Installment payment 期數	Amount of Committed Dividend 承諾分紅金額 (RMB) (人民幣)	Deadline for payment 支付期限
1st instalment 第一期	20,000,000.00	Within 10 to 20 working days from the date of the Repurchase Agreement 回購協議日期後10至20個工作日以內
2nd instalment 第二期	30,000,000.00	On or before 31 July 2020 2020年7月31日或之前
3rd instalment 第三期	50,000,000.00	On or before 31 December 2020 2020年12月31日或之前
4th instalment 第四期	34,410,656.50	On or before 31 March 2021 2021年3月31日或之前
5th instalment 第五期	34,410,656.50	On or before 30 June 2021 2021年6月30日或之前
6th instalment 第六期	34,410,656.50	On or before 30 September 2021 2021年9月30日或之前
7th instalment 第七期	34,410,656.50	On or before 31 December 2021 2021年12月31日或之前
	237,642,626.00	

The Group received the first instalment and the second instalment of Committed Dividend in June and July 2020, respectively. Accordingly, Committed Dividend income of RMB50,000,000 has been recognised as income in profit or loss (see Note 6).

The third instalment of Committed Dividend of RMB50,000,000 has been past due and remains unpaid as at the date of the approval of these consolidated financial statements. The directors of the Company consider that it is not probable that economic benefits associated with the third to seventh instalments of Committed Dividend will flow to the Group, and so such amounts have not been recognised as income in profit or loss for the year ended 31 December 2020.

18. 合營企業的權益(續)

(c) 承諾分紅(續)

如回購協議所載，各方同意清遠加多寶草本應按分期付款的方式通過銀行轉賬支付人民幣237,642,626元的承諾分紅予中糧包裝投資：

本集團分別於2020年6月及7月收取第一期及第二期承諾分紅。因此，承諾分紅收入人民幣50,000,000元在損益表中確認為收入(見附註6)。

於本綜合財務報表批准日期，第三期承諾分紅人民幣50,000,000元已逾期及尚未支付。本公司董事認為，第三期至第七期承諾分紅的相關經濟利益流入本集團仍存在重大不確定性，因此截至2020年12月31日止年度相關金額並沒有在損益表中確認為收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

18. Interests in joint ventures (continued)

Aggregate financial information of the joint ventures that are not individually material:

		At 31 December 2020 於2020年 12月31日 RMB'000 人民幣千元
Aggregate carrying amount of the individually immaterial joint ventures in the consolidated financial statements	個別非重大合營企業在綜合財務報表中的賬面總額	8,371
		Period from respective dates of establishment to 31 December 2020 於成立日期 至2020年 12月31日止期間 RMB'000 人民幣千元
Aggregate amount of the Group's share of joint ventures' profit after tax	本集團分佔合營企業稅後利潤總額	91
Aggregate amount of the Group's share of joint ventures' other comprehensive income	本集團分佔合營企業其他全面收益總額	-
Aggregate amount of the Group's share of joint ventures' total comprehensive income	本集團分佔合營企業全面收益總額	91

19. Investment in an associate

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Share of net assets	應佔淨資產	-	24,984

As at 31 December 2019, the Group, through CPMC Investment, held 25% equity interest in Liaoning Zhong'an Can-making Co., Ltd ("Liaoning Zhong'an") which is incorporated in the PRC and is principally engaged in the manufacture of metal packaging.

In December 2020, the Group disposed of all of its equity interest in Liaoning Zhong'an to Anshan Yong'an Packaging Industry Co. Ltd. ("Anshan Yong'an") the immediate holding company of Liaoning Zhong'an, at a cash consideration of RMB25,000,000, resulting in a gain on disposal of RMB16,000 recognised in profit or loss as other income (see Note 6).

18. 合營企業的權益(續)

合營企業之非個別重要財務資料總額：

19. 於一家聯營公司的投資

於2019年12月31日，本集團通過中糧包裝投資持有在中國註冊成立的遼寧中安製罐有限公司(「遼寧中安」)25%的股權，該公司主要從事製造金屬包裝的業務。

於2020年12月，本集團向鞍山永安包裝工業有限公司(「遼寧永安」)(遼寧中安之直接控股公司)出售遼寧中安的全部股權，現金代價為人民幣25,000,000元，產生出售收益人民幣16,000元並於損益表中確認為其他收入(見附註6)。

19. Investment in an associate (continued)

The following table illustrates the summarised financial information in respect of Liaoning Zhong'an, adjusted for any differences in accounting policies and reconciled to the carrying amount in the consolidated financial statements:

		At 31 December 2019 於2019年 12月31日 RMB'000 人民幣千元
Cash and cash equivalents	現金及現金等價物	4,668
Other current assets	其他流動資產	59,765
Current assets	流動資產	64,433
Non-current assets, excluding goodwill	非流動資產(不包括商譽)	179,096
Current liabilities	流動負債	(101,992)
Non-current liabilities	非流動負債	(50,810)
Net assets	淨資產	90,727
Reconciliation to the Group's investment in an associate:	本集團於一家聯營公司的投資對賬:	
Proportion of the Group's ownership	本集團的所有權比例	25%
Add: accumulated losses not recognised	加: 未確認累計虧損	2,318
Carrying amount of the investment	投資的賬面值	25,000
		Year ended 31 December 2019 截至2019年 12月31日 止年度 RMB'000 人民幣千元
Revenue	收入	214,150
Profit and total comprehensive income for the year	年度利潤及全面收益總額	4,627

19. 於一家聯營公司的投資(續)

下表列示有關遼寧中安之財務資料概要(經就任何會計政策差異作出調整)及與綜合財務報表賬面值之對賬:

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

19. Investment in an associate (continued)

Pursuant to the agreement entered into between CPMC Investment and Anshan Yong'an, CPMC Investment was ensured with a preferential dividend of 15% of its capital contribution in Liaoning Zhong'an in the year ended 31 December 2018 and, from year 2019, 20% of its capital contribution until CPMC Investment selects to vest its call option to increase capital investment at the then fair value to be mutually agreed and obtain the control of Liaoning Zhong'an in 2023. If there is any insufficient profit generated from Liaoning Zhong'an, Anshan Yong'an should make up CPMC Investment for the shortfall and pay before 31 May in the following year. In case of excess profits, the excess profits shall be distributed according to the capital contribution ratio of both parties and shall be paid before 31 May in the following year. If CPMC Investment obtains the control of Liaoning Zhong'an in 2023, the preferential dividend term shall terminate accordingly. As Liaoning Zhong'an suffered a loss and did not have sufficient reserves to distribute the preferential dividend for years ended 31 December 2020 and 2019, the Group did not recognise any share of losses of Liaoning Zhong'an in the consolidated statement of profit or loss. The make-up of the shortfall from Anshan Yong'an of RMB1,250,000 (2019: RMB7,500,000) has been recognised as other income in profit or loss (see Note 6).

20. Inventories

		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	572,441	530,126
Work in progress	在製品	162,377	144,736
Finished goods	成品	428,017	323,370
Consumables	耗材	84,677	72,545
		1,247,512	1,070,777

19. 於一家聯營公司的投資(續)

根據中糧包裝投資與鞍山永安訂立的合營協議，確保中糧包裝投資獲得的優先股息金額為其於截至2018年12月31日止年度向遼寧中安注資金額的15%，且自2019年開始增加至其注資金額的20%，直至中糧包裝投資選擇於2023年行使其認購期權以按雙方協定的公平值增加資本投資並獲得遼寧中安的控制權。倘鞍山永安產生的利潤金額不足，鞍山永安將為中糧包裝投資補足差額，並於來年5月31日前支付。倘利潤金額充足，則金額充足的利潤將根據訂約雙方的注資比率予以分派，並於來年5月31日前支付。倘中糧包裝投資於2023年獲得遼寧中安的控制權，優先股息的期限即告終止。由於截至2020年及2019年12月31日止年度遼寧中安錄得虧損，並無充足儲備分派優先股息，本集團之綜合損益表內概無確認應佔遼寧中安的虧損。鞍山永安補足差額人民幣1,250,000元(2019年：人民幣7,500,000元)已於損益表確認為其他收入(見附註6)。

20. 存貨

21. Trade and bills receivables

		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade and bills receivables from third-party customers	來自第三方客戶的貿易應收款及應收票據	2,040,901	1,702,350
Trade and bills receivables from related parties (Note 38(b))	來自關聯方的貿易應收款及應收票據(附註38(b))	117,926	143,244
		2,158,827	1,845,594
Less: Impairment	減: 減值	(2,745)	(5,681)
		2,156,082	1,839,913

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 to 180 (2019: 30 to 180) days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables related to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The Group's trade receivables from related parties are on credit terms similar to those offered to the major customers of the Group.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of impairment, is as follows:

		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 3 months	3個月內	1,714,283	1,576,292
3 to 12 months	3至12個月	441,056	261,216
Over 1 years	1年以上	743	2,405
		2,156,082	1,839,913

21. 貿易應收款及應收票據

本集團給予客戶信貸期，惟新客戶大多須預先付款。信貸期一般為30至180天(2019年：30至180天)。每名客戶均有最高信貸額。本集團尋求嚴格控制其未償還應收賬款，及設立信貸控制部將信貸風險降至最低。高級管理人員也會定期檢討逾期款項。鑑於上述者及本集團的貿易應收款與大量不同類別客戶有關，故並無重大集中信貸風險。本集團並未就其貿易應收款結餘持有任何抵押品或其他信貸保證。貿易應收款並不計息。

本集團關連人士之貿易應收款信貸期乃按向本集團主要客戶提供的類似信貸期。

於報告期末的貿易應收款及應收票據按發票日期，並扣除減值的賬齡分析如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

21. Trade and bills receivables (continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
At 1 January	於1月1日	5,681	1,237
Impairment losses recognised in the year (Note 8(c))	於年內確認的減值虧損 (附註8(c))	2,745	5,681
Impairment losses reversed in the year (Note 8(c))	於年內撥回減值虧損 (附註8(c))	(442)	(620)
Amounts written off as uncollectible	撇銷不可收回之金額	(5,239)	(617)
At 31 December	於12月31日	2,745	5,681

Impairment under HKFRS 9

An impairment analysis is performed at the end of each reporting period using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss pattern (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if they are past due for more than three years and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2020

		Past due 逾期				Total 總計
		Current 即期	Less than 1 month	1 to 3 months	Over 3 months	
			少於1個月	1至 3個月	超過 3個月	
Expected credit loss rate	預期信貸虧損率	0.01%	0.72%	0.25%	61.89%	0.13%
Gross carrying amount (RMB'000)	總賬面值 (人民幣千元)	2,037,116	6,413	2,773	4,096	2,050,398
Expected credit losses (RMB'000)	預期信貸虧損 (人民幣千元)	157	46	7	2,535	2,745

21. 貿易應收款及應收票據(續)

貿易應收款的減值虧損撥備變動如下：

香港財務報告準則第9號減值

於各報告期末採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分類組別(即按地理區域、產品類型、客戶類型及評級以及信用證或其他形式的信用保險劃分)的逾期天數釐定。該計算反映概率加權結果、貨幣時間價值及於報告日期可得的有關過往事項、當前條件及未來經濟條件預測的合理及可靠資料。一般而言，倘貿易應收款逾期超過三年，則予以撇銷，且不受執行工作規限。

下表載列使用撥備矩陣之有關本集團貿易應收款信用風險狀況的資料：

於2020年12月31日

21. Trade and bills receivables (continued)

Impairment under HKFRS 9 (continued)

As at 31 December 2019

		Current	Past due			Total
			Less than 1 month	1 to 3 months	Over 3 months	
		即期	少於1個月	3個月	3個月	總計
Expected credit loss rate	預期信貸虧損率	0.01%	0.78%	0.26%	59.45%	0.33%
Gross carrying amount (RMB'000)	總賬面值 (人民幣千元)	1,697,328	5,650	2,337	9,183	1,714,498
Expected credit losses (RMB'000)	預期信貸虧損 (人民幣千元)	172	44	6	5,459	5,681

At 31 December 2020, the Group endorsed certain bills receivables accepted by banks in the PRC (the "Derecognised Bills") to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of RMB781,126,927 (2019: RMB606,107,000). The Derecognised Bills have a maturity from one to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the "Continuing Involvement"). In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

During the year ended 31 December 2020, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Bills (2019: Nil). No gains or losses were recognised from the Continuing Involvement, both during the year ended 31 December 2020 or cumulatively.

21. 貿易應收款及應收票據(續)

香港財務報告準則第9號減值(續)

於2019年12月31日

於2020年12月31日，本集團向其若干供應商簽署中國多家銀行接納的若干應收票據（「取消確認票據」），以清償應付有關供應商賬面總值人民幣781,126,927元（2019年：人民幣606,107,000元）的貿易應付款。於報告期末，取消確認票據的到期期限介乎一至六個月。根據中國票據法，倘該等中國銀行違約，取消確認票據持有人對本集團擁有追索權（「持續參與」）。董事認為，本集團已將取消確認票據的絕大部份風險及回報轉移。因此，其已取消確認取消確認票據及相關貿易應付款的全數賬面值。本集團因持續參與取消確認票據及因購回該等取消確認票據的未貼現現金流量而承受的最高虧損風險相等於其賬面值。董事認為，本集團持續參與取消確認票據的公平值並不重大。

截至2020年12月31日止年度，本集團並無於轉讓取消確認票據之日確認任何盈虧（2019年：無）。本集團並無就持續參與與確認截至2020年12月31日止年度內或累計盈虧。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

22. Prepayments, other receivables and other assets

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Current assets	流動資產		
Prepayments to third-party suppliers	預付予第三方供應商之墊款	189,190	125,915
Deposits	按金	14,387	13,361
Input VAT recoverable	可收回之進項增值稅	61,586	72,802
Prepaid expenses	預付費用	13,956	9,625
Other receivables	其他應收款	24,319	33,475
Amounts due from related parties (Note 38(b))	應收關連人士款項 (附註38(b))	34,038	5,544
		337,476	260,722
Less: Impairment	減：減值	(4,231)	(3,887)
		333,245	256,835
Non-current assets	非流動資產		
Prepaid expenses	預付開支	38,165	32,567

The movements in the loss allowance for impairment of prepayments, other receivables and other assets are as follows:

預付款、其他應收款及其他資產減值虧損撥備變動如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
At 1 January	於1月1日	3,887	3,874
Impairment losses recognised in the year (Note 8(c))	於年內確認的減值虧損 (附註8(c))	4,231	3,887
Impairment losses reversed in the year (Note 8(c))	於年內撥回減值虧損 (附註8(c))	(3,880)	(3,869)
Amounts written off as uncollectible	撇銷不可收回之金額	(7)	(5)
At 31 December	於12月31日	4,231	3,887

Prepayments, other receivables and other assets mainly represent prepayments to third-party suppliers and input VAT recoverable. As there were no comparable companies with credit ratings can be identified, expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The 12-month ECL loss rate applied for where there are no comparable companies as at 31 December 2020 was 2.85% (2019: 1.80%).

預付款、其他應收款及其他資產主要指預先支付第三方供應商的款項及可收回之進項增值稅。由於未能識別到具信貸評級的可資比較公司，本集團經參考過往虧損記錄及透過使用虧損率法估計預期信貸虧損。虧損率將於適當時候作出調整以反映現時情況及預測未來經濟情況。對於2020年12月31日並無可資比較公司的情況，所使用的12個月預期信貸虧損率為2.85% (2019年：1.80%)。

Except for the above impaired other receivables, the financial assets included in the above balances related to receivables for which there was no recent history of default.

除以上已減值其他應收款外，上述結餘內包括的金融資產與近期無拖欠記錄的應收款有關。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合財務報表附註

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

23. Cash and cash equivalents, pledged deposits and restricted deposit

23. 現金及現金等價物、已抵押存款及有限制存款

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	1,061,230	90,325
Deposits in COFCO Finance (Note 38(b))	於中糧財務的存款 (附註38(b))	890,000	588,189
Time deposits	定期存款	90,407	49,712
		2,041,637	728,226
Less: Restricted bank deposit and pledged time deposits:	減：有限制存款及已抵 押定期存款：		
Pledged for letters of credit	就信用證已抵押	(20,258)	(2,883)
Pledged for bills payable (Note 24)	就應付票據已抵押 (附註24)	(70,149)	(46,829)
Restricted bank deposit	有限制存款	(7,000)	-
		(97,407)	(49,712)
Cash and cash equivalents	現金及現金等價物	1,944,230	678,514

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

All of the above deposits in COFCO Finance have a short maturity of less than three months and a determinable return when acquired. In the opinion of the directors of the Company, these deposits in COFCO Finance are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

銀行現金按每日銀行存款利率賺取浮動利息。根據本集團對現金需求之急切性，短期定期存款存款期由一日至三個月不等，分別按有關之短期定期存款利率賺取利息。銀行結餘及有抵押存款乃存於近期無欠款紀錄且信譽良好之銀行。

以上所有於中糧財務的存款的期限較短(不足三個月)，並於購入時有可決定的回報。本公司董事認為，該等於中糧財務的存款可隨時變現作可知數額的現金且價值變動風險不大。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

24. Trade and bills payables

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Within 3 months	3個月內	1,019,366	757,848
3 to 12 months	3至12個月	426,841	361,899
Over 1 year	1年以上	2,659	3,709
		1,448,866	1,123,456

Trade and bills payables are non-interest-bearing and the credit terms are normally 30 to 90 (2019: 30 to 90) days.

As at 31 December 2020, certain of the Group's bills payable were secured by the Group's bank deposits amounting to RMB70,149,000 (2019: RMB46,829,000) (Note 23).

As at 31 December 2020, among the trade and bills payables, trade payables of RMB Nil (2019: RMB20,000) were due to COFCO (Hong Kong) and its subsidiaries, and trade payables RMB282,000 (2019: RMB10,517,000) were due to ORG Technology and its subsidiaries. These balances were payable within 90 days, a credit term similar to those offered by the respective fellow subsidiary to its major customers (Note 38(b)).

24. 貿易應付款及應付票據

於報告期末，按發票日期計算的貿易應付款及應付票據的賬齡分析如下：

貿易應付款及應付票據並不計息，信用期通常為30至90日(2019年：30至90日)。

於2020年12月31日，本集團的若干應付票據以本集團的銀行存款合共人民幣70,149,000元(2019年：人民幣46,829,000元)作抵押(附註23)。

於2020年12月31日，貿易應付款及應付票據包括應付中糧(香港)及其附屬公司的貿易應付款為零(2019年：人民幣20,000元)和應付奧瑞金科技及其附屬公司的貿易應付款人民幣282,000元(2019年：人民幣10,517,000元，該等款項須於90日內支付，與該同系附屬公司給予其主要客戶之信貸條款相似(附註38(b))。

25. Other payables and accruals

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Contract liabilities	合約負債	44,628	39,803
Refund liabilities	退款負債	59,995	8,453
Salaries and welfare payables	應付工資及福利	131,356	103,110
Accrued expenses	應計費用	59,884	44,795
Guarantee deposits from suppliers	供應商保證金	20,028	16,084
Payables for purchases of equipment	採購設備應付款項	45,357	61,329
Amounts due to related parties (Note 38(b))	應付關連人士款項 (附註38(b))	73	62
Tax payables other than current income tax liabilities	除當期所得稅負債外的 應付稅項	36,598	17,446
Earnest deposit (Note 18)	誠意金(附註18)	-	250,000
Others	其他	31,124	18,077
		429,043	559,159

Other payables and accruals are non-interest-bearing and have an average term of three months.

25. 其他應付款及應計項目

其他應付款及應計項目並不計息，平均年期為三個月。

25. Other payables and accruals (continued)

As at 1 January 2019, contract liabilities were RMB48,365,000. Revenue recognised during the year ended 31 December 2020 related to contract liabilities at the beginning of the year was RMB39,803,000 (2019: RMB48,365,000).

26. Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities:

		2020		2019	
		Present value of the minimum lease payments 最低租金 之現值 RMB'000 人民幣千元	Total minimum lease payments 最低租金 總額 RMB'000 人民幣千元	Present value of the minimum lease payments 最低租金 之現值 RMB'000 人民幣千元	Total minimum lease payments 最低租金 總額 RMB'000 人民幣千元
Within 1 year	一年內	10,268	11,849	8,259	9,326
After 1 year but within 2 years	一年以後但兩年 以內	9,410	10,658	10,493	11,767
After 2 years but within 5 years	兩年以後但五年 以內	14,191	17,036	2,811	3,452
After 5 years	五年以後	47,377	51,493	5,094	5,629
		70,978	79,187	18,398	20,848
		81,246	91,036	26,657	30,174
Less: total future interest expenses	減：未來利息開支 總額		(9,790)		(3,517)
Present value of lease liabilities	租賃負債之現值		81,246		26,657

25. 其他應付款及應計項目(續)

於2019年1月1日，合約負債為人民幣48,365,000元。計入年初合約負債結餘的已確認收入為人民幣39,803,000元(2019年：人民幣48,365,000元)。

26. 租賃負債

下表載列本集團之租賃負債的餘下合約期限：

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

27. Derivative financial instruments

The Group has entered into various commodity futures contracts to manage its market price risk arising from the fixed unit price of aluminium to certain of the Group's customers conducted in the normal course of business. These commodity futures contracts are measured at fair value through profit or loss. A net fair value gain on derivative financial instruments of RMB14,216,000 (2019: RMB3,331,000) was recognised in cost of sales in the consolidated statement of profit or loss during the year (Note 8(a)).

28. Interest-bearing bank borrowings

27. 衍生金融工具

本集團已訂立多項遠期商品合約，用於管理正常業務過程中本集團若干客戶鎖定鋁材單位成本而導致的市場價格風險。該等遠期商品合約按公平值計入損益。年內衍生金融工具的淨公平值收益人民幣14,216,000元(2019年：人民幣3,331,000元)已確認入綜合損益表的銷售成本中(附註8(a))。

28. 計息銀行借款

		2020			2019		
		Effective interest rate (%) 實際利率(%)	Maturity 到期	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期	RMB'000 人民幣千元
Fixed-rate – unsecured	固息 – 無抵押	1.26–1.48	2029	3,323	1.26–1.48	2029	3,236
Floating-rate – unsecured	浮息 – 無抵押	0.98–1.30	2021–2024	4,260,397	1.60–3.81	2020–2022	4,335,006
				4,263,720			4,338,242
					2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元	
Bank loans are repayable in the following intervals:	應於下列期間償還						
Within one year	銀行貸款： 第一年內			2,300,147			1,857,772
In the second year	第二年			814,039			2,477,593
In the third to fifth years, inclusive	第三至第五年，包括首尾兩年			1,149,534			2,877
				4,263,720			4,338,242
Less: Amounts due within one year shown under current liabilities	減：流動負債項下所列於一年內到期之款項			(2,300,147)			(1,857,772)
Amounts shown under non-current liabilities	非流動負債項下所列款項			1,963,573			2,480,470

29. Deferred Tax

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax liabilities

		Accelerated tax amortisation of lands use rights	Accelerated tax depreciation of property, plant and equipment	Accelerated tax amortisation of intangible assets	Total
		土地使用權之 加速稅項攤銷 RMB'000 人民幣千元	物業、廠房及 設備之加速 稅項折舊 RMB'000 人民幣千元	無形資產之 加速稅項攤銷 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2019	於2019年1月1日	4,239	9,038	4,330	17,607
Reclassification (Note)	重分類(附註)	-	12,490	-	12,490
Deferred tax (credited)/ charged to profit or loss (Note 11)	於損益內(計入)/ 扣除遞延稅項 (附註11)	(113)	5,690	(713)	4,864
Gross deferred tax liabilities at 31 December 2019	於2019年12月31日 的總遞延稅項 負債	4,126	27,218	3,617	34,961
At 1 January 2020	於2020年1月1日	4,126	27,218	3,617	34,961
Deferred tax (credited)/ charged to profit or loss (Note 11)	於損益內(計入)/ 扣除遞延稅項 (附註11)	(317)	12,208	(704)	11,187
Gross deferred tax liabilities at 31 December 2020	於2020年12月31日的 總遞延稅項負債	3,809	39,426	2,913	46,148

Note: The reclassification is due to deferred tax liabilities recognised for additional capitalisation of borrowing costs in previous years which was recorded in tax payable.

29. 遞延稅項

年內遞延稅項資產及負債的變動如下：

遞延稅項負債

附註：重分類是由於以前年度新增借貸成本資本化而確認的遞延所得稅負債，該遞延所得稅負債於以前年度已記錄在應納稅額中。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

29. Deferred Tax (continued)

Deferred tax assets

		Provision for impairments of trade receivables	Provision for impairments of prepayments and other receivables	Provision for write-down of inventories	Provision for impairments of property, plant and equipment	Losses available for offsetting against future taxable profits	Others	Total
		貿易應收款 減值撥備	預付款及 其他應收 款減值撥備	存貨跌價撥備	物業、廠房及 設備之減值 撥備	可用虧損 用於抵銷未來 應課稅利潤	其他	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
At 1 January 2019	於2019年1月1日	195	941	47	1,539	10,310	10,568	23,600
Deferred tax credited/ (charged) to profit or loss (Note 11)	於損益表內計入/(扣除) 遞延稅項(附註11)	712	—	(53)	—	1,883	2,858	5,400
Gross deferred tax assets at 31 December 2019	於2019年12月31日的 總遞延稅項資產	907	941	(6)	1,539	12,193	13,426	29,000
At 1 January 2020	於2020年1月1日	907	941	(6)	1,539	12,193	13,426	29,000
Deferred tax (charged)/ credited to profit or loss (Note 11)	於損益表內(扣除)/計入 遞延稅項(附註11)	(318)	86	6	(234)	(12,193)	10,590	(2,063)
Gross deferred tax assets at 31 December 2020	於2020年12月31日的 總遞延稅項資產	589	1,027	—	1,305	—	24,016	26,937

As at 31 December 2020, no deferred tax assets have been recognised in respect of the unused tax losses for approximately RMB120,593,000 (2019: RMB103,977,000), which included in the tax losses of approximately RMB115,977,000 (2019: RMB102,084,000) that will expire within five years, and other losses may be carried forward indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

Pursuant to the EIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

29. 遞延稅項(續)

遞延稅項資產

		Provision for impairments of prepayments and other receivables	Provision for write-down of inventories	Provision for impairments of property, plant and equipment	Losses available for offsetting against future taxable profits	Others	Total
		貿易應收款 減值撥備	預付款及 其他應收 款減值撥備	存貨跌價撥備	物業、廠房及 設備之減值 撥備	其他	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
At 1 January 2019	於2019年1月1日	195	941	47	1,539	10,310	23,600
Deferred tax credited/ (charged) to profit or loss (Note 11)	於損益表內計入/(扣除) 遞延稅項(附註11)	712	—	(53)	—	1,883	5,400
Gross deferred tax assets at 31 December 2019	於2019年12月31日的 總遞延稅項資產	907	941	(6)	1,539	12,193	29,000
At 1 January 2020	於2020年1月1日	907	941	(6)	1,539	12,193	29,000
Deferred tax (charged)/ credited to profit or loss (Note 11)	於損益表內(扣除)/計入 遞延稅項(附註11)	(318)	86	6	(234)	(12,193)	(2,063)
Gross deferred tax assets at 31 December 2020	於2020年12月31日的 總遞延稅項資產	589	1,027	—	1,305	—	26,937

於2020年12月31日，概無就未動用稅項虧損約人民幣120,593,000元(2019年：人民幣103,977,000元)確認遞延稅項資產，稅項虧損中約人民幣115,977,000元(2019年：人民幣102,084,000元)將於五年內屆滿，其他虧損可無限期結轉，用於抵銷產生虧損的公司的未來應課稅利潤。由於不認為有可能將應課稅利潤用於抵銷可動用的上述項目，故並未確認相關遞延稅項資產。

根據企業所得稅法，於中國內地成立的外商投資企業向海外投資者所宣派的股息須繳納10%預扣稅。有關規定於2008年1月1日起生效，並適用於2007年12月31日之後的盈利。倘中國與海外投資者的司法權區訂立稅務條約，則可能享有較低的預扣稅率。就本集團而言，適用稅率為5%或10%。因此，本集團須就該等於中國成立的附屬公司於2008年1月1日起賺取的盈利所宣派的股息繳納預扣稅。

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

29. Deferred Tax (continued)

Pursuant to the approvals received by the Company from the State Administration of Taxation of the PRC, the Company and certain of its subsidiaries are regarded as CREs and relevant enterprise income tax policies shall be applicable to the Company and these subsidiaries starting from 1 January 2013. As a result, the Company and these subsidiaries are therefore no longer liable for withholding taxes on dividends distributed by their subsidiaries established in Mainland China in respect of retained earnings generated.

For those subsidiaries not approved as CREs, the Group is liable for withholding taxes on dividends distributed by those subsidiaries established in the Mainland China in respect of earnings generated from 1 January 2008. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to RMB312,258,000 (2019: RMB258,797,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

30. Share capital

		2020		2019	
		No. of shares	RMB'000	No. of shares	RMB'000
		股份數目	人民幣千元	股份數目	人民幣千元
Ordinary shares, issued and fully paid:	普通股，已發行及繳足：				
At 1 January	於1月1日	1,160,949,000	2,730,433	1,174,560,000	2,730,433
Shares repurchased and cancelled (<i>Note</i>)	已購回及註銷之股份 (<i>附註</i>)	(47,526,000)	—	(13,611,000)	—
At 31 December	於12月31日	1,113,423,000	2,730,433	1,160,949,000	2,730,433

29. 遞延稅項(續)

根據本公司獲中國國家稅務局頒發的批文，本公司及其若干附屬公司被認定為中國居民企業，及自2013年1月1日起適用有關企業所得稅法。因此，本公司及此等附屬公司將無須就其於中國內地成立之附屬公司產生的保留盈利分派的股息繳納預扣稅。

對於該等未被批准為中國居民企業之附屬公司而言，本集團須就於中國內地成立的該等附屬公司自2008年1月1日起產生之盈利所派發之股息繳納預扣稅。概無在綜合財務報表為源於中國附屬公司累計溢利的臨時差異金額為人民幣312,258,000 (2019年：人民幣258,797,000) 計提遞延稅項撥備，因為本集團能控制撥回臨時差異的時間，且臨時差異很可能不會於可見未來撥回。

30. 股本

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

30. Share capital (continued)

Note:

During the year ended 31 December 2020 and 2019, the Company repurchased its own shares on the Stock Exchange of Hong Kong Limited as follows:

Month (2020)		Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate price paid
月份(2020年)		購回股份數目	已付每股最高價	已付每股最低價	已付總價格
			HK\$ 港元	HK\$ 港元	HK\$'000 千港元
February 2020	2020年2月	9,451,000	3.00	2.86	28,092
May 2020	2020年5月	24,626,000	3.00	2.72	72,562
June 2020	2020年6月	13,304,000	3.00	2.92	39,262
July 2020	2020年7月	145,000	2.92	2.91	423
		47,526,000			140,339

Month (2019)		Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate price paid
月份(2019年)		購回股份數目	所支付每股最高價格	所支付每股最低價格	所支付總價格
			HK\$ 港元	HK\$ 港元	HK\$'000 千港元
June 2019	2019年6月	5,903,000	3.00	2.91	17,480
July 2019	2019年7月	7,708,000	3.00	2.93	22,951
		13,611,000			40,431

The repurchase was governed by section 257 of the Hong Kong Companies Ordinance. The total amounts paid on the repurchased shares of approximately RMB127,860,000 (2019: RMB35,390,000) and transaction costs of approximately RMB620,000 (2019: RMB180,000), were paid wholly out of retained profits. All of the repurchased shares were cancelled before the year ended 31 December 2020 (2019: 31 December 2019).

30. 股本(續)

附註:

截至2020年及2019年12月31日止年度，本公司於香港聯合交易所有限公司購回其本身股份如下：

購回受香港公司條例第257條規管。購回股份所付總金額約人民幣127,860,000元(2019年：人民幣35,390,000元)及交易成本約人民幣620,000元(2019年：人民幣180,000元)全數由留存利潤支付。所有購回股份已於截至2020年12月31日止年度(2019年：2019年12月31日)前註銷。

31. Reserves

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

Capital reserves

The capital reserves represent: (1) additional contribution made by the non-controlling shareholders of the Company's subsidiaries; (2) in the case of an acquisition of an additional equity interest in a non-wholly owned subsidiary, the difference between the cost of acquisition and the non-controlling interests acquired; and (3) in the case of a settlement of a shareholder's loans, the difference between the carrying amount of loans and the consideration.

31. 儲備

本集團於本年度及過往年度之儲備數額及儲備變動已於綜合權益變動表呈列。

資本儲備

資本儲備代表：(1)本公司附屬公司之非控股股東作出之額外貢獻；(2)在收購非全資附屬公司的額外股權的情況下，收購成本與已收購非控股權益之差額；及(3)就清償股東貸款而言，貸款與代價賬面值之差額。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合財務報表附註

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

31. Reserves (continued)

Statutory reserve

Subsidiaries of the Company established in the PRC are required to make appropriations to a certain statutory reserve, namely the reserve funds, from their statutory profit for the year after offsetting accumulated losses as determined under the PRC accounting regulations from prior years and before profit distribution to equity holders. The percentage to be appropriated to such statutory reserve funds is determined according to the relevant regulations in the PRC at 10% or at the discretion of the boards of directors of the respective companies.

32. Partly-owned subsidiaries with material non-controlling interests

Details of the Group's subsidiaries that has material non-controlling interests are set out below:

		2020	2019
Percentage of equity interests held by non-controlling interests:	非控股權益所持股權百分比：		
Company A	公司A	15.52%	15.52%
Company B	公司B	31.20%	31.20%
Company C and its subsidiary	公司C及其附屬公司	49.00%	49.00%

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Profit/(loss) for the year allocated to non-controlling interests:	分配至非控股權益的年度利潤/(虧損)：		
Company A	公司A	5,666	5,918
Company B	公司B	3,210	(164)
Company C and its subsidiary	公司C及其附屬公司	(5,327)	(2,113)

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Accumulated balances of non-controlling interests at the reporting dates:	非控股權益於報告日期的累計結餘：		
Company A	公司A	54,401	48,735
Company B	公司B	171,623	168,462
Company C and its subsidiary	公司C及其附屬公司	52,307	56,296

31. 儲備(續)

法定儲備

本公司於中國成立的附屬公司須自其年內法定利潤(抵銷根據中國會計法規計算的過往年度累計虧損後及向股本持有人作出利潤分派前)向若干法定儲備(即儲備金)撥款。將向該等法定儲備金作出的撥款比例根據中國相關法規以10%的比率或由各間公司的董事會酌情釐定。

32. 具有重大非控股權益之部份擁有附屬公司

擁有重大非控股權益之本集團附屬公司載列如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

32. Partly-owned subsidiaries with material non-controlling interests (continued)

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

32. 具有重大非控股權益之部份擁有附屬公司(續)

下表說明上述附屬公司的財務資料概要。所披露金額為除任何公司間對銷前金額：

		Company A	Company B	Company C and its subsidiary
		公司A	公司B	公司C及其附屬公司
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
2020	2020年			
Revenue	收入	548,157	426,417	58,326
Total expenses	開支總額	(511,396)	(416,287)	(69,219)
Profit/(loss) for the year	年度利潤/(虧損)	36,761	10,130	(10,893)
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	36,761	10,130	(8,139)
Current assets	流動資產	289,113	312,479	156,594
Non-current assets	非流動資產	216,230	357,932	453,848
Current liabilities	流動負債	(97,751)	(117,666)	(115,881)
Non-current liabilities	非流動負債	(49,345)	(2,672)	(387,816)
Net cash flows from/(used in) operating activities	經營活動產生/(使用)之現金流量淨額	86,798	(14,635)	(72,570)
Net cash flows used in investing activities	投資活動使用之現金流量淨額	(22,317)	(5,717)	(120,704)
Net cash flows (used in)/from financing activities	融資活動(使用)/產生之現金流量淨額	(649)	-	189,525
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	63,832	(20,352)	(3,749)
		Company A	Company B	Company C and its subsidiary
		公司A	公司B	公司C及其附屬公司
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
2019	2019年			
Revenue	收入	523,159	284,599	-
Total expenses	開支總額	(500,270)	(284,655)	(4,322)
Profit/(loss) for the year	年度利潤/(虧損)	22,889	(56)	(4,322)
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	22,889	(56)	(4,322)
Current assets	流動資產	250,909	191,334	34,609
Non-current assets	非流動資產	211,255	376,520	256,165
Current liabilities	流動負債	(86,432)	(25,187)	(172,653)
Non-current liabilities	非流動負債	(54,246)	(2,724)	(3,256)
Net cash flows from/(used in) operating activities	經營活動產生/(使用)之現金流量淨額	43,364	(50,650)	(10,342)
Net cash flows used in investing activities	投資活動使用之現金流量淨額	(11,158)	(18,827)	(256,631)
Net cash flows (used in)/from financing activities	融資活動(使用)/產生之現金流量淨額	(3,337)	26,295	284,456
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	28,869	(43,182)	17,483

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

FIVE-YEAR FINANCIAL SUMMARY
五年財務概要

33. Acquisition of additional equity interests in subsidiaries without change in control

During the year ended 31 December 2019, the Group acquired additional equity interests of two subsidiaries for consideration of approximately RMB131,898,000. The carrying amount of the non-controlling interests in those subsidiaries on the date of acquisition was approximately RMB362,658,000. The Group recognised a decrease in non-controlling interests of approximately RMB135,125,000.

Harvest Epoch Packaging (Zhejiang) Co., Ltd (“Epoch packaging”)

During the year ended 31 December 2019, the Group acquired additional equity interests in Epoch Packaging for a consideration of approximately RMB78,500,000. After that, the Group’s effective equity interests in Epoch packaging increased from 54.7% to 68.8%. The carrying amount of the non-controlling interests in the subsidiary on the date of acquisition was approximately RMB243,677,000. The Group recognised a decrease in non-controlling interests of approximately RMB64,082,000.

Wuxi Huapeng Closures Co., Ltd. (“Wuxi Huapeng”)

During the year ended 31 December 2019, the Group acquired additional equity interests in Wuxi Huapeng for a consideration of RMB53,398,000. After that, the Group’s effective equity interests in Wuxi Huapeng increased from 61.48% to 84.48%. The carrying amount of the non-controlling interests in the subsidiary on the date of acquisition was approximately RMB118,981,000. The Group recognised a decrease in non-controlling interests of approximately RMB71,043,000.

34. Notes to the consolidated statement of cash flows

(a) Major non-cash transactions

During the year ended 31 December 2019, the Group injected trade receivables balance due from a joint venture of RMB297,969,000 as asset capital contribution and therefore did not result in any cash flows to the Group.

33. 不改變控制權之附屬公司額外股本權益收購

截至2019年12月31日止年度，本集團以代價約人民幣131,898,000元收購額外兩家附屬公司的股本權益。於收購日期，該等附屬公司非控股權益的賬面值約為人民幣362,658,000元。本集團確認非控股權益減少約人民幣135,125,000元。

浙江紀鴻包裝有限公司（「紀鴻包裝」）

截至2019年12月31日止年度，本集團以代價約人民幣78,500,000元收購紀鴻包裝額外股權。其後，本集團於紀鴻包裝的有效權益由54.7%增至68.8%。於收購日期，於附屬公司非控股權益的賬面值約為人民幣243,677,000元。本集團確認非控股權益減少約人民幣64,082,000元。

無錫華鵬瓶蓋有限公司（「無錫華鵬」）

截至2019年12月31日止年度，本集團以代價人民幣53,398,000元收購無錫華鵬額外股權。其後，本集團於無錫華鵬的實際股權由61.48%增加至84.48%。於收購日期，於附屬公司非控股權益的賬面值約為人民幣118,981,000元。本集團確認非控股權益減少約人民幣71,043,000元。

34. 綜合現金流量表附註

(a) 主要非現金交易

截至2019年12月31日止年度，本集團注入應收一家合營企業的貿易應收款結餘人民幣297,969,000元作為實物出資，故本集團並無產生任何現金流量。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

34. Notes to the consolidated statement of cash flows (continued)

(b) Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

34. 綜合現金流量表附註(續)

(b) 融資活動產生之負債變動

下表載列本集團融資活動產生之負債的變動詳情，包括現金及非現金變動。融資活動產生之負債為現金流量於或未來現金流量將於本集團的綜合現金流量表中分類為融資活動產生之現金流量的負債。

		Interest-bearing bank borrowings 計息銀行 借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	4,338,242	26,657	4,364,899
Changes from financing cash flows:	融資現金流量之變動：			
New bank loans raised	新籌集的銀行貸款	1,502,028	-	1,502,028
Repayments of bank loans	償還銀行貸款	(1,325,813)	-	(1,325,813)
Capital element of lease rentals paid	已付租賃租金之資本部分	-	(13,203)	(13,203)
Interest element of lease rentals paid	已付租賃租金之利息部分	-	(1,907)	(1,907)
Total changes from financing cash flows	融資現金流量變動總額	176,215	(15,110)	161,105
Exchange adjustments	匯兌調整	(250,737)	-	(250,737)
Other changes:	其他變動：			
Increase in lease liabilities from entering into new leases	訂立新租約令致租賃負債增加	-	68,092	68,092
Interest expenses (Note 7)	利息開支(附註7)	110,647	1,907	112,554
COVID-19 related rent concessions	與COVID-19相關的租金優惠	-	(300)	(300)
Capitalised borrowing costs (Note 7)	資本化借款成本(附註7)	(13,491)	-	(13,491)
Borrowing costs paid classified as operating cash flows	分類為經營現金流量的已付借款成本	(97,156)	-	(97,156)
Total other changes	其他變動總額	-	69,699	69,699
At 31 December 2020	於2020年12月31日	4,263,720	81,246	4,344,966

34. Notes to the consolidated statement of cash flows (continued)

34. 綜合現金流量表附註(續)

(b) Changes in liabilities arising from financing activities (continued)

(b) 融資活動產生之負債變動(續)

		Interest-bearing bank borrowings 計息銀行借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於2019年1月1日	4,093,186	25,575	4,118,761
Changes from financing cash flows:	融資現金流量之變動:			
New bank loans raised	新籌集的銀行貸款	1,971,605	-	1,971,605
Repayment of bank loans	償還銀行貸款	(1,811,933)	-	(1,811,933)
Capital element of lease rentals paid	已付租賃租金之資本部分	-	(10,346)	(10,346)
Interest element of lease rentals paid	已付租賃租金之利息部分	-	(1,129)	(1,129)
Total changes from financing cash flows	融資現金流量變動總額	159,672	(11,475)	148,197
Exchange adjustments	匯兌調整	85,384	12	85,396
Other changes:	其他變動:			
Increase in lease liabilities from entering into new leases during the period	於期內訂立新租約令致租賃負債增加	-	11,416	11,416
Interest expenses (Note 7)	利息開支(附註7)	152,601	1,129	153,730
Capitalised borrowing costs (Note 7)	資本化借貸成本(附註7)	(17,852)	-	(17,852)
Borrowing costs paid classified as operating cash flows	分類為經營現金流量的已付借貸成本	(134,749)	-	(134,749)
Total other changes	其他變動總額	-	12,545	12,545
At 31 December 2019	於2019年12月31日	4,338,242	26,657	4,364,899

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

FIVE-YEAR FINANCIAL SUMMARY
五年財務概要

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

35. Pledge of assets

Details of the Group's letters of credit and bills payable, which are secured by the assets of the Group, are included in Notes 23 and 24, respectively.

36. Operating lease arrangements

As lessor

The Group leases its machineries and individual properties (which was not qualified as an investment property), under operating lease arrangements, with leases negotiated for terms ranging from four months to eight years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Within one year	第一年內	3,772	1,827
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	12,466	6,667
After five years	五年以後	3,099	1,796
		19,337	10,290

37. Capital Commitments

The Group had the following capital commitments at the end of the reporting period:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Contracted, but not provided for:	有關已訂約但未撥備的:		
Property, plant and equipment	物業、廠房及設備	383,452	224,305
Capital contribution payable to a joint venture (note)	應付一家合營企業之 資本出資(附註)	8,280	1,122,759
		391,732	1,347,064

Note: During the year ended 31 December 2020, upon signing the Repurchase Agreement, JDB Group has agreed to release the Group's capital contribution obligation to invest further RMB1,122,759,000 to Qingyuan JDB Herbal.

35. 抵押資產

本集團之信用證及應付票據(以本集團之資產抵押)之詳情分別載於附註23及24。

36. 經營租賃安排

作為出租人

本集團根據經營租賃安排將其機器及不合資格作投資物業的物業出租，協定期限介乎四個月至八年。租賃條款通常亦要求租戶支付保證金，並可根據當時市場狀況定期調整租金。

本集團於報告期末根據與其租戶所訂立下列期間到期之不可撤銷經營租賃可收取之未來最低租金總額如下：

37. 資本承諾

於報告期末本集團之資本承諾如下：

附註： 於截至2020年12月31日止年度，於簽訂回購協議後，加多寶集團已同意解除本集團向清遠加多寶草本進一步投資人民幣1,122,759,000元的出資義務。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合財務報表附註

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

38. Related party transactions

(a) In addition to the transactions detailed elsewhere in the consolidated financial statements, the Group had the following material transactions with related parties during the year:

38. 關連方交易

(a) 除該等綜合財務報表其他地方所載之交易外，本集團於年內與關連人士進行的重大交易如下：

			2020	2019
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Transactions with COFCO:	與中糧的交易：			
- Repayment of lease liabilities (including principal and interest elements)	- 償還租賃負債 (包括本金及利息部分)	(ii)	1,300	1,300
- Purchase of IT software and IT facilities	- 購買資訊科技軟件及資訊科技設施	(v)	475	445
- Supply of IT Services and market consulting services	- 提供資訊科技及市場諮詢服務	(v)	1,887	2,358
- Purchase of products	- 購買產品	(iv)	-	3
Transactions with related companies*:	與關連公司的交易*：			
Transactions with COFCO Finance:	與中糧財務的交易：			
- Interest income (Note 6)	- 利息收入(附註6)	(iii)	11,569	4,348
Transactions with COFCO (Hong Kong), a substantial shareholder of the Company, and its subsidiaries (collectively the "COFCO Hong Kong Group"):	與本公司主要股東中糧(香港)及其附屬公司(統稱「中糧(香港)集團」)的交易：			
- Sale of products	- 銷售產品	(i)	344,477	399,445
- Repayment of lease liabilities (including principal and interest elements)	- 償還租賃負債 (包括本金及利息部分)	(ii)	946	957
- Purchase of products	- 購買產品	(iv)	19	-
Transactions with ORG Technology, a substantial shareholder of the Company, and its subsidiaries (collectively the "ORG Technology Group"):	與本公司主要股東奧瑞金科技及其附屬公司(統稱「奧瑞金科技集團」)的交易：			
- Sale of products	- 銷售產品	(i)	163,586	93,282
- Purchase of products	- 購買產品	(iv)	127,463	67,776
- Sale of raw materials	- 銷售原材料	(vii)	350	313
Transactions with a joint venture of the Group:	與本集團合營企業的交易：			
- Sale of products	- 銷售產品	(i)	-	256,870

* Related companies are companies under significant influence of COFCO.

* 關連公司乃受中糧重大影響的公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

38. Related party transactions (continued)

(a) In addition to the transactions detailed elsewhere in the consolidated financial statements, the Group had the following material transactions with related parties during the year: (continued)

Note:

- (i) The sales were made according to the published prices and conditions offered to the major customers of the Group.
- (ii) The rental expenses were determined with reference to the prevailing market rental.
- (iii) The interest income arising from the deposits to COFCO Finance was determined in accordance with the prevailing RMB deposit rates promulgated by the People's Bank of China with the same terms and conditions.
- (iv) The considerations were determined with reference to the prevailing market prices/rates and the prices charged to third parties.
- (v) The transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.
- (vi) The interest income arising from the entrusted loan to an associate was determined in accordance with the prevailing RMB interest rates promulgated by the People's Bank of China with the same terms and conditions.
- (vii) The sales were made according to the published prices and conditions.

38. 關連方交易(續)

(a) 除該等綜合財務報表其他地方所載之交易外，本集團於年內與關連人士進行的重大交易如下：(續)

附註：

- (i) 有關銷售乃根據已刊發價格及提供予本集團主要客戶的條件而進行。
- (ii) 租金開支乃參考現行市值租金而釐定。
- (iii) 產生自中糧財務存款的利息收入乃按照中國人民銀行所頒佈的現行人民幣存款利率按相同條款及條件而釐定。
- (iv) 代價乃參照現行市場價格／利率及向第三方收取的價格釐定。
- (v) 有關交易乃根據參與各方互相協定的條款及條件進行。
- (vi) 貸予聯營公司委託貸款產生之利息收入乃根據中國人民銀行頒佈的現行人民幣利率按同等條款及條件釐定。
- (vii) 有關銷售乃根據已刊發價格及條件而進行。

38. Related party transactions (continued)

38. 關連方交易(續)

(b) Outstanding balances with related parties:

(b) 與關連人士之間的未清餘額：

		31 December 2020 2020年 12月31日 RMB'000 人民幣千元	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Trade and bills receivables (Note 21):	貿易應收款及應收票據(附註21)：		
The COFCO Hong Kong Group	中糧(香港)集團	88,965	76,958
The ORG Technology Group	奧瑞金科技集團	28,961	66,286
Prepayments, other receivables and other assets (Note 22):	預付款、其他應收款及其他資產(附註22)：		
The COFCO Hong Kong Group	中糧(香港)集團	34,038	5,044
Liaoning Zhong'an	遼寧中安	-	500
Trade payables (Note 24):	貿易應付款(附註24)：		
The COFCO Hong Kong Group	中糧(香港)集團	-	20
The ORG Technology Group	奧瑞金科技集團	282	10,517
Other payables and accruals (Note 25):	其他應付款及應計項目(附註25)：		
The COFCO Hong Kong Group	中糧(香港)集團	73	61
The ORG Technology Group	奧瑞金科技集團	-	1
Deposits placed (Note 23):	存款存放於(附註23)：		
COFCO Finance	中糧財務	890,000	588,189
Right-of-use asset: COFCO	使用權資產：中糧	-	1,255
The COFCO Hong Kong Group	中糧(香港)集團	978	79
Lease liabilities: COFCO	租賃負債：中糧	-	1,274
The COFCO Hong Kong Group	中糧(香港)集團	999	81

Notes:

附註：

(i) Except for the deposits placed to COFCO Finance which are interest-bearing and repayable on demand, the other balances are unsecured, interest-free and have no fixed terms of repayment.

(i) 除存放於中糧財務的存款為計息並須應要求償還外，其他結餘乃無抵押、不計息且並無固定還款期。

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

38. Related party transactions (continued)

(b) Outstanding balances with related parties: (continued)

Notes: (Continued)

- (ii) The Group entered into a three-year lease with COFCO in respect of a leased property, commencing from 1 January 2018. The amount of rental payable by the Group under the lease is RMB650,000, payable in half-yearly basis, and was determined with reference to amounts charged by COFCO to third parties.
- (iii) The Group entered into a two-year lease, commencing from 1 February 2018, with the COFCO Hong Kong Group in respect of a leased property, with a monthly lease payment of HK\$90,000 (or equivalent to RMB80,000). During the year ended 31 December 2020, the Group renewed the lease from 1 February 2020 for two years with a monthly lease payment of HK\$93,500 (equivalent to RMB81,000). The lease payments were determined with reference to amounts charged by the COFCO Hong Kong Group to third parties.

(c) Transactions and balances with other state-owned entities

The Group operates in an economic environment predominated by enterprises directly or indirectly owned or controlled by the PRC government through its numerous authorities, affiliates or other organisations (collectively, "State-owned Enterprises"). During the year, the Group enters into extensive transactions, mainly covering purchases of tinplates with State-owned Enterprises, other than the COFCO Group, on terms comparable to those with other non-state-owned entities.

The directors consider that transactions with other State-owned Enterprises are activities in the ordinary course of its business, and that dealings of the Group have not been significantly or unduly affected by the fact that the Group and those State-owned Enterprises are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for products and services, and such policies do not depend on whether or not the customers are State-owned Enterprises. Having due regard to the substance of the relationships, the directors of the Company are of the opinion that none of these transactions constitutes a related party transaction that requires separate disclosure.

38. 關連方交易(續)

(b) 與關連人士之間的未清餘額: (續)

附註: (續)

- (ii) 本集團與中糧就租賃物業訂立自2018年1月1日起計為期三年的租賃。本集團根據租賃應付的租金為每半年人民幣650,000元，乃經參考中糧向第三方收取的款項後釐定。
- (iii) 本集團與中糧(香港)集團就租賃物業訂立自2018年2月1日起計為期兩年的租賃，月租金為90,000港元(或相當於人民幣80,000元)。於截至2020年12月31日止年度，本集團重續租賃自2020年2月1日起計為期兩年，月租金為93,500港元(或相當於人民幣81,000元)。租金乃經參考中糧(香港)集團向第三方收取的款項後釐定。

(c) 與其他國有實體之間的交易及餘額

本集團運營的經濟環境中的企業大多為中國政府通過其眾多機關、聯屬機構或其他組織直接或間接擁有或控制的企業(統稱「國有企業」)。年內，本集團與中糧集團以外的國有企業進行大量交易，主要涉及採購馬口鐵，條款與其他非國有企業之間交易的條款相若。

董事認為，與其他國有企業之間的交易為在日常業務過程中進行的活動，且本集團與那些由中國政府最終控制或擁有的國有企業的貿易並沒有受到嚴重或不當影響。本集團還制定產品和服務的定價政策，而該等政策並非取決於客戶是否為國有企業。經周詳考慮該等關係的本質後，本公司董事認為該等交易概不構成須另行予以披露的關連方交易。

38. Related party transactions (continued)

(d) Compensation of key management personnel of the Group:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Short term employee benefits	短期僱員福利	7,077	6,488
Post-employment benefits	離職後福利	475	467
Total compensation paid to key management personnel	支付予主要管理人員的總酬金	7,552	6,955

Further details of directors' and the chief executive's emoluments are included in Note 9.

A certain portion of these related party transactions in respect of certain terms (i), (ii), (iv) and (v) of (a) above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

38. 關連方交易(續)

(d) 本集團主要管理人員的酬金：

有關董事及主要行政人員之酬金的進一步詳情載於附註9。

上文有關(a)(i)、(ii)、(iv)及(v)的關連方交易若干部分亦構成上市規則第14A章所界定的關連交易或持續關連交易。

39. Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

		Financial assets at fair value through other comprehensive income — Debt investments 按公平值計入其他全面收益的 金融資產 — 債務工具	
		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Bill receivables	應收票據	108,429	131,096

39. 按類別劃分的金融工具

各金融工具類別於報告期末的賬面值如下：

金融資產

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

39. Financial instruments by category (continued)

Financial assets (continued)

		Financial assets at amortised cost 按攤銷成本計量之金融資產	
		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables	貿易應收款	2,047,653	1,708,817
Financial assets included in prepayments, other receivables and other assets	計入預付款、其他應收款及其他資產的金融資產	71,697	51,620
Pledged deposits and restricted deposit	已抵押存款及有限制存款	97,407	49,712
Cash and cash equivalents	現金及現金等價物	1,944,230	678,514
		4,160,987	2,488,663

Financial liabilities

金融負債

		Financial liabilities at amortised cost 按攤銷成本計量之金融負債	
		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade and bills payables	貿易應付款及應付票據	1,448,866	1,123,456
Financial liabilities included in other payables and accruals	計入其他應付款及應計項目的金融負債	216,460	148,800
Lease liabilities	租賃負債	91,036	30,174
Interest-bearing bank borrowings	計息銀行借款	4,263,720	4,338,242
		6,020,082	5,640,672

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

FIVE-YEAR FINANCIAL SUMMARY
五年財務概要

40. Fair value measurement of financial instruments

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets at fair value through other comprehensive income

		Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
		2020	2019		
		RMB'000	RMB'000		
		人民幣千元	人民幣千元		
<i>Financial assets at fair value through other comprehensive income</i>	按公平值計入其他全面收益的金融資產				
Bill receivables	應收票據	108,429	131,096	Level 2 等級二	Discounted cash flow method. The key input is market interest rate. 貼現現金流量法。關鍵輸入數據為市場利率。

Note: The discounted cash flow method uses only observable market input.

There is no transfer between different levels of the fair value hierarchy for the current period.

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

40. 金融工具的公平值計量

本集團部分金融資產於各報告期末按公平值計量。下表提供如何釐定該等金融資產之公平值之資料(特別是所使用之估值技術及輸入數據)。

按公平值計入其他全面收益的金融資產

附註: 貼現現金流量法僅使用可觀察市場輸入數據。

本期間不同公平值級別間概無互相轉移。

金融資產及金融負債的公平值乃根據公認定價模式按貼現現金流分析釐定。

本公司董事認為，於綜合財務報表中，金融資產及金融負債按攤銷成本入賬的賬面值與彼等的公平值相若。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

41. Financial risk management objectives and policies

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk, and interest rate risk), credit risk, and liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign currency risk

The functional currency of most of the Company's subsidiaries is RMB since the majority of the revenues of the subsidiaries are derived from operations in the PRC. Some subsidiaries of the Company have foreign currency cash and cash equivalents and bank borrowings, which expose the group to foreign currency risk. Management conducts periodic review of exposure and settlements of various currencies, and will consider hedging significant foreign currency exposures should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets (representing cash and cash equivalents) and monetary liabilities (representing bank borrowings) at the reporting date are as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Assets	資產		
HK\$ against RMB	港元兌人民幣	121,383	50,450
HK\$ against US\$	港元兌美元	216,921	6,942
RMB against US\$	人民幣兌美元	81,818	46,472
Liabilities	負債		
HK\$ against US\$	港元兌美元	2,283,715	2,441,670

41. 財務風險管理目標及政策

財務風險因素

本集團的活動使本集團面臨不同財務風險：市場風險(包括外幣風險、價格風險及利率風險)、信貸風險及流動資金風險。

本集團的整體風險管理計劃集中於金融市場的不可預測性，並力求最大限度地降低對本集團財務表現的潛在不利影響。

(a) 市場風險

(i) 外幣風險

本公司的多數附屬公司的功能貨幣為人民幣，因為該等附屬公司之大多數收入源自中國的業務。本公司若干附屬公司有外幣現金及現金等價物及銀行借款，故本集團承擔外幣風險。管理層定期審閱不同貨幣的風險及結算，並將考慮在需要時是否安排對沖重大外幣風險。

本集團外幣計值的貨幣資產(即現金及現金等價物)及貨幣負債(即銀行借款)於報告日期的賬面值如下：

41. Financial risk management objectives and policies (continued)**Financial risk factors (continued)***(a) Market risk (continued)**(i) Foreign currency risk (continued)*Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2019: 5%) increase and decrease in the relevant functional currencies of the group entities, against the following foreign currencies. 5% (2019: 5%) is the sensitivity rate which represents management's assessment of the possible change in foreign currency rates. The sensitivity analysis includes only outstanding monetary items denominated in foreign currencies and adjusts their translation at the year end for the 5% (2019: 5%) change in foreign currency rates. The sensitivity analysis excludes balances which are denominated in US\$ for an entity with HK\$ as its functional currency since US\$ is pegged to HK\$. A positive number indicates an increase in pre-tax profit for the year when the relevant functional currencies of the group entities strengthen 5% (2018: 5%) against the relevant foreign currencies. For a 5% (2019: 5%) weakening of the relevant functional currencies of the group entities against the relevant foreign currencies, there would be an equal but opposite impact on the pre-tax profit for the year and the balances below would be negative.

		2020	2019
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Pre-tax profit for the year	年度除稅前利潤		
HK\$	港元	(6,069)	(2,523)
RMB	人民幣	(4,091)	(2,324)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

管理層認為，因年末風險並不能反映年內風險，故敏感度分析並不代表固有的外匯風險。

41. 財務風險管理目標及政策 (續)**財務風險因素(續)***(a) 市場風險(續)**(i) 外幣風險(續)*敏感度分析

下表詳列本集團於集團實體相關功能貨幣兌以下外幣升值及貶值5% (2019年: 5%) 時的敏感度。5% (2019年: 5%) 的敏感度率乃管理層對外幣匯率可能變動之評估。敏感度分析僅包括以外幣計值的未清償貨幣項目及於年末以外幣匯率5% (2019年: 5%) 之變動對其換算進行調整。因美元與港元掛鈎，敏感度分析不包括一家功能貨幣為港元的實體以美元計值的結餘。正值表示當集團實體的相關功能貨幣兌相關外幣升值5% (2019年: 5%) 時年度除稅前利潤增加。就集團實體的相關功能貨幣兌相關外幣貶值5% (2019年: 5%) 而言，年度除稅前利潤將受到等同但相反的影響，以下結餘將為負值。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

41. Financial risk management objectives and policies (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(ii) Price risk

Tinplate and aluminium are the major raw materials of the Group. The prices for tinplate and aluminium may be affected by market demand and supply, domestic government policies and other economic conditions. In order to maintain a continued production cycle, the Group has a policy of maintaining a certain level of the Group's tinplate and aluminium inventories will depend on orders on hand, the prices of tinplate and aluminium in the market and the perceived future trend of the tinplate and aluminium prices. To partially minimise the Group's market price risk exposure, the Group enters into commodity futures contracts of aluminium. In selecting suppliers, the Group usually takes into consideration the price and quality of the tinplate and aluminium. The directors believe it is not necessary for the Group to enter into any long-term supply contracts with its suppliers to ensure stable material prices as there are various sources of tinplate and aluminium and the Group has not experienced any difficulties in securing a steady source of high quality tinplate and aluminium.

41. 財務風險管理目標及政策 (續)

財務風險因素(續)

(a) 市場風險(續)

(ii) 價格風險

馬口鐵和鋁是本集團的主要原材料。馬口鐵和鋁價格可能受到市場供需、國內政府政策以及其他經濟狀況影響。為能保持生產週期的持續，本集團制定政策以維持本集團一定水平的馬口鐵和鋁儲備。本集團的馬口鐵和鋁儲備取決於手頭訂單、市場馬口鐵和鋁價格以及可預見未來之馬口鐵和鋁價格。為減低本集團面對的部份市價風險，本集團訂立鋁的遠期商品合約。於選擇供應商時，本集團一般考慮馬口鐵和鋁價格及質量。董事相信，由於馬口鐵和鋁來源眾多以及本集團在尋找高質量馬口鐵和鋁穩定來源方面並無困難，因此本集團並不需要為保證馬口鐵和鋁價格之穩定而與其材料供應商簽訂長期供應合同。

41. Financial risk management objectives and policies (continued)**Financial risk factors (continued)***(a) Market risk (continued)**(iii) Interest rate risk*

Except for bank deposits with stable interest rates, the Group has no significant interest-bearing assets. The Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk mainly arises from bank borrowings. Bank borrowings obtained at variable rates expose the Group to cash flow interest rate risk. Bank borrowings and lease liabilities at fixed rates expose the Group to fair value interest rate risk. The Group has not hedged its cash flow and fair value interest rate risks. The interest rates and terms of repayments of bank borrowings and lease liabilities are disclosed in note 28 and 26 respectively.

Management does not anticipate any significant impact on interest-bearing assets resulting from the changes in interest rates, because the interest rates of bank deposits are not expected to change significantly.

The sensitivity analysis below has been determined based on the exposure to interest rates of floating-rate bank borrowings. The analysis is prepared assuming the amount of floating-rate bank borrowings outstanding at the end of each reporting period were outstanding for the whole year.

If interest rates had been increased or decreased by 25 basis point with all other variables held constant, the Group's profit for the year ended 31 December 2020 would decrease/increase by RMB8,098,000 (2019: decrease/increase by RMB8,229,000).

41. 財務風險管理目標及政策 (續)**財務風險因素(續)***(a) 市場風險(續)**(iii) 利率風險*

除具有穩定利率的銀行存款外，本集團並無任何重大計息資產。本集團之收入及經營現金流量實際上並不受市場利率變動影響。

本集團的利率風險主要來自銀行借款。浮息銀行借款令本集團承受現金流量利率風險。定息銀行借款及租賃負債使本集團承受公平值利率風險。本集團並無就其現金流量及公平值利率風險進行任何對沖。銀行借款及租賃負債利率及還款期分別於附註28及26披露。

由於銀行存款的利率預期不會大幅變動，管理層預期利率的變動不會對計息資產產生任何重大影響。

以下敏感度分析乃基於浮息銀行借款的利率風險釐定。分析乃假設於各報告期末未償還的浮息銀行借款於整個年度內未償還編製。

倘所有其他變量保持不變而利率上升或下降25個基點，本集團於截至2020年12月31日止年度的利潤將減少／增加人民幣8,098,000元(2019年：減少／增加人民幣8,229,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

41. Financial risk management objectives and policies (continued)

Financial risk factors (continued)

(b) Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who which to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an going basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control.

41. 財務風險管理目標及政策 (續)

財務風險因素(續)

(b) 信貸風險

本集團僅與經認可的、信譽良好的第三方進行交易。按照本集團的政策，需對所有要求採用信用方式進行交易的客戶進行信用審核。另外，本集團對應收賬款餘額進行持續監控，以確保本集團不致面臨重大壞賬風險。對於未採用相關經營單位的功能貨幣結算的交易，除非本集團信用控制部門主管特別批准，否則本集團不提供信用交易條件。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

截至2020年12月31日止年度

綜合財務報表附註

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

41. Financial risk management objectives and policies (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2020

41. 財務風險管理目標及政策 (續)

財務風險因素(續)

(b) 信貸風險(續)

最大風險敞口及年末階段

下表載列於12月31日基於本集團信貸政策(主要依據過期資料, 惟其他資料無需付出額外成本或精力即可取得則作別論)的貸款信用質量及信貸風險最大敞口。呈列的金額為金融資產的總賬面值。

於2020年12月31日

		12-month ECLs		Lifetime ECLs		
		12個月預期信貸虧損		全期預期信貸虧損		
		Stage 1	Stage 2	Stage 3	Simplified approach	
		第一階段	第二階段	第三階段	簡易方法	
		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
Trade receivables*	貿易應收款*	-	-	-	2,050,398	2,050,398
Financial assets included in prepayments, other receivables and other assets	計入預付款、其他應收款及其他資產的金融資產					
- Normal**	- 正常**	72,744	-	-	-	72,744
Pledged deposits and restricted deposit	已抵押存款及有限制存款					
- Not yet past due***	- 尚未逾期***	97,407	-	-	-	97,407
Cash and cash equivalents	現金及現金等價物					
- Not yet past due***	- 尚未逾期***	1,944,230	-	-	-	1,944,230
		2,114,381	-	-	2,050,398	4,164,779

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

41. Financial risk management objectives and policies (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

As at 31 December 2019

		12-month ECLs		Lifetime ECLs		
		12個月預期信貸虧損		全期預期信貸虧損		
		Stage 1	Stage 2	Stage 3	Simplified approach	
		第一階段	第二階段	第三階段	簡易方法	
		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
Trade receivables*	貿易應收款*	-	-	-	1,714,498	1,714,498
Financial assets included in prepayments, other receivables and other assets	計入預付款、其他應收款及其他資產的金融資產					
- Normal**	- 正常**	52,380	-	-	-	52,380
Pledged deposits	已抵押存款					
- Not yet past due***	- 尚未逾期***	49,712	-	-	-	49,712
Cash and cash equivalents	現金及現金等價物					
- Not yet past due***	- 尚未逾期***	678,514	-	-	-	678,514
		780,606	-	-	1,714,498	2,495,104

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in Note 21.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

*** As at 31 December 2020, all pledged deposits, restricted deposits and bank balances were deposited with licensed financial institutions without significant credit risk. The Group has concentration of credit risk as 46% (2019: 87%) of the Group's bank balances was due from COFCO Finance. Management does not expect any losses from non-performance of these counterparties.

41. 財務風險管理目標及政策 (續)

財務風險因素(續)

(b) 信貸風險(續)

於2019年12月31日

* 就本集團採用簡易方法進行減值的貿易應收款，基於撥備矩陣的資料於附註21披露。

** 倘計入預付款、其他應收款及其他資產的金融資產並未逾期且概無資料顯示該等金融資產的信貸風險自初始確認以來顯著增加，則其信用質素被認作「正常」。否則，該等金融資產的信貸質素被認作「存疑」。

*** 於2020年12月31日，所有已抵押存款及有限制存款和銀行結餘均存入持牌金融機構，故無重大信貸風險。本集團面臨信貸集中風險，原因為本集團銀行結餘之46% (2019年：87%) 來自中糧財務。管理層並不預期會因該等交易對手的不履約而帶來任何虧損。

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

FIVE-YEAR FINANCIAL SUMMARY
五年財務概要

41. Financial risk management objectives and policies (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 23 to the financial statements.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents, the availability of funds through adequate amounts of committed credit facilities and the ability to close out market positions.

Except for non-current interest-bearing bank borrowings, all the Group's financial liabilities will be settled within one year or on demand based on the remaining contractual maturity date at the end of the reporting period and their contractual undiscounted payment amounts are disclosed in Note 39.

The maturity profile of the Group's interest-bearing bank borrowings and lease liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		Less than 6 months	6 to less than 12 months	1 to 5 years	After 5 years	Total
		少於6個月	6個月至 12個月	1年至5年	5年後	合計
		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
2020	2020年					
Interest-bearing bank borrowings	計息銀行借款	1,036,785	1,279,269	2,014,575	-	4,330,629
Lease liabilities	租賃負債	5,544	6,305	27,694	51,493	91,036
		1,042,329	1,285,574	2,042,269	51,493	4,421,665
2019	2019年					
Interest-bearing bank borrowings	計息銀行借款	1,513,752	370,082	2,632,705	-	4,516,539
Lease liabilities	租賃負債	4,500	4,826	15,219	5,629	30,174
		1,518,252	374,908	2,647,924	5,629	4,546,713

41. 財務風險管理目標及政策 (續)

財務風險因素(續)

(b) 信貸風險(續)

由於本集團僅與經認可的、信譽良好的第三方進行交易，故此毋須任何抵押品。與本集團面對因貿易應收款而產生的信貸風險有關的更多定量數據在財務報表附註23中披露。

(c) 流動資金風險

審慎的流動資金風險管理包括維持足夠的現金及現金等價物、透過款額充裕的已承諾信貸融資額度以維持可動用資金及結算市場頭寸之能力。

除非流動計息銀行借款外，根據報告期末的餘下到期合約期限計算，本集團所有財務負債將於一年內或按要求清算，而有關合約未貼現付款額於附註39披露。

根據合約未貼現付款額，本集團於報告期末的計息銀行借款及租賃負債的到期情況如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

41. Financial risk management objectives and policies (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 2019.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net interest-bearing bank borrowings divided by total equity attributable to equity holders of the Company, in which the net borrowings are calculated as total borrowings less cash and cash equivalents.

The Group's strategy is to maintain a moderate gearing ratio. The gearing ratios as at the end of the reporting periods were as follows:

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Total interest-bearing bank borrowings (Note 28)	計息銀行借款總額 (附註28)	4,263,720	4,338,242
Less: Cash and cash equivalents (Note 23)	減：現金及現金等價物 (附註23)	(1,944,230)	(678,514)
Net borrowings	借款淨額	2,319,490	3,659,728
Equity attributable to equity holders of the Company	本公司股本持有人應佔權益	5,217,681	4,935,704
Gearing ratio	槓桿比率	44%	74%

41. 財務風險管理目標及政策 (續)

資本管理

本集團資本管理的主要目的為保障本集團能繼續以持續經營方式維持健康的資本比率，從而支持其業務及最大化股東價值。

本集團因應經濟狀況變動及相關資產之風險特點，管理資本架構並作出調整。為維持或調整資本架構，本集團可調整向股東支付股息的金額、向股東返還資本或發行新股份。本集團並未受到任何外界資本規定限制。截至2020年及2019年12月31日止年度，管理資本的目標、政策或程序概無改變。

與業內其他公司一樣，本集團根據槓桿比率監控其資本。該比率乃按計息銀行借款淨額除以本公司股本持有人應佔總權益計算，其中借款淨額為借款總額減去現金與現金等價物。

本集團之策略為將槓桿比率維持於適中水平。於報告期末之槓桿比率如下：

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020 綜合財務報表附註
截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

42. Statement of financial position of the Company

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

42. 本公司財務狀況表

有關本公司於報告期末財務狀況表之資料載列如下：

		2020 RMB'000 人民幣千元	2019 RMB'000 人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	18	68
Right-of-use assets	使用權資產	978	79
Investments in subsidiaries	於附屬公司的投資	3,935,214	4,334,442
Prepayments	預付款	1,334	1,334
		3,937,544	4,335,923
Current assets	流動資產		
Due from subsidiaries	應收附屬公司款項	2,608,958	2,705,959
Prepayments, other receivables and other assets	預付款、其他應收款及其他資產	4,945	5,872
Cash and cash equivalents	現金及現金等價物	336,402	55,031
		2,950,305	2,766,862
Current liabilities	流動負債		
Due to subsidiaries	應付附屬公司款項	464,926	574,127
Interest-bearing bank borrowings	計息銀行借款	1,746,529	1,334,980
Other payables and accruals	其他應付款及應計項目	2,247	3,029
Lease liabilities	租賃負債	920	81
		2,214,622	1,912,217
Net current assets	流動資產淨額	735,683	854,645
Total assets less current liabilities	總資產減流動負債	4,673,227	5,190,568
Non-current liabilities	非流動負債		
Interest-bearing bank borrowings	計息銀行借款	1,629,148	2,267,947
Lease Liabilities	租賃負債	79	-
Total non-current liabilities	總非流動負債	1,629,227	2,267,947
Net assets	淨資產	3,044,000	2,922,621
Equity	權益		
Share capital	股本	2,730,433	2,730,433
Reserves (Note)	儲備(附註)	313,567	192,188
Total equity	總權益	3,044,000	2,922,621

Zhang Xin
張新
Director
董事

Zhang Ye
張擘
Director
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註 For the year ended 31 December 2020

截至2020年12月31日止年度

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

42. Statement of financial position of the Company (continued)

Note:

A summary of the Company's reserves is as follows:

42. 本公司財務狀況表(續)

附註:

本公司之儲備概述如下:

			Share-based payment reserve 以股份為 基礎支付 儲備	Exchange fluctuation reserve 匯兌波動 儲備	Retained profits 留存利潤	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
As at 1 January 2019	於2019年1月1日	18,780	55,656	64,106	138,542	
Profit and total comprehensive income for the year	年度利潤及全面收益 總額	–	44,315	186,029	230,344	
2018 final dividend declared	已宣派2018年末期股息	12	–	(56,379)	(56,379)	
2019 interim dividend	2019年中期股息	12	–	(84,749)	(84,749)	
Repurchase of own shares	購回自身股份	30	–	(35,570)	(35,570)	
As at 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	18,780	99,971	73,437	192,188	
Profit and total comprehensive income for the year	年度利潤及全面收益 總額	–	21,491	437,017	458,508	
2019 final dividend declared	已宣派2019年末期股息	12	–	(63,904)	(63,904)	
2020 special and interim dividend	2020年特別股息及中期 股息	12	–	(144,745)	(144,745)	
Repurchase of own shares	購回自身股份	30	–	(128,480)	(128,480)	
As at 31 December 2020	於2020年12月31日	18,780	121,462	173,325	313,567	

43. Comparative figures

Certain comparative figures in respect of the year ended 31 December 2019 have been reclassified and re-presented to conform with the current year's presentation.

44. Approval of the consolidated financial statements

The consolidated financial statements were approved and authorised for issue by the board of directors on 22 March 2021.

43. 比較數字

截至2019年12月31日止年度的若干比較數字被重新分類及重新呈列，以與本年度呈列一致。

44. 批准綜合財務報表

董事會於2021年3月22日批准及授權刊發綜合財務報表。

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要

Five-Year Financial Summary

五年財務概要

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited consolidated financial statements and restated/reclassified as appropriate, is as below:

下表載列本集團於過往五個財政年度之業績、資產、負債及非控股權益概要，此等資料乃摘錄自己刊印經審核綜合財務報告，並已重列／重新分類(如適用)：

		Year ended 31 December 截至12月31日止年度				
		2020	2019	2018	2017	2016
		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
Revenue	收入	7,344,747	7,287,271	6,591,307	5,978,238	5,220,999
Cost of sales	銷售成本	(6,181,523)	(6,189,886)	(5,621,212)	(5,017,347)	(4,266,546)
Gross profit	毛利	1,163,224	1,097,385	970,095	960,891	954,453
Other income, gains and losses	其他收入、收益及虧損	107,290	61,389	53,402	49,633	65,248
Selling and marketing expenses	銷售及營銷費用	(323,161)	(315,794)	(310,937)	(286,891)	(261,531)
Administrative expenses	行政費用	(341,344)	(320,200)	(276,446)	(269,548)	(303,567)
Finance costs	財務費用	(99,063)	(135,878)	(90,366)	(43,839)	(56,144)
Share of profit of a joint venture	應佔合營企業利潤	91	-	-	-	-
Share of losses of an associate	應佔聯營公司虧損	-	-	-	(16)	-
Profit before income tax	除所得稅前利潤	507,037	386,902	345,748	410,230	398,459
Income tax expense	所得稅開支	(113,004)	(80,363)	(80,476)	(98,358)	(100,488)
Profit for the year	年度利潤	394,033	306,539	265,272	311,872	297,971
Attributable to:	應佔：					
Equity holders of the Company	本公司股本持有人	389,388	302,090	255,061	310,511	294,071
Non-controlling interests	非控股權益	4,645	4,449	10,211	1,361	3,900
		394,033	306,539	265,272	311,872	297,971
Assets, liabilities and non-controlling interests	資產、負債與非控股權益					
Total assets	總資產	11,796,365	11,317,531	10,975,684	10,250,514	8,506,483
Total liabilities	總負債	(6,293,402)	(6,102,538)	(5,727,096)	(4,958,422)	(3,675,267)
Non-controlling interests	非控股權益	(285,283)	(279,289)	(351,551)	(316,552)	(120,364)
		5,217,680	4,935,704	4,897,037	4,975,540	4,710,852

CONSOLIDATED
STATEMENT OF
CASH FLOWS
綜合現金流量表

NOTES TO THE
CONSOLIDATED
FINANCIAL
STATEMENTS
綜合財務報表附註

FIVE-YEAR
FINANCIAL
SUMMARY
五年財務概要



中糧
COFCO

自然之選 糧食之源



CPMC HOLDINGS LIMITED
中糧包裝控股有限公司