



CHAOWEI POWER HOLDINGS LIMITED
超威動力控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 00951



CORPORATE PROFILE

公司簡介

Chaowei Power Holdings Limited (the “Company” together with its subsidiaries, the “Group”) is mainly engaged in the manufacturing and sales of lead-acid motive batteries and other related products. These batteries are widely used in electric bikes, electric vehicles, special-purpose electric vehicles, etc. The Group also manufactures and sells storage batteries and lithium-ion batteries. It is one of the very few enterprises which has successfully adopted the enclosed battery formation process in large scale production.

Headquartered in Changxing, Zhejiang Province, the Group’s manufacturing facilities are strategically located in regions with higher demand for lead-acid motive batteries, namely Shandong, Jiangsu, Henan, Zhejiang, Anhui, Jiangxi and Hebei Provinces.

The primary market of the Group features top electric bike manufacturers highlighted by Yadea, Evermaster, Luyuan, Lima and Byvin, and its secondary market is supported by a nationwide distribution network covering all provinces. For the primary market, the Group supplies original batteries to most of the well-known electric bike manufacturers in the People’s Republic of China (the “PRC” or China). The Group has achieved total cadmium-free production by the end of 2013, in fulfillment of its corporate social responsibility as a green enterprise.

超威動力控股有限公司（「本公司」，與附屬公司統稱「本集團」）主要從事鉛酸動力電池及其他相關產品的製造及銷售，產品主要應用於電動自行車、電動車及特殊用途電動車等。同時，本集團亦有生產及銷售儲能電池及鋰離子電池。本集團是目前極少數能成功在生產過程中大規模採用內化成工藝的企業。

本集團的總部設於中國浙江省長興縣，生產設施廣泛分佈於鉛酸動力電池需求較高的區域，如山東、江蘇、河南、浙江、安徽、江西和河北。

本集團一級市場的主要客戶包括雅迪、愛瑪、綠源、立馬及比德文等中華人民共和國（「中國」）知名電動自行車廠商，而二級市場的分銷網絡則遍佈全國各個省區。一級市場方面，本集團為中國大多數知名的電動自行車生產商提供原裝電池。本集團已於二零一三年年底之前實現全面去鎘生產，履行「綠色企業」的社會責任。

Innovative product
TECHNOLOGY
Leading industry
DEVELOPMENT

革新產品技術
領導行業發展

1

LEADING PLAYER
IN CHINA
中國行業領先者

2

GROWING
MARKET DEMAND
市場需求穩定增長

6

DIVERSIFIED
PRODUCT
PORTFOLIO
產品組合多樣化

超威®
CHILWEE

3

ADVANCED
TECHNOLOGY
技術領先

5

EXTENSIVE
DISTRIBUTION
NETWORK
龐大的分銷網絡

4

LEADING
ENVIRONMENTAL-
FRIENDLY PROCESS
領先的環保工藝

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Corporate Information

公司資料

PLACE OF LISTING

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

STOCK CODE

00951

BOARD OF DIRECTORS

Executive Directors

Mr. Zhou Mingming (Chairman and Chief Executive Officer)
Mr. Zhou Longrui
Ms. Yang Yunfei
Mr. Yang Xinxin

Non-executive Director

Ms. Fang Jianjun

Independent Non-executive Directors

Mr. Wang Jiqiang
Prof. Ouyang Minggao
Mr. Lee Conway Kong Wai
Mr. Ng Chi Kit (re-designated from a non-executive Director to an independent non-executive Director on 10 February 2017)

AUDIT COMMITTEE

Mr. Lee Conway Kong Wai (Chairman)
Mr. Wang Jiqiang
Prof. Ouyang Minggao
Mr. Ng Chi Kit

REMUNERATION COMMITTEE

Mr. Lee Conway Kong Wai (Chairman)
Mr. Zhou Mingming
Mr. Wang Jiqiang

NOMINATION COMMITTEE

Mr. Zhou Mingming (Chairman)
Mr. Wang Jiqiang
Mr. Lee Conway Kong Wai

上市地點

香港聯合交易所有限公司(「聯交所」)

股票代號

00951

董事會

執行董事

周明明先生(主席兼行政總裁)
周龍瑞先生
楊雲飛女士
楊新新先生

非執行董事

方建軍女士

獨立非執行董事

汪繼強先生
歐陽明高教授
李港衛先生
吳智傑先生(於二零一七年二月十日
由非執行董事調任為獨立非執行董事)

審核委員會

李港衛先生(主席)
汪繼強先生
歐陽明高教授
吳智傑先生

薪酬委員會

李港衛先生(主席)
周明明先生
汪繼強先生

提名委員會

周明明先生(主席)
汪繼強先生
李港衛先生

COMPANY SECRETARY

Mr. Leung Wai Yip *CPA*

AUTHORIZED REPRESENTATIVES

Mr. Zhou Mingming
Mr. Leung Wai Yip *CPA*

REGISTERED OFFICE

P.O. Box 31119 Grand Pavilion,
Hibiscus Way, 820 West Bay Road,
Grand Cayman, KY1-1205
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

No. 12, Zhizhou Road, Xinxing Industrial Park
Zhicheng, Changxing
Zhejiang Province, China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 907, Level 9, Fairmont House, 8 Cotton Tree Drive
Central, Hong Kong

PRINCIPAL BANKS

China Construction Bank, Changxing Jie Fang Dong Road Sub-branch
Bank of China, Changxing County Sub-branch

LEGAL ADVISERS

As to Hong Kong law
Luk & Partners

As to PRC law
Beijing Zong Heng Law Firm

As to Cayman Islands law
Conyers Dill & Pearman

公司秘書

梁偉業先生 *CPA*

授權代表

周明明先生
梁偉業先生 *CPA*

註冊辦事處

P.O. Box 31119 Grand Pavilion,
Hibiscus Way, 820 West Bay Road,
Grand Cayman, KY1-1205
Cayman Islands

中國總辦事處及主要營業地點

中國浙江省
長興雒城
新興工業園雒州大道12號

香港主要營業地點

香港中環
紅棉路8號東昌大廈9樓907室

主要往來銀行

中國建設銀行長興解放東路支行
中國銀行長興縣支行

法律顧問

香港法律
Luk & Partners

中國法律
北京市縱橫律師事務所

開曼群島法律
康明德律師事務所

Corporate Information

公司資料

AUDITORS

Deloitte Touche Tohmatsu, Certified Public Accountants

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shop 1712-16, 17th Floor Hopewell Centre, 183 Queen's Road East
Wanchai, Hong Kong

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110, Cayman Islands

COMPANY WEBSITE

www.chaowei.com.hk

核數師

德勤•關黃陳方會計師行，執業會計師

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 1712-16 室

開曼群島股份過戶登記處

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110, Cayman Islands

公司網址

www.chaowei.com.hk

Financial Highlights

財務摘要

CONSOLIDATED (RMB'000)

綜合 (人民幣千元)

		For the year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年	2015 二零一五年
RMB'000 人民幣千元			
Revenue	收入	21,454,756	18,870,205
Gross profit	毛利	3,085,681	2,409,665
Profit attributable to the owners of the Company	本公司擁有人應佔利潤	503,796	331,669
Earnings per share — Basic (RMB)	每股盈利 — 基本 (人民幣元)	0.48	0.33
Proposed final dividend per share (RMB)	建議每股末期股息 (人民幣元)	0.068	0.097

REVENUE (RMB mn)

收入 (人民幣百萬元)

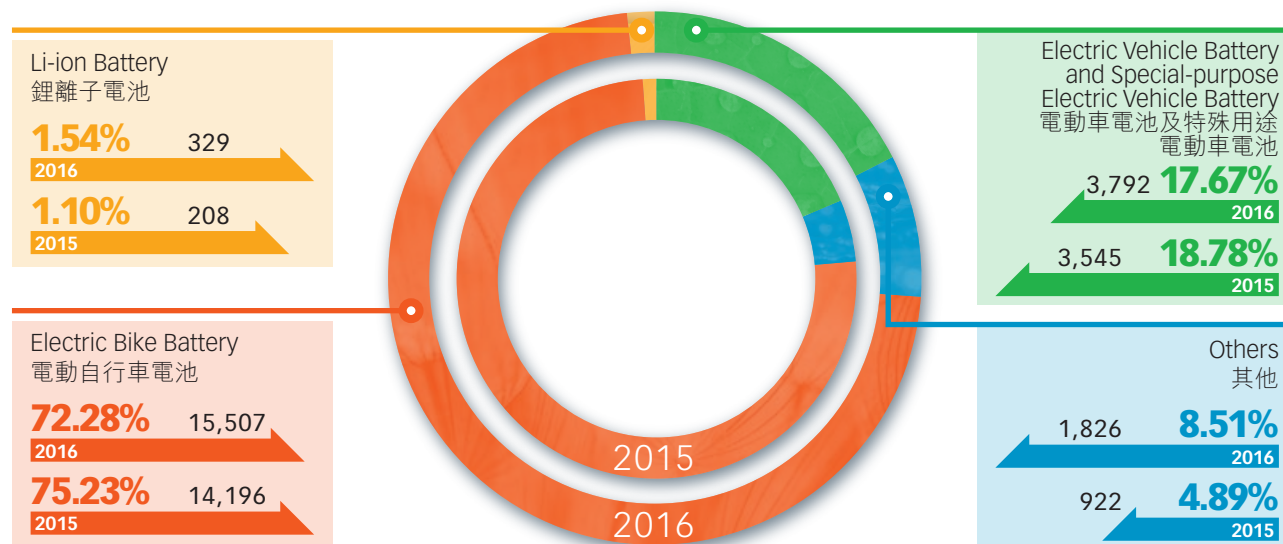


REVENUE BREAKDOWN BY PRODUCT

(RMB mn Proportion of Total Revenue)

收入按產品劃分

(人民幣百萬元佔總收入比例)



Garnering Awards For Outstanding Achievements 成績彪炳 屢獲殊榮



NATIONALLY-RECOGNISED ENTERPRISE
OF TECHNOLOGY CENTER

國家認定企業技術中心



NATIONAL MODEL ENTERPRISE OF
TECHNOLOGY INNOVATION

國家技術創新示範企業



TOP 500 CHINESE ENTERPRISES

中國企業500強



TOP 500 CHINESE PRIVATE-OWNED
ENTERPRISES

中國民營企業500強

Garnering Awards For Outstanding Achievements

成績彪炳 屢獲殊榮



NATIONAL MODEL ENTERPRISE OF INTELLECTUAL PROPERTY

國家知識產權示範企業



FORTUNE 500 LISTED CHINESE COMPANIES

《財富》中國上市公司 500 強



TOP 100 ENTERPRISES IN CHINA LIGHT INDUSTRY

中國輕工業百強企業



TOP 10 ENTERPRISES OF NEW-ENERGY BATTERY INDUSTRY IN CHINA LIGHT INDUSTRIES

中國輕工業新能源電池行業 10 強企業



超威
CHILWEE
硅胶甲池
8-DZM-20
电动车用密封铅酸蓄电池
CHILWEE POWER CO., LTD.

6-DZM-20 **超威**
CHILWEE
电动车用密封铅酸蓄电池
CHILWEE POWER CO., LTD.

6-DZM-12 **超威**
CHILWEE
电动车用密封铅酸蓄电池
CHILWEE POWER CO., LTD.

6-DZM-25 **超威**
CHILWEE
电动车用密封铅酸蓄电池
CHILWEE POWER CO., LTD.

6-DZM-10 **超威**
CHILWEE
电动车用密封铅酸蓄电池
CHILWEE POWER CO., LTD.

6-DZM-14 **超威**
CHILWEE
电动车用密封铅酸蓄电池
CHILWEE POWER CO., LTD.



Advocate
GREEN ENERGY

Perfect
HUMAN LIFE

倡導綠色能源
完美人類生活

Chairman's Statement

主席報告



On behalf of the board (the "Board") of directors (the "Directors") of the Company, I am pleased to present to shareholders the annual results of the Group for the year ended 31 December 2016 (the "Year").

In 2016, the Group developed its businesses aggressively and achieved remarkable results as follows:

- The business maintained steady growth with revenue reaching RMB21,455 million and gross profit margin increased to 14.4%.
- The industry leadership remained solid and topped its industry peers among the "Fortune Top 500 Chinese Companies (《財富》中國500強)", "Top 500 Chinese Enterprises (中國企業500強)" and "Top 500 Chinese Private-owned Enterprises (中國民營企業500強)". The Group was also on the "Top 100 Enterprises in China Light Industry (中國輕工業百強企業榜單)" list and placed first in "Top 10 Enterprises of New-energy Battery Industry in China Light Industries (中國輕工業新能源電池行業十強企業)".
- The Group continued to boast industry-leading technological strengths and was accredited as a "National Model Enterprise of Technology Innovation (國家技術創新示範企業)" and "National Model Enterprise of Intellectual Property (國家知識產權示範企業)".

本人謹代表本公司董事(「董事」)會(「董事會」)，向各位股東欣然提呈本集團截至二零一六年十二月三十一日止年度(「本年度」)之全年業績。

二零一六年對本集團而言是進取的一年，所取得的成績包括：

- 業績維持穩步增長，收入達人民幣214.55億元，毛利率提升至14.4%。
- 行業領先地位依然穩固，包括以行業排名首位榮登「《財富》中國500強」、「中國企業500強」及「中國民營企業500強」等榜單，以及獲納入「中國輕工業百強企業榜單」並榮登「中國輕工業新能源電池行業十強企業」第一。
- 本集團技術實力持續領先，獲評選為「國家技術創新示範企業」以及「國家知識產權示範企業」。

These achievements and awards are testament to the leading position and brand advantage of the Group in the industry, with advanced technologies, and shrewd judgement and strategic vision. The remarkable results of the Group during the Year were mainly attributable to the following factors:

1. INDUSTRY REMAINING STABLE WITH PROFITS REBOUNDED

In recent years, the PRC government has stepped up efforts in inspection and verification of environmental protection work and encouraging optimization and upgrade in the industry. These efforts bore fruits in 2016. At the regulatory policies introduced by the authority and the industry making adjustments, competition, which had been fierce in the past several years, has eased and the lead-acid motive battery industry has seen its profit rebound in general.

As a leading enterprise in the industry, the Group not only focuses on pushing for organic growth, but also places major efforts on promoting healthy and orderly development of the industry. During the Year, the Group actively responded to the policies and guidelines issued by the PRC government and also enhanced control over its production capacity. In addition to absorbing the market share released from eliminated production capacities, the Group strived to increase profits and worked hard at helping the industry rebound to its historical peak.

這些成就和獎項鞏固了本集團的行業領導地位及市場品牌優勢，也彰顯了本集團突出的技術水平和富有前瞻性的戰略眼光。本集團於本年度取得上述優異成績，主要得益於以下幾方面因素：

1. 行業格局穩定，利潤水平回升

中國政府近年不斷強化環保核查力度、引導行業優化升級，於二零一六年收效明顯。在國策規管和行業調整的推動下，延續數年的行業競爭漸趨緩和，鉛酸動力電池行業整體利潤觸底回升。

作為行業龍頭企業，本集團在著力推動自身企業成長的同時，亦為創建健康的行業發展秩序而努力。於本年度，本集團積極響應中國政府政策指引，不斷增強規範生產能力，在吸收由淘汰產能釋放的市場份額的同時，致力提高利潤水平，推動行業回升至歷史最佳水平。

2. DIVERSIFYING BUSINESS AND EXPLORING NEW GROWTH DRIVERS

During the Year, the Group actively expanded its business and product mix and refined the new-energy industrial chain, gave itself a more diversified operation with constituents having sound growth potential. On 29 February 2016, the Group officially launched the CHILWEE Black Gold Series High-energy Value-regulated Lead-acid (VRLA) Battery (the "BG Battery"), the industry's first successful attempt at applying Graphene technology into a commercially viable, mass produced rechargeable lead-acid battery. Market response to the BG Battery has been very positive as users are impressed by the advanced technology it embeds and also its outstanding high power performance.

Seeing huge growth potential of the domestic energy storage market, the Group established a cooperative relationship with General Electric Company ("GE Company") on 30 December 2016. The two parties agreed to set up a joint venture to undertake research and development ("R&D"), production and sale of energy storage product using proprietary technology and know-how. With the joint venture having the complementary strengths of the two partners, the Group has formally forayed into a new market with substantial growth potential.

In addition, the lithium-ion battery and start-and-stop battery businesses of the Group recorded satisfactory progresses. To meet the increasing market demand for lithium-ion battery, the Group has continuously expanded its production capacity for the battery. Production of start-and-stop batteries commenced in the fourth quarter of 2016.

2. 多元拓展業務，開關新增長點

於本年度，本集團積極拓展業務類型，不斷豐富產品結構，持續完善新能源產業鏈，一個更多元化的增長格局正逐步成型。二零一六年二月二十九日，本集團正式發佈「超威」黑金高能量電池（「黑金電池」），該電池為行業內首次成功將石墨烯運用於鉛酸電池當中並實現工業化規模生產。「黑金電池」憑藉尖端的科技水準和卓越的高能量性能表現，迅速受到市場的追捧。

見及國內儲能市場的巨大發展空間，本集團於二零一六年十二月三十日與通用電氣公司（General Electric Company）（「通用電氣公司」）達成合作，攜手成立合營公司以使用專有技術和知識開展儲能產品的研發（「研發」）、生產及銷售。透過與合作夥伴的優勢互補，本集團即將邁入一個極具成長力的新市場。

此外，本集團的鋰離子電池業務及啟停電池業務均進展順利。為迎合鋰離子電池市場需求的不斷增長，本集團的鋰離子電池產能也在持續擴張當中。而啟停電池產品則於二零一六年第四季度投入生產。

3. ENCOURAGING TECHNOLOGICAL INNOVATION AND ENHANCING RESEARCH AND DEVELOPMENT

The Group's products excel those of its peers in the market and have been well received by the industry and consumers. This achievement is owed much to the effective R&D system and outstanding technological advantages of the Group. The Group has persisted on product innovation and focused on R&D. It has set up various technological innovation platforms, including a nationally-recognised technology centre, a nationally-accredited laboratory, a national environmental protection engineering technology centre and provincial key research institute, and also an overseas research institute in Germany. In 2016, the Group enhanced its technological strengths and made remarkable achievements in technological R&D.

The Group is open to exchange and cooperation with international academic institutes and enterprises with advanced and sophisticated technologies as well as professional talents. In 2016, the Group cooperated with Stanford University ("Stanford University") in the United States in developing the new generation of lithium-ion battery, and that has enhanced our lithium-ion battery technology. Such landmark partnerships which give birth to new technologies and new applications will consolidate our leading technological advantages and fortify our foundation for future growth.

3. 致力科技創新，提高研發水平

本集團的產品能在市場中脫穎而出，獲得業界和消費者的青睞，有賴於成熟的研發體系和突出的技術優勢。本集團始終堅持以創新為動力，以科研為核心，建有國家認定企業技術中心、國家認可實驗室、國家環保工程技術中心、省重點企業研究院等科技創新平台，並在德國建立海外研發機構。二零一六年，本集團的技術實力進一步加強，科技研發結出累累碩果。

本集團一直以開放的姿態與國際上擁有高精密技術與人才的院校、企業等進行交流與合作。於二零一六年，本集團與美國斯坦福大學(Stanford University) (「斯坦福大學」) 就新一代鋰離子電池技術開發達成合作，此舉將進一步加強本集團在鋰離子電池領域的技術水平。新技術的應用，以及里程碑式的合作，將進一步突顯本集團領先的技術優勢，為未來的發展打下夯實基礎。

Chairman's Statement

主席報告

4. OPTIMIZING SALES NETWORK AND STRENGTHENING BRAND VALUE

The Group is one of the largest suppliers of motive batteries in the world and has a nationwide sales network in the PRC. It will continue to optimize production capacity, advance production technique and enhance technological innovation so as to solidify its industry leadership.

To buttress sales, the Group has expanded both the primary and secondary distribution markets. In addition to maintaining cooperation with various leading electric vehicle manufacturers, the Group in the Year has increased the number of independent distributors in the secondary market to 2,135. Furthermore, the Group has implemented lean management by refining and removing layers in sales channels, boosted the loyalty of customers to the "CHILWEE" brand. Our marketing strategy has been expanded from promoting channel expansion to cover also brand building, which means reputation of the "CHILWEE" brand will be enhanced with dedicated efforts, helping it gain market attention and praise as well as strengthen customer loyalty.

4. 完善銷售網絡，提升品牌價值

本集團為全球最大的動力電池供應商之一，銷售網絡遍佈全中國。本集團將繼續優化產能，提升工藝，加強技術創新，以鞏固行業領導地位。

銷售方面，本集團進一步拓寬一級、二級分銷市場，一方面維持與多間頂級電動車廠商的合作，另一方面也在本年度將二級市場獨立經銷商的總數擴大至2,135家。同時，本集團通過對經銷商的精細化管理，減少銷售渠道的中間環節，提升客戶對於「超威」品牌的忠誠度。本集團的營銷策略也逐漸從渠道拓展延伸至品牌建立，將「超威」品牌的知名度推向新的高度，贏得市場的關注和讚譽，提高用戶黏度。

Chairman's Statement

主席報告

Looking forward, having the leverage of supportive government policies and with green living gaining endorsement by all in the community, plus the industry itself going through integration and reorganization and also a rapidly growing electric vehicle market, the industry has promising prospect. The Group will closely monitor the market and keep abreast of industrial trends, and timely and proactively adjust its production and marketing strategies to seize every appropriate business opportunity and consolidate its industry leader standing. In addition, the Group will continue to enhance brand building efforts, its R&D capacity, employee training and strategic cooperation with international business partners, as well as improve its industrial layout and new-energy industrial chain.

The year of 2016 was a significant strategic milestone year for the Group. Various projects made exciting achievements. On behalf of the Group, I would like to express my gratitude to our shareholders, customers and business partners for their long-standing support and faith in the Group. I would also like to thank the Board, the management team and our staff for their wholehearted commitment to the Group's success. With the community giving us attention and encouragement and the diligence and wisdom of our staff, the Group looks forward to taking its business to new heights in 2017.

Zhou Mingming

Chairman and Chief Executive Officer

25 March 2017

展望未來，伴隨政府發展政策的大力扶持和綠色環保概念的深入人心，受惠於持續進行的行業整合重組和電動車市場的高速率增長，行業的發展前景也讓人樂觀。本集團將密切把握市場脈搏，順應行業趨勢，適時調整生產及銷售策略，搶佔市場先機，鞏固行業領軍地位。同時，本集團也將繼續加強品牌建設，提升創研能力，培養業務專才，加深與國際性合作夥伴的戰略合作，進一步完善產業佈局和新能源產業鏈。

二零一六年對於本集團來說具有重要的戰略意義，多個項目取得了豐碩的成果。本人謹代表本集團對所有股東、客戶、合作夥伴長久以來的支持和信賴表示衷心的感謝，同時也感謝董事會、管理層及全體員工不懈的努力與付出。在社會各界的關心和鼓勵下，憑藉工作團隊的辛勞與智慧，本集團將會在二零一七年再接再厲、續創高峰。

周明明

主席兼行政總裁

二零一七年三月二十五日



An industry pioneer in
**“GREEN
PRODUCTION”**

工藝領先行業
實現「綠色生產」



The Group will stay true to its strategic objective of “maintaining leadership in talent and technology, product quality and cost controls as well as branding”. Its hope is to realize the aspiration of becoming an industry leader who can “influence technical development and set standards for production model”.

本集團將始終堅持以「人才科技領先、品質成本領先、市場品牌領先」為戰略目標，致力成為「引領技術發展方向、打造生產模式標杆」的行業領導者。

Management Discussion & Analysis

管理層討論及分析

Strategically located production facilities to seize market opportunities

策略性生產佈局 穩佔市場商機

The Group's production facilities have been strategically located in regions with higher demand of lead-acid motive batteries. 本集團把生產設施廣泛地分佈於鉛酸動力電池需求較高的區域。



Management Discussion & Analysis

管理層討論及分析

The Group principally engages in manufacturing and sale of lead-acid motive batteries, lithium-ion batteries and other related products, which are widely used in electric bikes, electric vehicles and special-purpose electric vehicles, etc. Armed with advanced technologies and R&D prowess, the Group plans to manufacture and sell other products, including start-and-stop battery for automobiles in the future.

During the Year, the Group recorded satisfactory results. With leading production technologies, outstanding brand awareness among customers and an efficient distribution network, the Group has maintained a leading position in the industry. The Group enhanced R&D of technologies through exchange and cooperation with top international companies via various channels during the Year. In addition, to meet new demands bred by social development, the Group expanded the scope of its business and product offerings, adding batteries that afford better performance. The above-mentioned strategies have enhanced the Group's advantages in the industry.

INDUSTRY OVERVIEW

Booming demand from electric vehicle market

Benefiting from favorable government policies and increasing public awareness of the importance of environmental protection, the electric vehicle market in the PRC is the fastest growing in the world. The electric bike is a more and more popular transport among the Chinese people because it is environmentally friendly, very practical and relatively inexpensive. It has very promising growth potential in both the primary and secondary markets. Another electric vehicle, the electric tricycle, has also been in demand, thanks to the rapidly developing delivery and logistics industries in cities and counties. Driven by the thriving storage and logistics industry, the demand for forklifts is increasing too. All taken into account, the Group expects demands for its products to continue to boom.

本集團主要從事鉛酸動力電池、鋰離子電池及其他相關產品的製造及銷售，產品主要應用於電動自行車、電動汽車及特殊用途電動車等。未來本集團依靠雄厚的技術儲備及研發實力，將生產與銷售拓展至包括汽車用啟停電池在內的其他產品。

於本年度內，本集團錄得理想的業績表現，並憑藉領先的生產技術、強大的品牌認知及高效的分銷網絡，持續位居行業領先地位。於本年度內，本集團著力提升技術研發水平，通過多樣化的方式與世界領先企業達成技術交流和合作，同時亦致力拓展業務範圍及品類，推出性能更優的電池產品以迎合社會發展新需求。以上策略均進一步加強了本集團的領先優勢。

行業回顧

電動車市場需求持續旺盛

隨著國家發展政策的大力扶持以及社會環保意識的不斷增強，中國的電動車市場正以領先全球的速度在成長。電動自行車憑藉其環保性、實用性和經濟性的功能優勢，已成為中國居民所青睞的代步工具，且無論是一級市場或二級市場，其增容能力均存在上升空間。此外，另一電動車品類——電動三輪車，已成為目前新興的物流工具，並正隨著城鎮區域快遞業和物流業的快速發展而高速增長。而電動叉車需求則因倉儲物流行業蓬勃發展而增加。因此，本集團預期產品需求將持續旺盛。

Management Discussion & Analysis

管理層討論及分析

Furthermore, new-energy vehicles, which are seen as an ideal energy-saving and emission reduction solution for urban transportation system, have remarkable growth potential and are expected to be the development focus of the vehicle industry in the future. To support the development of new-energy vehicles, the PRC government has introduced a series of policies. According to the “Industry Development Planning for Energy-saving and New-energy Vehicles (2012–2020)” (《節能與新能源汽車產業發展規劃(2012–2020年)》), the plan is for the accumulated production and sales volume of those vehicles to increase to more than 5 million units by 2020, representing a projected compound annual growth rate (CAGR) of nearly 60%. In October 2016, the “Technical Development Planning for Energy-saving and New-energy Vehicles” (《節能與新能源汽車技術路線圖》) was issued and has the planned proportion of new-energy vehicles to total vehicle sales at approximately 7%, 15% and 40%, and the estimated sales volume reaching 2.10 million units, 5.25 million units and 15.20 million units in 2020, 2025 and 2030, respectively. Moreover, the new policy on subsidies for new-energy vehicles jointly issued by the Ministry of Finance, the Ministry of Science and Technology, the Ministry of Industry and Information Technology (“MIIT”) and the National Development and Reform Commission of the PRC took effect on 1 January 2017. Subsidies were adjusted downward, as expected by the market, and more severe requirements were imposed on the technologies of new-energy vehicles. The more stringent production requirements and continuing subsidy policy are expected to release the purchasing power of consumers for new-energy vehicles. Thus, the new-energy vehicle industry will continue to grow rapidly in 2017.

Rebound of profits of the lead-acid motive battery market

With merits in capacity, safety, stability and performance, the lead-acid battery has an absolute advantage and is currently the most popular motive battery. Market demand for electric bikes and special-purpose electric vehicles has been stable and electric vehicles are required to replace their batteries in a specific timeframe. Both factors work in favor of the continuous growth in demand for lead-acid motive batteries. According to a Frost & Sullivan report, the sales volume of lead-acid batteries for electric bikes in the PRC is expected to experience a steady growth at a CAGR of 5.4% from 2016 to 2021.

另一方面，新能源汽車作為目前實現城市交通節能減排的理想方案之一，其強勁的發展勢頭已不容忽視，必將成為汽車行業未來發展的核心。因應行業發展的需要，國家亦推出一系列政策支持新能源汽車市場的成長。根據《節能與新能源汽車產業發展規劃(2012–2020年)》，目標到二零二零年，新能源動力汽車累計產銷量將超過500萬輛，年複合增長率近60%。二零一六年十月，《節能與新能源汽車技術路線圖》發佈，規劃至二零二零年、二零二五年及二零三零年，新能源汽車銷量佔汽車總體銷量的比例分別達到約7%、15%及40%，測算新能源汽車年銷量將分別達到210萬、525萬及1,520萬輛。此外，國家財政部、科學技術部、工業和信息化部(「工信部」)及發展改革委員會聯合發佈的新能源汽車補貼新政於二零一七年一月一日起正式實行，補貼下調幅度基本符合市場預期，同時對新能源汽車的技術提出了更高要求。隨著更為嚴格的生產標準和持續的補貼政策，積壓的新能源汽車購買力將得到逐步釋放，新能源汽車產業將於二零一七年延續高速增長態勢。

鉛酸動力電池市場利潤回升

鉛酸電池無論在容量、安全穩定性，還是在性能上都有著絕對優勢，仍為目前使用最廣泛的動力電池。電動自行車和特殊用途車等穩定的市場需求，以及龐大的電動車使用群體具有定時更換電池的需要，均推動了鉛酸動力電池需求的持續增長。根據弗羅斯特—沙利文的報告，預計中國市場電動自行車鉛酸電池的銷售量於二零一六至二零二一年間將以5.4%的年複合增長率穩定增長。

Management Discussion & Analysis

管理層討論及分析

In recent years, the PRC government has stepped up regulation of production of lead-acid batteries, tightening related environmental protection requirements. After the “Regulatory Standards of Lead-acid Battery Industry (2015 Edition)” (《鉛蓄電池行業規範條件(2015年本)》) and the environmentally friendly development guidelines listed in the country’s “13th Five-Year Plan” were implemented, the lead-acid battery industry has been eliminating obsolete capacities since 2016 and it has a healthier structure now. Government regulatory policies plus adjustment of the industry itself had helped ease competition, which had gone on for several years, among industry players and as such the overall profits of the industry rebounded.

Upgraded production standard of lithium-ion battery

Along with the climb in sales volume of new-energy vehicles, the market is paying more attention to the lithium-ion battery. At the same time, the government has introduced more stringent production requirements on lithium-ion battery manufacturers. In September 2015, the MIIT published the “Regulatory Requirements on Lithium-ion Battery Industry (《鋰離子電池行業規範條件》)”, which contains tightened requirements on the production capacity and product performance of lithium-ion battery manufacturers. And in the “Consultation Paper of Regulatory Requirements for the Automobile Battery Industry (2017) (《汽車動力電池行業規範條件(2017年)》徵求意見稿)” issued by the MIIT in November 2016, even tighter requirements are set out in relation to the annual production capacity, R&D and level of automation in production of a lithium-ion battery manufacturer, which reflected the determination of the PRC government to regulate production of lithium-ion batteries.

Despite the tightened regulatory policies, the Group maintained an outstanding production performance. On 17 June 2016, the MIIT announced the fourth batch of enterprises to be listed in the “Standardized Requirements for the Automobile Power Storage Battery Industry (《汽車動力蓄電池行業規範條件》企業目錄)” catalogue. Zhejiang Chaowei Chuangyuan Industrial Co., Ltd. (浙江超威創元實業有限公司), a subsidiary of the Group made the list. This speaks to the Group’s leading position in the industry. As one of the industry leaders with technological, cost and scale advantages, the Group will benefit from the industry and capacity consolidation. The Group aims to cement its leadership by enlarging the market share of its safe, advanced and quality products.

近年來，中國政府一直著力規範鉛酸電池的生產秩序，環保核查要求亦不斷提升。隨著《鉛蓄電池行業規範條件(2015年本)》的不斷落實，以及國家「十三五規劃」作出綠色發展指引，鉛酸電池行業於二零一六年持續淘汰落後產能，逐步建立起健康共贏的行業格局。在國策規管和行業調整的推動下，延續數年的行業競爭漸趨緩和，行業整體利潤觸底回升。

鋰離子電池生產規範不斷升級

隨著新能源汽車銷量的強勁增長，市場向鋰離子電池投入越來越多的關注，與此同時，政策也對鋰離子電池企業提出了更為嚴格的生產要求。二零一五年九月，工信部發佈《鋰離子電池行業規範條件》，對鋰離子電池企業的生產能力及產品性能各方面均作出嚴格規範。二零一六年十一月，工信部發佈《汽車動力電池行業規範條件(2017年)》徵求意見稿，更對鋰離子電池單體企業年產能以及研發、設備自動化程度等方面的要求作出大幅度提升，可見中國政府對鋰離子電池生產的規管力度及決心。

面對不斷升級的政策規範，本集團繼續保持良好的生產表現，於二零一六年六月十七日工信部公示的第四批符合《汽車動力蓄電池行業規範條件》企業目錄中，本集團旗下企業——浙江超威創元實業有限公司獲入選該目錄，再次確認本集團於行業中的優勢地位。作為具有技術、成本和規模優勢的龍頭企業之一，本集團將受惠於行業整治及產能集中，依靠安全、先進的高質量產品進一步提高市佔率，鞏固行業領軍地位。

Management Discussion & Analysis

管理層討論及分析

BUSINESS DEVELOPMENT

Consolidated industry leadership and increased profitability of products

During the Year, continuing on the uptrend of the previous year, the Group recorded revenue of RMB21,455 million, representing an increase of 13.7% against the previous year. Its gross profit margin increased by 1.6 percentage points to 14.4%. Profit attributable to owners of the Company increased to RMB504 million, up by 51.9% when compared with the previous year. During the Year, the Group's major product lead-acid motive batteries had the best performance in the industry with unit price up several times. It brought to the Group RMB15,507 million in revenue with a market share exceeding 40%.

The Group's superb industry position was highly recognised by the government and in the industry as evidenced in it ranking first in the industry for three consecutive years and being on the "Fortune Top 500 Chinese Companies (《財富》中國500強)", "Top 500 Chinese Enterprises (中國企業500強)" and "Top 500 Chinese Private-owned Enterprises (中國民營企業500強)" lists in 2016. During the Year, the Group was also included on the list of 2015 "Top 100 Enterprises in China Light Industry (中國輕工業百強企業榜單)" and placed first in 2015 "Top 10 Enterprises of New-energy Battery Industry in China Light Industries (中國輕工業新能源電池行業十強企業)".

Enriched product mix and expanded to the global battery market

In 2016, via pursuing strategic cooperation in different areas, the Group was able to seize every appropriate market opportunity and enrich its product mix. The Group focused R&D and marketing efforts on the BG Battery, which was launched on 29 February 2016 and has met with a favourable market response. The product is the industry's first successful attempt at applying Graphene technology in a commercially viable, mass produced rechargeable lead-acid battery. During the Year, the sales volume of the BG Battery and its share of contribution to total sales had both kept increasing.

業務發展

穩固行業領先地位，提升產品利潤水平

本集團延續去年升勢，本年度錄得收入達人民幣214.55億元，同比增長13.7%，毛利率提升1.6個百分點至14.4%，本公司擁有人應佔利潤同比增長51.9%至人民幣5.04億元。本集團本年度之主要產品鉛酸動力電池繼續保持行業領先地位，產品單價數度提升，錄得產品收入人民幣155.07億元，市場佔有率超過40%。

本集團的領先地位得到國家及業界的大力認可，連續三年以行業排名首位分別入選二零一六年度「《財富》中國500強」、「中國企業500強」及「中國民營企業500強」。於本年度，本集團同時獲納入二零一五年度「中國輕工業百強企業榜單」，並以首位入選二零一五年度「中國輕工業新能源電池行業十強企業」。

多領域發展產品組合，佈局全球電池市場

二零一六年，本集團充分把握市場機遇，積極擴展多領域的戰略合作以豐富產品組合。「黑金電池」作為本集團重點研發及推廣的新產品，甫一面世便受到了市場的熱捧。二零一六年二月二十九日，本集團正式發佈「黑金電池」，首創將石墨烯成功運用於鉛酸電池當中並實現工業化規模生產。本年度「黑金電池」銷路暢旺，銷量佔比不斷提升。

Management Discussion & Analysis

管理層討論及分析

During the Year, the Group managed good progress with the development of lithium-ion battery. Adopting a pouch-type technique and featuring excellent safety-in-use, size flexibility and specific energy, the Group is looking to produce lithium-ion batteries that are smaller, lighter and capable of offering a greater driving range. During the Year, sales of lithium-ion battery products amounted to approximately RMB329 million. The Group will continue to closely monitor the increasing demand in the lithium-ion battery market, expand its production capacity and improve the functions of lithium-ion battery products, so as to realize mass production and meet the anticipated boom in demand for lithium-ion batteries in the future.

As for the development of start-and-stop battery products, the Group has been cooperating with the German battery manufacturer, Akkumulatorenfabrik MOLL GmbH & Co. KG since 2014 and officially commenced production in the fourth quarter of 2016. The Group is of the view that the demand for quality energy saving products will continue to rise in the future and the start-and-stop battery market has huge growth potential.

本年度，本集團的鋰離子電池發展也一路向好，其採用成熟的軟包技術路線，具備優越的安全性，且比能量高，有利於輕量化及提高續航里程。本年度鋰離子電池產品實現銷售收入約人民幣3.29億元。本集團將繼續緊貼鋰離子電池市場的需求增長，持續擴增產能並優化鋰離子電池產品的性能，致力實現大規模量產以迎接未來鋰離子電池需求的爆發。

啓停電池方面，本集團於二零一四年與德國電池製造商Akkumulatorenfabrik MOLL GmbH & Co. KG展開合作，並於二零一六年第四季度正式投產。本集團相信高質量節能產品於未來的需求將逐步旺盛，啓停電池市場擁有巨大的發展潛力。



Management Discussion & Analysis

管理層討論及分析



On 30 December 2016, the Group signed a contract with GE Company, pursuant to which a joint venture will be established to carry out R&D, production and sales of energy storage product using proprietary technology and know-how. This joint venture will enjoy the complementary advantages of the two partners and as such the capability to capitalize on the opportunities arising in the flourishing energy storage industry. This latest endeavor is another important step made by the Group in becoming a leading energy storage battery manufacturer.

二零一六年十二月三十日，本集團與通用電氣公司訂立合同，將攜手合作成立合營公司以使用專有技術和知識開展儲能產品的研發、生產及銷售。儲能產業正值蓬勃的發展期，本集團透過此次與通用電氣公司的合作實現優勢互補，向成為領先儲能電池製造企業邁出了重要的一步。

Facilitated development through production innovation and continuously improving production technologies

Product innovation is crucial to the sustainable development of an enterprise. In 2016, the R&D expenses of the Group amounted to RMB577 million, representing approximately 2.69% of the total revenue. As at 31 December 2016, the Group owned a total of 1,278 patents and had 300 patents under application. The Group is a National Model Enterprise of Technology Innovation (國家技術創新示範企業) and has to its name various technological innovation platforms, including a nationally-recognised technology centre, a nationally-accredited laboratory, a national environmental protection engineering technology centre and provincial key research institute, an academic work station and a post-doctoral research station, and also an overseas research institute in Germany. In 2016, the Group cooperated with Stanford University on development of the new generation of lithium-ion battery, which has enhanced the Group's lithium-ion battery technology. In addition, the Group has devoted greater effort to patent application for the core technologies related to the BG Battery. As at 31 December 2016, 2 patent certificates had been obtained while 6 other applications were still being processed.

創新驅動發展，持續革新產品技術

創新是企業賴以生存的核心方法。二零一六年，本集團的研發開支達人民幣5.77億元，佔總收入約2.69%。截至二零一六年十二月三十一日止，本集團合共擁有專利1,278項，申請中專利300項。本集團為國家技術創新示範企業，並建有國家認定企業技術中心、國家認可實驗室、國家環保工程技術中心、省重點企業研究院、院士工作站、博士後科研工作站等科技創新平台，並在德國建立了海外研發機構。於二零一六年，本集團與斯坦福大學就新一代鋰離子電池技術開發達成合作，此舉將進一步提升本集團在鋰離子電池研究領域的技術水平。此外，本集團亦積極推進對「黑金電池」相關核心技術的專利申請，截至二零一六年十二月三十一日止已獲得2項專利證書，另外6項專利正在申請過程中。

Management Discussion & Analysis

管理層討論及分析

The Group has strived to develop its own research team and bring in industry professionals to help it maintain technology leadership in the industry. It has actively recruited world-class industrial elites over the years. As at 31 December 2016, the Group had engaged more than 20 top experts from both across the country and all over the world, including 3 talent from the “Program of One Thousand Talent (千人計劃)”, whose expertise spans from basic theory and materials to industrial batteries, motive batteries and lithium-ion batteries. Moreover, the Institute of Lithium-ion Motive Battery and Storage Battery established by the Group was recognised as a provincial level institute in Zhejiang Province, the PRC during the Year — a testament to the Group’s pioneering efforts in research and innovation.

The Group will continuously introduce internationally-leading technologies and embark on product R&D and innovation to achieve persistent improvement in R&D and in turn provide customers with more reliable and high quality products.

本集團一直積極培育研究團隊，引進業界專才，以保持行業領先的技術地位。本集團在過去多年積極招攬世界級的行業精英，截至二零一六年十二月三十一日止，已聘請逾20位國內外頂尖專家，當中包括3名「千人計劃」人才，專業領域覆蓋基礎理論、材料、工業電池、動力電池及鋰離子電池等方面。同時，本集團成立的鋰離子與儲能電池研究院亦於本年度內被認定為中國浙江省省級研究院，更進一步奠定了本集團在研發創新領域的領導地位。

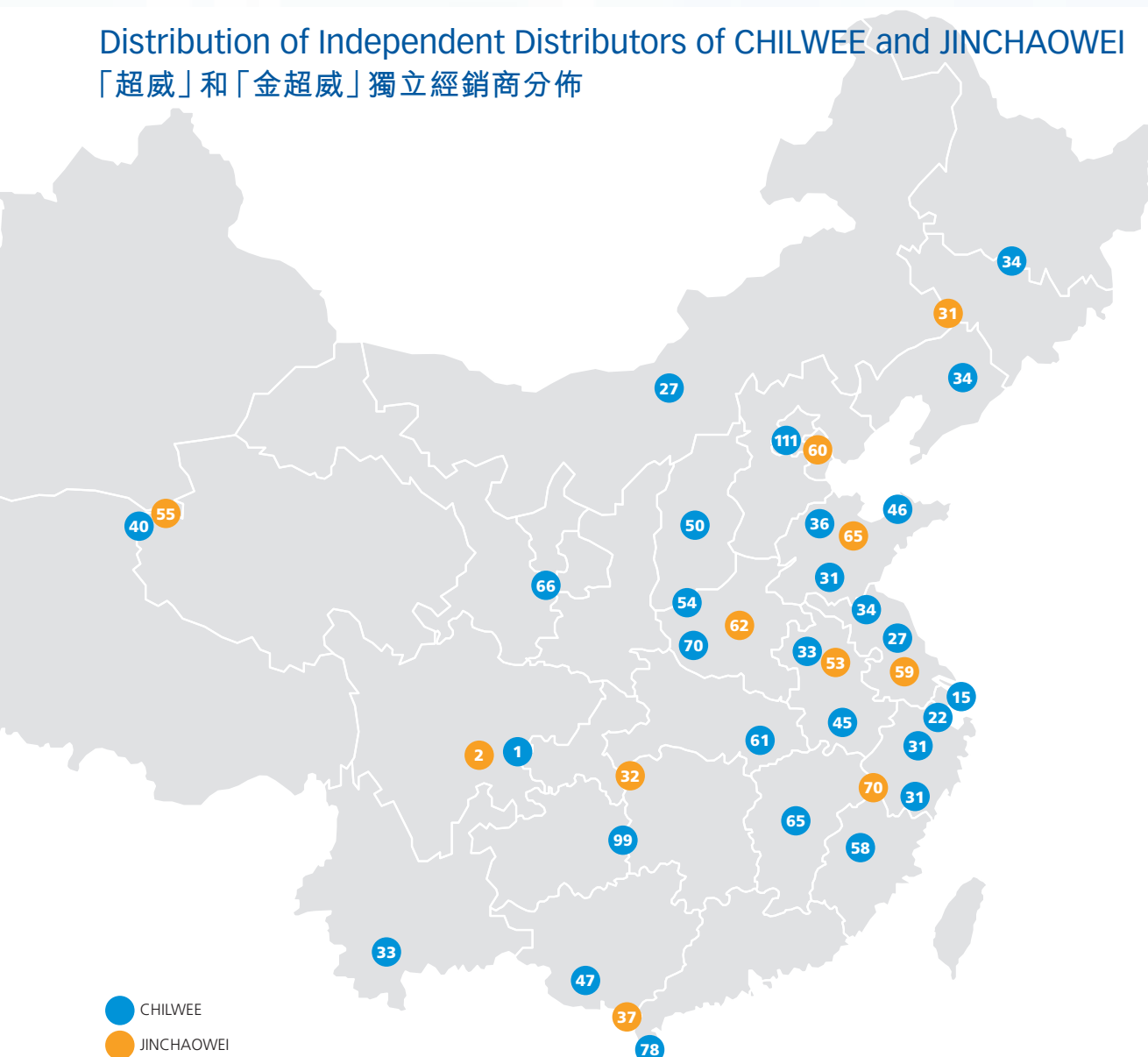
本集團將繼續通過世界級領先技術的引進及產品研發的持續革新，持之以恆地強化自身科研技術水平，為客戶提供更多可靠和優質的產品。



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Distribution of Independent Distributors of CHILWEE and JINCHAOWEI 「超威」和「金超威」獨立經銷商分佈



Total number of independent distributors for the "CHILWEE" brand (including CHILWEE, JINCHAOWEI and JINTAIYANG) in secondary markets
超威品牌(包括超威、金超威、金太陽)二級市場獨立經銷商總數



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Increased profitability through optimizing sales and distribution network and reputation

The Group has a nationwide sales and distribution network covering all primary and secondary markets. To serve primary markets, the Group maintained cooperation with a number of top electric bike manufacturers in the PRC, including such respected brands as Yadea, Lima, Evermaster, Byvin and Luyuan, during the Year. And, in secondary markets, the Group has the independent distributors, which totaled at 2,135 as at 31 December 2016.

The production facilities of the Group are strategically located in regions with higher demand for lead-acid motive batteries, including Zhejiang, Henan, Jiangsu, Anhui, Shandong, Jiangxi and Hebei Provinces. This sensible strategy has given the Group much flexibility to seize developing opportunities, reduce storage and logistics costs as well as speed up time-to-market for its products, and ultimately enhance profitability.

The Group adopts a flat and refined approach in managing its distributors. It has launched a more market-driven agency mechanism, removing intervening layers in sales channels, and as a result enhanced its sales channels and brand competitiveness. The Group also provides technical training and consultancy services to its independent distributors helping them enhance profitability. At the same time, the Group has fully optimized its marketing services to help build its brand and strengthen customer services. It continued to engage the renowned movie star, Mr. Donnie Yen, as brand spokesperson to boost its brand reputation, market recognition and customer loyalty.

完善經銷商網絡品牌美譽助推利潤水平

本集團於全國鋪設銷售與分銷網路，全面覆蓋一級市場及二級市場。一級市場方面，本集團於本年度維持與多家頂級電動自行車廠商的合作，包括雅迪、立馬、愛瑪、比德文及綠源等多個知名品牌。二級市場方面，截至二零一六年十二月三十一日止，本集團於二級市場的獨立經銷商總數為2,135家。

本集團延續戰略性生產佈局，將生產設施廣泛部署至鉛酸動力電池需求較高的區域，包括浙江、河南、江蘇、安徽、山東、江西以及河北七個省份。合理化的產業佈局，有利於本集團靈活把握發展機遇，並以市場為導向，降低在倉儲及物流等方面的成本開支，提升運營效率，有效增強本集團的盈利能力。

本集團繼續對經銷商實施扁平化、精細化管理，採用更加市場化的代理商機制，減少銷售渠道的中間環節，強化本集團銷售渠道及品牌的競爭優勢。本集團繼續為獨立經銷商提供技術培訓和諮詢服務，在提高其盈利能力的同時，保持行銷服務的全面優化，加強品牌建設與客戶服務。本集團並續聘知名影星甄子丹先生作為品牌代言人，有效鞏固品牌知名度和美譽度，贏得市場認同和消費者信賴。

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Committed to environmental protection and people-oriented principle

The Group adheres to the principle of operating advanced, safe and environmentally friendly production and promotes the use of green energy that can protect the environment without compromising economic efficiency. The Group has upheld its corporate mission, which is to “Advocate Green Energy, Perfect Human Life”, and followed the environmental protection principle of “minimize energy consumption, pollution and emissions”. With planet earth enduring adverse situations, including climate change, shortage of resources and pollution, the Group has been keen at technological innovation, applying green production processes, controlling pollutants (exhaust gas, sewage and solid waste) and noise, reducing emission of greenhouse gases, conserving energy and adopting innovative pollution prevention measures to protect the natural environment. The Group is a leading green energy brand in the PRC, known and respected for its effort to promote environmental protection and become an enterprise dedicated to “resource conservation and being environmentally friendly”.

The Group has taken the lead to develop and fully apply cadmium-free enclosed battery formation process and has been promoting it in the industry. As such, the production of lead-acid batteries is relying more and more on the application of cadmium-free enclosed battery formation process. The Group initiated a lead recycling project named “Atom Economy (原子經濟法)”. By converting lead-acid batteries into lead powder through a chemical process, the Group achieves a 99% recycling rate of lead and the emission of smoke, sewage and exhaust gas is reduced accordingly, setting a benchmark for the lead-acid battery production and recycling industry.

承擔社會環保責任，踐行以人為本理念

本集團堅持先進、安全、環保的生產理念，倡導綠色能源，為平衡企業經濟效益和社會環保責任而不懈努力。本集團一直秉承「倡導綠色能源，完美人類生活」的企業使命，堅持「低能耗、低污染、低排放」的環保原則，面對當前氣候變化、資源緊缺和環境污染的嚴峻形勢，依托科技創新，推行綠色工藝，嚴控三廢（廢氣、廢水及固體廢棄物）一噪，減排溫室氣體，節約能源使用，創新防治污染，保護生態環境，傳播環保理念，致力建設「資源節約型、環境友好型」企業，打造中國綠色能源第一品牌。

本集團率先開發無鎘內化成工藝，實現該工藝生產全覆蓋，並在全行業推廣，引領鉛蓄電池生產邁向無鎘化時代；首創「原子經濟法」鉛回收項目，通過化學方法將廢舊鉛酸電池轉化成可直接使用的鉛粉，使鉛回收利用率達到99%，並減排煙塵、廢水及廢氣，為鉛酸電池生產再生行業樹立了標杆。

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FUTURE DEVELOPMENT

Looking ahead, the Group sees the industry continuing to restructure and optimize. As one of the leading enterprises in the battery industry, the Group will apply its profound strength and tap into the use of energy network to effectively grow its business in two areas: (1) motive batteries, motive systems and electric vehicles, and (2) storage batteries, energy storage stations and energy storage systems. In 2017, the Group will continue to:

1. Strengthen its market leadership

The Group will continue to optimize industrial deployment to cover various new energy aspects, including motive batteries, energy storage batteries, pure electric vehicles, solar energy generation and distributed energy storage stations. It will seek to capitalize on opportunities brought by favorable government policies. It will keep its eyes on enhancing the competitiveness of its products, as well as strengthening its market leadership with improved product technologies and an optimized and more differentiated product mix. The Group is dedicated to becoming one of the largest suppliers of motive batteries and energy storage batteries in the world and offering better returns to investors.

2. Spur innovation and take up responsibility for environmental protection

The Group will remain steadfast in implementing its advanced development strategies and focusing on the development of new energy vehicles, high-end equipment, new materials and energy conservation and environmental protection. It will also set up various national innovation platforms. With the support of leading technological talent, the Group will continue to develop more patented technologies and strive for breakthroughs that can provide it with catalyst for growth. In line with government intention, the Group will honor its responsibility to the industry, the community and the environment, pushing for sustainable development and the achievement of a harmonious and symbiotic relationship between the enterprise and the community. The Group's pursuit of the vision "Advocate Green Energy, Perfect Human Life" will continue in parallel with its development.

未來發展

面向未來，行業內的產業結構優化將會持續進行。作為電池行業的龍頭企業之一，本集團將以雄厚的實力為依托，沿著從動力電池到動力系統，再到電動汽車整車；從儲能電池到儲能站、儲能系統兩條路徑，通過能源互聯網最終實現對能源的高效管理和應用。展望二零一七年，本集團將繼續：

1. 鞏固行業領導地位

本集團將繼續優化產業佈局，包括覆蓋動力電池、儲能電池、純電動汽車、太陽能發電、分佈式儲能電站等多個新能源領域，以優質的差異化產品為基礎，透過革新產品技術，繼續提高產品競爭力，把握利好政策帶來的整合良機，鞏固行業領導地位，致力成為全球最大的動力和儲能電池供應商之一，為投資者提供更好的回報。

2. 堅持科技創新，履行綠色責任

本集團始終堅持技術領先發展戰略，圍繞新能源汽車、高端裝備、新型材料、節能環保等技術領域，建立多個國家科技創新平台，通過領先的技術人才優勢，持續不斷地創造出更多專利技術或超前性的研發成果，打造新的增長核心。同時貫徹國家政策，不忘行業、社會和環境責任，堅持可持續發展理念，實現企業和社會的和諧共生，將「倡導綠色能源，完美人類生活」的願景貫穿到整個企業發展周期。

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3. Expand sales network to boost brand value

The Group will adhere to its strategic production master plan and expand sales network coverage through continuous collaboration with partners. It will keep abreast of changing market dynamics and employ measures that can allow it to tap those forces and capture target consumers. At the same time, the Group's marketing strategy will be broadened to cover brand building in addition to channel expansion, the goal of which is to bring the spotlight on to the virtues of the "CHILWEE" brand.

The Group will stay true to its strategic objective of "maintaining leadership in talent and technology, product quality and cost controls as well as branding". Its hope is to realize the aspiration of becoming an industry leader who can "influence technical development and set standards for production model".

3. 拓展銷售網路，升級品牌價值

本集團將繼續携手合作夥伴，採取戰略性的生產佈局，延伸市場銷售網路，緊貼市場態勢，有效抓住目標消費群。同時亦將行銷策略從渠道拓展延伸至品牌建設，增加品牌軟實力，使「超威」成為具有高附加值的知名電池品牌。

本集團將始終堅持以「人才科技領先、品質成本領先、市場品牌領先」為戰略目標，致力成為「引領技術發展方向、打造生產模式標杆」的行業領導者。



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FINANCIAL REVIEW

Revenue

The Group's revenue amounted to approximately RMB21,454,756,000 in 2016, increased by approximately 13.7% over approximately RMB18,870,205,000 for 2015, which was primarily attributable to the growth in sales amount of electric vehicle batteries, special-purpose electric cars batteries and li-ion batteries.

Gross profit

The Group's gross profit amounted to approximately RMB3,085,681,000 in 2016, representing an increase of approximately 28.1% over approximately RMB2,409,665,000 for 2015. The gross profit margin in 2016 was approximately 14.4% (2015: approximately 12.8%) and the increase in gross profit margin was mainly due to the increase in average selling price of batteries.

Other income

The Group's other income amounted to approximately RMB159,655,000 in 2016, representing a decrease of approximately 49% from approximately RMB313,167,000 in 2015, which was mainly due to decrease of approximately RMB113,916,000 in government grants and decrease of approximately RMB9,175,000 in interest from bank deposits in 2016.

Distribution and selling expenses

The Group's distribution and selling expenses amounted to approximately RMB813,088,000 in 2016, representing a slight increase of approximately 1.9% from approximately RMB798,063,000 for 2015, which was primarily attributable to increase in after-sales service expenses and transportation costs in 2016. For 2016, the distribution and selling expenses as a percentage of revenue were approximately 3.8% (2015: approximately 4.2%).

Administrative expenses

The Group's administrative expenses were approximately RMB663,253,000 in 2016, representing a rise of approximately 12.7% over approximately RMB588,620,000 for 2015, which was primarily attributable to increases in staff expenses, depreciation and professional fees in 2016. The increase in administrative expenses was in line with the Group's business expansion.

財務回顧

收入

本集團於二零一六年的收入約為人民幣21,454,756,000元，較二零一五年的約人民幣18,870,205,000元增長約13.7%，主要由於電動車電池、特殊用途電動汽車電池及鋰離子電池銷售額上升。

毛利

本集團於二零一六年的毛利約為人民幣3,085,681,000元，較二零一五年的約人民幣2,409,665,000元增長約28.1%。二零一六年的毛利率約為14.4%（二零一五年：約12.8%），毛利率上升主要是由於電池的平均售價上升所致。

其他收入

本集團於二零一六年的其他收入約為人民幣159,655,000元，較二零一五年約人民幣313,167,000元減少約49%，主要歸因於二零一六年的政府補助減少約人民幣113,916,000元及銀行存款的利息收入減少約人民幣9,175,000元。

分銷及銷售開支

本集團於二零一六年的分銷及銷售開支約為人民幣813,088,000元，較二零一五年的約人民幣798,063,000元略增約1.9%，主要由於售後服務開支以及運輸成本於二零一六年增加所致。二零一六年，分銷及銷售開支佔收入的百分比約為3.8%（二零一五年：約4.2%）。

行政開支

本集團於二零一六年的行政開支約為人民幣663,253,000元，較二零一五年的約人民幣588,620,000元增加約12.7%，主要由於僱員開支、折舊以及專業費用於二零一六年增加所致。行政開支增加與本集團的業務拓展相符。

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Research and development expenses

R&D expenses amounted to approximately RMB576,890,000 in 2016, representing an increase of approximately 21.4% over approximately RMB475,188,000 for 2015, which was primarily attributable to increases in costs of research materials as a result of a greater number of R&D projects being undertaken, including R&D in new products.

Finance costs

The Group's finance costs decreased by approximately 13.7% from approximately RMB223,837,000 for 2015 to approximately RMB193,123,000 for 2016. The decrease in finance costs was primarily due to a decrease in interest expenses on outstanding convertible bonds which were all converted on 11 November 2016 and bank borrowings.

Profit before tax

For the above reasons, the Group's profit before tax increased by approximately 29.2% to approximately RMB705,070,000 in 2016 (2015: approximately RMB545,872,000).

Taxation

The Group's income tax expenses increased by approximately 48.6% to approximately RMB86,012,000 in 2016 (2015: approximately RMB57,866,000). The increase in taxation was in line with the increase in profit before tax. The effective tax rate of approximately 12.2% in 2016 (2015: approximately 10.6%) was mainly due to tax deduction on R&D expenditure, preferential tax rate in certain subsidiaries and utilisation of tax losses previously not recognised.

Profit attributable to owners of the Company

In 2016, profit attributable to owners of the Company amounted to approximately RMB503,796,000. Profit attributable to owners of the Company for 2015 was approximately RMB331,669,000.

研究開發開支

二零一六年的研究開發開支約為人民幣576,890,000元，較二零一五年的約人民幣475,188,000元上升約21.4%，主要由於本集團研發項目（當中包括在新產品的研發）數目增加，以致研究物料成本上升所致。

融資成本

本集團的融資成本由二零一五年的約人民幣223,837,000元減少至二零一六年的約人民幣193,123,000元，降幅達約13.7%。融資成本減少主要是由於未轉換可換股債券（已於二零一六年十一月十一日悉數換股）及銀行借貸的利息開支減少所致。

除稅前利潤

就上述原因，本集團二零一六年的除稅前利潤約為人民幣705,070,000元（二零一五年：約人民幣545,872,000元），增幅達約29.2%。

稅項

本集團於二零一六年所得稅開支增至約人民幣86,012,000元（二零一五年：約人民幣57,866,000元），增幅達約48.6%。稅項增加與除稅前利潤增加相符。二零一六年的實際稅率約12.2%（二零一五年：約10.6%），主要由於研發開支的稅項扣減、若干附屬公司的優惠稅率及動用先前未確認的稅損所致。

本公司擁有人應佔利潤

二零一六年，本公司擁有人應佔利潤約為人民幣503,796,000元（二零一五年的本公司擁有人應佔利潤約人民幣331,669,000元）。

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Liquidity and financial resources

As at 31 December 2016, the Group had net current assets of approximately RMB581,679,000 (31 December 2015: net current assets of approximately RMB520,015,000). Cash and bank balances were approximately RMB588,439,000 (31 December 2015: approximately RMB960,960,000). Total borrowings, including bank borrowings, corporate bonds, obligation under finance leases and convertible bonds were approximately RMB3,700,770,000 (31 December 2015: approximately RMB3,285,407,000), which were mainly used to finance the capital expenditure and daily working capital of the Group. They were denominated in RMB, EUR or HKD, of which approximately RMB1,984,037,000 bore interest at fixed rates and approximately RMB2,361,093,000 were repayable within one year. The Group adopts centralised financing and treasury policies in order to ensure that the Group's funding is utilised efficiently and it monitors its interest rate risks in a conservative manner.

As at 31 December 2016, the Group's current ratio (current assets/current liabilities) was 1.08 (31 December 2015: 1.1) and gearing ratio (total borrowings/total assets) was approximately 28.5% (31 December 2015: approximately 30.5%). The Group has sufficient cash and available banking facilities to meet its commitments and working capital requirements. This strong cash position enables the Group to explore potential investment and potential business development opportunities to expand its domestic market share.

Exchange rate fluctuation risk

As the Group's operations are mainly conducted in the PRC and the majority of the sales and purchases are transacted in RMB, the Directors are of the view that the Group's operating cash flow and liquidity are not subject to significant foreign exchange rate risks.

Contingent liabilities

The Group did not have any significant contingent liabilities as at 31 December 2016 (31 December 2015: nil).

流動資金及財務資源

於二零一六年十二月三十一日，本集團的淨流動資產約為人民幣581,679,000元(二零一五年十二月三十一日：淨流動資產約人民幣520,015,000元)。現金及銀行結餘約為人民幣588,439,000元(二零一五年十二月三十一日：約人民幣960,960,000元)。總借款包括銀行借貸、企業債券、融資租賃項下的責任以及可換股債券約為人民幣3,700,770,000元(二零一五年十二月三十一日：約人民幣3,285,407,000元)，主要用作本集團的資本支出以及日常營運資金。借款以人民幣、歐元或港元計值，當中約人民幣1,984,037,000元為定息借款，而約人民幣2,361,093,000元須於一年內償還。為確保本集團資金得以有效運用，本集團採用中央財務及庫務政策，並以保守態度監控利率風險。

於二零一六年十二月三十一日，本集團的流動比率(流動資產除以流動負債)為1.08(二零一五年十二月三十一日：1.1)；本集團的負債比率(借款總額除以資產總值)約為28.5%(二零一五年十二月三十一日：約30.5%)。本集團擁有充裕現金及可用銀行融資，足以應付承擔及營運資金需要。強勁的現金狀況使本集團可發掘潛在投資及潛在業務發展機會，拓展國內市場份額。

匯率波動風險

由於本集團業務主要於中國經營，並且買賣主要以人民幣交易，董事認為本集團之營運現金流及流動資金不存在重大外匯匯率風險。

或然負債

於二零一六年十二月三十一日，本集團概無任何重大或然負債(二零一五年十二月三十一日：無)。

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Charge on assets

At the end of the reporting period, certain of the Group's assets were pledged to secure banking facilities granted to the Group. The aggregate carrying amount of the assets of the Group pledged at the end of each of the reporting periods are as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Buildings	樓宇	410,621	369,949
Land use rights	土地使用權	28,301	99,642
Bills receivable	應收票據	811,109	26,412
Restricted bank deposits	受限制銀行存款	526,778	404,723

Capital commitments

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Contracted but not provided for – acquisition of property, plant and equipment	已就下列項目訂約但未撥備 – 收購物業、廠房及設備	245,647	296,140

Human resources and employees' remuneration

As at 31 December 2016, the Group employed a total of 18,705 (31 December 2015: 18,187) staff members in the PRC and Hong Kong.

During the Year, the total cost of employees amounted to approximately RMB1,112,961,000. The Group sought to further strengthen staff training by offering focused training programmes and study tours to management and professional technical personnel, and disseminating the latest information of government policy on the lead-acid motive battery industry to staff. The Group continued to strive for the enhancement of professional standards and overall qualities of its staff. The Group also provided competitive salary packages to its staff, encouraging them to be fully dedicated in their work and to leverage their capabilities in serving its customers.

資產抵押

於報告期結束時，本集團抵押若干資產作為銀行授予本集團銀行授信的抵押。於各報告期結束時，本集團已質押資產的總賬面值如下：

資本承擔

人力資源及僱員薪酬

於二零一六年十二月三十一日，本集團於中國及香港合共聘用18,705名(二零一五年十二月三十一日：18,187名)員工。

於本年度，僱員總成本約為人民幣1,112,961,000元。本集團繼續加強對員工的培訓，為管理人員及專業技術人員提供重點培訓以及考察的機會，並向員工及時傳達政府針對鉛酸動力電池行業政策的最新訊息，不斷提高員工的專業水平及綜合素質。同時，本集團為員工提供具競爭力的薪酬，讓員工全心全力地投入工作，服務客戶。

Management Discussion & Analysis

管理層討論及分析

Significant investment, material acquisition or disposal of subsidiaries, associates and joint ventures

There were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Year, nor was there any plan authorized by the Board for other material investments or additions of capital assets at the date of this annual report.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme on 7 June 2010 (the "Share Option Scheme"), which became effective on 7 July 2010, for the purpose of giving the eligible persons an opportunity to have a personal stake in the Group and motivating them to optimize their future performance and efficiency to the Group and/or to reward them for their past contributions, attracting and retaining or otherwise maintaining on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and in the case of executives, enabling the Group to attract and retain such individuals with experience and ability and/or to reward them for their past contributions. As at the date of this annual report, the Share Option Scheme has a remaining life of approximately 3 years and 5 months.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the total number of shares in issue as at 7 July 2010, being the listing date of the Shares of the Company on the Stock Exchange, being 100,000,000 shares, which represented about 9.03% of the total issued share capital of the Company as at the date of this annual report. No options may be granted to any participant of the Share Option Scheme such that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

重大投資、收購或出售附屬公司、聯營公司及合營企業

於本年度，並無持有附屬公司、聯營公司及合營企業的重大投資或進行附屬公司、聯營公司及合營企業的重大收購或出售，於本年報日期，董事會亦無批准任何作出其他重要投資或增加資本資產的計劃。

購買、出售或贖回上市股份

於本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。

購股權計劃

本公司於二零一零年六月七日有條件採納並於二零一零年七月七日生效的一項購股權計劃（「購股權計劃」），旨在向合資格人士提供於本集團擁有個人股權的機會，並激勵他們盡量提升其日後對本集團所呈現的績效及效率，及／或就彼等過往的貢獻給予獎勵，以吸引及挽留或以其他方式與該等對本集團的績效、增長或成功而言乃屬重要及／或其貢獻有利於或將有利於本集團的績效、增長或成功的合資格人士維持持續的合作關係，另外就行政人員而言，更使本集團吸引及挽留經驗豐富且具備才能的人士及／或就其過往的貢獻給予獎勵。截至本年報日期，購股權計劃的餘下期限約為3年5個月。

因行使根據購股權計劃及本集團任何其他計劃將授出的所有購股權而可能發行的股份數目上限合共不得超過二零一零年七月七日（即本公司股份於聯交所上市日期）已發行股份總數之10%（即100,000,000股股份），相當於本公司於本年報日期已發行股本總額約9.03%。倘截至最後一次授出購股權日期止任何12個月期間行使已授或將授予購股權參與者之購股權涉及已發行及將發行股份總數超過本公司不時已發行股本之1%，則不得向該人士授出購股權。

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管理層討論及分析

Subject to the provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), the Board may in its absolute discretion when offering the grant of an option impose any conditions, restrictions or limitations in relation thereto in addition to those set those in the Share Option Scheme as the Board may think fit, including the time or period before the right to exercise the option in respect of all or any of the shares shall vest, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the Share Option Scheme.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant under the Share Option Scheme. There is no minimum period for which an option must be held before it can be exercised. Participants of the Share Option Scheme are required to pay the Company HK\$1.0 upon acceptance of the grant on or before 28 days after the offer date. The exercise price of the options is determined by the Board in its absolute discretion and shall not be less than whichever is the highest of:

- (a) the nominal value of a share;
- (b) the closing price of a share as stated in the Stock Exchange’s daily quotations sheets on the offer date; and
- (c) the average closing price of a share as stated in the Stock Exchange’s daily quotation sheets for the 5 business days immediately preceding the offer date.

The Share Option Scheme shall be valid and effective for a period of 10 years from the adoption date, after which no further options will be granted or offered. No options have been granted under the Share Option Scheme since its adoption to 31 December 2016.

Apart from the foregoing, at no time during the Year was the Company, or any of its holding companies or subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

根據聯交所證券上市規則(「上市規則」)的條文，董事會就授出購股權有絕對酌情權按其可能認為合適者施加購股權計劃所載以外的任何條件、約束或限制，包括行使涉及所有或任何股份購股權之權利前的歸屬時間或期間，惟該等條款或條件不得與購股權計劃的任何其他條款或條件相衝突。

按董事會釐定的期限內，購股權可隨時按照購股權計劃的條款予以行使，惟不得超出根據購股權計劃授出購股權之日期起計10年。購股權獲准行使前，購股權不設最短的持有期限。購股權計劃參與者於提呈日期後第28日或之前接納購股權時，須向本公司支付1.0港元。購股權行使價由董事會全權酌情釐定，惟不得低於下列三者中的最高者：

- (a) 股份面值；
- (b) 於提呈日期在聯交所每日報價表上的股份收市價；及
- (c) 緊接提呈日期前5個營業日股份於聯交所每日報價表的平均收市價。

購股權計劃將自採納日期起計10年內具有效力及生效，隨後不會再授出或提呈其他購股權。自採納購股權計劃起至二零一六年十二月三十一日止，並無根據購股權計劃授出購股權。

除上述者外，於本年度任何時間，本公司、其任何控股公司或附屬公司概無參與訂立任何安排，令本公司董事可透過購入本公司或任何其他法團之股份或債券而獲益。

Management Discussion & Analysis

管理層討論及分析

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance in the interests of shareholders. The Company has complied with all code provisions of the Corporate Governance Code contained in Appendix 14 (the “Code”) of the Listing Rules throughout the Year, except for the deviation as stated below.

Code Provision A.2.1 of the Code requires the roles of chairman of the Board and chief executive officer to be separated. Mr. Zhou Mingming is currently both the chairman of the Board and chief executive officer of the Company. The Board considers that the current arrangement facilitates the execution of the Group’s business strategies and maximizes efficiency of its operation and is therefore beneficial to the Company and its shareholders as a whole.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions of the Directors, senior management and relevant employees (who, because of their office in the Company, are likely to be in possession of unpublished inside information) of the Company. Having made specific enquiry of all Directors, all of them have confirmed that they have complied with the required standard set out in the Model Code throughout the Year.

AUDIT COMMITTEE

The Company has established the Audit Committee. Its primary duties include, among other things, the review and supervision of the Group’s financial reporting process and risk management and internal control system. The Audit Committee comprises all 4 independent non-executive Directors of the Company, namely Mr. Lee Conway Kong Wai (“Mr. Lee”), Mr. Wang Jiqiang, Prof. Ouyang Minggao and Mr. Ng Chi Kit. Mr. Lee is the chairman of the Audit Committee. Mr. Lee has professional qualification and experience in accounting and financial matters.

The Audit Committee has met and discussed with the external auditors of the Company, Deloitte Touche Tohmatsu, and has reviewed the accounting principles and practices adopted by the Group and the audited results of the Group for the Year. The Audit Committee considered that the consolidated results of the Group for the Year are in compliance with the relevant accounting standards, rules and regulations and that appropriate disclosures have been duly made in accordance with Appendix 16 of the Listing Rules in this annual report.

企業管治常規

本公司致力保持高水平的企業管治，以符合股東利益。除偏離下述者外，本公司於本年度一直遵守上市規則附錄十四所載之企業管治守則(「守則」)的所有守則條文。

守則的守則條文第A.2.1條規定董事會主席及行政總裁的角色應予區分。周明明先生現為本公司董事會主席兼行政總裁。董事會認為現有安排有助執行本集團業務策略及充分提高營運效率，因此是有利於本公司及其全體股東。

董事的證券交易

本公司已採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)，作為本公司董事、高級管理層及相關僱員(其因於本公司所擔當職位而有機會獲悉未發佈的內幕消息)進行證券交易的行為守則。本公司已向全體董事作出特定查詢，並得到全體董事確認，彼等於本年度一直遵守標準守則所載的規定準則。

審核委員會

本公司已成立審核委員會，其主要職責包括審閱及監察本集團的財務報告程序及風險管理和內部控制系統。審核委員會由本公司全部共4名獨立非執行董事組成，即李港衛先生(「李先生」)、汪繼強先生、歐陽明高教授以及吳智傑先生。李先生為審核委員會主席。李先生具備會計及財務事宜的專業資格及經驗。

審核委員會已與本公司的外部核數師德勤•關黃陳方會計師行會面及討論，並審閱本集團採納的會計原則及慣例以及本集團本年度的經審核業績。審核委員會認為本集團本年度的綜合業績符合相關會計準則、規則及條例，並已根據上市規則附錄十六於本年報中作出適當披露。

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PROPOSED FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company (the “Register of Members”) will be closed from 5 June 2017 to 8 June 2017 (both days inclusive), for the purpose of determining shareholders’ entitlement to attend the forthcoming annual general meeting (the “AGM”), during which period no transfer of shares of the Company will be registered. In order to qualify for attending the AGM, the shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, No. 183 Queen’s Road East, Hong Kong for registration by no later than 4:30 p.m. on 2 June 2017.

The Board has resolved to recommend the payment of a final dividend of RMB0.068 per share for shareholders whose names appear on the Register of Members on 16 June 2017. The Register of Members will be closed from 14 June 2017 to 16 June 2017, both days inclusive, and the proposed final dividend is expected to be paid on 27 June 2017. The payment of dividends shall be subject to the approval of the shareholders at the AGM of the Company expected to be held by 8 June 2017. In order to be qualified for the proposed final dividend, shareholders should deliver share certificates together with transfer documents to the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on 13 June 2017.

APPRECIATION

The future robust development of the Group hinges on the full support of its shareholders, clients and business partners as well as the dedicated commitment and hard work of our staff. The Board would also like to take this opportunity to express its sincere gratitude to them. The Group intends to continue its concerted efforts to advance its business development to new heights while bringing lucrative returns to the supporters of the Group.

建議末期股息及暫停股份過戶登記

為確定股東出席應屆股東週年大會的權利，本公司將於二零一七年六月五日至二零一七年六月八日（包括首尾兩日）暫停辦理股東登記手續，期間將不會為本公司股份進行過戶登記。為符合資格出席股東週年大會（「股東週年大會」），股東應確保所有過戶文件連同有關股票不遲於二零一七年六月二日下午四時三十分送交本公司的股份過戶登記分處香港中央證券登記有限公司，地址為香港皇后大道東183號合和中心17樓1712–1716室，以辦理登記手續。

董事會已議決，向於二零一七年六月十六日名列股東名冊的股東宣派末期股息每股人民幣0.068元。本公司將於二零一七年六月十四日至二零一七年六月十六日（包括首尾兩日）暫停辦理股東登記手續，預計建議末期股息將於二零一七年六月二十七日派付。派付股息須在預期於二零一七年六月八日舉行的本公司股東週年大會上經由股東批准。為符合資格獲派建議末期股息，股東最遲須於二零一七年六月十三日下午四時三十分前，將股票連同過戶文件送交本公司股份過戶登記分處香港中央證券登記有限公司，地址為香港皇后大道東183號合和中心17樓1712–16室，以辦理登記手續。

致謝

本集團未來穩健發展全賴其股東、客戶、合作夥伴的鼎力支持以及全體員工的辛勤奉獻。董事會謹此對他們表示衷心感謝。本集團將繼續努力，把業務發展推向另一高峰，為本集團的所有支持者締造最佳回報。

Directors and Senior Management

董事及高級管理層

EXECUTIVE DIRECTORS

Mr. Zhou Mingming (周明明), aged 48, is the founder of the Group, the chairman of the Board, an executive Director and the chief executive officer of the Group. Mr. Zhou is mainly responsible for the Group's overall strategy planning and investment decisions. Mr. Zhou received a bachelor's degree in chemistry from Hangzhou Normal University (杭州師範學院) in July 1990, and has over 20 years experience in the lead-acid battery industry. Mr. Zhou is the younger brother of Mr. Yang Xinxin, and the son of Mr. Zhou Longrui and Ms. Yang Yunfei, all being executive Directors. Also, Mr. Zhou is the spouse of Ms. Fang Jianjun, a non-executive Director.

Mr. Zhou Longrui (周龍瑞), aged 78, is an executive Director of the Group. He is mainly responsible for the overall supervision of the technical aspects of our production process. Mr. Zhou joined the Group in January 1998. Mr. Zhou has rich experience in the lead-acid battery industry gained at the Group and through previous employment. Early in 1994 and since then, Mr. Zhou published several professional articles in the field of lead-acid batteries on various magazines such as Batteries (《蓄電池》), International Power Information (《國際電源商情》) and Power Technologies (《電源技術》), etc. Mr. Zhou was appointed the vice-chairman of the First Session of Lead-acid Battery Committee (第一屆鉛酸蓄電池專業委員會副主任委員) by China Electrotechnics Technology Academy (中國電工技術學會) in August 2008 and a member of National Lead-acid Battery Standardization Technology Committee (全國鉛酸電池標準化技術委員會) in July 2007. He is the father of Mr. Zhou Mingming and Mr. Yang Xinxin and the spouse of Ms. Yang Yunfei, all being executive Directors. He is also a father-in-law of Ms. Fang Jianjun, a non-executive Director.

Ms. Yang Yunfei (楊雲飛), aged 74, is an executive Director of the Group. She is mainly responsible for the management of the Group's procurement and building. She has been with the Group since January 1998. Ms. Yang has worked in several battery manufacturing factories, responsible for manufacturing or overall operation of the factories and worked for the establishment preparation of the Group. Ms. Yang has accumulated rich experience in the lead-acid battery industry gained at the Group and through previous employment. Ms. Yang Yunfei is the mother of Mr. Zhou Mingming and Mr. Yang Xinxin and the spouse of Mr. Zhou Longrui, all being executive Directors. She is also a mother-in-law of Ms. Fang Jianjun, a non-executive Director.

執行董事

周明明先生，48歲，本集團創辦人、董事會主席、執行董事兼行政總裁，主要負責本集團的整體策略規劃及投資決策。周先生於一九九零年七月獲杭州師範學院頒授化學學士學位，從事鉛酸電池行業經驗超過20年。周先生為楊新新先生的胞弟及周龍瑞先生與楊雲飛女士(全部人士均為執行董事)之子。此外，周先生為非執行董事方建軍女士之配偶。

周龍瑞先生，78歲，為本集團執行董事，主要負責本集團生產工藝技術事宜的整體監管。周先生於一九九八年一月加入本集團。周先生曾於本集團及不同公司任職，在鉛酸電池行業累積豐富經驗。早於一九九四年開始，周先生已為《蓄電池》、《國際電源商情》、《電源技術》等多份鉛酸電池行業雜誌撰文，至今已發表了多篇專業論文。周先生於二零零八年八月獲中國電工技術學會委任為第一屆鉛酸蓄電池專業委員會副主任委員，二零零七年七月獲委任為全國鉛酸電池標準化技術委員會委員。周先生是周明明先生及楊新新先生之父、楊雲飛女士(全部人士均為執行董事)的配偶。彼亦為非執行董事方建軍女士之家翁。

楊雲飛女士，74歲，為本集團執行董事，主要負責本集團的採購和基建管理。楊女士自一九九八年一月加入本集團至今。楊女士曾任職於多家電池製造廠，負責生產作業或廠房整體運作，並負責籌備本集團的成立。楊女士曾於本集團及不同公司任職，在鉛酸電池行業累積豐富經驗。楊雲飛女士是周明明先生及楊新新先生之母、周龍瑞先生(全部人士均為執行董事)之配偶。彼亦為非執行董事方建軍女士之婆婆。

Directors and Senior Management

董事及高級管理層

Mr. Yang Xinxin (楊新新), aged 50, is an executive Director of the Group. He is mainly responsible for assisting Mr. Zhou Mingming in the discharge of Mr. Zhou's duties in the overall management of the Group. Mr. Yang joined the Group in August 2011. He has vast experience in the management of sizeable organisations. Immediately prior to joining the Group, Mr. Yang was the secretary of the party committee (黨委書記) and deputy head (副院長) of Zhejiang Design Institute of Water Conservancy and Hydroelectric Power (浙江省水利水電勘測設計院), and had served in such positions since August 2006. Mr. Yang was the deputy head (副縣長) of the People's Government of Anji County, Zhejiang Province (浙江省安吉縣人民政府) between June 2001 and August 2003. Mr. Yang was the deputy director of Water Resources Department of Zhejiang Province (浙江省水利廳) between August 2003 and August 2006. Mr. Yang is a professor-level senior engineer (教授級高級工程師). Mr. Yang obtained a bachelor degree from Anhui University of Science & Technology (安徽理工大學), formerly known as Huainan Mining Institute (淮南礦業學院), in July 1988 and a master degree from Zhejiang University (浙江大學) in March 1991. Mr. Yang is an elder brother of Mr. Zhou Mingming, the son of Mr. Zhou Longrui and Ms. Yang Yunfei, all being executive Directors. He is also a brother-in-law of Ms. Fang Jianjun, a non-executive Director.

NON-EXECUTIVE DIRECTOR

Ms. Fang Jianjun (方建軍), aged 48, was appointed as a non-executive Director of the Group on 17 November 2013. Ms. Fang received a bachelor's degree in chemistry from Hangzhou Normal University (杭州師範大學) in July 1990. From August 1990 to October 1998, Ms. Fang was a teacher at Hongxi Middle School (虹溪中學) in Zhejiang Province, the PRC. Ms. Fang is the spouse of Mr. Zhou Mingming, an executive Director, the chairman of the Board, and the controlling shareholder (as defined under the Listing Rules) of the Company. She is also a daughter-in-law of Mr. Zhou Longrui and Ms. Yang Yunfei, a sister-in-law of Mr. Yang Xinxin, all being executive Directors.

楊新新先生，50歲，本集團執行董事，主要在本集團的整體管理上負責協助周明明先生履行其職責。楊先生於二零一一年八月加盟本集團。彼擁有管理具規模組織的豐富經驗。緊接加盟本集團前，楊先生曾任浙江省水利水電勘測設計院黨委書記兼副院長，自二零零六年八月擔任有關職位。楊先生於二零零一年六月至二零零三年八月，為浙江省安吉縣人民政府的副縣長，於二零零三年八月至二零零六年八月，為浙江省水利廳副處長。楊先生為教授級高級工程師，於一九八八年七月取得安徽理工大學(前稱淮南礦業學院)學士學位，並於一九九一年三月取得浙江大學碩士學位。楊先生為周明明先生兄長、周龍瑞先生及楊雲飛女士(全部人士均為執行董事)的兒子。彼亦為非執行董事方建軍女士之大伯。

非執行董事

方建軍女士，48歲，於二零一三年十一月十七日獲委任為本集團之非執行董事。方女士於一九九零年七月獲得杭州師範大學化學學士學位。一九九零年八月至一九九八年十月，方女士在中國浙江省虹溪中學擔任教師。方女士為執行董事、董事會主席以及本公司控股股東(定義見上市規則)周明明先生的配偶。彼亦為周龍瑞先生及楊雲飛女士的兒媳以及楊新新先生(全部人士均為執行董事)的弟媳。

Directors and Senior Management

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wang Jiqiang (汪繼強), aged 77, is an independent non-executive Director of the Group. Mr. Wang has more than 50 years of experience in the field of electrochemistry. Before he retired in December 2008, Mr. Wang has been working in the 18th Research Institute, China Electronics Technology Group Corporation (中國電子科技集團公司第十八研究所) since October 1962 as a vice-chief engineer. In addition, Mr. Wang received various awards of national and provincial levels for his achievements on development of new battery technology, such as the first class award on science and technology advancement (科學技術進步一等獎) from the former Ministry of Electronics Industry (presently known as MIIT) on his research on lithium rechargeable battery technology in October 1999. Mr. Wang received a bachelor's degree in electrochemistry from Fudan University in 1962, and went to Stanford University in the United States as a visiting scholar on government sponsorship from 1982 to 1985. After returning to China, he received the title of professor and mainly in charge of new battery technology development. After his retirement, Mr. Wang has continued to assist China Industrial Association of Power Sources (中國化學與物理電源行業協會) to organise various international and domestic technology exchange activities, including China International Solar Photovoltaic Industry Fair (中國國際電池博覽會暨技術交流會) which is held biennially.

Prof. Ouyang Minggao (歐陽明高), aged 58, is an independent non-executive Director of the Group. Prof. Ouyang graduated from the Technical University of Denmark with a doctorate degree in Engineering in 1993. He worked at Tsinghua University (清華大學) since 1994 at which he held various titles including Ministry of Education Scholar Chang Jiang Special Professor (教育部長江學者特聘教授) and supervisor of the National Key Laboratory for Automobile Safety and Energy-saving Research (汽車安全與節能國家重點實驗室主任). Prof. Ouyang is a Standing Member of the National Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議全國委員會常務委員). Prof. Ouyang served as independent non-executive Director of Sinotruk (Hong Kong) Limited (Stock Code: 3808), a company listed on the Main Board of the Stock Exchange, from July 2007 to December 2015, Shanghai Diesel Engine Company Limited (Stock Code: 600841) (上海柴油機股份有限公司), a company listed on the Main Board of Shanghai Stock Exchange, from May 2012 to May 2015, Aerospace Hi-Tech Holdings Group Co., Ltd. (Stock Code: 000901) (航天科技控股集團股份有限公司) and Chongqing Changan Automobile Company Limited (Stock Code: 000625) (重慶長安汽車股份有限公司), both companies listed on the Main Board of Shenzhen Stock Exchange, from December 2011 to March 2013 and from May 2012 to March 2016, respectively.

獨立非執行董事

汪繼強先生，77歲，為本集團獨立非執行董事。汪先生從事電化學電源領域經驗超過50年。汪先生由一九六二年十月起即在現中國電子科技集團公司第十八研究所工作，二零零八年十二月退休前一直擔任研究所副總工程師。此外，汪先生因其主持發展新型電池技術的多項成果曾獲得多個國家與省部級獎項，例如原電子工業部(現為工信部)於一九九九年十月對其主持的鋰可再充電電池方面研究頒發的科學技術進步一等獎。汪先生於一九六二年在復旦大學獲得電化學學士學位，一九八二年至一九八五年曾公派至美國斯坦福大學做訪問學者，回國後獲教授職稱，主要負責新型電池技術開發。汪先生退休後仍繼續協助中國化學與物理電源行業協會組織國際與國內各項技術交流活動，其中包括兩年一度的中國國際電池博覽會暨技術交流會。

歐陽明高教授，58歲，為本集團獨立非執行董事。歐陽教授一九九三年在丹麥理工大學(Technical University of Denmark)畢業，獲授工程學博士學位。自一九九四年起在清華大學工作，擔任多項職位，包括教育部長江學者特聘教授及汽車安全與節能國家重點實驗室主任，另外亦擔任中國人民政治協商會議全國委員會常務委員。歐陽教授亦曾於二零零七年七月至二零一五年十二月期間出任中國重汽(香港)有限公司(一家在聯交所主板上市之公司，股份代號：3808)的獨立非執行董事、於二零一二年五月至二零一五年五月期間出任上海柴油機股份有限公司(一家在上海證券交易所主板上市之公司，股份代號：600841)的獨立非執行董事、於二零一一年十二月至二零一三年三月期間及於二零一二年五月至二零一六年三月期間分別出任航天科技控股集團股份有限公司(股份代號：000901)及重慶長安汽車股份有限公司(股份代號：000625)(兩者均為於深圳證券交易所主板上市之公司)的獨立非執行董事。

Directors and Senior Management

董事及高級管理層

Mr. Lee Conway Kong Wai (李港衛), aged 62, is an independent non-executive Director of the Group. Mr. Lee received a bachelor's degree in arts from the Kingston University (formerly known as the Kingston Polytechnic) in London in July 1980 and obtained his postgraduate diploma in business from the Curtin University of Technology in Australia in February 1988. Mr. Lee served as a partner of Ernst & Young for 29 years until 2009 and had held key leadership positions in the development of such firm in China. Mr. Lee is a member of the Institute of Chartered Accountants in England and Wales, the Institute of Chartered Accountants Australia and New Zealand, the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Macau Society of Registered Accountants. Mr. Lee currently also serves as an independent non-executive director of West China Cement Limited (Stock Code: 2233), China Modern Dairy Holdings Limited (Stock Code: 1117), GOME Electrical Appliances Holding Limited (Stock Code: 493), Tibet Water Resources Ltd. (Formerly known as Tibet 5100 Water Resources Holdings Ltd.) (Stock Code: 1115), NVC Lighting Holding Limited (Stock Code: 2222), Yashili International Holdings Ltd (Stock Code: 1230), GCL New Energy Holdings Limited (Stock Code: 451), China Rundong Auto Group Limited (Formerly known as China Greenland Rundong Auto Group Limited (Stock Code: 1365) and WH Group Limited (Stock Code: 288), all being companies listed on the Main Board of the Stock Exchange, since July 2010, October 2010, March 2011, March 2011, November 2012, November 2013, May 2014, July 2014 and August 2014, respectively. Mr. Lee also served as an independent non-executive director of China Taiping Insurance Holdings Limited (Stock Code: 966), China Environmental Technology and Bioenergy Holdings Limited (Stock Code: 1237) and CITIC Securities Company Limited (Stock Code: 6030), all being companies listed on the Main Board of the Stock Exchange from October 2009 to August 2013, from July 2014 to September 2015 and from November 2011 to May 2016, respectively, and Sino Vanadium Inc. (Stock Code: SVX), a company listed on the TSX Venture Exchange in Canada, from October 2009 to December 2011. Mr. Lee has been appointed as a member of the Chinese People's Political Consultative Conference of Hunan Province in China since 2007.

李港衛先生，62歲，為本集團獨立非執行董事，於一九八零年七月獲倫敦Kingston University（前稱為Kingston Polytechnic）文學學士學位，其後於一九八八年二月獲澳洲Curtin University of Technology商學深造文憑。截至二零零九年，李先生任職安永會計師事務所之合夥人達29年，為該所發展中國業務擔當主要領導角色。李先生為英格蘭及威爾斯特許會計師公會會員、澳大利亞和新西蘭特許會計師公會會員、英國特許會計師公會會員、香港會計師公會會員及澳門註冊會計師公會會員。目前，李先生亦自二零一零年七月、二零一零年十月、二零一一年三月、二零一一年三月、二零一二年十一月、二零一三年十一月、二零一四年五月、二零一四年七月及二零一四年八月起擔任中國西部水泥有限公司（股份代號：2233）、中國現代牧業控股有限公司（股份代號：1117）、國美電器控股有限公司（股份代號：493）、西藏水資源有限公司（前稱西藏5100水資源控股有限公司，股份代號：1115）、雷士照明控股有限公司（股份代號：2222）、雅士利國際控股有限公司（股份代號：1230）、協鑫新能源控股有限公司（股份代號：451）、中國潤東汽車集團有限公司（前稱中國綠地潤東汽車集團有限公司，股份代號：1365）及萬洲國際有限公司（股份代號：288）（均為於聯交所主板上市之公司）之獨立非執行董事。李先生亦於二零零九年十月至二零一三年八月期間、二零一四年七月至二零一五年九月期間及於二零一一年十一月至二零一六年五月期間分別擔任中國太平保險控股有限公司（股份代號：966）、中科生物控股有限公司（股份代號：1237）及中信證券股份有限公司（股份代號：6030）（均為於聯交所主板上市之公司）的獨立非執行董事，以及於二零零九年十月至二零一一年十二月期間擔任Sino Vanadium Inc.（一家於加拿大多倫多證券交易所創業板上市之公司，股份代號：SVX）的獨立非執行董事。自二零零七年起，李先生一直獲委任為中國湖南省中國人民政治協商會議委員。

Directors and Senior Management

董事及高級管理層

Mr. Ng Chi Kit (吳智傑), aged 43, was appointed as a non-executive Director of the Group on 2 December 2010 and was re-designated as an independent non-executive Director on 10 February 2017. Prior to that, Mr. Ng was the Group's chief financial officer and company secretary. Mr. Ng holds a bachelor degree in accountancy from the Hong Kong Polytechnic University and is an Associate Member of Hong Kong Institute of Certified Public Accountants and a Fellow Member of The Association of Chartered Certified Accountants. Prior to joining our Group, Mr. Ng worked in the Assurance and Advisory Business Service Department of Ernst & Young. Mr. Ng has over 17 years of experience in accounting and auditing.

SENIOR MANAGEMENT

Mr. Chen Jingning (陳經寧), aged 43, is the investment director and head of the new energy division. Mr. Chen graduated from the University of Science and Technology of China (中國科學技術大學) with a bachelor's degree in Industrial Automation in 1995 and obtained a Master of Business Administration from University of Science and Technology of China in 2005. Mr. Chen joined the Group in 2003 as assistant to chairman and has since 2011 held his current position as investment director.

Prof. Chen Tixian (陳體銜), aged 78, is the head of the research and development department and is responsible for leading the research activities of the Group. Prof. Chen graduated with a bachelor's degree in chemistry and physics from Xiamen University (廈門大學) in 1961. Prof. Chen has over 30 years of experience in the lead-acid battery industry. Prof. Chen lectured in the chemistry department of Xiamen University between 1961 and 1989 when he retired as a professor. Prof. Chen joined the Group in April 2004 and has since held his current position as the head of the research department of the Group.

Mr. Pan Xuexiang (潘學祥), aged 42, is the marketing director and is responsible for, among others, marketing planning, brands management and products planning. Mr. Pan graduated with a bachelor's degree in economic management from Hefei University of Technology in Anhui in June 1997. Mr. Pan joined the Group in 2009 and has held several positions including deputy director of sales channel department and marketing director.

吳智傑先生，43歲，於二零一零年十二月二日獲委任為本集團非執行董事，於二零一七年二月十日起調任獨立非執行董事。此前，吳先生擔任本集團的財務總監及公司秘書。吳先生在香港理工大學獲得會計學士學位，為香港會計師公會會員，及特許公認會計師公會資深會員。於加入本集團以前，在安永會計師事務所保證顧問商業服務部任職。吳先生於會計及會計審核擁有逾17年經驗。

高級管理層

陳經寧先生，43歲，為投資總監及新能源部門主管。陳先生於一九九五年畢業自中國科學技術大學，取得工業自動化學士學位，並於二零零五年獲頒授工商管理碩士學位。陳先生於二零零三年加入本集團出任主席助理，並自二零一一年起擔任其現時投資總監一職。

陳體銜教授，78歲，本集團研發部主任，負責領導本集團的研究活動。陳教授於一九六一年畢業於廈門大學化學物理專業，獲學士學位，從事鉛酸電池行業經驗超過30年。一九六一年開始在廈門大學化學系授課，至一九八九年以教授職稱退休。陳教授於二零零四年四月加盟本集團，出任本集團研究部主管至今。

潘學祥先生，42歲，本集團市場部總監，負責市場部營銷規劃、品牌管理及產品規劃等。潘先生一九九七年六月畢業於安徽省合肥工業大學經濟管理專業，獲學士學位。二零零九年加盟本集團，歷任銷售渠道部副總監、市場部總監。

Directors and Senior Management

董事及高級管理層

Mr. Qian Shunrong (錢順榮), aged 47, is the head of the production department of the Group and assistant to Mr. Yang Xinxin and is responsible for the overall management of the production department. Mr. Qian completed his junior high school education in 1985. Mr. Qian joined the Group in 2003 and has held several positions in the Group including deputy general manager of Henan Chaowei, head of the supervision and management department and deputy general manager of the production department.

Mr. Leung Wai Yip (梁偉業), aged 41, was appointed as the Group's chief financial officer and company secretary (the "Company Secretary"), on 2 December 2010. Prior to joining the Group, Mr. Leung was the financial controller and the company secretary of Tiangong International Company Limited (天工國際有限公司) (Stock Code: 826), a company listed on the Main Board of the Stock Exchange, from June 2007 to November 2010. Prior to such appointment, Mr. Leung was an internal auditor of the Swire Group and was previously a manager with the assurance and advisory business services department of Ernst & Young, Certified Public Accountants. Mr. Leung graduated with a Bachelor of Commerce degree from the University of Alberta in Canada in 1998 and obtained a Master of Business Administration degree from the Hong Kong University of Science and Technology in 2010. He is a member of the American Institute of Certified Public Accountants, and an Associate Member of the Hong Kong Institute of Certified Public Accountants. Mr. Leung also served as an independent non-executive director of Miko International Holdings Limited (Stock Code: 1247), a company listed on the Main Board of the Stock Exchange from December 2013 to February 2016.

錢順榮先生，47歲，本集團生產部主管及楊新新先生助理，負責生產部整體管理。錢先生於一九八五年初中畢業。錢先生於二零零三年加盟本集團，歷任河南超威副總經理、監督管理部主管及生產部副總經理等多個職位。

梁偉業先生，41歲，已於二零一零年十二月二日獲委任為本集團財務總監兼公司秘書（「公司秘書」）。於加盟本集團前，梁先生曾於二零零七年六月至二零一零年十一月期間出任天工國際有限公司（一家在聯交所主板上市之公司，股份代號：826）的財務總監兼公司秘書。於有關委任前，梁先生曾任太古集團內部核數師，並曾擔任執業會計師安永會計師事務所保證顧問商業服務部經理。梁先生於一九九八年畢業於加拿大阿爾伯塔大學，擁有商學士學位，並於二零一零年取得香港科技大學工商管理碩士學位。彼為美國會計師公會會員及香港會計師公會附屬會員。梁先生曾於二零一三年十二月至二零一六年二月期間出任米格國際控股有限公司（一家在聯交所主板上市之公司，股份代號：1247）的獨立非執行董事。

Corporate Governance Report

企業管治報告

The Company is committed to achieving high standards of corporate governance. The Company acknowledges the important role of the Board in providing effective leadership and direction to the Company's business, and ensuring transparency and accountability of the Company's operations. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.

The Company is committed to maintaining high standards of corporate governance in the interests of shareholders. The Company has complied with all code provisions of the Corporate Governance Code contained in Appendix 14 (the "Code") of the Listing Rules throughout the Year, except for the deviation as stated below.

Code provision A.2.1 of the Code requires the roles of chairman of the Board and chief executive officer to be separated. Mr. Zhou Mingming is currently both the chairman of the Board and chief executive officer of the Company. The Board considers that the current arrangement facilitates the execution of the Group's business strategies and maximizes efficiency of its operation and is therefore beneficial to the Company and its shareholders as a whole.

THE BOARD

The Board is responsible for the leadership, control and management of the Company and oversees the Group's business, strategic decision and performances in attaining the objective of ensuring effective functioning and growth of the Group and enhancing value to investors. The Board has delegated the authority and responsibility for implementing business strategies and management of the daily operations of the Group's business to the management. The Board exercises a number of powers which include:

- formulating long-term strategy
- approving public announcements
- approving financial statements, including interim and annual results
- approving major acquisitions, disposal and capital projects
- authorising significant changes to the capital structure and material borrowings
- any issue or buy-back of equity securities under the relevant general mandates

本公司致力達到高標準的企業管治。本公司肯定董事會對本公司業務提供有效的領導及方向，以及其確保本公司運作具透明度及問責性的重要任務。董事會制定適合本集團業務操作及發展增長的政策及推行有關企業管治常規。

本公司致力保持高水平的企業管治，以符合股東利益。除偏離下述者外，本公司於本年度一直遵守上市規則附錄十四所載之《企業管治守則》（「守則」）的所有守則條文。

守則的守則條文第A.2.1條規定董事會主席及行政總裁的角色應予區分。周明明先生現為本公司董事會主席兼行政總裁。董事會認為現有安排有助執行本集團業務策略及充分提高營運效率，因此是有利於本公司及其全體股東。

董事會

董事會負責領導、控制及管理本公司，於確保本集團的有效運作及發展增長，以及為投資者提升價值方面，監督本集團業務、策略決策及表現。董事會已轉授權力和責任於管理層，以執行業務策略和管理本集團日常業務。董事會行使若干權力，其中包括：

- 制訂長遠策略
- 核准公告
- 核准財務報表，其中包括中期及年度業績
- 核准主要收購、出售及資本項目
- 授權對資本結構作出重大改變及巨額借款
- 根據相關一般授權進行任何股本證券發行或購回

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- making recommendations and/or declaration of dividend and reviewing dividend policy
 - approving appointments to the Board
 - setting the Group remuneration policy
 - reviewing operational and financial performance
 - reviewing the effectiveness of internal control
- 建議及／或宣派股息及審閱股息政策
 - 核准董事會的委任
 - 制訂本集團的薪酬政策
 - 審閱營運及財務表現
 - 審閱內部監控的成效

The Board meets at least 4 times a year and additional meetings are held when required to discuss significant events and issues. The Company Secretary assists the chairman of the Board in preparing agenda for Board meetings. Board meetings are held with at least 14 days' advance notice, and all Directors would be served with an agenda with supporting papers at least 3 days before the Board meetings, so as to ensure that there is timely access to relevant information. The Group ensures that all the Board members are informed of the Group's latest developments and thereby assists them in the discharge of their duties. The Directors may take independent professional advice as and when appropriate, at the Company's expenses. Minutes of the Board and Board committees are taken by the Company Secretary. Such minutes of the Board and the Board committees, together with supporting papers, are made available for inspection by any Director following reasonable notice. Draft and final versions of minutes are sent to all Directors for their comment and records.

The Company has arranged directors and officers liability and company reimbursement insurances for the Directors and officers of the Company.

CORPORATE GOVERNANCE FUNCTIONS

The Board has developed and reviewed the Company's policies and practices on corporate governance. It includes the review and monitor of the training and continuous professional development of the Directors and the senior management of the Group; the Company's policies and practices on compliance with legal and regulatory requirements; the development, review and monitoring of the code of conduct of the Company's employees and Directors; and review the Company's compliance with the Code and disclosure in the Corporate Governance Report.

董事會最少每年召開4次會議，以及於需要時討論重大事件及問題，額外召開會議。公司秘書負責協助董事會主席編製董事會的會議議程。董事會於發出最少14日的預先通告後，方會召開會議，而全體董事於召開董事會會議最少3日前獲得會議議程及補充文件，以確保董事可及時閱讀有關資料。本集團確保董事會全體成員獲悉本集團的最新發展，以協助彼等履行職責。董事可在合適的情況下尋找獨立專業意見，費用由本公司承擔。董事會和董事委員會會議記錄由公司秘書負責撰寫。該等董事會和董事委員會會議記錄，連同補充文件，可由任何董事在發出合理通知後查閱。會議記錄的草稿及最後文本均發送予全體董事，以供審閱及存檔之用。

本公司已為其董事及高級管理人員安排董事及行政人員責任及公司補償保險。

企業管治職能

董事會已發展及審閱本公司有關企業管治的政策及常規。此包括審閱及監察本集團董事及高級管理層的培訓及持續專業發展；本公司在遵守法律及監管規定方面的政策及常規；制訂、審閱及監察本公司僱員及董事的行為守則；及審閱本公司遵守守則的情況及企業管治報告的披露內容。

COMPOSITION OF THE BOARD

The Board currently comprises 4 executive Directors (Mr. Zhou Mingming, Mr. Zhou Longrui, Ms. Yang Yunfei and Mr. Yang Xinxin), 1 non-executive Director (Ms. Fang Jianjun) and 4 independent non-executive Directors (Mr. Wang Jiqiang, Prof. Ouyang Minggao, Mr. Lee Conway Kong Wai and Mr. Ng Chi Kit who was re-designated from a non-executive Director to an independent non-executive Director on 10 February 2017). Among the executive Directors, Mr. Zhou Mingming is the younger brother of Mr. Yang Xinxin. They are both sons of Mr. Zhou Longrui and Ms. Yang Yunfei, and Mr. Zhou Longrui is the spouse of Ms. Yang Yunfei. Also, Ms. Fang Jianjun is the spouse of Mr. Zhou Mingming. Biographical details of the Directors of the Group as at the date of this annual report are set out on pages 39 to 44 of this annual report. Independent non-executive Directors account for more than one-third of the members of the Board. The independent non-executive Directors come either from the battery industry or have related professional background, bringing valuable expertise and experience that promotes the best interests of the Group and its shareholders. The role of the independent non-executive Directors is to provide independent and objective opinions to the Board for its consideration.

BOARD MEETINGS

During the Year, the Board has held a total of 4 Board meetings for the main purposes of formulating business development and prospects of the Group, reviewing and considering the financial and operating performance.

The attendance of each Director at the Board meetings are set out below:

董事會成員

董事會現時由4名執行董事(周明明先生、周龍瑞先生、楊雲飛女士及楊新新先生)、1名非執行董事(方建軍女士)及4名獨立非執行董事(汪繼強先生、歐陽明高教授、李港衛先生及吳智傑先生(於二零一七年二月十日,由非執行董事調任為獨立非執行董事))組成。在執行董事之中,周明明先生為楊新新先生之弟弟。彼等均為周龍瑞先生及楊雲飛女士之兒子,而周龍瑞先生為楊雲飛女士之配偶。此外,方建軍女士為周明明先生之配偶。截至本年報日期,本集團董事之簡歷載於本年報第39頁至第44頁。獨立非執行董事佔董事會成員超過三分之一人數。獨立非執行董事均來自電池行業或擁有相關專業背景,為本集團帶來寶貴的專業知識及經驗,以提升本集團及股東的最佳利益。獨立非執行董事的職責是向董事會提供獨立客觀的意見,以供審議。

董事會

本年度,董事會已舉行合共4次董事會會議,主要是為了規劃本集團的業務發展及前景、審議及考慮財務及營運表現。

各董事於董事會會議的出席紀錄如下:

Name of Directors	董事名稱	Attendance/Number of Board Meetings 出席次數/董事會會議次數
Executive Directors	執行董事	
Mr. Zhou Mingming	周明明先生	4/4
Mr. Zhou Longrui	周龍瑞先生	4/4
Ms. Yang Yunfei	楊雲飛女士	4/4
Mr. Yang Xinxin	楊新新先生	4/4
Non-executive Director	非執行董事	
Ms. Fang Jianjun	方建軍女士	2/4
Independent Non-executive Directors	獨立非執行董事	
Mr. Wang Jiqiang	汪繼強先生	4/4
Prof. Ouyang Minggao	歐陽明高教授	4/4
Mr. Lee Conway Kong Wai	李港衛先生	4/4
Mr. Ng Chi Kit (re-designated on 10 February 2017)	吳智傑先生(於二零一七年二月十日調任)	4/4

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CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 of the Code requires the roles of chairman of the Board and chief executive officer to be separated. Mr. Zhou Mingming is currently both the chairman of the Board and chief executive officer of the Company. The Board considers that the current arrangement facilitates the execution of the Group's business strategies and maximizes efficiency of its operation and is therefore beneficial to the Company and its shareholders as a whole.

INDEPENDENCE OF NON-EXECUTIVE DIRECTORS

The Company has received confirmation from each independent non-executive Director about his independence as set out in Rule 3.13 of the Listing Rules and continues to consider each of them to be independent.

On 10 February 2017, Mr. Ng Chi Kit was re-designated from a non-executive Director to an independent non-executive Director. Although Mr. Ng was appointed as a non-executive Director in 2010 following his resignation as the chief financial officer and the company secretary of the Company, the Board is satisfied and has demonstrated to the satisfaction of the Stock Exchange that the re-designation of Mr. Ng as an independent non-executive Director is justified for the following reasons:

- (1) Mr. Ng does not have any interest in shares in the Company within the meaning of Part XV of Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO");
- (2) as a non-executive Director, prior to the re-designation as an independent non-executive Director, Mr. Ng mainly attended Board meetings, served as a member of the Audit Committee, and provided other advices to the Board from time to time, and was not involved in the day-to-day operations of the Company;
- (3) his appointment is not specifically to protect the interests of any shareholders of the Company;
- (4) other than serving as a non-executive Director of the Company since December 2010 and as the chief financial officer and the company secretary from January 2010 to December 2010, he has no other relationship with the Company or its core connected persons, the controlling shareholders of the Company, the Directors of the Company and each of their close associates;

主席及行政總裁

守則的守則條文第A.2.1條要求董事會主席及行政總裁的職務分開。現時，周明明先生身兼董事會主席及本公司行政總裁。董事會認為，目前的安排方便本集團執行業務策略，並提高其營運效率，因此，對本公司及其整體股東有利。

非執行董事的獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條的規定發出有關其獨立身份的確證書，並繼續視各獨立非執行董事為獨立人士。

於二零一七年二月十日，吳智傑先生由非執行董事調任為獨立非執行董事。儘管吳先生辭任本公司財務總監兼公司秘書後於二零一零年獲委任為非執行董事，惟基於下述理由，董事會認為且聯交所亦認為吳先生調任獨立非執行董事乃屬恰當：

- (1) 吳先生並無擁有香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部所界定的本公司股份權益；
- (2) 於調任獨立非執行董事前，吳先生主要以非執行董事身份出席董事會會議、擔任審核委員會成員及不時向董事會提供其他意見，惟並無參與本公司日常營運；
- (3) 其委任並無特別保障本公司任何股東的利益；
- (4) 除自二零一零年十二月以來擔任本公司非執行董事及於二零一零年一月至二零一零年十二月擔任本公司財務總監及公司秘書外，吳先生與本公司或其核心關連人士、本公司控股股東、本公司董事及彼等各自的緊密聯繫人並無任何其他關係；

- (5) other than the annual remuneration of RMB350,000 (plus discretionary bonus (if any)) under the director service agreement entered into between Mr. Ng and the Company, there is no other benefit being provided to Mr. Ng for his directorship in the Company; and
- (6) to the best knowledge of the Directors, Mr. Ng is not financially dependent on the Company and is independent of any connected person and substantial shareholder of the Company.

The Company believes that Mr. Ng is able to exercise his professional judgment and draw upon his extensive knowledge in strategic planning, risk management, internal control and corporate matters for the benefit of the Company and its shareholders as a whole, in particular, the independent shareholders. Accordingly, the Company is in the opinion that his role as a non-executive Director immediately prior to his re-designation as an independent non-executive Director will not affect his independence as an independent non-executive Director and considers that he will be able to carry out his duties as an independent non-executive Director impartially and independently.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

A person may be appointed as a member of the Board at any time either by shareholders' resolutions in general meetings or by resolutions of the Board. New Directors appointed by the Board as an addition to the Board during the Year are required to retire at the first general meeting following their appointments and new Directors appointed by the Board to fill a causal vacancy during the Year are required to retire at the first general meeting following their appointments, and in both cases, the acting Directors will be eligible for re-election at such general meeting. All Directors are required to retire by rotation at least once every 3 years at the AGM, subject to re-election by the shareholders. All non-executive Directors (including independent non-executive Directors) are appointed for a term of not more than 3 years.

- (5) 除根據吳先生與本公司訂立的董事服務協議收取年度酬金人民幣350,000元(另加酌情花紅(如有))外,並無就吳先生擔任本公司董事而向其提供其他利益;及

- (6) 就董事所知,吳先生在財務方面並無依賴本公司,且獨立於本公司任何關連人士及主要股東。

本公司相信,吳先生能行使其專業判斷及發揮在策略規劃、風險管理、內部監控及企業事務等方面的豐富知識,對本公司及其股東整體(尤其是獨立股東)有所裨益。因此,本公司認為,吳先生於調任獨立非執行董事前的非執行董事身份不會影響其作為獨立非執行董事的獨立性,並認為吳先生能公正獨立履行其獨立非執行董事的職責。

委任及重選董事

任何人士可於任何時間,由股東於股東大會以決議案或由董事會以決議案委任為董事會成員。本年度獲董事會委任的新任董事作為董事會新董事,須於獲委任後首屆股東大會輪值告退,本年度獲董事會委任作填補臨時空缺之新董事,須於獲委任後首屆股東大會上輪值告退,上述兩種情況下退任之董事均合資格於該股東大會上膺選連任。所有董事須最少每隔3年於股東週年大會上輪值告退一次,待股東批准其膺選連任。所有非執行董事(包括獨立非執行董事)的任期不超過3年。

Corporate Governance Report

企業管治報告

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

Directors' training is an ongoing process. All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Directors have been informed of the requirement under Code provision A.6.5 of the Code regarding continuous professional development. The Company updates the Directors on the latest development regarding the Listing Rules and other applicable regulatory requirements from time to time, to ensure compliance and enhance their awareness of good corporate governance practices.

According to the records provided by the Directors, a summary of training received by the Directors during the Year is as follows:

董事持續專業發展計劃

董事培訓屬持續過程。本公司鼓勵所有董事參與持續專業發展，以發展及重溫其知識及技能。董事已知悉守則的守則條文第A.6.5條有關持續專業發展的規定。本公司不時向董事提供上市規則以及其他適用監管規定的最新發展概況，以確保董事遵守良好的企業管治常規，並提升其對良好企業管治常規的意識。

按董事提供的記錄，董事於本年度接受培訓的概要如下：

Name of Directors	董事名稱	Type of Continuous Professional Development Programmes	持續專業發展計劃類別
Executive Directors			
Mr. Zhou Mingming	周明明先生		A, B
Mr. Zhou Longrui	周龍瑞先生		A, B
Ms. Yang Yunfei	楊雲飛女士		A, B
Mr. Yang Xinxin	楊新新先生		A, B
Non-executive Director			
Ms. Fang Jianjun	方建軍女士		A, B
Independent Non-executive Directors			
Mr. Wang Jiqiang	汪繼強先生		A, B
Prof. Ouyang Minggao	歐陽明高教授		A, B
Mr. Lee Conway Kong Wai	李港衛先生		A, B
Mr. Ng Chi Kit (re-designated on 10 February 2017)	吳智傑先生(於二零一七年二月十日調任)		A, B

Notes:

A: attending training sessions and/or seminars

B: reviewing materials and updates relating to the latest development of the Listing Rules and other applicable regulatory requirements

附註：

A: 出席培訓課程及/或研討會

B: 複閱有關上市規則及其他適用監管規定最新發展的材料與更新資料

BOARD COMMITTEES

The Board has established 3 Board committees, namely, the Audit Committee, the remuneration committee (the “Remuneration Committee”) and the nomination committee (the “Nomination Committee”) for overseeing the particular aspects of the affairs of the Company. All the Board committees have been established with defined written terms of reference, which are posted on the Company’s website “www.chaowei.com.hk” and the website of the Stock Exchange and are available to the shareholders upon request. All the Board committees would report to the Board on their decisions or recommendations made.

All the Board committees are provided with sufficient resources to discharge their duties.

AUDIT COMMITTEE

The Audit Committee comprises 4 independent non-executive Directors of the Company, namely Mr. Lee Conway Kong Wai, Mr. Wang Jiqiang, Prof. Ouyang Minggao and Mr. Ng Chi Kit. Mr. Lee is the chairman of the Audit Committee. Mr. Lee has professional qualification and experience in accounting and financial matters.

Under its terms of reference, the Audit Committee is mainly responsible for overseeing the Company’s financial reporting system and internal procedures, reviewing the financial information of the Company and overseeing the relationship with external auditors. These include reviewing and recommending for the Board’s approval of the interim and the annual financial statements; reviewing the external auditors’ independence, objectivity and the effectiveness of the audit process; and reviewing and recommending to the Board for approval of the external auditors’ remuneration and reviewing the effectiveness of the internal control and risk management systems of the Group.

董事委員會

董事會已成立3個董事委員會，分別為審核委員會、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」），以監督本公司的特定事務。所有董事委員會已設有明確的書面職權範圍，刊載於本公司網站「www.chaowei.com.hk」及聯交所網站及可應要求提供予股東。所有董事委員會將向董事會匯報其決定或建議。

所有董事委員會獲提供充足資源，以履行其職務。

審核委員會

審核委員會由本公司4名獨立非執行董事組成，即李港衛先生、汪繼強先生、歐陽明高教授及吳智傑先生。李先生為審核委員會的主席，彼在會計及財務方面擁有專業資格及經驗。

根據其書面職權範圍，審核委員會主要負責監察本公司財務申報系統及內部監控程序、審閱本公司財務訊息及監察與外聘核數師的關係，當中包括審閱及建議董事會批准中期及全年財務報表；審閱外聘核數師之獨立性、客觀性及核數程序的效用；審閱及建議董事會批准外聘核數師酬金，並審閱本集團內部監控及風險管理系統的效用。

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企業管治報告

During the Year, the Directors' attendance of the meetings of the Audit Committee is set out as follows:

本年度，董事出席審核委員會會議的情況載列如下：

Name of Directors	董事名稱	Attendance/Number of Audit Committee Meetings 出席次數／審核委員會會議次數
Mr. Lee Conway Kong Wai	李港衛先生	2/2
Mr. Wang Jiqiang	汪繼強先生	2/2
Prof. Ouyang Minggao	歐陽明高教授	2/2
Mr. Ng Chi Kit (re-designated on 10 February 2017)	吳智傑先生(於二零一七年二月十日調任)	2/2

The meetings were held together with the external auditors of the Company and the chief financial officer of the Company, and discussed auditing, internal control and financial reporting matters which included the review of the interim and annual financial statements.

本公司外聘核數師及本公司財務總監亦參與會議，並已於會上討論核數、內部監控及財務申報事宜，當中包括審閱中期及全年財務報表。

REMUNERATION COMMITTEE

The Remuneration Committee comprises 1 executive Director, namely Mr. Zhou Mingming, and 2 independent non-executive Directors, namely Mr. Lee Conway Kong Wai and Mr. Wang Jiqiang. Mr. Lee is the chairman of the Remuneration Committee. The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's remuneration policy and structure and the remuneration packages of the Directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration, in which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

薪酬委員會

薪酬委員會由1名執行董事周明明先生及2名獨立非執行董事李港衛先生及汪繼強先生組成。李先生為薪酬委員會的主席。薪酬委員會的主要職責包括就本公司董事及高級管理層成員的薪酬政策與結構及薪酬待遇，向董事會提出推薦意見。薪酬委員會亦負責建立形成有關薪酬政策與結構的具透明度程序，以確保並無董事或彼任何聯繫人會參與決定彼個人的薪酬。薪酬將參考個人及本公司的表現以至市場慣例及狀況而決定。

Corporate Governance Report

企業管治報告

During the Year, the remuneration packages of the Directors and the senior management of the Group were reviewed and discussed at the meetings of the Remuneration Committee. The Directors' attendance of the meetings of the Remuneration Committee is set out as follows:

本年度，薪酬委員會於會上審閱及討論本集團董事及高級管理層的薪酬待遇。董事出席薪酬委員會會議的情況載列如下：

Name of Directors	董事名稱	Attendance/Number of Remuneration Committee Meeting 出席次數／薪酬委員會會議次數
Mr. Zhou Mingming	周明明先生	1/1
Mr. Lee Conway Kong Wai	李港衛先生	1/1
Mr. Wang Jiqiang	汪繼強先生	1/1

Details of the remuneration of each Director of the Company for the Year are set out in note 10 to the financial statements contained in this annual report.

本公司各董事於本年度的薪酬詳情載於本年報財務報表附註10。

NOMINATION COMMITTEE

The Nomination Committee comprises 1 executive Director, namely Mr. Zhou Mingming, and 2 independent non-executive Directors, namely Mr. Lee Conway Kong Wai and Mr. Wang Jiqiang. Mr. Zhou is the chairman of the Nomination Committee. The principal responsibilities of the Nomination Committee include reviewing the structure, size and composition of the Board at least annually and making recommendations on any proposed changes to the Board to complement the corporate strategy. The Nomination Committee is also responsible for identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of, individuals nominated for directorships; assessing the independence of independent non-executive Directors; and making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for the Directors, in particular the chairman and the chief executive.

提名委員會

提名委員會由1名執行董事(即周明明先生)及2名獨立非執行董事(即李港衛先生及汪繼強先生)組成。周先生為提名委員會主席。提名委員會的主要職責包括至少每年一次審閱董事會的架構、人數及組成，並向董事會建議任何擬作出的變動以迎合公司的企業策略。提名委員會亦負責物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；評核獨立非執行董事的獨立性；及就董事委任或重新委任以及董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議。

Corporate Governance Report

企業管治報告

The Company has adopted a board diversity policy (the “Policy”). The purpose of the Policy is to set out the basic principles to be followed to ensure that the Board has appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance. Under the Policy, the selection of the Board candidates shall be based on a range of diversity perspectives with reference to the Company’s business model and specific needs, including but not limited to gender, race, language, cultural background, educational background, industry experience and professional experience, which are the measurable objectives for implementing the Policy.

The Nomination Committee has primary responsibility for identifying suitably qualified candidates to become members of the Board and shall give adequate consideration to this policy in selection of the Board candidates. Board nomination and appointments will continue to be made on merit basis based on its business needs from time to time while taking into account diversity.

The Nomination Committee is also responsible for reviewing the Policy, developing and reviewing measurable objectives for implementing the Policy and monitoring the progress on achieving these measurable objectives. The review of the Policy and the measurable objectives shall be carried out at least annually to ensure the continued effectiveness of the Board.

During the Year, the Nomination Committee has considered the Policy and whether the Board has the appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance. After due consideration, the Nomination Committee has concluded that based on the Company’s existing business model and specific needs, the current composition of the Board satisfies the Policy for the Year.

本公司採納董事會多元化政策（「政策」）。此政策之目的為制訂須遵守之基本原則，以確保董事會擁有適當平衡的技術、經驗及多元化的觀點，藉此提高董事會的效率及維持高標準的企業管治。根據該政策，董事會人選的挑選應基於多元化的角度，並參考本公司的業務模式及特別需求，包括但不限於性別、種族、語言、文化背景、教育背景、行業經驗及專業經驗，該等元素乃落實此政策的可衡量目標。

提名委員會的主要職責為物色合適及合資格的人選成為董事會成員，並應在挑選董事會人選時充分考慮本政策。董事會的提名及委任將繼續按任人唯才的基準及根據其不時的業務需要進行，並考慮到多元化的元素。

提名委員會亦負責審閱此政策、發展及審閱落實此政策的可衡量目標，以及監察達成此等可衡量目標的進度。政策及可衡量目標的審閱應至少每年進行一次，以確保董事會持續有效運作。

本年度，提名委員會已考慮政策，以及董事會是否具備適當平衡的技術、經驗及多元化的觀點，藉此提高董事會的效率及維持高標準的企業管治。經審慎考慮後，提名委員會的結論為根據本公司現有的業務模式及特定需要，董事會目前的組成於本年度符合政策。

Corporate Governance Report

企業管治報告

During the Year, the Directors' attendance of the meetings of the Nomination Committee is set out as follows:

本年度，董事出席提名委員會會議的情況載列如下：

Name of Directors	董事名稱	Attendance/Number of Nomination Committee Meeting 出席次數／提名委員會會議次數
Mr. Zhou Mingming	周明明先生	1/1
Mr. Lee Conway Kong Wai	李港衛先生	1/1
Mr. Wang Jiqiang	汪繼強先生	1/1

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements for the Year, which were prepared in accordance with statutory requirements and applicable accounting standards. The reporting responsibility of the external auditors of the Company on the consolidated financial statements of the Group are set out in the independent auditor's report on pages 81 to 87.

董事就財務報表的責任

董事確認本身對本年度綜合財務報表的編製負有責任，該綜合財務報表乃根據法定要求與適用的會計準則編製。本公司外聘核數師對本集團綜合財務報表的申報責任載於第81頁至第87頁的獨立核數師報告。

COMPANY SECRETARY

Mr. Leung Wai Yip, the Company Secretary, reports to the chairman of the Board. The details of his biography is set out in the section headed "Directors and Senior Management" of this annual report. Mr. Leung also confirmed that he has taken no less than 15 hours relevant professional training during the Year.

公司秘書

公司秘書梁偉業先生向董事會主席匯報。彼之履歷詳情載列於本年度報告「董事及高級管理層」一節。梁先生亦確認，彼於本年度已參與不少於15小時的相關專業培訓。

INTERNAL CONTROL AND RISK MANAGEMENT

The Board recognises its overall responsibility for the Group's risk management and internal control systems and reviewing their effectiveness in order to safeguard the interest of the Group and the shareholders, and to review and monitor the effectiveness of the internal control and risk management systems on an ongoing basis to ensure that the systems in place are adequate.

內部監控及風險管理

董事會確認全權負責本集團風險管理及內部監控系統並審察其成效，以維護本集團與股東的利益，並且持續審察及監控該等系統的成效，確保充分執行。

The Group's risk management and internal control systems are featured with a defined management structure with limits of authority and well-rounded policies and procedures, and are designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks, and to safeguard assets of the Group. Such systems are designed to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk of failure to achieve business objectives.

本集團的風險管理及內部監控系統有既定的管理架構、權限和全面的政策與程序，旨在促進有效及高效的運營、確保財務申報可信並符合適用的法規、識別和管理潛在風險及維護本集團資產。該等系統旨在合理（而非絕對）保證並無重大錯誤陳述或遺漏，並且管理（而非消除）未能實現業務目標的風險。

Corporate Governance Report

企業管治報告

The Board, through the Audit Committee, has reviewed the adequacy and effectiveness of the Group's systems of risk management and internal control covering all material controls, including financial, operation, compliance and internal controls as well as risk management functions. During the Year, it identified material risks of the Group and formulated corresponding solutions to manage the risks after taking into account the risk tolerance of the Group.

The Group has an internal audit department (the "Internal Audit Department"), which is responsible for the internal audit of the Group, independent assessment of risks, and internal control procedures and systems, and reports its findings, with recommendations, to the Audit Committee. The Internal Audit Department assesses the risks to which the Group is exposed, and formulates an audit plan on that basis annually, so as to ensure that the internal audit covers all areas of high risks. The annual audit plan will be submitted to the Audit Committee for approval. The scope of audit review is determined based on the risk assessment results and special reviews will be conducted on matters which are of concern to the management or the Audit Committee. During the Year, no major issues but areas for improvement have been identified. All of the recommendations from the Internal Audit Department will be properly followed up to ensure that they are implemented within a reasonable period of time.

The Board considered that the risk management and internal control systems of the Group to be adequate and effective for the Year. The Board and the Audit Committee also considered that the key areas of the Group's risk management and internal control systems, including the adequacy of resources, qualifications and experience of our accounting, internal audit and financial reporting staff, and their training programs and budget, are reasonably implemented and the Group has fully complied with provisions of the Code regarding risk management and internal control systems in general for the Year.

The Group strictly follows the requirements of the SFO and the Listing Rules and ensures that inside information is disclosed to the public as soon as reasonably practicable. Before inside information is fully disclose to the public, such information is kept strictly confidential. The Group has further enhanced the procedures with the establishment of a continuous disclosure policy and provided with relevant training to all relevant staff of the Group. The Board considered that the procedures and measures in relation to the handling and dissemination of the inside information to be effective and adequate.

董事會已通過審核委員會審查本集團風險管理及內部監控系統是否充分和有效，審查範圍涵蓋所有重要監控工作，包括財務、運營、合規和內部監控與風險管理功能。本年度，董事會識別到本集團有重大風險，並且基於本集團的風險承受能力制定相應的風險管理解決方案。

本集團設有內部審計部，負責內部審計、獨立評估風險、內部監控程序和系統，然後向審核委員會匯報結果，並提出建議。內部審計部評估本集團的風險，並制定相應的年度審計計劃，確保內部審計覆蓋所有高風險範疇。年度審計計劃須提交審核委員會批准。審核範圍乃根據風險評估結果而定，對管理層或審核委員會關注的事宜會進行專項審查。本年度，除若干方面有待改善外，並無發現重大問題。內部審計部的所有建議須適當跟進，確保在合理時段內實施。

董事會認為本集團本年度的風險管理及內部監管系統充分且有效。董事會與審核委員會亦認為，本集團風險管理及內部監控系統各重要方面（包括會計、內部審計和財務申報人員是否有足夠資源、資質和經驗且培訓計劃和預算是否充足）的執行恰當。本年度，本集團全面遵守守則中有關風險管理及內部監控系統的規定。

本集團嚴格遵守證券及期貨條例及上市規則的規定，確保在合理可行情況下盡快向公眾披露內幕消息。向公眾全面披露之前，會嚴格保密內幕消息。本集團已通過制定持續披露政策進一步加強披露程序，並向本集團所有相關人員提供培訓。董事會認為，處理及公佈內幕消息的程序和措施充分且有效。

EXTERNAL AUDITORS

The Group's external auditors are Deloitte Touche Tohmatsu, Certified Public Accountants. In order to maintain their independence, objectivity and effectiveness in performing the audit services, the audit committee pre-approved all audit services and discussed with Deloitte Touche Tohmatsu, Certified Public Accountants the nature and scope of the audit services.

During the Year, the remuneration paid or payable to Deloitte Touche Tohmatsu, Certified Public Accountants in respect of audit services was RMB2,326,000. The fee paid or payable to Deloitte Touche Tohmatsu, Certified Public Accountants for non-audit services, namely review of unaudited interim results of the Group for the six months ended 30 June 2016, was RMB850,000.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding the Directors' dealings in the Company's securities (the "Own Code") on terms no less exacting than the required standard set out in the Model Code contained in Appendix 10 to the Listing Rules. Each Director has been given a copy of the Own Code. Having made specific enquiry of all Directors, each of them has confirmed that they have complied with the Own Code and the Model Code throughout the Year.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company and/or its securities. No incident of non-compliance of the Employees Written Guidelines by relevant employees was noted by the Company during the Year. The Company will notify the Directors and relevant employees of any restricted period for dealings in the Company's securities in advance.

INVESTOR RELATIONS AND COMMUNICATION

The Board and the senior management recognise the importance of communication with the shareholders and accountability to shareholders. Annual and interim reports offer comprehensive operational and financial performance information to the shareholders. The senior management also maintains close communication with investors, analysts and the media by other channels including roadshows, briefings and individual meetings. The Group has set up its own website "www.chaowei.com.hk", which is updated on a regular basis, as a means to provide updated information on the Company to investors.

外聘核數師

本集團的外聘核數師為執業會計師德勤•關黃陳方會計師行。為保持其執行審計服務的獨立性、客觀性和效益，審核委員會已預先批准所有審計服務，並與執業會計師德勤•關黃陳方會計師行商討審計服務的性質及範圍。

本年度，就審計服務已付或應付執業會計師德勤•關黃陳方會計師行的酬金為人民幣2,326,000元。就執業會計師德勤•關黃陳方會計師行提供之非審計服務（即審閱本集團截至二零一六年六月三十日止六個月未經審核中期業績）已付或應付之費用為人民幣850,000元。

進行證券交易的標準守則

本公司已採納其本身有關董事進行本公司證券交易的行為守則（「本身守則」），條款之嚴格並不遜於上市規則附錄10所載標準守則所規定標準。各董事均獲得本身守則的一份副本。經向全體董事作出特定查詢後得悉，每名董事已確認於本年度一直遵守本身守則及標準守則。

本公司亦已為可能掌握本公司及／或其證券未公佈內幕消息的僱員進行證券交易設立書面指引（「僱員書面指引」），條款之嚴格程度並不遜於標準守則。本年度，本公司並無發現有僱員違反僱員書面指引。本公司會預先就本公司證券的限制交易期通知其董事及有關僱員。

投資者關係及通訊

董事會及高級管理層肯定與股東維持溝通及股東問責的重要性。年報及中期報告為股東提供全面營運及財務表現的詳盡資料。高級管理層亦透過路演、簡報會及個別會議等渠道，與投資者、分析員以及傳媒維持密切聯繫。本集團已設有本身網站「www.chaowei.com.hk」，並定期更新，作為向投資者提供有關本公司的最新資料的平台。

Corporate Governance Report

企業管治報告

GENERAL MEETINGS WITH SHAREHOLDERS

The Company's AGM provides a useful platform for direct communication between the Board and the shareholders. Separate resolutions are proposed on each substantially separate issue at the general meetings.

The 2016 AGM was held on 2 June 2016. The attendance record of the Directors at the 2016 AGM is set out below:

股東大會

本公司的股東週年大會為董事會直接與股東溝通提供了一個實用的平台。本公司將於股東大會上就每項實質上不同的議題提呈獨立決議案。

二零一六年度股東週年大會已於二零一六年六月二日舉行。董事於二零一六年度股東週年大會的出席記錄載列如下：

Name of Directors	董事名稱	Attendance/Number of General Meeting 出席次數/ 股東大會次數
Executive Directors	執行董事	
Mr. Zhou Mingming	周明明先生	1/1
Mr. Zhou Longrui	周龍瑞先生	0/1
Ms. Yang Yunfei	楊雲飛女士	0/1
Mr. Yang Xinxin	楊新新先生	1/1
Non-executive Director	非執行董事	
Ms. Fang Jianjun	方建軍女士	0/1
Independent Non-executive Directors	獨立非執行董事	
Mr. Wang Jiqiang	汪繼強先生	1/1
Prof. Ouyang Minggao	歐陽明高教授	1/1
Mr. Lee Conway Kong Wai	李港衛先生	1/1
Mr. Ng Chi Kit (re-designated on 10 February 2017)	吳智傑先生(於二零一七年二月十日調任)	1/1

The Company's external auditors also attended the 2016 AGM.

本公司外聘核數師亦有出席二零一六年度股東週年大會。

SHAREHOLDERS' RIGHTS

Set out below is a summary of certain rights of the shareholders of the Company as required to be disclosed pursuant to the mandatory disclosure requirement under Paragraph O of the Code:

股東權利

下文為本公司股東若干權利的概要，此乃根據守則O段的強制披露規定須予披露的：

Convening of extraordinary general meeting on requisition by shareholders

Pursuant to article 58 of the articles of association of the Company, shareholder(s) holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting ("EGM") to be called by the Board. The written requisition must specify the business to be transacted on the meeting, which shall be held within 2 months after the deposit of such requisition at the principal place of business of the Company in Hong Kong at Unit 907, Level 9 Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong for the attention of the Company Secretary.

應股東的請求召開股東特別大會

根據本公司的組織章程細則第58條，在存放請求書當日持有不少於十分之一附有在本公司股東大會上表決的權利的本公司已繳足資本的股東，可隨時透過向董事會或公司秘書發出書面請求，要求董事會召開股東特別大會（「股東特別大會」）。書面請求必須註明將於大會上處理之事務，而該大會須於該請求書存放於本公司的香港主要營業地點（地址為香港中環紅棉路8號東昌大廈9樓907室）後的兩個月內舉行，並註明致公司秘書。

If within 21 days from the date of the deposit of the requisition, the Board fails to proceed to convene an EGM, the shareholder(s) concerned may themselves convene an EGM, and all reasonable expenses incurred by the shareholder(s) making the requisition as a result of the failure of the Board shall be reimbursed by the Company.

Procedures for directing shareholders' enquiries to the Board

Shareholder(s) may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Address: Unit 907, Level 9, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong
Email: ir@chaowei.com.hk

The Company Secretary shall forward the shareholder(s)' enquiries and concerns to the Board and/or relevant Board committees of the Company, where appropriate, to respond to the shareholder(s)' questions.

Procedures for putting forward proposals at general meetings by shareholders

Any shareholder of the Company who wish to put forward proposals at general meetings of the Company shall submit such proposals to the Board in writing for the Board's consideration not less than 7 days prior to the date of a general meeting through the Company Secretary of the Company whose contact details are set out in the paragraph "Procedures for directing shareholders' enquiries to the Board" above.

CONSTITUTIONAL DOCUMENTS

There has been no change in the memorandum and articles of association of the Company during the Year.

如董事會在該請求書存放日期起計21天內，未有妥為安排召開股東特別大會，則相關股東可自行召開股東特別大會，而作出請求的股東因董事會未能召開大會而產生的所有合理開支須由本公司償付。

將股東的查詢送達董事會的程序

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

地址：香港中環紅棉路8號東昌大廈9樓907室
電郵：ir@chaowei.com.hk

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

將股東的建議提呈予股東大會的程序

任何擬於本公司股東大會提出建議的本公司股東須於股東大會舉行日期前不少於7天，透過本公司的公司秘書以書面形式向董事會提出該建議以供董事會考慮，公司秘書的聯絡詳情載列於上文「將股東的查詢送達董事會的程序」一段。

公司章程文件

本年度，本公司之組織章程大綱及章程細則概無變動。

Directors' Report

董事會報告

The Board is pleased to submit this annual report together with the consolidated financial statements for the Year which have been audited by the Company's auditors Deloitte Touche Tohmatsu, Certified Public Accountants and reviewed by the Audit Committee of the Company.

PRINCIPAL ACTIVITIES

The principal activities of the Company are manufacturing and sales of lead-acid motive batteries and other related products. The principal activities and other particulars of the subsidiaries are set out in note 21 to the consolidated financial statements.

BUSINESS REVIEW

For the business review of the Group for the Year, please refer to the paragraph headed "Business Development" in the section headed "Management Discussion and Analysis".

FUTURE DEVELOPMENT

An indication of the future development in the Group's business is shown on pages 29 to 30 of this annual report.

FINANCIAL STATEMENTS

The profit of the Group for the Year and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 88 to 231.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 88.

The Board proposed to declare a final dividend of RMB0.068 per share for the financial year ended 31 December 2016, which shall be subject to approval of the shareholders at the AGM of the Company to be held on 8 June 2017. The proposed final dividend is expected to be paid on 27 June 2017.

PRINCIPAL RISKS AND UNCERTAINTIES

Please refer to notes 4, 44 and 45 of the consolidated financial statements for risks and uncertainties.

董事會欣然提呈已經由本公司核數師執業會計師德勤•關黃陳方會計師行審核及本公司審核委員會審閱本年度的年報及綜合財務報表。

主要業務

本公司的主要業務為生產及銷售鉛酸動力電池及其他相關產品。附屬公司的主要業務及其他詳情載於綜合財務報表附註21。

業務回顧

本集團於本年度之業務回顧，請參閱「管理層討論及分析」一節「業務發展」一段。

未來發展

本集團日後可能出現的業務發展載於本年報第29頁至第30頁。

財務報表

本集團於本年度的盈利，以及本公司及本集團於截至該日的財務狀況載於第88頁至第231頁的財務報表。

業績及股息分派

本集團於本年度的業績載於第88頁的綜合損益及其他全面收益表。

董事會建議宣派截至二零一六年十二月三十一日止財政年度之末期股息每股人民幣0.068元，需在將於二零一七年六月八日舉行之本公司股東週年大會上經由股東批准。預計建議末期股息將於二零一七年六月二十七日派付。

主要風險及不確定因素

風險及不確定因素請參閱綜合財務報表附註4、44及45。

CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to approximately RMB5,858,000.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the Year are set out in note 15 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2016, calculated in accordance with the Companies Law (Cap. 22) (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately RMB464,125,000.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association and there is no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SHARE CAPITAL

Details of the movements in share capital of the Company during the Year are set out in note 42 to the consolidated financial statements.

慈善捐獻

本集團於本年度的慈善捐獻約人民幣5,858,000元。

物業、廠房及設備

本集團於本年度物業、廠房及設備變動的詳情載於綜合財務報表附註15。

儲備

本集團於本年度儲備變動的詳情載於綜合權益變動表。

可供分派儲備

本公司於二零一六年十二月三十一日的可供分派儲備按開曼群島公司法第22章(一九六一年第三項法例, 經綜合及修訂)計算, 約達人民幣464,125,000元。

優先認股權

本公司組織章程細則並無有關優先認股權的條文規定本公司須按比例向現有股東提呈發售新股份, 開曼群島法律亦無針對該等權利的限制。

股本

本公司於本年度的股本變動詳情載於綜合財務報表附註42。

Directors' Report

董事會報告

DIRECTORS

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

Executive Directors

Mr. Zhou Mingming
Mr. Zhou Longrui
Ms. Yang Yunfei
Mr. Yang Xinxin

Non-executive Director

Ms. Fang Jianjun

Independent Non-Executive Directors

Mr. Wang Jiqiang
Prof. Ouyang Minggao
Mr. Lee Conway Kong Wai
Mr. Ng Chi Kit (re-designated from a non-executive Director to an independent non-executive Director on 10 February 2017)

The Directors will retire by rotation in accordance with the requirement of the articles of association of the Company and the Listing Rules. The non-executive Directors and independent non-executive Directors are appointed for periods of 3 years.

A confirmation of independence has been received from each of Mr. Wang Jiqiang, Prof. Ouyang Minggao, Mr. Lee Conway Kong Wai and Mr. Ng Chi Kit and the Company considers each of them is independent pursuant to Rule 3.13 of the Listing Rules.

董事

於本年度至本年報日期的董事如下：

執行董事

周明明先生
周龍瑞先生
楊雲飛女士
楊新新先生

非執行董事

方建軍女士

獨立非執行董事

汪繼強先生
歐陽明高教授
李港衛先生
吳智傑先生（於二零一七年二月十日
由非執行董事調任為獨立非執行董事）

董事將根據本公司組織章程細則及上市規則的規定輪席告退。非執行董事及獨立非執行董事的委任任期為3年。

本公司已接獲汪繼強先生、歐陽明高教授、李港衛先生及吳智傑先生各人的獨立確認書，根據上市規則第3.13條，本公司認為各人均為獨立於本公司。

PERMITTED INDEMNITY PROVISION

Article 164 of the Company's articles of association provides that the Directors, secretary and other officers and every auditor for the time being of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2016, the interests of the Directors and the Company's chief executive in the shares (the "Shares") or debentures of the Company or associated corporations, within the meaning of Part XV of the SFO, which will 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 and/or short positions which he/she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules are set out below:

獲准許的彌償條文

本公司的組織章程細則第164條規定，本公司當時之董事、秘書及其他高級人員及每名核數師以及當時就本公司任何事務行事之清盤人或受託人（如有）以及每名該等人士及其每名繼承人、遺囑執行人及遺產管理人，均可就該等人士或任何該等人士、該等人士之任何繼承人、遺囑執行人或遺產管理人有關各自職務或信託執行其職責或假定職責時因所作出、發生之作為或不作為而招致或蒙受之所有訴訟、費用、收費、損失、損害及開支，從本公司之資產及利潤獲得彌償並可獲確保免就此受任何損害。任何該等人士均毋須就其他人士之行為、待遇、疏忽或過失而負責，亦毋須為符合規定以致參與任何待遇或為本公司向其寄存或存入任何款項或財產作保用途之任何往來銀行或其他人士或為本公司賴以投放或投資任何款項或財產之抵押不充分或不足或為該等人士執行各自之職務或信託或與其相關者時發生之任何其他損失、不幸事故或損害而負責，惟本彌償保證將不延伸至與任何該等人士的欺詐或不忠誠有關之任何事宜。

董事於股份、相關股份及債券之權益

於二零一六年十二月三十一日，董事及本公司主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例第XV部）的股份（「股份」）或債券中，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權益（包括根據證券及期貨條例上述規定被當作或視為擁有的權益及／或淡倉），或根據證券及期貨條例第352條須登記於該條所述登記冊的權益，或根據上市規則所載標準守則須知會本公司及聯交所的權益，如下表所示：

Directors' Report

董事會報告

Interests and short positions in the Shares, underlying shares and debentures of the Company and its associated corporations:

於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉：

Long positions in the Company

於本公司的好倉

Name of Directors	Capacity/Nature of Interest	Number of Shares	Approximate Percentage of Shareholding in the Company/ Associated Corporations 佔於本公司／相聯法團股權概約百分比
董事姓名	身份／權益性質	股份數目	
Mr. Zhou Mingming ⁽¹⁾⁽²⁾⁽³⁾ ("Mr. Zhou") 周明明先生 ⁽¹⁾⁽²⁾⁽³⁾ (「周先生」)	Interest in controlled corporations and interest in spouse 受控法團權益及配偶權益	401,087,500	36.20%
Ms. Fang Jianjun ⁽⁴⁾ 方建軍女士 ⁽⁴⁾	Interest in a controlled corporation and interest in spouse 受控法團權益及配偶權益	401,087,500	36.20%
Mr. Zhou Longrui ⁽⁵⁾ 周龍瑞先生 ⁽⁵⁾	Interest in a controlled corporation and interest in spouse 受控法團權益及配偶權益	68,362,500	6.17%
Ms. Yang Yunfei ⁽⁶⁾ 楊雲飛女士 ⁽⁶⁾	Interest in a controlled corporation and interest in spouse 受控法團權益及配偶權益	68,362,500	6.17%
Mr. Yang Xinxin ⁽⁷⁾ 楊新新先生 ⁽⁷⁾	Interest in a controlled corporation 受控法團權益	20,000,000	1.81%

Notes:

附註：

(1) Mr. Zhou is interested in the entire issued share capital of Great State Investments Limited ("Great State") and is therefore deemed to be interested in the 242,145,000 Shares held by Great State.

(1) 周先生擁有振邦投資有限公司(「振邦」)全部已發行股本的權益，因此，周先生被視為擁有振邦所持242,145,000股股份的權益。

- (2) Mr. Zhou is interested in the entire issued share capital of Jolly Pride (PTC) Limited ("Jolly Pride") and is therefore deemed to be interested in the 58,942,500 Shares held by Jolly Pride. In addition, pursuant to a trust deed dated 14 June 2010 and deeds of exclusion of beneficiaries dated 30 May 2014 and 13 October 2014, entered into between Mr. Zhou and Jolly Pride in favour of 49 individuals who are employees of the Group (collectively, the "Jolly Pride Trust Deed"), the economic interest of all the Shares which it holds from time to time shall belong to the said 49 employees. However, other than the economic interest in the Shares, all other rights as shareholders (including but not limited to voting rights and right to participate in shareholders meetings of our Company) shall not be exercisable by the said 49 employees and shall be exercised by Jolly Pride exclusively. As Mr. Zhou is the sole director of Jolly Pride, Mr. Zhou also controls the exercise of the shareholders rights (other than economic interest) of all the Shares held by Jolly Pride by virtue of the terms of the Jolly Pride Trust Deed.
- (2) 周先生擁有榮喜有限公司(「榮喜」)全部已發行股本的權益，因此，周先生被視為擁有榮喜所持58,942,500股股份的權益。此外，根據由周先生與榮喜以49名屬本集團僱員之人士為受益人訂立日期為二零一零年六月十四日的信託契據及日期為二零一四年五月三十日及二零一四年十月十三日剔除受益人的契據(統稱「榮喜信託契據」)，其不時持有的所有股份的經濟利益將屬於上述49名僱員。然而，除股份的經濟利益外，作為股東的所有其他權益(包括但不限於本公司股東大會的投票權及參與該大會的權利)，均不可由上述49名僱員行使，而僅可由榮喜行使。由於周先生為榮喜的唯一董事，根據榮喜信託契據的條款，周先生亦控制榮喜所持所有股份的股東權利(經濟利益除外)的行使。
- (3) Mr. Zhou is the spouse of Ms. Fang Jianjun. Pursuant to the SFO, he is also deemed to be interested in 100,000,000 Shares which Ms. Fang Jianjun is interested by reason of her being the sole shareholder of Bai Xiang Limited ("Bai Xiang").
- (3) 周先生為方建軍女士的配偶。根據證券及期貨條例，因方建軍女士為百祥有限公司(「百祥」)的唯一股東，因此亦被視為於方建軍女士擁有權益的100,000,000股股份中擁有權益。
- (4) Ms. Fang Jianjun is interested in the entire issued share capital of Bai Xiang and is therefore deemed to be interested in the 100,000,000 Shares held by Bai Xiang. In addition, as Ms. Fang Jianjun is the spouse of Mr. Zhou, pursuant to the SFO, she is also deemed to be interested in the 242,145,000 Shares and 58,942,500 Shares which Mr. Zhou is interested by reason of his being the sole shareholder of Great State and Jolly Pride.
- (4) 方建軍女士擁有百祥的全部已發行股本的權益，因此被視為擁有百祥所持100,000,000股股份的權益。此外，由於方建軍女士為周先生的配偶，根據證券及期貨條例，由於周先生為振邦及榮喜的唯一股東，因此，方建軍女士亦被視為於周先生擁有權益的242,145,000股股份及58,942,500股股份中擁有權益。
- (5) Mr. Zhou Longrui is interested in the entire issued share capital of High Joy Investments Limited ("High Joy") and is therefore deemed to be interested in the 32,137,500 Shares held by High Joy. In addition, as Mr. Zhou Longrui is the spouse of Ms. Yang Yunfei, pursuant to the SFO, he is also deemed to be interested in the 36,225,000 shares which Ms. Yang Yunfei is interested by reason of her being the sole shareholder of Shiny Century Limited ("Shiny Century").
- (5) 周龍瑞先生擁有高樂投資有限公司(「高樂」)的全部已發行股本的權益，因此，周龍瑞先生被視為擁有高樂所持32,137,500股股份的權益。此外，由於周龍瑞先生為楊雲飛女士的配偶，根據證券及期貨條例，由於楊雲飛女士為紀明有限公司(「紀明」)的唯一股東，因此，周龍瑞先生亦被視為於楊雲飛女士擁有權益的36,225,000股股份中擁有權益。
- (6) Ms. Yang Yunfei is interested in the entire issued share capital of Shiny Century and is therefore deemed to be interested in the 36,225,000 Shares held by Shiny Century. In addition, as Ms. Yang Yunfei is the spouse of Mr. Zhou Longrui, pursuant to the SFO, she is also deemed to be interested in the 32,137,500 Shares which Mr. Zhou Longrui is interested by reason of him being the sole shareholder of High Joy.
- (6) 楊雲飛女士擁有紀明的全部已發行股本的權益，因此，楊雲飛女士被視為擁有紀明所持36,225,000股股份的權益。此外，由於楊雲飛女士為周龍瑞先生的配偶，根據證券及期貨條例，由於周龍瑞先生為高樂的唯一股東，因此，楊雲飛女士亦被視為於周龍瑞先生擁有權益的32,137,500股股份中擁有權益。
- (7) Mr. Yang Xinxin is interested in the entire issued share capital of Tong Sheng Limited ("Tong Sheng") and is therefore deemed to be interested in the 20,000,000 Shares held by Tong Sheng.
- (7) 楊新新先生擁有同盛有限公司(「同盛」)的全部已發行股本的權益，因此，楊新新先生被視為擁有同盛所持20,000,000股股份的權益。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2016, so far as the Directors were aware, the following persons have interests or short positions in the Shares or underlying shares of the Company which were required to be disclosed to the provisions of Divisions 2 and 3 of Part XV of the SFO or, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

Interests and short positions in the shares and underlying shares of the Group:

The Company

Name 名稱	Capacity/Nature of Interest 身份／權益性質	Number of Shares 股份數目	Approximate Percentage of Shareholding 持股量概約百分比
Mr. Zhou ⁽¹⁾⁽²⁾⁽³⁾ 周先生 ⁽¹⁾⁽²⁾⁽³⁾	Interest in controlled corporations and interest of spouse 受控法團權益及配偶權益	401,087,500 (L)	36.20%
Great State ⁽²⁾ 振邦 ⁽²⁾	Beneficial owner 實益擁有人	242,145,000 (L)	21.86%
Jolly Pride ⁽³⁾ 榮喜 ⁽³⁾	Beneficial owner 實益擁有人	58,942,500 (L)	5.32%
Ms. Fang Jianjun ⁽⁴⁾ 方建軍女士 ⁽⁴⁾	Interest in controlled corporations and interest of spouse 受控法團權益及配偶權益	401,087,500 (L)	36.20%
Bai Xiang ⁽⁴⁾ 百祥 ⁽⁴⁾	Beneficial owner 實益擁有人	100,000,000 (L)	9.03%
Mr. Zhou Longrui ⁽⁵⁾ 周龍瑞先生 ⁽⁵⁾	Interest in a controlled corporation and interest of spouse 受控法團權益及配偶權益	68,362,500 (L)	6.17%
High Joy ⁽⁵⁾ 高樂 ⁽⁵⁾	Beneficial owner 實益擁有人	32,137,500 (L)	2.90%
Ms. Yang Yunfei ⁽⁶⁾ 楊雲飛女士 ⁽⁶⁾	Interest in a controlled corporation and interest of spouse 受控法團權益及配偶權益	68,362,500 (L)	6.17%

主要股東於本公司股份及相關股份中的權益及淡倉

於二零一六年十二月三十一日，據董事所知，以下人士擁有根據證券及期貨條例第XV部第2及第3分部的條文須予披露的本公司股份或相關股份的權益或淡倉，或直接或間接擁有附有權利於所有情況下於本集團任何成員公司股東大會上投票的任何類別股本面值10%或以上的權益。

於本集團股份及相關股份中的權益及淡倉：

本公司

Directors' Report

董事會報告

Name 名稱	Capacity/Nature of Interest 身份／權益性質	Number of Shares 股份數目	Approximate Percentage of Shareholding 持股量概約百分比
Shiny Century ⁽⁶⁾ 紀明 ⁽⁶⁾	Beneficial owner 實益擁有人	36,225,000 (L)	3.27%
UBS AG	Beneficial owner, person having a security interest in shares, and interest in controlled corporations 實益擁有人、於股份中擁有抵押權益之人士及受控法團權益	50,599,438 (L)	4.57%
		29,678,620 (S)	2.68%
UBS Group AG	Person having a security interest in shares and interest in controlled corporations 於股份中擁有抵押權益之人士及受控法團權益	50,475,560 (L)	4.56%
		30,689,620 (S)	2.77%
FIL Limited	Investment Manager 投資經理	72,227,000 (L)	6.52%

(L): Long position
(S): Short position

(L): 好倉
(S): 淡倉

Notes:

附註：

- (1) Mr. Zhou is interested in the entire issued share capital of Great State and is therefore deemed to be interested in all the Shares held by Great State.
- (1) 周先生於振邦的全部已發行股本中擁有權益，因此被視為於振邦所持有的全部股份中擁有權益。
- (2) Mr. Zhou is interested in the entire issued share capital of Jolly Pride and is therefore deemed to be interested in the 58,942,500 Shares held by Jolly Pride. In addition, pursuant to the Jolly Pride Trust Deed, the economic interest of all the Shares which it holds from time to time shall belong to the said 49 employees. However, other than the economic interest in the Shares, all other rights as shareholders (including but not limited to voting rights and right to participate in shareholders meetings of our Company) shall not be exercisable by the said 49 employees and shall be exercised by Jolly Pride exclusively. As Mr. Zhou is the sole director of Jolly Pride, Mr. Zhou also controls the exercise of the shareholders rights (other than economic interest) of all the Shares held by Jolly Pride by virtue of the terms of the Jolly Pride Trust Deed.
- (2) 周先生於榮喜的全部已發行股本中擁有權益，因此被視為於榮喜所持有的58,942,500股股份中擁有權益。此外，根據榮喜信託契據，其不時持有的所有股份的經濟利益應屬於上述49名僱員。然而，除股份的經濟利益外，作為股東的所有其他權益（包括但不限於本公司股東大會的投票權及參與該大會的權利），均不可由上述49名僱員行使，而僅可由榮喜行使。因為周先生為榮喜的唯一董事，根據榮喜信託契據之條款，周先生亦控制榮喜所持全部股份的股東權利（經濟利益除外）的行使權。
- (3) Mr. Zhou is the spouse of Ms. Fang Jianjun. Pursuant to the SFO, he is also deemed to be interested in all the Shares which Ms. Fang Jianjun is interested by reason of her being the sole shareholder of Bai Xiang.
- (3) 周先生為方建軍女士的配偶。根據證券及期貨條例，彼因方建軍女士為百祥的唯一股東，因此亦被視為於方建軍女士擁有權益的全部股份中擁有權益。

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- (4) Ms. Fang Jianjun is interested in the entire issued share capital of Bai Xiang and is therefore deemed to be interested in all the Shares held by Bai Xiang. In addition, as Ms. Fang Jianjun is the spouse of Mr. Zhou, pursuant to the SFO, she is deemed to be interested in all the Shares which Mr. Zhou is interested by reason of him being the sole shareholder of Great State and Jolly Pride.
- (4) 方建軍女士於百祥的全部已發行股本中擁有權益，因此被視為於百祥所持有的全部股份中擁有權益。此外，由於方建軍女士為周先生的配偶，根據證券及期貨條例，彼因周先生為振邦及榮喜的唯一股東，因此亦被視為於周先生擁有權益的全部股份中擁有權益。
- (5) Mr. Zhou Longrui is interested in the entire issued share capital of High Joy and is therefore deemed to be interested in all the Shares held by High Joy. In addition, as Mr. Zhou Longrui is the spouse of Ms. Yang Yunfei, pursuant to the SFO, he is deemed to be interested in all the Shares which Ms. Yang Yunfei is interested by reason of her being the sole shareholder of Shiny Century.
- (5) 周龍瑞先生於高樂的全部已發行股本中擁有權益，因此被視為於高樂所持有的全部股份中擁有權益。此外，由於周龍瑞先生為楊雲飛女士的配偶，根據證券及期貨條例，彼因楊雲飛女士為紀明的唯一股東，因此被視為於楊雲飛女士擁有權益的全部股份中擁有權益。
- (6) Ms. Yang Yunfei is interested in the entire issued share capital of Shiny Century and is therefore deemed to be interested in all the Shares held by Shiny Century. In addition, as Ms. Yang Yunfei is the spouse of Mr. Zhou Longrui, pursuant to the SFO, she is also deemed to be interested in all the Shares which Mr. Zhou Longrui is interested by reason of him being the sole shareholder of High Joy.
- (6) 楊雲飛女士於紀明的全部已發行股本中擁有權益，因此被視為於紀明所持有的全部股份中擁有權益。此外，由於楊雲飛女士為周龍瑞先生的配偶，根據證券及期貨條例，彼因周龍瑞先生為高樂的唯一股東，因此亦被視為於周龍瑞先生擁有權益的全部股份中擁有權益。

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the Year was the Company or any of its subsidiaries, holding companies or fellow subsidiaries a party to any arrangements to enable the Director of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and the Senior Management are set out on pages 39 to 44.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme on 7 June 2010 (the "Share Option Scheme"), which became effective on 7 July 2010, for the purpose of giving the eligible persons an opportunity to have a personal stake in the Group and motivating them to optimize their future performance and efficiency to the Group and/or to reward them for their past contributions, attracting and retaining or otherwise maintaining on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and in the case of executives, enabling the Group to attract and retain such individuals with experience and ability and/or to reward them for their past contributions. As at the date of this annual report, the Share Option Scheme has a remaining life of approximately 3 years and 5 months.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the total number of shares in issue as at 7 July 2010, being the listing date of the Shares of the Company on the Stock Exchange, being 100,000,000 shares, which represented about 9.03% of the total issued share capital of the Company as at the date of this annual report. No options may be granted to any participant of the Share Option Scheme such that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of the Company's issued share capital from time to time.

收購股份及債券的安排

除上文所披露者外，本公司或其任何附屬公司或控股公司或同系附屬公司在本年度任何時間概無參與任何安排，致使本公司董事可透過購入本公司或其他團體之股份或債券獲取利益。

董事及高級管理層的履歷

董事及高級管理層的簡歷載於第39頁至第44頁。

購股權計劃

本公司於二零一零年六月七日有條件採納並於二零一零年七月七日生效的一項購股權計劃（「購股權計劃」），旨在向合資格人士提供於本集團擁有個人股權的機會，並激勵他們盡量提升其日後對本集團所呈現的績效及效率，及／或就彼等過往的貢獻給予獎勵，以吸引及挽留或以其他方式與該等對本集團的績效、增長或成功而言乃屬重要及／或其貢獻有利於或將有利於本集團的績效、增長或成功的合資格人士維持持續的合作關係，另外就行政人員而言，更使本集團吸引及挽留經驗豐富且具備才能的人士及／或就其過往的貢獻給予獎勵。截至本年報日期，購股權計劃的餘下期限約為3年5個月。

因行使根據購股權計劃及本集團任何其他計劃將授出的所有購股權而可能發行的股份數目上限合共不得超過二零一零年七月七日（即本公司股份於聯交所上市日期）已發行股份總數之10%（即100,000,000股股份），相當於本公司於本年報日期已發行股本總額約9.03%。倘截至最後一次授出購股權日期止任何12個月期間行使已授或將授予購股權計劃參與者之購股權涉及已發行及將發行股份總數超過本公司不時已發行股本之1%，則不得向該人士授出購股權。

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Subject to the provisions of the Listing Rules, the Board may in its absolute discretion when offering the grant of an option impose any conditions, restrictions or limitations in relation thereto in addition to those set out in the Share Option Scheme as the Board may think fit, including the time or period before the right to exercise the option in respect of all or any of the shares shall vest, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the Share Option Scheme.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as determined by the Board and not exceeding 10 years from the date of the grant under the Share Option Scheme. There is no minimum period for which an option must be held before it can be exercised. Participants of the Share Option Scheme are required to pay the Company HK\$1.0 upon acceptance of the grant on or before 28 days after the offer date. The exercise price of the options is determined by the Board in its absolute discretion and shall not be less than whichever is the highest of:

- (a) the nominal value of a share;
- (b) the closing price of a share as stated in the Stock Exchange's daily quotations sheets on the offer date; and
- (c) the average closing price of a share as stated in the Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the offer date.

The Share Option Scheme shall be valid and effective for a period of 10 years from the adoption date, after which no further options will be granted or offered. No options have been granted under the Share Option Scheme since its adoption to 31 December 2016.

Apart from the foregoing, at no time during the Year was the Company, or any of its holding companies or subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

根據上市規則的條文，董事會就授出購股權有絕對酌情權按其可能認為合適者施加購股權計劃所載以外的任何條件、約束或限制，包括行使涉及所有或任何股份購股權之權利前的歸屬時間或期間，惟該等條款或條件不得與購股權計劃的任何其他條款或條件相衝突。

按董事會釐定的期限內，購股權可隨時按照購股權計劃的條款予以行使，惟不得超出根據購股權計劃授出購股權之日期起計10年。購股權獲准行使前，購股權不設最短的持有期限。購股權計劃參與者於提呈日期後第28日或之前接納購股權時，須向本公司支付1.0港元。購股權行使價由董事會全權酌情釐定，惟不得低於下列三者中的最高者：

- (a) 股份面值；
- (b) 於提呈日期在聯交所每日報價表上的股份收市價；及
- (c) 緊接提呈日期前5個營業日股份於聯交所每日報價表的平均收市價。

購股權計劃將自採納日期起計10年內具有效力及生效，隨後不會再授出或提呈其他購股權。自採納購股權計劃起至二零一六年十二月三十一日止，並無根據購股權計劃授出購股權。

除上述者外，於本年度任何時間，本公司、其任何控股公司或附屬公司概無參與訂立任何安排，令董事可透過購入本公司或任何其他法團之股份或債券而獲益。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS, CONTRACTS OF SIGNIFICANCE

No transaction, arrangement or contract of significance in relation to the Group's business to which the Company, or any of its subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest in, whether directly or indirectly, subsisted at the end of the financial year under review or at any time during the financial year save as disclosed under the sub-section headed "Connected Transaction" below and "Related Party Transactions" in note 49 to the financial statements.

DIRECTORS' AND CONTROLLING SHARE HOLDERS' INTERESTS IN CONTRACTS

Save as disclosed under the heading "Connected Transactions" below and "Related Party Transactions" in note 49 to the consolidated financial statements, no Director or controlling shareholder or any of their respective subsidiaries had a material interest, either directly or indirectly, in any contract of significance to the business of the Group, to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a part, during the Year.

During the Year, no contract of significance for the provision of services to the Group by a controlling shareholder or any of its subsidiaries was made.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries, which is not determinable by the employing company within 1 year without payment of compensation (other than statutory compensation).

PURCHASE, SALES OR REDEMPTION OF SHARES

During the Year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its securities.

CORPORATE GOVERNANCE CODE

The Company has complied with all code provisions of the Code throughout the Year except for the deviations to the code provision A.2.1. For details, please refer to the Corporate Governance Report on page 45 of this annual report.

董事於重大交易、安排及合約利益

除下文「關連交易」分節及財務報表附註49「關聯方交易」所披露者外，於回顧財政年度結束時或本財政年度內任何時間，概無與本集團業務有關而本公司或本公司任何附屬公司參與、董事或與董事有關連的任何實體直接或間接擁有重大權益的重大交易、安排或合約仍然生效。

董事及控股股東於合約的權益

除於下文「關連交易」一段及綜合財務報表附註49內「關聯方交易」所披露者外，概無董事或控股股東或任何各自的附屬公司於本公司或其任何控股公司、附屬公司或同系附屬公司於本年度訂立並對本集團業務而言屬重要的任何合約中直接或間接擁有重大權益。

於本年度，控股股東或任何其附屬公司並無就向本集團提供服務而訂立任何重大合約。

董事服務合約

擬於應屆股東週年大會重選的董事概無與本公司或任何其附屬公司簽訂任何不可由聘任公司於1年內免付補償(法定補償除外)予以終止的服務合約。

購買、出售或贖回股份

於本年度，本公司或其任何附屬公司概無購買、出售或贖回其任何證券。

企業管治守則

除偏離守則條文第A.2.1條外，本公司已於本年度遵守守則的所有守則條文。有關詳情請參閱本年報第45頁的企業管治報告。

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AUDIT COMMITTEE

The Company has established the Audit Committee. For details, please refer to the paragraph headed "Audit Committee" of the Corporate Governance Report set out on page 51 of this annual report.

KEY RELATIONSHIPS WITH EMPLOYEES AND CUSTOMERS

The Group emphasises the importance of personal development of individual employees. The Group has in place remuneration policies to ensure providing adequate rewards to employees with recognised experience for the assigned roles and duties. The Group also provides other benefits including bonuses and shares as incentives.

The Group places high priority on maintaining good relationship with our customers. The Group always strives to maximize customers satisfaction and to add value for our customers. The Group identifies areas for improvement. Customer's complaints once acknowledged and reported will be dealt with timely, fairly and diligently.

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers during the financial year ended 31 December 2016 is as follows:

The largest customer/supplier	3.86%/15.37%
Five largest customers/suppliers in aggregate	8.31%/33.36%

At no time during the Year had the Directors, their associates or any shareholder of the Company which to the knowledge of the Directors owns more than 5% of the Company's share capital had any interest in these major customers and suppliers.

審核委員會

本公司已成立審核委員會。有關詳情載於本年報第51頁所載企業管治報告「審核委員會」一段。

與僱員及客戶的主要關係

本集團強調各個僱員的個人發展。本集團設有薪酬政策，確保提供足夠之獎償予在獲派職務與職責方面具備認可經驗之僱員。本集團亦提供其他福利，包括花紅及股份獎勵。

本集團優先考慮與客戶維持良好關係。本集團一直致力讓客戶更為滿意，為客戶增值。本集團辨識有待改進之範疇。已接獲並匯報之客戶投訴將會適時、公平公正及勤快地處理。

主要客戶及供應商

主要客戶及供應商於截至二零一六年十二月三十一日止財政年度內應佔本集團銷售及採購額的資料如下：

最大客戶／供應商	3.86%/15.37%
五大客戶／供應商總計	8.31%/33.36%

概無本公司董事、彼等的聯繫人士或就董事所知擁有本公司股本5%以上的任何股東於本年度任何時間於該等主要客戶及供應商擁有任何權益。

ENVIRONMENTAL POLICIES AND PERFORMANCE

During the Year, the Group achieved 100% cadmium-free production and has fully applied cadmium-free enclosed battery formulation process.

In parallel with enlarging its economic benefits and continuously enhancing production technology, the Group has adhered to its environmental protection philosophy of minimizing consumption of resources, pollution and emissions. The Group continues to advocate the harmonious and symbiotic relationship between business and the environment to fulfil its long-term goal of "green production". To guide the lead-acid battery industry towards green, healthy and sustainable development, the Group has united enterprises both upstream and downstream in a lead-acid battery industry alliance for promoting green development and recycling during the Year. Through a series of activities intended to improve the brand image, the Group has strived to become the top green energy brand in the PRC.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC. The Group's establishment and operations accordingly shall comply with relevant laws and regulations in the PRC and Hong Kong. During the Year and up to the date of this annual report, the Group has complied with all the relevant laws and regulations in the PRC in all material aspects.

CONNECTED TRANSACTIONS

Details of the Group's related party transactions for the Year are set out in note 49 to the consolidated financial statements, some of which also constituted connected transactions under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements of Chapter 14A of the Listing Rules in respect of the above-mentioned transactions. The connected transactions conducted by the Group in the Year, which was required to be disclosed under the Listing Rules, are set out as follows:

One-off Connected Transactions

1. Formation of Joint Venture

On 21 March 2016, Chaowei Power Co., Ltd. (超威電源有限公司) ("Chaowei Power"), a wholly-owned subsidiary of the Company and Mr. Zhou Mingming, signed the articles of association, pursuant to which the parties agreed to form a joint venture company, Zhejiang Pulangte Electric Vehicle Co., Ltd., (浙江普朗特電動汽車有限公司) ("Zhejiang Pulangte") to engage in, among others, provision of technical development and technical service of new energy automobiles, subject to the approval of the local administration of industry and commerce.

環保政策及表現

本年度，本集團100%產能已實現無鎘化，並實現該工藝生產全覆蓋。

在大力提升企業經濟效應和不斷精進創新生產工藝的同時，本集團一直秉持著「低耗能、低污染、低排放」的環保理念，積極倡導產業與環境和諧共生的和合精神，真正實現「綠色生產」的長遠目標。為了更好地引領鉛酸電池行業綠色、健康、可持續地發展，本集團於本年度聯合產業上下游，推進我國電池產業的綠色循環可持續發展。本集團不斷通過實踐行動，深化品牌形象，力爭打造消費者心目中的中國綠色能源第一品牌。

遵守法律法規

本集團的業務主要由本公司附屬公司於中國開展，故本集團的成立及經營須相應遵守中國及香港的相關法律法規。於本年度及截至本年報日期，本集團於所有重大方面遵守中國相關法律法規。

關聯交易

本集團於本年度的關聯方交易詳情載於綜合財務報表附註49，根據上市規則第14A章，當中部分亦屬於關連交易。本公司已就上述交易遵守上市規則第14A章的披露規定。本集團本年度所進行須根據上市規則披露的關連交易載列如下：

一次性關聯交易

1. 成立合營企業

於二零一六年三月二十一日，本公司全資附屬公司超威電源有限公司（「超威電源」）與周明明先生簽訂組織章程細則，雙方同意成立合營公司——浙江普朗特電動汽車有限公司（「浙江普朗特」），從事（其中包括）新能源汽車的技術開發及技術服務，惟須經當地工商管理行政管理局批准。

Directors' Report

董事會報告

The registered capital of Zhejiang Pulangte is RMB150,000,000. The capital commitment of Chaowei Power and Mr. Zhou in Zhejiang Pulangte is RMB72,500,000 and RMB77,500,000, representing 48.33% and 51.67% interest, respectively.

Mr. Zhou is the controlling shareholder and executive Director of the Company and therefore a connected person of the Company. Accordingly, the above transaction constituted connected transaction of the Company under the Listing Rules.

Further details of the said transaction was set out in the announcement of the Company dated 21 March 2016.

2. Capital Increase Agreement

On 24 August 2016, Zhejiang Chaowei Chuangyuan Industrial Co., Ltd. (浙江超威創元實業有限公司) ("Chaowei Chuangyuan"), an indirectly non-wholly owned subsidiary of the Company entered into a capital increase agreement (the "Capital Increase Agreement") with Mr. Zhou Mingming and Mr. Sun Yanxian. Pursuant to which Mr. Zhou and Mr. Sun agreed to contribute approximately RMB8,630,000 and approximately RMB960,000 by cash respectively. Upon completion of such capital increase, Chaowei Chuangyuan will be held as to 60% by Chaowei Power, 9% by Mr. Zhou, 1% by Mr. Sun and the remaining 30% by other minority shareholders who are not connected persons of the Group.

Mr. Zhou is the controlling shareholder and executive Director of the Company and therefore a connected person of the Company. Mr. Sun is a director of Chaowei Chuangyuan and therefore also a connected person of the Company. Accordingly, the above transaction constituted connected transaction of the Company under the Listing Rules.

Further details of the said transaction was set out in the announcement of the Company dated 24 August 2016.

浙江普朗特的註冊資本為人民幣150,000,000元。超威電源及周先生分別對浙江普朗特出資人民幣72,500,000元及人民幣77,500,000元，分別持有48.33%及51.67%權益。

周先生為本公司控股股東兼執行董事，故為本公司關連人士。因此，根據上市規則，上述交易屬於本公司的關連交易。

上述交易詳情載於本公司日期為二零一六年三月二十一日之公告。

2. 增資協議

於二零一六年八月二十四日，本公司間接非全資附屬公司—浙江超威創元實業有限公司（「超威創元」）與周明明先生及孫延先先生訂立增資協議（「增資協議」），周先生及孫先生分別同意以現金出資約人民幣8,630,000元及約人民幣960,000元。於有關增資完成後，超威創元將分別由超威電源、周先生及孫先生持有60%、9%及1%權益，而餘下30%權益由其他並非本集團關連人士的少數股東持有。

周先生為本公司控股股東兼執行董事，故為本公司關連人士。孫先生為超威創元的董事，故亦為本公司關連人士。因此，根據上市規則，上述交易屬於本公司的關連交易。

上述交易詳情載於本公司日期為二零一六年八月二十四日之公告。

Continuing Connected Transactions

The following transactions entered into by members of the Group constituted continuing connected transactions of the Company subject to announcements and reporting requirements but exempt from shareholders' approval under Chapter 14A of the Listing Rules by reason of any of the applicable percentage ratios (other than the profits ratio) being less than 5% on an annual basis and the annual cap amount exceeding HK\$3,000,000:

Description of transaction	Parties
1. Purchase of battery production equipment	Chaowei Power and Zhejiang Doulan Intelligence Equipment Co., Ltd (浙江兜蘭智能設備股份有限公司) ("Zhejiang Doulan")
2. Provision of battery production materials processing services	Chaowei Power and Xiamen Mate High-Technology New Energy Co., Ltd. (廈門馬特高科新能源有限公司) ("Xiamen Mate")

1. Purchase of battery production equipment

Chaowei Power and Zhejiang Doulan, a connected person of the Company by virtue of Rule 14A.07(4) of the Listing Rules, entered into a battery production equipment purchase agreement (the "Battery Production Equipment Purchase Agreement") dated 29 December 2015, by which Zhejiang Doulan has agreed to supply batteries intelligence manufacturing equipment and ancillary facilities to Chaowei Power for a term of 3 years from 1 January 2016 to 31 December 2018, renewable upon expiry (subject to compliance with the relevant provisions of the Listing Rules regarding continuing connected transactions). Zhejiang Doulan is 60% owned by Mr. Zhou Mingming and is therefore an associate of Mr. Zhou and a connected person of the Company under the Listing Rules.

持續關連交易

下列本集團成員公司進行的交易由於按年計的各項適用百分比(利潤比率例外)均少於5%及年度上限大於3,000,000港元，已構成本公司的持續關連交易，須遵守上市規則第14A章的公告及申報規定但豁免獲取股東批准：

交易概況	交易各方
1. 購買電池生產設備	超威電源及浙江兜蘭智能設備股份有限公司 (「浙江兜蘭」)
2. 提供電池生產物料加工服務	超威電源及廈門馬特高科新能源有限公司 (「廈門馬特」)

1. 購買電池生產設備

超威電源與浙江兜蘭(根據上市規則第14A.07(4)條，為本公司的關連人士)訂立一項日期為二零一五年十二月二十九日的電池生產設備購買協議(「電池生產設備購買協議」)，據此，浙江兜蘭同意向超威電源供應電池智能生產設備及配套設施，由二零一六年一月一日起至二零一八年十二月三十一日，為期3年，屆滿時可予重續，惟須遵守上市規則有關持續關連交易的條文。浙江兜蘭的60%權益由周明明先生擁有，故根據上市規則屬於周先生的聯繫人及本公司的關連人士。

Directors' Report

董事會報告

Pursuant to the Battery Production Equipment Purchase Agreement, Chaowei Power will purchase batteries intelligence manufacturing equipment and ancillary facilities from Zhejiang Doulan from time to time at price with reference to actual costs (including labour costs, costs of materials, technology development costs, rental expenses and depreciation expenses related to batteries intelligence manufacturing equipment and ancillary facilities ordered by Chaowei Power) plus reasonable gross profit margin of Zhejiang Doulan, ranging from 20% to 25%, which is, to the best knowledge the Company, in line with the then market practice as for the Company engaged in the similar industry and with the similar scale, which shall not, in any event, be higher than the prices of the products with comparable nature and scale charged by other independent third party suppliers. For the purpose of ensuring the consideration being fair and reasonable, the Company has taken into account the following factors:

- (1) the quotations from independent third parties for similar projects; and
- (2) the historical price of similar projects procured by the Group.

For the 3 years ending 31 December 2018, the proposed annual cap amounts for the transactions under the Battery Production Equipment Purchase Agreement are set at RMB80,000,000, RMB110,000,000 and RMB150,000,000, respectively (tax excluded).

During the Year, purchase of batteries intelligence manufacturing equipment and ancillary facilities from Zhejiang Doulan amounted to approximately RMB13,169,000, which is within the 2016 annual cap of RMB80,000,000.

Further details of the said transaction was set out in the announcement of the Company dated 29 December 2015.

根據電池生產設備購買協議，超威電源將不時向浙江兜蘭購買電池智能生產設備及配套設施，價格參考實際成本（包括超威電源所訂購電池智能生產設備及配套設施的勞工成本、材料費、技術開發費、租金開支及折舊開支）另加合理的浙江兜蘭毛利率（介乎20%至25%，據本公司所知，就與本公司從事類似行業及具類似規模的公司而言，符合當時的市場慣例）後釐定，惟在任何情況下均不得高於其他獨立第三方供應商就性質及規模相若的產品所收取的價格。為確保代價屬公平合理，本公司已計及以下因素：

- (1) 獨立第三方就類似項目的報價；及
- (2) 本集團所採購類似項目的過往價格。

截至二零一八年十二月三十一日止三個年度，電池生產設備購買協議項下交易之建議年度上限分別定為人民幣80,000,000元、人民幣110,000,000元及人民幣150,000,000元（不含稅項）。

本年度，向浙江兜蘭購買電池智能生產設備及配套設施約達人民幣13,169,000元，並無超出二零一六年的年度上限人民幣80,000,000元。

上述交易之進一步詳情載於本公司日期為二零一五年十二月二十九日之公告。

2. Battery Production Materials Processing Agreement

Chaowei Power and Xiamen Mate, a connected person of the Company by virtue of Rule 14A.07(4) of the Listing Rules, entered into a battery production materials processing agreement (the "Battery Production Materials Processing Agreement") dated on 4 May 2016, by which Xiamen Mate has agreed to provide battery production materials processing services to Chaowei Power for a term from 4 May 2016 to 31 December 2016, renewable upon expiry (subject to compliance with the provisions under the Listing Rules regarding continuing connected transactions). Xiamen Mate is 50% owned by Mr. Zhou Mingming and is therefore an associate of Mr. Zhou and a connected person of the Company under the Listing Rules.

Pursuant to the Battery Production Materials Processing Agreement, Chaowei Power will engage Xiamen Mate to provide battery production materials processing services from time to time at fees with reference to Xiamen Mate's actual costs (including labour costs, costs of processing materials and related expenses) plus a 10% gross margin of the actual costs, which shall not, in any event, be higher than the fees for services with comparable nature and scale charged by other independent third party service providers. For the purpose of ensuring the consideration being fair and reasonable, the Company has taken into account the following factors:

- (1) the quotations from independent third parties for similar services; and
- (2) the historical fees for similar services procured by the Group.

If there are government-prescribed prices for the battery production materials processing services from the government of the PRC, the consideration under the Battery Production Materials Processing Agreement will be set in accordance with such government prescribed prices.

2. 電池生產物料加工協議

超威電源與廈門馬特(根據上市規則第14A.07(4)條,為本公司的關連人士)訂立一項日期為二零一六年五月四日的電池生產物料加工協議(「電池生產物料加工協議」),據此,廈門馬特同意向超威電源提供電池生產物料加工服務,期限由二零一六年五月四日起至二零一六年十二月三十一日,屆滿時可予重續,惟須遵守上市規則有關持續關連交易的條文。廈門馬特的50%權益由周明明先生擁有,故根據上市規則屬於周先生的聯繫人及本公司的關連人士。

根據電池生產物料加工協議,超威電源將委聘廈門馬特不時提供電池生產物料加工服務,價格參考廈門馬特的實際成本(包括勞工成本、加工物料成本及相關開支)另加實際成本10%毛利率,惟在任何情況下均不得高於其他獨立第三方服務供應商就性質及規模相若的服務所收取的價格。為確保代價屬公平合理,本公司已計及以下因素:

- (1) 獨立第三方就類似服務的報價;及
- (2) 本集團所採購類似服務的過往價格。

倘中國政府就電池生產物料加工服務制訂政策指定價格,則電池生產物料加工協議的代價將按該政府指定價格釐定。

Directors' Report

董事會報告

For the year ended 31 December 2016, the proposed annual cap amount for the transactions under the Battery Production Materials Processing Agreement is set at RMB200,000,000 (tax excluded).

During the Year, the engagement of battery production materials processing services from Xiamen Mate by Chaowei Power amounted to approximately RMB13,980,000, which is within the annual cap of RMB200,000,000. The Battery Production Materials Processing Agreement expired on 31 December 2016.

Further details of the said transaction was set out in the announcement of the Company dated 4 May 2016.

On 23 December 2016, Chaowei Power renewed the Battery Production Materials Processing Agreement by entering into a battery production materials processing agreement (2017) (the "Battery Production Materials Processing Agreement (2017)") with Xiamen Mate for a further term of 1 year from 1 January 2017 to 31 December 2017, renewable upon expiry (subject to compliance with the provisions under the Listing Rules regarding continuing connected transactions).

For the year ending 31 December 2017, the proposed annual cap amount for the transactions under the Battery Production Materials Processing Agreement (2017) is set at RMB150,000,000 (tax excluded).

Further details of the said transaction was set out in the announcement of the Company dated 23 December 2016.

REVIEW BY INDEPENDENT NON-EXECUTIVE DIRECTORS AND THE AUDITORS OF THE COMPANY

The independent non-executive Directors have reviewed the above continuing connected transactions of the Group and have confirmed that these transactions have been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

截至二零一六年十二月三十一日止年度，電池生產物料加工協議下交易之建議年度上限為人民幣200,000,000元(不含稅項)。

本年度，超威電源向廈門馬特購買電池生產物料加工服務，金額約達人民幣13,980,000元，介於年度上限人民幣200,000,000元內。電池生產物料加工協議於二零一六年十二月三十一日屆滿。

上述交易詳情載於本公司日期為二零一六年五月四日之公告。

於二零一六年十二月二十三日，超威電源透過與廈門馬特訂立電池生產物料加工協議(二零一七年)(「電池生產物料加工協議(二零一七年)」)重續電池生產物料加工協議，期限由二零一七年一月一日起至二零一七年十二月三十一日止續期一年，並可於期滿時重續，惟須符合上市規則有關持續關連交易的規定。

截至二零一七年十二月三十一日止年度，電池生產物料加工協議(二零一七年)下交易之建議年度上限為人民幣150,000,000元(不含稅項)。

上述交易詳情載於本公司日期為二零一六年十二月二十三日之公告。

本公司獨立非執行董事及核數師之審閱

獨立非執行董事已審閱本集團上述持續關連交易，並確認該等交易：

- (i) 在本公司日常及一般業務中進行；
- (ii) 按一般商業條款進行；及
- (iii) 根據相關規管協議進行，而有關條款均屬公平合理，且符合本公司股東整體利益。

Pursuant to Rule 14A.56 of the Listing Rules, the Board engaged the auditors of the Company 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. The auditors has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group on pages 75 to 78 of this annual report 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.

COMPLIANCE WITH THE DEED OF NON-COMPETITION

Each of Mr. Zhou Mingming, Great State and Jolly Pride (collectively the "Controlling Shareholders") has confirmed that for the Year, each of them has complied with the deed of non-competition (the "Deed of Non-competition") dated 7 June 2010 executed by the Controlling Shareholders in favour of the Company. There has not been any opportunity in any restricted business (being business which is or may be in competition with the business of any member of the Group from time to time) being referred by the Controlling Shareholders to the Company for the Year. The independent non-executive Directors have reviewed the compliance of the Deed of Non-competition by the Controlling Shareholders for the Year and considered the Controlling Shareholders have complied with the Deed of Non-competition during the Year.

FINANCIAL INFORMATION SUMMARY

A financial summary of the Group is set out on page 232 of this annual report.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Year, and up to the date of this annual report, none of the Directors are considered to have interests in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, pursuant to the Listing Rules.

根據上市規則第14A.56條，董事會依照香港鑒證工作準則第3000號「過往財務資料審計或審閱以外的鑒證工作」並參考香港會計師公會頒佈的實務說明第740號「香港上市規則所述持續關連交易的核數師函件」委聘本公司核數師對本集團的持續關連交易作出報告。核數師已根據上市規則第14A.56條發出無保留意見的函件，當中載有關於本集團於本年報第75至78頁披露之持續關連交易的鑒證結果及結論。本公司已將核數師函件提供予聯交所。

不競爭契據的遵守情況

周明明先生、振邦與榮喜(統稱「控股股東」)各方確認，本年度，各方已遵從控股股東以本公司為受益人於二零一零年六月七日簽立的不競爭契據(「不競爭契據」)。本年度，市場並無任何受限制業務(任何目前或可能不時與本集團任何成員公司的業務構成競爭的業務)的商機可供控股股東轉介予本公司。獨立非執行董事已審閱控股股東本年度遵守不競爭契據的情況，並認為控股股東於年內已遵守不競爭契據。

財務資料概要

本集團的財務資料概要載於本年報第232頁。

董事於競爭業務的權益

於本年度及截至本年報日期，根據上市規則，概無董事被視為於任何與本集團業務直接或間接構成或可能構成競爭的業務中擁有權益。

Directors' Report

董事會報告

MANAGEMENT CONTRACTS

No contracts concerning the management and/or administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, during the Year and as at the date of this annual report, the Company has maintained sufficient public float as required under the Listing Rules.

AUDITORS

The consolidated financial statements for the Year were audited by Deloitte Touche Tohmatsu, Certified Public Accountants who will retire at the conclusion of the forthcoming AGM of the Company and, being eligible, will offer themselves for re-appointment.

On behalf of the Board

Zhou Mingming

Chairman and Chief Executive Officer

25 March 2017

管理合約

本年度，本公司並無就整體業務或任何重要業務的管理及／或行政工作訂立或訂有任何合約。

足夠公眾持股量

根據本公司從公開途徑所得的資料及據本公司董事所知，於本年度及截至本年報日期，本公司一直維持上市規則所規定的足夠公眾持股量。

核數師

本年度的綜合財務報表經由執業會計師德勤•關黃陳方會計師行審核，其將於本公司應屆股東週年大會結束時退任，並將膺選連任。

承董事會命

周明明

主席兼行政總裁

二零一七年三月二十五日

Deloitte. 德勤

TO THE SHAREHOLDERS OF CHAOWEI POWER HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Chaowei Power Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 88 to 231, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 International Ethics Standards Board for Accountants' 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.

致超威動力控股有限公司股東

(於開曼群島註冊成立的有限公司)

意見

我們已審核超威動力控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表(載於第88頁至第231頁),當中包括於二零一六年十二月三十一日的綜合財務狀況表,截至該日期止年度的綜合損益及其他全面收益表、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(包括主要會計政策概要)。

我們認為,綜合財務報表已根據《國際財務報告準則》(「國際財務報告準則」)真實公平反映 貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已根據香港《公司條例》的披露規定妥為編製。

意見基礎

我們根據《國際審計準則》(「國際審計準則」)進行審核。該等準則規定我們承擔的責任在本報告核數師審核綜合財務報表的責任一節詳述。根據國際會計師職業道德準則理事會制定的《職業會計師道德守則》(「守則」),我們獨立於 貴集團,並已遵循守則履行其他道德責任。我們相信,我們所獲審計憑證能充足及適當地為我們的意見提供基礎。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for 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.

Key audit matter

關鍵審核事項

Warranty provision

We identified warranty provision as a key audit matter due to the significance of this provision to the consolidated financial statements and management's estimates involved in estimating warranty provision at the end of the reporting period.

Estimated costs related to product warranty are accrued at the time of sale and are based upon past warranty claims and unit sales history and adjusted to reflect actual costs incurred, as information becomes available.

Details of the key estimation uncertainty of warranty provision are set out in Note 4 to the consolidated financial statements.

保證撥備

由於保證撥備對綜合財務報表意義重大及管理層估計涉及估計報告期結束時的保證撥備，因此我們確定該撥備為關鍵審核事項。

產品保證相關的估計成本於銷售時預提，金額基於過往保證申索及單位銷售往績確定，並基於所獲資料作出調整，以反映實際成本。

保證撥備主要估計不確定因素詳情載於綜合財務報表附註4。

關鍵審核事項

關鍵審核事項乃我們依據專業判斷認為對於審核本期綜合財務報表至關緊要的事項。我們在整體審核綜合財務報表及就此達致意見時處理該等事項，但不會就該等事項單獨發表意見。

How our audit addressed the key audit matter

我們在審核中處理關鍵審核事項的方法

Our procedures in relation to warranty provision included:

- Evaluating the appropriateness of the methodologies used by the management for estimating warranty provision;
- Testing the underlying data and challenging the assumptions used by the management based on past events in estimating warranty provision and changes in market conditions; and
- Comparing actual warranty outflows subsequent to the end of reporting period, where significant, to those expected at the end of reporting period.

保證撥備的程序如下：

- 評估管理層估計保證撥備所用方法是否適當；
- 根據估計保證撥備的過往事宜及市況變化測試相關數據及審查管理層所用假設；及
- 我們將報告期結束後實際支出的重大保證與報告期結束時的預期值比較。

Independent Auditor's Report

獨立核數師報告

Key audit matter

關鍵審核事項

How our audit addressed the key audit matter

我們在審核中處理關鍵審核事項的方法

Impairment assessments on loan receivables

We identified recoverability of loan receivables as a key audit matter due to the significance of these receivables to the consolidated statement of financial position and management's estimates and judgements involved in the recoverability assessment.

Management takes into consideration the collectability of these receivables and identifies the objective evidences of impairment and evaluates the present value of the underlying future cash flows from recovering of these receivables for impairment assessment purpose.

Details of the key estimation uncertainty of recoverability of loan receivables are set out in Note 4 to the consolidated financial statements.

應收貸款減值評估

由於應收貸款對綜合財務狀況表意義重大及管理層估計和判斷涉及可收回性評估，因此我們確定應收貸款的可收回性為關鍵審核事項。

管理層計及該等應收款項的可收回性，確定減值的客觀證據並評估收回該等應收款項所得相關未來現金流量的現值作減值評估用途。

應收貸款可收回性的主要估計不確定因素詳情載於綜合財務報表附註4。

Our procedures in relation to recoverability of loan receivables included:

- Analyzing relevant consideration and objective evidences used by the management in assessing the recoverability of loan receivables; and
- Evaluating the appropriateness of the supporting evidence for the estimated future cash flows and the historical settlement records.

應收貸款可收回性的程序如下：

- 分析管理層評估應收貸款可收回性的相關考慮因素及所用客觀證據；及
- 評估估計未來現金流量及過往結算記錄的支持證據是否適當。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他資料

貴公司董事對其他資料負責。其他資料包括年報所載資料，惟不包括綜合財務報表及本核數師報告。

我們對綜合財務報表的意見並無涵蓋其他資料，我們亦不對其他資料出具任何形式的核證結論。

就我們審核綜合財務報表而言，我們的責任為閱覽其他資料，考慮其他資料是否與綜合財務報表或我們審核時獲悉的資料嚴重不符，或有否其他重大錯誤陳述。倘我們基於本身工作認為其他資料有重大錯誤陳述，則須報告有關事實。我們對此無可報告。

董事及管理人士對綜合財務報表的責任

貴公司董事負責根據國際財務報告準則及香港《公司條例》的披露規定，編製真實及公平的綜合財務報表，同時負責董事認為必要的內部監控，確保綜合財務報表不存在因欺詐或錯誤導致的重大錯誤陳述。

編製綜合財務報表時，董事負責評估 貴集團的持續經營能力，披露（如適用）與持續經營有關的事項。除非董事擬將 貴集團清盤或停止營運，或除此之外並無其他可行辦法，否則須採用以持續經營為基礎的會計法。

管理人士負責監督 貴集團的財務報告程序。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgment 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.

核數師審核綜合財務報表的責任

我們的宗旨是按照協定的聘用條款合理確定綜合財務報表整體是否不存在因欺詐或錯誤導致的重大錯誤陳述，並僅向閣下發出載有我們意見的核數師報告，不作其他用途。我們不會就本報告的內容向任何其他人士承擔或接受任何責任。合理確定屬高層次的核證，但不保證根據國際審計準則進行審核工作總能察覺存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤而產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定，則視為重大錯誤陳述。

根據國際審計準則進行審計時，我們始終運用專業判斷，保持專業懷疑態度。我們亦：

- 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，設計及執行審計程序以應對該等風險，及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此不能發現因欺詐而導致重大錯誤陳述的風險高於不能發現因錯誤而導致重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策是否恰當及所作出會計估計和相關披露是否合理。

Independent Auditor's Report

獨立核數師報告

- 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.
- 對董事採用持續經營會計基礎是否恰當作出結論，並根據獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定因素，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定因素，則須在核數師報告中提請注意綜合財務報表中的相關披露。倘有關披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團旗下實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。我們負責指導、監督和執行集團審計。我們僅負責審核意見。

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

我們與管理人士溝通(其中包括)審計的計劃範圍、時間安排及重大審計發現，包括我們在審計過程中識別的內部監控重大缺失。

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

我們亦向管理人士聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

Independent Auditor's Report

獨立核數師報告

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

The engagement partner on the audit resulting in the independent auditor's report is Yam Siu Man.

從與管理人士溝通的事項中，我們釐定對本期間綜合財務報表審計至關重要的事項，因而成為關鍵審核事項。我們在核數師報告中說明該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則決定不應在報告中傳達該事項。

出具本獨立核數師報告的審計項目合夥人為任紹文。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

25 March 2017

德勤•關黃陳方會計師行
執業會計師
香港

二零一七年三月二十五日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收入	5	21,454,756	18,870,205
Cost of sales	銷售成本		(18,369,075)	(16,460,540)
Gross profit	毛利		3,085,681	2,409,665
Other income and other gains	其他收入及其他收益	6	159,655	313,167
Distribution and selling expenses	分銷及銷售開支		(813,088)	(798,063)
Administrative expenses	行政開支		(663,253)	(588,620)
Research and development expenses	研發開支		(576,890)	(475,188)
Other expenses and other losses	其他開支及其他虧損	7	(287,500)	(88,219)
Finance costs	融資成本	8	(193,123)	(223,837)
Share of result of associates	應佔聯營公司業績		(6,685)	(3,679)
Share of result of joint ventures	應佔合營企業業績		273	646
Profit before tax	除稅前利潤	9	705,070	545,872
Income tax expense	所得稅開支	12	(86,012)	(57,866)
Profit for the year	年內利潤		619,058	488,006
Other comprehensive (expense) income	其他全面(開支)收入			
Items that may be reclassified subsequently to profit or loss:	其後或會重新歸類為損益的項目：			
Exchange differences on translation of financial statements of foreign operations	換算海外業務財務報表的匯兌差異		(1,055)	(1,023)
Profit and total comprehensive income for the year	年內利潤及全面收入總額		618,003	486,983
Profit attributable to:	以下人士應佔利潤：			
Owners of the Company	本公司擁有人		503,796	331,669
Non-controlling interests	非控股權益		115,262	156,337
			619,058	488,006
Profit and total comprehensive income attributable to:	以下人士應佔利潤及全面收入總額：			
Owners of the Company	本公司擁有人		502,741	330,646
Non-controlling interests	非控股權益		115,262	156,337
			618,003	486,983
Earnings per share	每股盈利	13		
— Basic (RMB)	— 基本(人民幣元)		0.48	0.33
— Diluted (RMB)	— 攤薄(人民幣元)		0.48	0.33

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2016
於二零一六年十二月三十一日

		Notes 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	4,081,373	3,728,701
Prepaid lease payments	預付租賃款項	16	275,858	253,345
Investment properties	投資物業	17	41,815	36,868
Deferred tax assets	遞延稅項資產	18	353,028	266,848
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備所付按金		59,350	55,207
Goodwill	商譽	19	49,447	49,447
Intangible assets	無形資產	20	17,818	20,194
Interests in associates	於聯營公司之權益	22	49,002	48,491
Interests in joint ventures	於合營企業之權益	23	130,419	57,646
Prepayments and other receivables	預付款項及其他應收款項	29	28,153	44,808
Loan receivables	應收貸款	24	74,210	266,710
			5,160,473	4,828,265
CURRENT ASSETS	流動資產			
Inventories	存貨	25	2,315,830	2,066,792
Trade receivables	應收貿易賬款	26	1,610,574	1,128,623
Bills receivable	應收票據	27	1,168,573	540,268
Prepayments and other receivables	預付款項及其他應收款項	29	1,292,230	742,111
Amounts due from related parties	應收關聯方款項	49(c)	96,538	43,742
Prepaid lease payments	預付租賃款項	16	6,128	5,636
Loan receivables	應收貸款	24	199,511	46,000
Derivative financial instrument	衍生金融工具	40	18,905	–
Held-for-trading investments	持作買賣投資	41	2,178	–
Restricted bank deposits	受限制銀行存款	30	526,778	404,723
Bank balances and cash	銀行結餘及現金	30	588,439	960,960
			7,825,684	5,938,855
CURRENT LIABILITIES	流動負債			
Trade payables	應付貿易賬款	31	1,652,039	1,821,875
Bills payable	應付票據	32	1,076,491	641,916
Other payables and accruals	其他應付款項及應計費用	33	1,455,608	972,488
Amounts due to related parties	應付關聯方款項	49(c)	10,358	201
Income tax payable	應付所得稅		144,467	78,186
Obligations under finance leases	融資租賃項下的責任	37	100,781	51,555
Corporate bonds	企業債券	38	595,287	–
Provision	撥備	35	543,949	462,890
Bank borrowings	銀行借貸	36	1,665,025	1,389,729
			7,244,005	5,418,840
NET CURRENT ASSETS	流動資產淨額		581,679	520,015
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		5,742,152	5,348,280

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2016
於二零一六年十二月三十一日

		Notes 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	42	74,961	69,320
Reserves	儲備	43	3,228,003	2,515,320
Equity attributable to owners of the Company	本公司擁有人應佔權益		3,302,964	2,584,640
Non-controlling interests	非控股權益		848,457	730,892
TOTAL EQUITY	總權益		4,151,421	3,315,532
NON-CURRENT LIABILITIES	非流動負債			
Deferred income	遞延收入	34	249,286	183,011
Deferred tax liabilities	遞延稅項負債	18	1,768	5,614
Obligations under finance leases	融資租賃責任	37	74,219	174,353
Bank borrowings	銀行借貸	36	1,265,458	771,938
Convertible bonds	可換股債券	39	–	303,845
Corporate bonds	企業債券	38	–	593,987
			1,590,731	2,032,748
			5,742,152	5,348,280

The consolidated financial statements on pages 88 to 231 were approved and authorised for issue by the board of directors on 25 March 2017 and are signed on its behalf by:

第88頁至第231頁所載的綜合財務報表已於二零一七年三月二十五日獲董事會批准及授權刊發，並由下列董事代表簽署：

Zhou Mingming

周明明
DIRECTOR
董事

Zhou Longrui

周龍瑞
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

Equity attributable to owners of the Company 本公司擁有人應佔權益

		Share capital	Share premium	Statutory surplus reserve	Convertible bonds equity reserve	Other reserves	Exchange fluctuation reserve	Retained earnings	Total	Equity attributable to non-controlling interests	Total equity
		股本	股份溢價	法定盈餘儲備	可換股債券權益儲備	其他儲備	波動儲備	保留盈利	總計	非控股權益應佔權益	總計權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2015	於二零一五年一月一日	68,140	1,089	274,258	59,643	319,164	127	1,483,849	2,206,270	575,056	2,781,326
Profit for the year	年內利潤	-	-	-	-	-	-	331,669	331,669	156,337	488,006
Total comprehensive expenses for the year	年內全面開支總額	-	-	-	-	-	(1,023)	-	(1,023)	-	(1,023)
Dividend paid to non-controlling interests	已付非控股權益股息	-	-	-	-	-	-	-	-	(1,901)	(1,901)
Issue of shares upon conversion of convertible bonds (Note 39)	轉換可轉股債券時發行股份(附註39)	1,180	76,507	-	(7,067)	-	-	-	70,620	-	70,620
Redemption of convertible bonds (Note 39)	購回可轉股債券(附註39)	-	-	-	(22,896)	-	-	-	(22,896)	-	(22,896)
Capital contribution by non-controlling interests	非控股權益的注資	-	-	-	-	-	-	-	-	1,400	1,400
Transfer to reserves	撥入儲備	-	-	45,050	-	-	-	(45,050)	-	-	-
At 31 December 2015	於二零一五年十二月三十一日	69,320	77,596	319,308	29,680	319,164	(896)	1,770,468	2,584,640	730,892	3,315,532
Profit for the year	年內利潤	-	-	-	-	-	-	503,796	503,796	115,262	619,058
Total comprehensive expenses for the year	年內全面開支總額	-	-	-	-	-	(1,055)	-	(1,055)	-	(1,055)
Acquisition of additional interest in subsidiaries (Note)	收購一家附屬公司的額外權益(附註)	-	-	-	-	(698)	-	-	(698)	(22,974)	(23,672)
Issue of shares upon conversion of convertible bonds (Note 39)	轉換可轉股債券時發行股份(附註39)	5,641	339,705	-	(29,680)	-	-	-	315,666	-	315,666
Dividend paid to owners of the Company (Note 14)	已付本公司擁有人股息(附註14)	-	-	-	-	-	-	(99,385)	(99,385)	-	(99,385)
Dividend paid to non-controlling interests	已付非控股權益股息	-	-	-	-	-	-	-	-	(15,856)	(15,856)
Capital contribution by non-controlling interests	非控股權益的注資	-	-	-	-	-	-	-	-	41,133	41,133
Transfer to reserves	撥入儲備	-	-	82,359	-	-	-	(82,359)	-	-	-
At 31 December 2016	於二零一六年十二月三十一日	74,961	417,301	401,667	-	318,466	(1,951)	2,092,520	3,302,964	848,457	4,151,421

Note: On 22 January 2016, the Group (defined in Note 1) acquired 35% equity interest in a non-wholly owned subsidiary of the Group, 安徽永恒動力科技有限公司 (Anhui Yongheng Power Technology Co., Ltd.) ("Anhui Yongheng") at a consideration of RMB22,672,000. After the acquisition, the Group holds 100% equity interest in Anhui Yongheng.

On 31 October 2016, the Group acquired 10% equity interest in a non-wholly owned subsidiary of the Group, 重慶創元新能源科技有限責任公司 (Chongqing Chuangyuan New Power Technology Co., Ltd.) ("Chongqing Chuangyuan") at a consideration of RMB1,000,000. After the acquisition, the Group holds 100% equity interest in Chongqing Chuangyuan.

附註：於二零一六年一月二十二日，本集團(定義見附註1)收購其非全資附屬公司安徽永恒動力科技有限公司(「安徽永恒」)35%的股權，代價為人民幣22,672,000元。收購後，本集團持有安徽永恒全部股權。

於二零一六年十月三十一日，本集團收購其非全資附屬公司重慶創元新能源科技有限責任公司(「重慶創元」)10%的股權，代價為人民幣1,000,000元。收購後，本集團持有重慶創元全部股權。

Consolidated Statement of Cash Flows

綜合現金流量表

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		Notes 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
OPERATING ACTIVITIES	經營活動			
Profit before tax	除稅前利潤		705,070	545,872
Adjustments for:	調整：			
Interest income on bank deposits	銀行存款的利息收入	6	(22,767)	(31,942)
Interest income on loan receivables	應收貸款的利息收入	6	(16,665)	(15,433)
Share of result of joint ventures	應佔合營企業業績		(273)	(646)
Share of result of associates	應佔聯營公司業績		6,685	3,679
Gain on disposal of an associate	出售一家聯營公司收益		–	(43,258)
Finance costs	融資成本	8	193,123	223,837
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	348,646	319,550
Depreciation of investment property	投資物業折舊	17	2,212	1,737
Amortization of intangible assets	無形資產攤銷	20	2,376	2,376
Prepaid lease payments released to profit or loss	計入損益的預付租賃款項	16	5,800	5,631
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	7	15,522	22,754
Gain on changes in fair value of financial assets classified as held for trading	分類為持作買賣之金融資產公平值變動收益	6	(2,154)	–
Release of government grants from deferred income	由遞延收入發放政府補助	6	(14,510)	(9,353)
Allowance for bad and doubtful debts on trade receivables	應收貿易賬款的呆壞賬撥備	7	76,433	34,093
Allowance for bad and doubtful debts on other receivables	其他應收款項的呆壞賬撥備	7	3,815	17,649
Allowance for bad and doubtful debts on prepayments	預付款項的呆壞賬撥備	7	178,014	–
Allowance for inventories	存貨撥備	9	6,807	2,557
Provision for warranty	保證撥備	35	799,720	573,001
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量		2,287,854	1,652,104
Increase in inventories	存貨增加		(255,845)	(346,682)
Increase in receivables, deposits and prepayments	應收款項、按金及預付款項增加		(1,907,586)	(443,897)
(Increase)/decrease in amounts due from related parties	應收關聯方款項(增加)/減少		(9,593)	68,222
Increase in payables, deposits received and accrued charges	應付款項、已收按金及預提費用增加		744,645	1,280,959
Utilisation of provision for warranty	動用保證撥備	35	(718,661)	(551,639)
Increase (decrease) in amounts due to related parties	應付關聯方款項增加(減少)		10,157	(6,029)
Cash generated from operations	營運所得現金		150,971	1,653,038
Income tax paid	已付所得稅		(95,664)	(91,704)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net cash from operating activities	經營活動所得現金淨額		55,307	1,561,334
INVESTING ACTIVITIES	投資活動			
Purchase of property, plant and equipment	購買物業、廠房及設備		(673,711)	(555,387)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備所付按金		(59,350)	(55,207)
Purchases of financial instrument classified as held-for-trading	購買分類為持作買賣之金融工具		(5,781)	(9,681)
Disposal of financial instrument classified as held-for-trading	出售分類為持作買賣之金融工具		5,757	18,195
Purchases of investment property	購買投資物業	17	(7,159)	(12,445)
Addition to prepaid lease payments	預付租賃款項增加	16	(28,805)	(6,747)
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項		8,763	1,992
Cash paid for establishment of joint ventures	建立合營企業所付現金		(72,500)	(57,000)
Proceeds on disposal of an associate	出售一間聯營公司所得款項		-	20,000
Cash paid for establishment of associates	建立聯營公司所付現金		(8,400)	(10,551)
Collection of loan to an associate	追收聯營公司貸款		3,488	-
Government grants received	已收政府補助	34	80,785	38,805
Interest received	已收利息		39,432	47,375
Withdrawal of restricted bank deposits	提取受限制銀行存款		2,744,295	4,433,616
Placement of restricted bank deposits	存放受限制銀行存款		(2,866,350)	(4,563,285)
Purchases of derivative financial instruments	購買衍生金融工具		(65,900)	-
Disposal of derivative financial instruments	出售衍生金融工具		48,767	-
Advance of loan receivables	應收貸款墊款	24	(47,911)	(210,850)
Collection of loan receivables	追收應收貸款	24	86,900	83,140
Advance to related parties	向關聯方墊款		(43,203)	(20,010)
Net cash used in investing activities	投資活動所用現金淨額		(860,883)	(858,040)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016
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		Notes 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
FINANCING ACTIVITIES	融資活動			
New bank borrowings raised	新籌措的銀行借貸		4,041,429	3,571,369
Repayment of bank borrowings	償還銀行借貸		(3,272,613)	(3,854,672)
Proceed from finance leases	融資租賃所得款項		–	250,000
Repayment of finance lease payables	償還融資租賃應付款項		(50,000)	–
Repayments of short term financing notes	償還短期融資票據		–	(200,000)
Dividends paid	已付股息		(99,385)	–
Interest paid	已付利息		(187,940)	(281,062)
Dividends paid to non-controlling interest	已付非控股權益股息		(15,856)	(1,901)
Acquisition of additional interest in a subsidiary	收購一家附屬公司的額外權益		(23,672)	–
Capital contribution by non-controlling interests	非控股權益的注資		41,133	1,400
Redemption of convertible bonds	購回可轉股債券	39	–	(243,000)
Net cash from (used in) financing activities	融資活動所得(所用)現金淨額		433,096	(757,866)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(372,480)	(54,572)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物		960,960	1,016,555
Effects of exchange rate changes	匯率變動影響		(41)	(1,023)
Cash and cash equivalents at end of the year, represented by bank balances and cash	年終現金及現金等價物，以銀行結餘及現金表示		588,439	960,960

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016
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1. GENERAL INFORMATION

Chaowei Power Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 18 January 2010 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 7 July 2010. The addresses of the registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KYI-1205 Cayman Islands, and its principal place of business in the PRC is No. 12 Zhizhou Road, Xinxing Industrial Park, Zhicheng, Changxing, Zhejiang Province, PRC.

The consolidated financial statements are presented in Renminbi (“RMB”), the currency of the primary economic environment in which the Company and its subsidiaries (collectively referred to as the “Group”) operate (the functional currency of the Company and most of its subsidiaries). The Company is an investment holding company. The principal activities of the Company’s subsidiaries are set out in Note 21.

2. ADOPTION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

2.1 Amendments to IFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to IFRSs for the first time in the current year:

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

1. 一般資料

超威動力控股有限公司(「本公司」)於二零一零年一月十八日在開曼群島根據開曼群島公司法註冊成立為一家獲豁免有限公司，其股份自二零一零年七月七日起在香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處地址為P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KYI-1205 Cayman Islands，中國主要營業地點的地址為中國浙江省長興雒城新興工業園雒州大道12號。

綜合財務報表以人民幣(「人民幣」)呈列，人民幣乃本公司及其附屬公司(統稱「本集團」)經營所在主要經濟環境的貨幣(本公司及其大部分附屬公司的功能貨幣)。本公司為投資控股公司。本公司的附屬公司的主要業務載於附註21。

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)

2.1 本年度強制生效的國際財務報告準則修訂本

本集團於本年度首次採納以下國際財務報告準則修訂本：

國際財務報告準則第11號(修訂本)	收購合營業務權益之會計法
國際會計準則第1號(修訂本)	披露方案
國際會計準則第16號及國際會計準則第38號(修訂本)	可接受之折舊及攤銷方法之澄清
國際會計準則第16號及國際會計準則第41號(修訂本)	農業：生產性植物
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號(修訂本)	投資實體：應用綜合入賬的例外情況
國際財務報告準則(修訂本)	國際財務報告準則二零一二年至二零一四年週期之年度改進

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綜合財務報表附註

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2. ADOPTION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

2.1 Amendments to IFRSs that are mandatorily effective for the current year (continued)

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

2.2 New and amendments to IFRSs in issue but not yet effective

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

IFRS 9	<i>Financial Instruments</i> ¹
IFRS 15	<i>Revenue from Contracts with Customers and the related Amendments</i> ¹
IFRS 16	<i>Leases</i> ²
IFRIC 22	<i>Foreign Currency Transactions and Advance Consideration</i> ¹
Amendments to IFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ¹
Amendments to IFRS 4	<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts</i> ¹
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to IAS 7	<i>Disclosure Initiative</i> ⁴

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

2.1 本年度強制生效的國際財務報告準則修訂本(續)

於本年度應用該等國際財務報告準則修訂本對本集團本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載的披露並無重大影響。

2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則

本集團並無提早採納以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則：

國際財務報告準則第9號	金融工具 ¹
國際財務報告準則第15號	客戶合約收益及相關修訂 ¹
國際財務報告準則第16號	租賃 ²
國際財務報告詮釋委員會詮釋第22號	外幣交易及預付代價 ¹
國際財務報告準則第2號(修訂本)	以股份為基礎的付款交易之分類及計量 ¹
國際財務報告準則第4號(修訂本)	同時應用國際財務報告準則第9號「金融工具」與國際財務報告準則第4號「保險合約」 ¹
國際財務報告準則第10號及國際會計準則第28號(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注資 ³
國際會計準則第7號(修訂本)	披露方案 ⁴

Notes to the Consolidated Financial Statements

綜合財務報表附註

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2. ADOPTION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

2.2 New and amendments to IFRSs in issue but not yet effective (continued)

Amendments to IAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses⁴</i>
Amendments to IFRSs	<i>Annual Improvements to IFRSs Standards 2014–2016 Cycle⁵</i>

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

IFRS 9 Financial Instruments

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

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際會計準則 第12號(修訂本)	未實現損失之遞延稅項 資產之確認 ⁴
國際財務報告準則 (修訂本)	國際財務報告準則 二零一四年至 二零一六年週期之 年度改進 ⁵

- ¹ 於二零一八年一月一日或之後開始的年度生效
- ² 於二零一九年一月一日或之後開始的年度生效
- ³ 於待釐定日期或之後開始的年度生效
- ⁴ 於二零一七年一月一日或之後開始的年度生效
- ⁵ 於二零一七年一月一日或二零一八年一月一日(如適當)或之後開始的年度生效

國際財務報告準則第9號「金融工具」

國際財務報告準則第9號引入金融資產、金融負債之分類及計量、一般對沖會計處理方法與金融資產減值的新規定。

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2. ADOPTION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

2.2 New and amendments to IFRSs in issue but not yet effective (continued) IFRS 9 Financial Instruments (continued)

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at ‘fair value through other comprehensive income’ (“FVTOCI”). All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第9號「金融工具」(續)

國際財務報告準則第9號的主要規定：

- 屬國際財務報告準則第9號範圍內之所有已確認金融資產其後均須按攤銷成本或公平值計量。特別是目的為收集合約現金流量之業務模式內所持有，及合約現金流量僅為償還本金及尚未償還本金所生利息之債項投資，一般於其後會計期間結算日按攤銷成本計量。於目的為同時收集合約現金流量及出售金融資產的業務模式內所持有的債務工具，以及合約條款令於特定日期產生的現金流僅為支付本金及未償還本金的利息的債務工具，一般按公平值計入其他全面收益(「按公平值計入其他全面收益」)內計量。所有其他債項投資及股本投資均於其後會計期間結算日按公平值計量。此外，根據國際財務報告準則第9號，實體可能不可撤銷地選擇在其他全面收益中呈列股權投資之公平值變動(持作買賣用途及收購方於國際財務報告準則第3號所適用之業務合併中確認的或然代價除外)，並一般只在損益中確認股息收入。

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2. ADOPTION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

2.2 New and amendments to IFRSs in issue but not yet effective (continued) IFRS 9 Financial Instruments (continued)

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

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續) 國際財務報告準則第9號「金融工具」(續)

- 就指定為按公平值計入損益之金融負債的計量而言，國際財務報告準則第9號規定，信貸風險變動應佔之金融負債公平值變動金額須於其他全面收益呈列，除非在其他全面收益確認的負債之信貸風險變動影響會導致或擴大損益之會計錯配。金融負債信貸風險應佔之公平值變動其後不會重新分類至損益。根據國際會計準則第39號，指定為按公平值計入損益之金融負債的公平值變動全部金額於損益呈列。
- 就金融資產減值而言，與國際會計準則第39號項下按已產生信貸虧損模式計算相反，國際財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式需要實體於各報告日期將預期信貸虧損及該等信貸虧損的預期變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

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2. ADOPTION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

2.2 New and amendments to IFRSs in issue but not yet effective (continued) IFRS 9 Financial Instruments (continued)

Application of IFRS 9 in the future may have a material impact on the classification and measurement of the Group’s financial assets. The directors of the Company (the “Directors”) are of the view that the expected credit loss model may result in early and additional provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs.

IFRS 15 Revenue from Contracts with Customers

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

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

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第9號「金融工具」(續)

日後應用國際財務報告準則第9號可能對本集團金融資產之分類及計量有重大影響。本公司董事(「董事」)認為預期的信貸虧損模型可能會導致本集團按攤銷成本計量的金融資產提前及額外進行信貸虧損撥備，而目前尚未產生。

國際財務報告準則第15號「客戶合約收益」

已頒佈的國際財務報告準則第15號制定一項單一全面模式供實體用作將自客戶合約所產生的收益入賬。於國際財務報告準則第15號生效後，其將取代國際會計準則第18號「收益」、國際會計準則第11號「建築合約」及相關詮釋等現有收益確認指引。

國際財務報告準則第15號的核心原則為，實體為說明向客戶轉讓承諾貨品或服務所確認的收益，金額應為反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入收益確認的五步驟方針：

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2. ADOPTION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (continued)

2.2 New and amendments to IFRSs in issue but not yet effective (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

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

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

In April 2016, the International Accounting Standards Board (“IASB”) issued Clarifications to IFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The Directors anticipate that the application of IFRS 15 in the future may result in more disclosures, however, the Directors do not anticipate that the application of IFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

2.2 已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第15號「客戶合約收益」(續)

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約義務
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約義務
- 第五步：於(或在)實體履行履約義務時確認收益

根據國際財務報告準則第15號，實體於(或在)履行履約義務時確認收益，即於特定履約義務相關的商品或服務的「控制權」轉讓予客戶時。國際財務報告準則第15號已加入更規範的指引，以處理具體情況。此外，國際財務報告準則第15號要求詳盡披露。

二零一六年四月，國際會計準則理事會(「國際會計準則理事會」)頒佈對國際財務報告準則第15號之澄清，內容有關識別履約責任、主體對代理代價及發牌應用指引。

董事預期日後應用國際財務報告準則第15號可能導致更多披露，但董事預期應用國際財務報告準則第15號不會對於各報告期間確認收益的時間及金額有重大影響。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance ("CO").

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

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

3. 主要會計政策

綜合財務報表已按照國際會計準則理事會頒佈的國際財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港《公司條例》（「公司條例」）規定之適用披露。

如下文會計政策所述，綜合財務報表乃按歷史成本基準編製，惟若干金融工具按公平值計算除外。

歷史成本一般基於為交換貨品而付出的代價的公平值。

公平值為於計量日期市場參與者之間所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，而不論該價格為直接觀察或使用另一種估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公平值時會考慮該等特點。此等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬於國際財務報告準則第2號範圍的以股份支付的交易、屬於國際會計準則第17號範圍內的租賃交易，以及與公平值有部分相若地方但並非公平值的計量，例如國際會計準則第2號內的可變現淨額或國際會計準則第36號的使用價值除外。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

3. 主要會計政策(續)

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

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

主要會計政策於下文載列。

綜合基準

本綜合財務報表包括本公司及由本公司控制實體(其附屬公司)的財務報表。本公司於下列情況擁有控制權：

- 對被投資公司行使權力；
- 參與被投資公司的業務獲得或有權獲得可變回報；及
- 能利用其權力影響其回報。

倘有事實及情況顯示上述三項控制因素的一項或多項出現變化，本公司將重新評估其是否控制被投資公司。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

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

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

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

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

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 主要會計政策(續)

綜合基準(續)

綜合附屬公司於本公司取得附屬公司的控制權時開始，並於本公司失去附屬公司的控制權時終止。尤其是，於年內收購或出售附屬公司的收入及開支，會由本公司取得控制的日期直至本公司失去附屬公司的控制權當日計入綜合損益及其他全面收益表。

損益及其他全面收入的各個項目會分配予本公司擁有人及非控股權益。即使導致非控股權益錄得虧絀結餘，附屬公司的全面收入總額會分配予本公司擁有人及非控股權益。

附屬公司的財務報表於必要時會作出調整，以令其會計政策與本集團會計政策一致。

所有集團內公司間的資產及負債、權益、收入、開支及與本集團成員公司之間交易有關的現金流於綜合賬目時對銷。

本集團並無失去控制權的附屬公司所有權變更作為股本交易入賬。本集團權益和非控股權益賬面值將予調整以反映附屬公司相關權益變更。非控股權益調整金額與收付代價公平值的差額直接於股本確認，歸屬予本公司擁有人。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is 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 acquisition.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. 主要會計政策(續)

商譽

因收購業務而產生的商譽按成本減累計減值虧損(如有)列賬及於綜合財務狀況表中分開呈列。

就減值測試而言，商譽分配至預期會因收購的協同效益而受惠的本集團各相關現金產生單位(或現金產生單位組合)。

獲分配商譽的現金產生單位每年進行減值測試，亦會於有跡象顯示單位可能出現減值時作出更頻繁的減值測試。就於某一報告期間自收購產生的商譽而言，獲分配商譽的現金產生單位於該報告期間結束前進行減值測試。倘若現金產生單位的可收回金額低於其賬面值，則先將有關減值虧損分配，以減低該單位已獲分配的任何商譽的賬面值，再按該單位每項資產的賬面值按比例分配至該單位的其他資產。商譽的任何減值虧損直接在損益中確認，且不會於往後期間撥回。

於出售相關現金產生單位時，釐定出售盈虧時須計入應佔商譽。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures

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

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

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. 主要會計政策(續)

於聯營公司及合營企業的投資

聯營公司乃本集團對其擁有重大影響力之實體。重大影響力乃參與被投資公司財務及營運決策之能力，但非對該等政策行使控制或共同控制權。

合營企業指一項聯合安排，對安排有共同控制權之訂約方據此對聯合安排之資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當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。

聯營公司或合營企業之業績及資產與負債以權益會計法計入該等綜合財務報表內。在類似情況下的交易及事件，聯營公司及合營企業就權益會計目的而編製的財務報表採用與本集團相同的會計政策。根據權益法，於聯營公司或合營企業之投資最初乃按成本於綜合財務狀況表確認，並隨後調整以確認本集團應佔聯營公司或合營企業之損益及其他全面收入。當本集團應佔聯營公司或合營企業之虧損超過本集團於該聯營公司或合營企業之權益(包括實際上構成本集團對聯營公司或合營企業投資淨額部分之任何長期權益)時，本集團不再確認其分佔之進一步虧損。本集團僅會在其須向該聯營公司或合營企業承擔法律或推定義務，或代其支付款項之情況下，確認額外虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and joint ventures (continued)

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

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

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortization and any accumulated impairment losses/revalued amounts, being their fair value at the date of the revaluation less subsequent accumulated amortization and any accumulated impairment loss, on the same basis as intangible assets that are acquired separately.

The licensed technology and trademark are amortised on a straight-line basis over their estimated useful lives of 10 years.

3. 主要會計政策(續)

於聯營公司及合營企業的投資(續)

於被投資公司成為一間聯營公司或合營企業當日，聯營公司或合營企業之權益開始採用權益法入賬。收購於聯營公司或合營企業之權益時，收購成本超過本集團應佔被投資公司可識別資產及負債之公平值淨額的部分將確認為商譽，並計入投資賬面值。本集團應佔可識別資產及負債之公平值淨額超過投資成本的部分，經重新評估後即時於收購投資期間在損益內確認。

倘一家集團實體與本集團的聯營公司或合營企業進行交易，由該聯營公司或合營企業交易所產生之損益僅會在有關聯營公司或合營企業的權益與本集團無關之情況下，才會於本集團之綜合財務報表確認。

無形資產

業務合併中收購的無形資產

業務合併中收購的無形資產與商譽分開確認，及初步按其於收購日期的公平值確認(視作其成本)。

初步確認後，業務合併中收購的具有特定使用年期的無形資產根據另外已收購無形資產的相同基準，按成本減累計攤銷及任何累計減值虧損/重估金額(即重估日期公平值減隨後累計攤銷及任何累計減值虧損)申報。

特許技術及商標於其估計可使用年期10年內按直線法攤銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

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

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from sale of goods is recognised when the goods are delivered and title has passed.

Deposits received from customers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

3. 主要會計政策(續)

收入確認

收入按已收或應收代價的公平值計量，指於日常業務過程中出售貨品而應收的金額，並扣除折扣及銷售相關稅項。

收入於金額可準確計量、未來經濟利益可能流入本集團或符合上文所述本集團相關活動的特定標準時確認。

出售貨品的收入於交付貨品及轉移擁有權時確認。

於符合上述收入確認的條件前，自客戶收取的按金會於綜合財務狀況表內的流動負債入賬。

金融資產的利息收入於經濟利益可能流入本集團，且該收入金額能夠可靠地計量時確認。利息收入乃參照未償還本金按適用的實際利率以時間基準累計，實際利率乃將估計日後現金收入按金融資產的預期使用年期準確貼現至該資產於初步確認時的賬面淨值的利率。

投資所得的股息收入於股東收取股息的權利獲確立時確認(倘經濟利益可能將會流入本集團，且該收入金額能夠可靠地計量)。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

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

Depreciation is provided to write off the cost of items of property, plant and equipment other than construction in progress over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

3. 主要會計政策(續)

物業、廠房及設備

除在建工程外，物業、廠房及設備(包括持作生產或供應產品或服務或作行政用途的樓宇)於綜合財務狀況表內按成本減其後的累計折舊及累計減值虧損(如有)列賬。

折舊乃以直線法按物業、廠房及設備項目(在建工程除外)的估計可使用年期並計及其估計剩餘價值後撇銷其成本。估計可使用年期、剩餘價值以及折舊方法於各報告期結束時進行審閱，任何估計變動的影響按預計基準入賬。

在建工程包括持作生產或自用的在建物業、廠房及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程竣工及可投入擬定用途時，將歸類為適當類別之物業、廠房及設備。該等資產按與其他物業資產相同的基準，於該等資產可作為擬定用途時開始計算折舊。

物業、廠房及設備項目於出售時或預計持續使用資產不會產生未來經濟利益時取消確認。取消確認資產產生之任何利得或損失，為該項目之出售所得款項淨額與賬面值之差額，並於該項目取消確認期間之損益入賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

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

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

Leasing

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

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

3. 主要會計政策(續)

投資物業

投資物業乃為賺取租金及／或為資本增值而持有之物業。

投資物業初步按成本計量，並包括任何直接應佔支出。於初步確認後，投資物業乃按成本減其後累計折舊及任何累計減值虧損列賬。確認折舊乃為於計及將投資物業的剩餘價值後，以直線法將投資物業成本於其估計可使用年內撇銷。

投資物業於出售、永久停用及預期出售不會帶來未來經濟利益時終止確認。終止確認資產所產生任何利得或損失乃按出售所得款項淨額與資產賬面值的差額計算，於該項目終止確認之期間計入損益。

租賃

凡租賃條款將擁有權的絕大部分風險及回報轉讓予承租人者均屬融資租賃。所有其他租賃則列作經營租賃。

本集團作為出租人

經營租賃的租金收入按相關租期以直線法於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

Leasehold land and building

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

3. 主要會計政策(續)

租賃(續)

本集團作為承租人

以融資租賃持有的資產初步以其租約訂立時的公平值或(如屬較低者)以最低租賃付款的現值確認為本集團資產。出租人相應的負債則作為融資租賃責任計入綜合財務狀況表內。

租賃付款乃於融資開支與租賃責任之減少間分配，從而就負債餘額達致固定利率。融資開支即時於損益確認，除非其直接與合資格資產有關，於該情況下，該等開支將根據本集團有關借貸成本的一般政策撥充資本。或然租金於產生期間確認為開支。

經營租賃之租金於有關租期按直線法確認為開支。作為訂立經營租賃之獎勵的已收及應收利益亦於租期內以直線法確認為租金開支之減少。

租賃土地及樓宇

當租約包括土地及樓宇部分，本集團根據對附於各部分所有權的絕大部分風險及回報是否已轉移本集團之評估，分別將各部分的分類評定為融資或經營租賃，惟該兩部分均明顯為經營租賃(在此情況下，整份租約歸類為經營租賃)除外。具體而言，最低租賃款項(包括任何一筆過預付款項)於租約訂立時按租約土地部分及樓宇部分中的租賃權益相對公平值比例於土地與樓宇部分間分配。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

Leasehold land and building (continued)

To the extent the allocation of the lease payment can be made reliably, whilst the building element is classified as property, plant and equipment or investment property, as appropriate, interest in leasehold land is accounted for as an operating lease and presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency, i.e. RMB).

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

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

Borrowing costs

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

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

3. 主要會計政策(續)

租賃(續)

租賃土地及樓宇(續)

倘租賃款項能可靠分配，而樓宇部分分類為物業、廠房及設備或投資物業(視何者適用)，租賃土地權益會作為經營租賃入賬，並於綜合財務狀況表中呈列為「預付租賃款項」，及於租期內按直線基準攤銷。

外幣

各集團實體的個別財務報表均以該實體營運所在的主要經濟環境之貨幣(即其功能貨幣人民幣)列賬。

在編製各個實體的財務報表時，以實體功能貨幣以外的貨幣(外幣)進行的交易按交易日期的當時匯率入賬。於各報告期結束時，以外幣計值的貨幣項目按該日適用的匯率重新換算。按外幣的歷史成本計量的非貨幣項目不會重新換算。

結算及換算貨幣項目產生之匯兌差額，在產生期間於損益確認。

借貸成本

收購、建造或生產合資格資產(即需要大量時間方可作其擬定用途或供銷售的資產)直接應佔的借貸成本，將加入該等資產的成本，直至有關資產大致可用於其擬定用途或銷售。

所有其他借貸成本均在產生期間於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants related to depreciable assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets. Other government grants are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefits costs

Payments to defined contribution retirement benefits schemes, including state-managed retirement benefits schemes in the People's Republic of China (the "PRC") and the Mandatory Provident Fund Scheme, are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策(續)

政府補助

政府補助在有合理確定本集團會遵守政府補助附帶條件及收取補助時方會確認。

政府補助於本集團將該等補助擬定補償的相關費用確認為開支的期間內，有系統地於損益中確認。與折舊資產有關的政府補助於綜合財務狀況表確認為遞延收入，並於相關資產的可使用年期內按系統及合理的基準撥入損益。其他的政府補助於該等補助與其擬定補償的費用所需相符期間有系統地確認為收入。補償已產生開支或虧損或向本集團即時提供財務資助而不涉及日後相關費用的應收政府補助，於收取期間在損益確認。

退休福利成本

向中華人民共和國(「中國」)國家管理退休福利計劃及強制性公積金計劃等定額供款退休福利計劃作出的供款，乃於僱員提供可使其享有供款的服務時確認為開支。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

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

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

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

3. 主要會計政策(續)

稅項

所得稅開支指即期應付稅項及遞延稅項總和。

即期應付稅項按年內應課稅利潤計算。由於應課稅利潤不包括其他年度應課稅或可扣稅的收支項目，亦不包括毋須課稅或不可扣稅的項目，故與綜合損益及其他全面收益表所列的「除稅前利潤」不同。本集團的即期稅項負債按報告期結束時已頒佈或實際上已頒佈的稅率計算。

遞延稅項乃按綜合財務報表內的資產及負債賬面值與計算應課稅利潤所用的相應稅基之間的暫時差額確認。所有應課稅暫時差額一般會確認遞延稅項負債。倘可動用應課稅利潤扣除可扣稅暫時差額，則所有可扣稅暫時差額一般會確認遞延稅項資產。倘若因商譽或交易中首次確認(業務合併除外)其他資產及負債而引致之暫時差額並不影響應課稅利潤或會計利潤時，則不會確認該等資產及負債。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

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

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities. Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and the deferred tax are also recognised in other comprehensive income or directly in equity respectively. When current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項負債乃就於附屬公司及聯營公司之投資和合營企業之權益產生的應課稅暫時差額確認，惟倘本集團能夠控制暫時差額之撥回及暫時差額於可見將來不會撥回則除外。該等投資及利益相關的可扣稅暫時差額產生的遞延稅項資產，僅於有足夠應課稅利潤以動用扣除暫時差額及預計將於可見將來撥回時確認。

遞延稅項資產的賬面值於各報告期結束時覆核。倘不再可能有足夠應課稅利潤，以收回全部或部分資產，則削減遞延稅項資產的賬面值。

遞延稅項資產及負債根據各報告期結束時已實施或大致已實施的稅率(及稅法)，按清償負債或變現資產期間內的預計適用稅率計量。遞延稅項負債及資產的計量，反映本集團於各報告期結束時預計收回或償付其資產及負債賬面值時產生的稅務後果。當期及遞延稅項於損益確認，惟倘稅項與其他全面收入或直接於權益確認的項目有關，在此情況下，當期及遞延稅項分別於其他全面收入或直接於權益中確認。倘當期及遞延稅項為首次將業務合併入賬而產生，將業務合併入賬時將計入稅務影響。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Research and development expenditure

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

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

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

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

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any).

3. 主要會計政策(續)

研發開支

研究活動的開支在產生期間確認為開支。

當且僅當所有下列事項已獲證實，則由開發活動(或內部項目的開發階段)產生的內部產生無形資產予以確認：

- 在技術可行性上能完成無形資產以供使用或出售；
- 有意完成無形資產及使用或出售該資產；
- 使用或出售無形資產的能力；
- 無形資產日後產生經濟利益的方式；
- 可動用適當科技、財務及其他資源完成開發及使用或出售無形資產；及
- 可於開發期間可靠計算無形資產應佔的開支時。

就內部產生的無形資產而初步確認的金額指從無形資產首次符合上文所列的確認條件日期起所產生的總開支。倘不能確認內部產生的無形資產，則開發開支會於產生期間內於損益確認。

初步確認之後，內部產生的無形資產乃按成本減累計攤銷及累計減值虧損(如有)呈報。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs necessary to make the sale.

Impairment of tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

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

3. 主要會計政策(續)

存貨

存貨按成本及可變現淨值的較低者入賬。成本包括直接材料及(如適用)直接勞工成本以及將存貨送至現有位置及達致現有狀況的其他費用。成本按加權平均法計算。可變現淨值指估計售價減所有估計完工及銷售所需成本。

有形及無形資產減值(商譽除外)(見上文有關商譽的會計政策)

於各報告期結束時，本集團審閱其具有限可使用年期的有形及無形資產的賬面值，以釐定該等資產有否有任何減值虧損跡象。倘出現任何有關跡象，則會估計資產的可收回金額，以釐定減值虧損(如有)的幅度。倘個別資產的可收回金額不可能估計，本集團會估計該資產所屬的現金產生單位的可收回金額。倘能確認合理及貫徹的分配基準，企業資產亦可分派至個別現金產生單位，否則，則將企業資產分配至能確認合理及貫徹分配基準的最細現金產生單位組別。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (continued)

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

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

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

3. 主要會計政策(續)

有形及無形資產減值(商譽除外)(見上文有關商譽的會計政策)(續)

可收回金額為公平值減銷售成本與使用價值之間的較高者。於評估使用價值時，估計未來現金流量會採用反映現時市場對貨幣時間價值及資產特殊風險的評估的稅前貼現率，貼現至其現有價值，而有關的估計未來現金流量為未經調整。

倘估計資產(或現金產生單位)的可收回金額低於其賬面值，則該項資產(或現金產生單位)的賬面值會調減至其可收回金額。減值虧損分配方面，減值虧損首先分配以調減商譽(如適用)賬面值，然後按所佔單位各資產賬面值的比例分配至其他資產。資產賬面值不會調減至低於公平值減出售成本(如可計量)、使用價值(如可計量)與零三者中的最高者。原應分配至資產的減值虧損按比例分配至單位中的其他資產。減值虧損會即時於損益確認，惟相關資產按其他標準重估入賬的情況除外，該情況下減值虧損視作該標準下的估值調減。

倘減值虧損其後撥回，資產(或現金產生單位)的賬面值將增至經修訂的估計可收回金額，惟增加後的賬面值不得超過於過往年度資產(或現金產生單位)並無確認減值虧損而釐定的賬面值。減值虧損的撥回確認為收入。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

Provisions for the expected cost of warranty obligations under the relevant sale of goods legislation are recognised at the date of sale of the relevant products, at the Directors' best estimate of the expenditure required to settle the Group's obligation.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instruments.

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

Financial assets

The Group's financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' ("FVTPL") and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策(續)

撥備

根據銷售合約的保修責任預期成本於有關產品的銷售日期按董事對清償本集團責任所需開支的最佳估計確認撥備。

金融工具

倘集團實體成為工具合約條文的訂約方時，金融資產及金融負債於綜合財務狀況表確認。

金融資產及金融負債初步乃按公平值計量。收購或發行金融資產及金融負債(除透過損益按公平值列賬的金融資產及金融負債外)直接應佔之交易成本在初步確認時於金融資產或金融負債之公平值加入或扣除(視乎情況而定)。收購透過損益按公平值列賬的金融資產或金融負債的直接交易成本即時於損益確認。

金融資產

本集團的金融資產可分為以下指定類別：透過損益按公平值列賬(「透過損益按公平值列賬」)的金融資產及貸款及應收款項。金融資產視乎其性質及目的而分類，並於初步確認時釐定。金融資產的所有常規買賣於交易當日確認或終止確認。常規買賣指須於市場規定或慣例所訂時限內交付資產之金融資產購入或出售。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Effective interest method

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

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

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

實際利率法

實際利率法為計算債務工具的攤銷成本以及於相關期間分配利息收入的一種方法。實際利率為按金融資產的預計年期或(如適用)較短期間把估計未來現金收入(包括構成實際利率組成部分的已付或已收的全部費用、交易成本及其他溢價或折讓)準確貼現至初步確認時的賬面淨值的利率。

債務工具的利息收入按實際利率基準確認，並於其他收入列賬，惟分類為透過損益按公平值列賬的金融資產除外，其利息收入乃於收益或虧損淨額列賬。

透過損益按公平值列賬的金融資產

倘金融資產為(i)收購方就國際財務報告準則第3號所指業務合併支付的部分或然代價，(ii)持作買賣，或(iii)指定為透過損益按公平值列賬，該等金融資產會被分類為透過損益按公平值列賬。

如有以下情況，金融資產歸類為持作買賣：

- 購入該資產主要為短期內出售；或
- 該資產於初步確認時屬於本集團一併管理的已識別金融工具組合之一部分，而該組合近期出現短線獲利的實際模式；或
- 該資產並非指定及有效作為對沖工具的衍生工具。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets at FVTPL (continued)

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

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

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the other expenses and other losses line item. Fair value is determined in the manner described in Note 45(e).

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

透過損益按公平值列賬的金融資產(續)

金融資產(持作買賣的金融資產除外)可於下列情況下於初步確認時指定為透過損益按公平值列賬:

- 該指定消除或大幅減少可能會出現的計量或確認方面的一致; 或
- 該金融資產構成一組金融資產或金融負債或兩者的一部分, 而根據本集團制定的風險管理或投資策略, 該項資產的管理及績效乃以公平值為基礎進行評估, 且有關分組之資料乃按此基準向內部提供; 或
- 其構成包含一項或多項嵌入式衍生工具的合約的一部分, 而國際會計準則第39號金融工具: 確認及計量允許將整個組合合約(資產或負債)指定為透過損益按公平值列賬。

透過損益按公平值列賬的金融資產乃按公平值計量, 而因重新計量產生的任何收益或虧損在損益中確認。於損益中確認的收益或虧損淨額包括就金融資產賺取的任何股息或利息, 並計入其他開支及其他虧損一項。公平值乃按附註45(e)所述的方式釐定。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Loan and receivables

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

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項

貸款及應收款項為並無於活躍的市場報價而附帶固定或可釐定付款的非衍生金融資產。於初步確認後，貸款及應收款項(包括應收貿易賬項、應收票據、其他應收款項、應收貸款、應收關聯方款項、受限制銀行存款以及銀行結餘)使用實際利率法按攤銷成本減任何已識別減值虧損列賬(見下述有關貸款及應收款項減值虧損的會計政策)。

利息收入採用實際利率法確認，惟折讓影響甚微的短期應收款項除外。

金融資產減值

金融資產(透過損益按公平值列賬的金融資產除外)於各報告期結束時評估有否減值跡象。倘有客觀證據證明金融資產因於初步確認金融資產後發生一項或多項事件，而導致金融資產的估計未來現金流量受影響，則金融資產將視為已減值。

就可供出售股本投資而言，該項投資的公平值大幅或持續下跌至低於其成本，將視為客觀的減值證據。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counter party; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as trade receivables and other receivables, that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period of 15 days, observable changes in national or local economic conditions that correlate with default on receivables.

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

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就所有其他金融資產而言，客觀減值證據包括：

- 發行人或交易對手遇上重大財政困難；或
- 違約，例如拖欠利息或本金還款；或
- 借款人可能將破產或進行財務重組；或
- 因財政困難而導致該金融資產失去活躍市場。

就若干類別之金融資產(例如應收貿易賬款及其他應收款項)而言，個別評估為並無減值之資產，將再次以合併基準進行減值評估。應收款項組合的客觀減值證據可包括本集團的收款經驗、組合內超過信貸期15日的延遲付款數目增加、與遭拖欠的應收款項相關之全國或地區經濟情況的顯著變動。

就按已攤銷成本列賬的金融資產而言，所確認的減值虧損為資產的賬面值與按金融資產原有實際利率貼現的估計未來現金流量現值間的差額。

就按成本列賬的金融資產而言，減值虧損金額為資產的賬面值與按同類金融資產當前市場回報率貼現的估計未來現金流量現值間的差額。有關減值虧損將不會於往後的期間撥回。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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

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

Financial liabilities and equity instruments

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

Equity instruments

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

所有金融資產應佔的減值虧損會直接於金融資產的賬面值扣減，惟應收貿易賬款及其他應收款項除外，其賬面值透過撥備賬扣減。撥備賬的賬面值變動會於損益確認。當應收貿易賬款及其他應收款項被視為不可收回時，將於撥備賬撇銷。其後收回先前撇銷的款項計入損益。

就按攤銷成本計量的金融資產而言，倘往後期間的減值虧損金額減少，而減幅可客觀與確認減值虧損後發生的事件有關，則先前確認的減值虧損於損益撥回，惟該資產於減值撥回當日的賬面值不得超過無確認減值時的攤銷成本。

金融負債及權益工具

由集團實體發行的金融負債及權益工具按所訂立的合約安排內容，以及金融負債及權益工具的定義分類為金融負債或權益。

權益工具

權益工具為證明於本集團資產剩餘權益(經扣除其所有負債)的任何合約。由本集團發行的權益工具乃按已收所得款項扣除直接發行成本確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including bank borrowings, trade payables, bills payable, other payables, amounts due to related parties, corporate bonds, obligations under finance leases and convertible bonds are subsequently measured at amortised cost, using the effective interest method.

Convertible bonds

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the convertible bonds into equity, is included in equity (convertible bonds equity reserve).

3. 主要會計政策(續)

金融工具(續)

金融負債及權益工具(續)

實際利率法

實際利率法為計算金融負債攤銷成本以及於有關期間分配利息開支的方法。實際利率為將於金融負債的預期年期或(如適用)較短期間內的未來現金付款(包括所有構成實際利率不可或缺部分的已付或已收費用及利率差價、交易費用及其他溢價或折讓)貼現至初步確認時的賬面淨額的利率。

利息開支按照實際利息基準確認。

金融負債

金融負債包括銀行借貸、應付貿易賬款、應付票據、其他應付款項、應付關聯方款項、企業債券、融資租賃責任及可換股債券，其後按攤銷成本以實際利率法計量。

可換股債券

本集團所發行包含負債及兌換選擇權部分的可換股債券，乃於初步確認時根據所訂立合約安排內容以及金融負債及股本工具的定義，獨立分類為相關項目。將以固定金額現金或另一項金融資產交換本公司本身固定數目的股本工具方式結算的兌換選擇權乃分類為股本工具。

於初步確認時，負債部分的公平值乃按類似不可轉換債務的現行市場利率釐定。發行可換股債券的所得款項總額與撥往負債部分的公平值的差額(代表讓持有人將可換股債券轉換為權益的兌換選擇權)應列入權益(可換股債券權益儲備)內。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Convertible bonds (continued)

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds equity reserve until the embedded option is exercised (in which case the balance stated in convertible bonds equity reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible bonds equity reserve will be released to the retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益工具(續)

可換股債券(續)

於隨後期間，可換股債券的負債部分乃以實際利率法按攤銷成本列賬。權益部分(代表可將負債部分轉換為本公司普通股的選擇權)將保留於可換股債券權益儲備內，直至該嵌入式選擇權獲行使為止(於此情況下，可換股債券股本權益儲備的結餘將轉撥至股份溢價)。倘選擇權於到期日尚未獲行使，可換股債券股本權益儲備的結餘將解除至保留盈利。選擇權獲轉換或到期時不會於損益中確認任何盈虧。

發行可換股債券的交易成本，按所得款項總額的分配比例撥往負債及權益部分。權益部分的交易成本會直接於權益中扣除。負債部分的交易成本計入負債部分的賬面值，並以實際利率法於可換股債券期限內攤銷。

衍生金融工具

衍生工具於衍生工具合約訂立日期初步按公平值確認，其後於報告期結束時按公平值重新計量。產生的損益即時於損益確認，惟衍生工具指定及作為對沖工具時，於損益確認的時機視乎對沖關係性質而定。

嵌入式衍生工具

非衍生主合約嵌入式衍生工具若符合衍生工具定義、其風險及特徵與主合約無緊密關聯且主合約並非透過損益按公平值計量，則該衍生工具視為單獨的衍生工具。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derecognition

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

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

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

3. 主要會計政策(續)

金融工具(續)

終止確認

本集團僅會於自資產收取現金流的合約權利屆滿時，或將金融資產及該資產所有權的絕大部分風險及回報轉讓至另一實體時，方會終止確認金融資產。倘本集團並未轉移亦無保留所有權的絕大部分風險及回報，並繼續控制已轉讓的資產，則只要本集團繼續參與有關資產及確認相關負債，本集團將繼續確認確資產。倘本集團仍保留已轉讓金融資產的所有權的絕大部分風險及回報，本集團將繼續確認該金融資產，並將就所收取的所得款項確認一項有抵押借貸。

終止確認整項金融資產時，資產賬面值與已收及應收代價總和之金額以及於其他全面收入確認之累積盈虧之差額會於損益確認。

本集團僅於本集團的負債獲解除、取消或到期時，方終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價之差額於損益確認。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at 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 financial year.

Warranty

The Group provides a warranty up to fifteen months on all lead-acid motive battery products. Under the terms of warranty, the Group undertakes to repair or replace the battery free of charge in the event of any malfunctioning within the warranty period.

Estimated costs related to product warranty are accrued at the time of sale and are based upon past warranty claims and unit sales history and adjusted as required to reflect actual costs incurred, as information becomes available. As at 31 December 2016, the Group recognised provision for warranty amounted to RMB543,949,000 (2015: RMB462,890,000) and details are disclosed in Note 35.

4. 估計不確定因素的主要來源

於應用附註3所述的本集團會計政策時，董事須對無法從其他資料來源得知的資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往的經驗及其他被認為相關的因素作出。實際結果可能有別於此等估計。

該等估計及相關假設會持續檢討。如會計估計的修訂只影響作出估計修訂的期間，則該等會計估計修訂在該期間確認；如有關修訂同時影響現時及未來期間，則在作出修訂的期間及未來期間確認。

以下為有關將來的的主要假設，以及於報告期結束時估計不確定因素的其他主要來源，其有導致對下一財政年度內的資產及負債賬面值作出重大調整的重大風險。

保證

本集團就所有鉛酸動力電池產品提供最長達十五個月保證。根據保證條款，倘電池於保證期內出現任何故障，本集團承諾免費修理或更換電池。

產品保證相關的估計成本於銷售時預提，其依據為過往保證申索及單位銷售往績，並在可取得資料的情況下作必要調整，以反映實際成本。於二零一六年十二月三十一日，本集團就保證確認撥備人民幣543,949,000元（二零一五年：人民幣462,890,000元），詳情於附註35披露。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated impairment of receivables

Trade receivables, bills receivable, other receivables and loan receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit and loss when there is objective evidence that the asset is impaired.

In making the estimates, management considered detailed procedures have been in place to monitor this risk. In estimating whether allowance for bad and doubtful debts is required, the Group takes into consideration the aging status and the likelihood of collection. When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2016, the aggregate carrying amount of trade, bills receivable, other receivables and loan receivables (net of allowance for doubtful debts), was approximately RMB3,132,572,000 (2015: RMB2,063,906,000). Details of movements of allowance for trade receivables, other receivables and loan receivables are disclosed in Notes 26, 29 and 24 respectively.

4. 估計不確定因素的主要來源(續)

估計應收款項減值

應收貿易賬款、應收票據、其他應收款項及應收貸款於初始確認時按公平值計量，其後以實際利率法按攤銷成本計量。倘有客觀證據顯示資產出現減值，則於損益中確認就估計不可收回款項作出的適當撥備。

在作出估計時，管理層認為已有詳細程序監察此風險。在估計是否須就呆壞賬作出撥備時，本集團考慮賬齡情況及收回款項的可能性。倘有客觀證據顯示出現減值虧損，本集團考慮估計未來現金流量。減值虧損金額指資產賬面值與按金融資產原定實際利率貼現的估計未來現金流量現值(不包括尚未產生的未來信貸虧損)的差額。倘實際未來現金流量少於預期，或會產生重大減值虧損。於二零一六年十二月三十一日，應收貿易賬款、應收票據、其他應收款項及應收貸款的賬面值(扣除呆賬撥備)合共約為人民幣3,132,572,000元(二零一五年：人民幣2,063,906,000元)。應收貿易賬款、其他應收款項及應收貸款撥備的變動詳情分別於附註26、29及24披露。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2016, the carrying amount of goodwill is RMB49,447,000 (2015: RMB49,447,000). Details of the recoverable amount calculation are disclosed in Note 19.

Deferred tax assets

As at 31 December 2016, deferred tax assets of RMB353,028,000 (2015: RMB266,848,000) in relation to allowances for doubtful debts and inventories, deferred income, accrual and provision, tax losses and other temporary differences have been recognised in the consolidated statement of financial position. No deferred tax asset has been recognised in respect of the unused tax losses of RMB142,154,000 (2015: RMB211,380,000) due to the unpredictability of future profit streams. The realisation of the deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are more or less than expected, a material adjustment of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such an adjustment takes place. Details of deferred taxation are disclosed in Note 18.

4. 估計不確定因素的主要來源(續)

商譽估計減值

釐定商譽是否出現減值需要估計獲分配商譽的現金產生單位的使用價值。計算使用價值需要本集團估計現金產生單位預期產生的未來現金流量，以及用於計算現值的合適折現率。倘實際未來現金流量較預期少，則可能產生重大減值虧損。於二零一六年十二月三十一日，商譽賬面值為人民幣49,447,000元(二零一五年：人民幣49,447,000元)。有關可收回金額的計算詳情於附註19披露。

遞延稅項資產

於二零一六年十二月三十一日，有關呆賬及存貨撥備、遞延收入、應計款項及撥備、稅項虧損及其他暫時差額的遞延稅項資產人民幣353,028,000元(二零一五年：人民幣266,848,000元)已於綜合財務狀況表確認。由於不可預測未來利潤來源，因此並無就未動用稅項虧損人民幣142,154,000元(二零一五年：人民幣211,380,000元)確認遞延稅項資產。遞延稅項資產能否變現主要視乎未來是否有充足的利潤或應課稅暫時差額而定。倘產生的實際未來利潤較預期多或少，則遞延稅項資產可能出現重大調整，而有關調整將於作出調整期間於損益確認。有關遞延稅項的詳情於附註18披露。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Useful lives and residual value of property, plant and equipment

The Group's management determines the residual value, useful lives and related depreciation charges for its property, plant and equipment, as disclosed in Note 15. This estimate is based on the historical experience of the actual residual value and useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and keen competitions from competitors. Management will increase the depreciation charge where residual value or useful lives are less than previously estimated, or it will write-off or write-down technically obsolete assets.

Useful lives of intangible assets

The licensed technology and trademark are amortised on a straight-line basis over their estimated useful lives. The Group's management determines the useful lives of these intangible assets to be 10 years. The carrying amount of intangible assets as at 31 December 2016 was RMB17,818,000 (2015: RMB20,194,000). The Group assesses annually the useful lives of these intangible assets and if the expectation differs from the original estimate due to changes in the expected level of usage and/or technological developments, such difference will impact the amortisation charge in the year in which such estimate is changed.

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. An impairment loss is recognised for the amount by which the recoverable amount of property, plant and equipment being lower than its carrying amount. As at 31 December 2016, the carrying amount of property, plant and equipment was RMB4,081,373,000 (2015: RMB3,728,701,000).

4. 估計不確定因素的主要來源(續)

物業、廠房及設備的可使用年期及剩餘價值

誠如附註15所披露，本集團管理層為其物業、廠房及設備釐定剩餘價值、可使用年期及相關的折舊費用。此項估計乃按類似性質及功能的物業、廠房及設備的過往實際剩餘價值及可使用年期而作出。技術上的創新及來自競爭對手的劇烈競爭可能令有關估計出現重大變動。當剩餘價值或可使用年期較早前預計少，管理層將增加折舊費用，或將撇銷或撇減技術上已過時的資產。

無形資產可使用年限

特許技術及商標於其估計可使用年期內按直線法攤銷。本集團管理層斷定該等無形資產的可使用年限為10年。無形資產於二零一六年十二月三十一日的賬面值為人民幣17,818,000元(二零一五年：人民幣20,194,000元)。本集團每年評核該等無形資產的可使用年限，如因使用預計水平之改變及/或技術改進使預計的年限有別於原估計者，差距將影響估計變動當年的攤銷費用。

物業、廠房及設備減值

如發生任何事件或情況有變，顯示資產賬面值超出其可收回金額，則會評核物業、廠房及設備有否減值。獲確認的減值虧損為物業、廠房及設備可收回金額與其賬面值不足之差額。於二零一六年十二月三十一日，物業、廠房及設備的賬面值為人民幣4,081,373,000元(二零一五年：人民幣3,728,701,000元)。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Impairment of intangible assets

Intangible assets are allocated to respective cash-generating unit for the purpose of impairment testing whenever there is indication that the intangible assets may be impaired. The recoverable amount of the cash-generating unit has been determined based on value in use calculation. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. Details of the calculation of the recoverable amount are set out in Note 20. No impairment loss of intangible assets was recognised in current year. The carrying amount of the intangible assets as at 31 December 2016 was RMB17,818,000 (2015: RMB20,194,000).

5. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the manufacturing and sales of lead-acid motive batteries and other related items. The Group's revenue primarily represents the amount received and receivable for sale of lead-acid motive batteries during the year.

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("CODM") in order to allocate resources to segments and to assess their performance. The information reported to the executive Directors of the Company, who is the Group's CODM for the purpose of resource allocation and assessment of performance, does not contain profit or loss information of each product line and the executive Directors reviewed the gross profit of the Group as a whole reported under the relevant accounting policies and financial regulations in the PRC (the "PRC GAAP"), which is the same as the gross profit reported under IFRSs. Therefore, the operation of the Group constitutes one single operating segment. Accordingly, no segment information is presented.

No segment assets and liabilities, and related other segment information were presented as no such discrete financial information is provided to the CODM.

4. 估計不確定因素的主要來源(續)

無形資產減值

倘有跡象顯示無形資產可能減值，就減值測試而言，無形資產會分配至各現金產生單位。現金產生單位可收回金額已按使用價值釐定。計算使用價值需要本集團估計現金產生單位預期產生的未來現金流量，以及用作計算其現值的合適折現率。倘實際未來現金流量較預期少，則可能產生重大減值虧損。可收回金額之計算詳情載於附註20。本年度並無確認無形資產之減值虧損。於二零一六年十二月三十一日，無形資產的賬面值為人民幣17,818,000元(二零一五年：人民幣20,194,000元)。

5. 收入及分部資料

本集團主要從事製造及銷售鉛酸動力電池及其他相關項目。本集團的收入主要指於年內來自銷售鉛酸動力電池的已收及應收款項。

國際財務報告準則第8號規定，根據主要營運決策人(「主要營運決策人」)就把資源分配至該等分部及評估績效而定期審閱的本集團組成部分的內部報告，識別營運分部。就資源分配及表現評估向本公司執行董事(即本集團主要營運決策人)報告的資料不包括各產品線的損益資料，執行董事審閱本集團整體根據中國有關會計政策及財務規則(「中國公認會計原則」)申報的毛利(與根據國際財務報告準則申報的毛利相同)。因此，本集團的營運構成一個單一經營分部，故此，並無呈列分部資料。

由於主要營運決策人並無獲獨立提供分部資產及負債，以及其他相關的分部資料，因此未有呈列有關財務資料。

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5. REVENUE AND SEGMENT INFORMATION (continued)

Most of the external revenues of the Group during the year are contributable to customers established in the PRC, the place of domicile of the Group's operating entities. Most of the Group's non-current assets are located in the PRC.

No revenues from a single external customer amounted to 10 percent or more of the Group's revenue during the year.

An analysis of revenue by products is as follows:

5. 收入及分部資料(續)

年內，本集團大部分外部收入來自於中國成立的客戶。中國為本集團經營實體所在地點。本集團大部分非流動資產均位於中國。

年內，概無來自單一外部客戶的收入佔本集團收入10%或以上。

收入按產品分析如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Lead-acid motive battery	鉛酸動力電池		
Electric bike battery	電動自行車電池	15,507,058	14,195,693
Electric vehicle battery and special-purpose electric vehicle battery	電動車電池及特殊用途 電動車電池	3,791,789	3,544,518
Li-ion battery	鋰離子電池	329,488	208,158
Materials include lead and active additives	材料(包括鉛及活性物)	1,826,421	921,836
		21,454,756	18,870,205

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6. OTHER INCOME AND OTHER GAINS

6. 其他收入及其他收益

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Government grants	政府補助		
— grants related to income (Note)	— 與收入有關的補助(附註)	74,505	193,578
— grants related to assets (Note 34)	— 與資產有關的補助(附註34)	14,510	9,353
Interest income on bank deposits	銀行存款的利息收入	22,767	31,942
Interest income on loan receivables	應收貸款的利息收入	16,665	15,433
Interest income on outstanding consideration of disposal of an associate	出售一家聯營公司餘下代價的利息收入	1,413	1,203
Change in fair value of derivative financial instruments	衍生金融工具公平值變動	1,772	—
Change in fair value of held-for-trading investments	持作買賣投資公平值變動	2,154	—
Rental income	租金收入	5,243	4,237
Sales of scrap materials	銷售廢料	6,651	5,410
Gain on disposal of an associate	出售一家聯營公司的收益	—	43,258
Gain on disposal of held-for-trading investments	出售持作買賣投資的收益	371	4,536
Gain on disposal of derivative financial instruments	出售衍生金融工具的收益	4,036	—
Exchange gain	匯兌收益	34	—
Others	其他	9,534	4,217
		159,655	313,167

Note: Government grants include various government subsidies received by the Company's subsidiaries from relevant government bodies in connection with enterprise expansion, technology advancement, environmental protection measures enhancement and product development. There were no unfulfilled conditions or contingencies relating to these grants and subsidies as at 31 December 2016.

附註：政府補助包括多個政府機關向本公司附屬公司授出有關鼓勵企業擴展、先進科技、環保措施強化及產品開發等多項政府補貼。於二零一六年十二月三十一日，該等補助及補貼並無尚未達成的條件或有項目。

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7. OTHER EXPENSES AND OTHER LOSSES

7. 其他開支及其他虧損

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Depreciation of investment properties	投資物業的折舊	2,212	1,737
Allowance for bad and doubtful debts of trade receivables	應收貿易賬款呆壞賬撥備	76,433	34,093
Allowance for bad and doubtful debts of other receivables	其他應收款項呆壞賬撥備	3,815	17,649
Allowance for bad and doubtful debts of prepayments (Note (i))	預付款項呆壞賬撥備(附註(i))	178,014	-
Donations	捐贈	5,858	4,343
Loss on disposal of property, plant and equipment (Note (ii))	出售物業、廠房及設備的虧損 (附註(ii))	15,522	22,754
Exchange loss	匯兌虧損	-	1,264
Others	其他	5,646	6,379
		287,500	88,219

Notes:

- (i): Amount represents allowance for bad and doubtful debts of prepayments as a result of the failure to deliver certain quantity of lead to the Group.
- (ii): During 2015, certain of the Company's subsidiaries upgraded their production processes to expand production capacity, relocate to new production plants and improve production efficiency and hence, relevant machinery and equipment were disposed of and replaced by new machinery and equipment, resulting in loss on disposal of certain pieces of machinery and equipment.

附註：

- (i)：該款項指未向本集團交付特定數量的鉛的預付款項呆壞賬撥備。
- (ii)：於二零一五年，本公司若干附屬公司提升其生產工序以擴大產能、搬遷至新生產廠房及改善生產效率，因此，相關的機器及設備被出售並以新機器及設備取代，導致產生出售若干機器及設備的虧損。

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8. FINANCE COSTS

8. 融資成本

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Interest expenses on:	利息開支：		
Bank borrowings	銀行借貸	120,400	147,083
Short term financing notes	短期融資票據	-	770
Corporate bonds	企業債券	49,845	49,845
Finance lease	融資租賃	7,860	6,641
Convertible Bonds (Note 39)	可換股債券(附註39)	23,239	44,438
Total borrowing costs	借貸成本總值	201,344	248,777
Less: amounts capitalised in construction in progress	減：於在建工程中資本化金額	(8,221)	(24,940)
		193,123	223,837

Borrowing costs capitalised during the year ended 31 December 2016 arose on the general borrowing pool and are calculated by applying a capitalisation rate of 4.63% per annum (2015: 5.73% per annum) to expenditure on qualifying assets.

截至二零一六年十二月三十一日止年度，撥充資本之借貸成本均源自一般借貸額，並按合資格資產開支4.63%（二零一五年：年度比率5.73%）的資本化年度比率計算。

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9. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

9. 除稅前利潤

除稅前利潤已扣除下列各項：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Salaries and other benefits costs	薪金及其他福利成本	865,229	726,092
Retirement benefits scheme contributions	退休福利計劃供款	32,541	27,995
Labour cost (Note)	勞工成本(附註)	215,191	248,099
Total staff costs	員工成本總額	1,112,961	1,002,186
Cost of inventories recognised as expense	確認為開支的存貨成本	17,562,548	15,883,346
Allowance for inventories (included in cost of sales)	存貨撥備(計入銷售成本)	6,807	2,557
Prepaid lease payments released to profit or loss	計入損益的預付租賃款項	5,800	5,631
Auditors' remuneration	核數師酬金	6,672	5,654
Amortization of intangible assets (included in administrative expenses)	無形資產攤銷(計入行政開支)	2,376	2,376
Depreciation of property, plant and equipment	物業、廠房及設備折舊	348,646	319,550
Depreciation of investment properties	投資物業折舊	2,212	1,737

Note: The Group has entered into various labor dispatch agreements with several service organisations which have provided labor service to the Group.

附註：本集團與多家為本集團提供勞工服務的服務機構訂立勞工派遣協議。

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Details of emoluments paid by the Group to the Directors during the year are as follows:

10. 董事及行政總裁酬金

本集團於年內向董事支付的酬金詳情如下：

		Fees	Salaries and other benefits-in-kind	Contribution to retirement benefit scheme	Total
		袍金	薪金及其他實物福利	退休福利計劃供款	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度				
Executive directors:	執行董事：				
Mr. Zhou Mingming (Note (i))	周明明先生(附註(i))	-	1,980	10	1,990
Mr. Zhou Longrui	周龍瑞先生	-	379	-	379
Ms. Yang Yunfei	楊雲飛女士	-	379	-	379
Mr. Yang Xinxin	楊新新先生	-	1,992	10	2,002
Non-executive directors:	非執行董事：				
Ms. Fang Jianjun	方建軍女士	350	-	-	350
Mr. Ng Chi Kit (Note (ii))	吳智傑先生(附註(ii))	350	-	-	350
Independent non-executive directors:	獨立非執行董事：				
Mr. Wang Jiqiang	汪繼強先生	350	-	-	350
Prof. Ouyang Minggao	歐陽明高教授	350	-	-	350
Mr. Lee Conway Kong Wai	李港衛先生	350	-	-	350
Total	總計	1,750	4,730	20	6,500

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

10. 董事及行政總裁酬金(續)

		Fees	Salaries and other benefits-in-kind	Contribution to retirement benefit scheme	Total
		袍金	薪金及其他實物福利	退休福利計劃供款	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Year ended 31 December 2015	截至二零一五年十二月三十一日止年度				
Executive directors:	執行董事：				
Mr. Zhou Mingming (Note (i))	周明明先生(附註(i))	–	1,720	6	1,726
Mr. Zhou Longrui	周龍瑞先生	–	438	–	438
Ms. Yang Yunfei	楊雲飛女士	–	393	–	393
Mr. Yang Xinxin	楊新新先生	–	2,048	6	2,054
Non-executive directors:	非執行董事：				
Ms. Fang Jianjun	方建軍女士	350	–	–	350
Mr. Ng Chi Kit	吳智傑先生	350	–	–	350
Independent non-executive directors:	獨立非執行董事：				
Mr. Wang Jiqiang	汪繼強先生	350	–	–	350
Prof. Ouyang Minggao	歐陽明高教授	350	–	–	350
Mr. Lee Conway Kong Wai	李港衛先生	350	–	–	350
Total	總計	1,750	4,599	12	6,361

The directors' emoluments shown above were mainly for their services as directors of the Company.

上表所示董事薪酬主要關於本公司董事提供的服務。

Notes:

附註：

(i): Mr. Zhou Mingming is also the Chief Executive Officer of the Company and his emoluments disclosed above also include those for services rendered by him as the Chief Executive Officer.

(i): 周明明先生亦為本公司的行政總裁，而上文所披露其薪酬亦包括其擔任行政總裁的薪酬。

(ii): Mr. Ng Chi Kit has been re-designated from a non-executive Director to an independent non-executive Director with effect from 10 February 2017.

(ii): 吳智傑先生於二零一七年二月十日由非執行董事調任獨立非執行董事。

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11. EMOLUMENTS OF THE FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group during the year included two Directors (2015: two Directors), details of their emoluments are set out above. The emoluments of the remaining three individuals for the year (2015: three individuals) are as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Salaries and other allowances	薪金及其他津貼	2,450	3,058
Retirement benefits scheme contributions	退休福利計劃供款	10	7
		2,460	3,065

The above employees' emoluments were within the following bands:

		Number of individuals 人士數目	
		2016 二零一六年	2015 二零一五年
Nil to Hong Kong Dollar ("HK\$") 1,000,000	零至 1,000,000 港元(「港元」)	2	1
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	-	2
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	-

During the year, no emoluments were paid by the Group to the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors waived any emoluments during the year.

11. 五名最高薪人士的酬金

年內，本集團的五名最高薪人士包括兩名董事(二零一五年：兩名董事)，其酬金詳情載於上文。年內，餘下三名人士(二零一五年：三名人士)的酬金如下：

上述僱員酬金在以下範圍：

年內，本集團並無向董事或五名最高薪人士支付酬金，作為加入或於加入本集團時的獎勵或作離職補償。年內，概無董事放棄任何酬金。

12. INCOME TAX EXPENSE

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
The charge comprises:	支出包括：		
PRC current income tax	中國即期所得稅	176,038	119,630
Deferred tax (Note 18)	遞延稅項(附註18)	(90,026)	(61,764)
		86,012	57,866

12. 所得稅開支

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12. INCOME TAX EXPENSE (continued)

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 is 25%. The EIT Law provides that qualified dividend income between two "resident enterprises" that have a direct investment relationship is exempted from income tax. Otherwise, such dividends will be subject to a 5% to 10% withholding tax under the tax treaty or the domestic law. The Group is currently subject to withholding tax at 5%. During the year ended 31 December 2016, withholding tax on intra-group dividend amounting to RMB7,947,368 (year ended 31 December 2015: RMB16,737,368) was paid by the Group to relevant tax authorities.

In accordance with the "Notice of the State Tax Bureau of the Ministry of Finance Regarding Certain Preferential Treatment Policies on Enterprise Income Tax", New and High Technical Enterprise was subject to income tax at a tax rate of 15%. The following subsidiaries of the Company were recognised as New and High Technical Enterprises in accordance with the applicable EIT Law of the PRC and are subject to income tax at a tax rate of 15% for the respective years set out below:

Jiangsu Chaowei Power Co., Ltd. ("Jiangsu Chaowei") 江蘇超威電源有限公司(「江蘇超威」)	2016 to 2018 二零一六年至二零一八年
Jiangxi Xinwei Power Technology Co., Ltd. ("Jiangxi Xinwei") 江西新威動力能源科技有限公司(「江西新威」)	2016 to 2018 二零一六年至二零一八年
Shandong Chaowei Power Co., Ltd. ("Shandong Chaowei") 山東超威電源有限公司(「山東超威」)	2016 to 2018 二零一六年至二零一八年
Zhejiang Changxing Jintaiyang Power Co., Ltd. ("Zhejiang Changxing Jintaiyang") 浙江長興金太陽電源有限公司(「浙江長興金太陽」)	2016 to 2018 二零一六年至二零一八年
Zhejiang Chaowei Chuangyuan Industrial Co., Ltd. ("Chaowei Chuangyuan") 浙江超威創元實業有限公司(「超威創元」)	2016 to 2018 二零一六年至二零一八年
Jiangsu Yongda Power Co., Ltd. ("Jiangsu Yongda") 江蘇永達電源股份有限公司(「江蘇永達」)	2016 to 2018 二零一六年至二零一八年
Anhui Yongheng 安徽永恒	2014 to 2016 二零一四年至二零一六年
Chaowei Power Co., Ltd. ("Chaowei Power") 超威電源有限公司(「超威電源」)	2014 to 2016 二零一四年至二零一六年
Henan Chaowei Power Co., Ltd. ("Henan Chaowei") 河南超威電源有限公司(「河南超威」)	2014 to 2016 二零一四年至二零一六年
Anhui Chaowei Power Co., Ltd. ("Anhui Chaowei") 安徽超威電源有限公司(「安徽超威」)	2015 to 2017 二零一五年至二零一七年

12. 所得稅開支(續)

根據《中華人民共和國企業所得稅法》(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司的稅率為25%。企業所得稅法規定，兩家擁有直接投資關係的「居民企業」之間的合資格股息收入，獲豁免所得稅。除此以外，根據稅項條約或國內法律，股息將按介乎5%至10%不等的稅率繳納預扣稅。目前，本集團須按5%的稅率繳納預扣稅。截至二零一六年十二月三十一日止年度，本集團已就集團內公司間股息向有關稅務機關支付預扣稅人民幣7,947,368元(截至二零一五年十二月三十一日止年度：人民幣16,737,368元)。

根據《財政部稅政司有關企業所得稅若干優惠處理政策的通知》，高新科技企業可按15%的稅率繳納所得稅。以下為根據適用的中國企業所得稅法獲確認為高新科技企業的本公司附屬公司及按15%的所得稅稅率繳納稅項的相關年度：

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12. INCOME TAX EXPENSE (continued)

Other subsidiaries established in the PRC were subject to income tax rate of 25% for the year ended 31 December 2016 (2015: 25%). The Company and its subsidiaries incorporated in the British Virgin Islands (the "BVI"), Germany and Hong Kong had no assessable profits during the year (2015: nil).

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

12. 所得稅開支(續)

截至二零一六年十二月三十一日止年度，於中國成立的其他附屬公司的所得稅稅率為25%（二零一五年：25%）。本公司及其於英屬維爾京群島（「英屬維爾京群島」）、德國及香港註冊成立的附屬公司，年內並無應課稅利潤（二零一五年：無）。

年內所得稅開支可按綜合損益及其他全面收益表中的除稅前利潤對賬如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit before tax	除稅前利潤	705,070	545,872
Tax at the applicable income tax rate of 25%	按適用所得稅稅率25%計算的稅項	176,268	136,468
Tax effect of income tax deduction granted to subsidiaries in research and development expenditure	向附屬公司授出的研發開支所得稅扣減的稅務影響	(62,581)	(55,559)
Tax effect of expenses not deductible	不可扣稅開支的稅務影響	4,054	5,456
Effect of preferential tax rates on income of certain subsidiaries	優惠稅率對若干附屬公司收入的影響	(23,973)	(17,825)
Tax effect of tax losses not recognised	未確認稅項虧損的稅項影響	16,296	5,784
Utilisation of tax losses previously not recognised	動用之前未確認之稅項虧損	(33,602)	(22,711)
Tax effect of share of loss of associates	應佔聯營公司虧損的稅項影響	1,671	920
Tax effect of share of profit of joint ventures	應佔合營企業利潤的稅項影響	(68)	(162)
Deferred tax associated with withholding tax on undistributed profits of PRC subsidiaries	就中國附屬公司未分配利潤的預扣稅項相關的遞延稅項	7,947	5,495
Income tax expense for the year	年內所得稅開支	86,012	57,866

The details of deferred tax for the year are set out in Note 18.

年內的遞延稅項的詳情載於附註18。

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13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

13. 每股盈利

本公司擁有人應佔的每股基本及攤薄盈利乃根據以下數據計算：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Earnings	盈利		
Earnings for the purpose of basic earnings per share	就每股基本盈利而言的盈利	503,796	331,669
Effect of dilutive potential ordinary shares: Interest on convertible loan notes	攤薄潛在普通股的影響： 可換股貸款票據的利息	23,239	-
Earnings for the purpose of diluted earnings per share	就每股攤薄盈利而言的盈利	527,035	331,669

		2016 二零一六年 '000 千股	2015 二零一五年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	就每股基本盈利而言的普通股加權平均數目	1,043,091	1,016,759
Effect of dilutive potential ordinary shares: Convertible loan notes	攤薄潛在普通股的影響： 可換股貸款票據	64,821	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	就每股攤薄盈利而言的普通股加權平均數目	1,107,912	1,016,759

The computation of diluted earnings per share for the year ended 31 December 2015 does not assume the conversion of the Company's outstanding Convertible Bonds since their exercise would result in an increase in earnings per share.

截至二零一五年十二月三十一日止年度的每股攤薄盈利的計算中並無假設兌換本公司的尚未行使可換股債券，此乃由於行使該等債券將導致每股盈利增加。

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14. DIVIDEND

14. 股息

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Dividends declared for distribution during the year:	年內宣佈派發的股息：		
2015 final dividend — RMB0.097 per share (2014 final dividend — nil)	二零一五年末期股息，一每股人民幣0.097元（二零一四年末期股息 — 無）	99,385	—

A final dividend of RMB0.068 per share in respect of the year ended 31 December 2016 has been proposed by the Directors and is subject to the approval by the shareholders in the forthcoming annual general meeting.

董事建議，就截至二零一六年十二月三十一日止年度派付末期股息每股人民幣0.068元，該建議須在應屆股東週年大會上經由股東批准。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings	Plant and machinery	Motor vehicles	Furniture, fixtures and equipment	Construction in progress	Total
		樓宇	廠房及機器	汽車	傢俬、固定裝置及設備	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
COST	成本						
At 1 January 2015	於二零一五年一月一日	1,395,763	1,616,824	164,700	148,725	774,074	4,100,086
Additions	添置	91,647	155,144	32,028	30,283	337,026	646,128
Transfers	轉入	181,640	150,908	422	1,780	(334,750)	-
Disposals	出售	(12,451)	(73,687)	(12,192)	(1,761)	-	(100,091)
At 31 December 2015	於二零一五年十二月三十一日	1,656,599	1,849,189	184,958	179,027	776,350	4,646,123
Additions	添置	89,146	165,691	42,353	25,318	416,531	739,039
Transfers	轉入	137,489	119,624	2,135	1,193	(260,441)	-
Disposals	出售	(6,225)	(53,788)	(20,438)	(2,228)	-	(82,679)
At 31 December 2016	於二零一六年十二月三十一日	1,877,009	2,080,716	209,008	203,310	932,440	5,302,483
DEPRECIATION AND IMPAIRMENT	折舊及減值						
At 1 January 2015	於二零一五年一月一日	198,625	323,661	66,669	63,822	-	652,777
Provided for the year	年內撥備	81,062	173,356	38,221	26,911	-	319,550
Eliminated on disposals	出售時對銷	(8,865)	(35,224)	(9,356)	(1,460)	-	(54,905)
At 31 December 2015	於二零一五年十二月三十一日	270,822	461,793	95,534	89,273	-	917,422
Provided for the year	年內撥備	98,248	186,332	37,555	26,511	-	348,646
Eliminated on disposals	出售時對銷	(2,379)	(25,460)	(15,105)	(2,014)	-	(44,958)
At 31 December 2016	於二零一六年十二月三十一日	366,691	622,665	117,984	113,770	-	1,221,110
CARRYING AMOUNT	賬面值						
At 31 December 2016	於二零一六年十二月三十一日	1,510,318	1,458,051	91,024	89,540	932,440	4,081,373
At 31 December 2015	於二零一五年十二月三十一日	1,385,777	1,387,396	89,424	89,754	776,350	3,728,701

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15. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Buildings	樓宇	4.75%–9.5%
Plant and machinery	廠房及機器	9.5%
Motor vehicles	汽車	19%
Furniture, fixtures and equipment	傢俬、固定裝置及設備	9.5–19%

Details of property, plant and equipment pledged are set out in Note 46.

15. 物業、廠房及設備(續)

上述物業、廠房及設備的項目，除在建工程外，均以直線法按以下年率計提折舊：

已質押的物業、廠房及設備的詳情載於附註46。

16. PREPAID LEASE PAYMENTS

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
At beginning of the year	於年初	258,981	257,865
Additions	添置	28,805	6,747
Released to profit or loss as expense	計入損益作為開支	(5,800)	(5,631)
At the end of the year	於年終	281,986	258,981

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Prepaid lease payments related to land use rights analysed for reporting purposes as:	有關土地使用權的預付租賃款項就報告目的分析為：		
Current assets	流動資產	6,128	5,636
Non-current assets	非流動資產	275,858	253,345
		281,986	258,981

Details of land use rights pledged are set out in Note 46.

已質押土地使用權的詳情載於附註46。

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17. INVESTMENT PROPERTIES

17. 投資物業

RMB'000
人民幣千元

COST	成本	
At 1 January 2015	於二零一五年一月一日	31,219
Addition	添置	12,445
At 31 December 2015	於二零一五年十二月三十一日	43,664
Addition	添置	7,159
At 31 December 2016	於二零一六年十二月三十一日	50,823
DEPRECIATION	折舊	
At 1 January 2015	於二零一五年一月一日	5,059
Provided for the year	年內撥備	1,737
At 31 December 2015	於二零一五年十二月三十一日	6,796
Provided for the year	年內撥備	2,212
At 31 December 2016	於二零一六年十二月三十一日	9,008
CARRYING VALUES	賬面值	
At 31 December 2016	於二零一六年十二月三十一日	41,815
At 31 December 2015	於二零一五年十二月三十一日	36,868

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17. INVESTMENT PROPERTIES (continued)

The fair value of the Group's investment properties at 31 December 2016 was RMB62,674,000 (31 December 2015: RMB58,013,000). The fair values of the commercial properties located in the PRC and Germany have been arrived at based on valuations carried out by Huzhou Zhongchen Guorui Property Valuation Limited (湖州中辰國瑞資產評估事務所) ("Huzhou Zhongchen") and Duff & Phelps, two independent and professional qualified valuers not connected with the Group at 31 December 2016, respectively. Huzhou Zhongchen and Duff & Phelps have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation for the property located in the PRC were determined by direct comparison method based on market observable transactions of similar properties and adjusted to reflect the locations and conditions of the subject properties. The valuation for the properties located in Germany were determined by capitalisation of net income method, where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighborhood. The capitalisation rate adopted is estimated by considering mortgage and equity return requirements, the age and condition of the respective properties, market conditions, and an overall rate as shown in the general real estate market in the local areas.

17. 投資物業(續)

本集團投資物業於二零一六年十二月三十一日的公平值為人民幣62,674,000元(二零一五年十二月三十一日：人民幣58,013,000元)。位於中國及德國之商用物業公平值乃分別根據湖州中辰國瑞資產評估事務所(「湖州中辰」)及道衡(兩者均為與本集團並無關連的獨立專業合資格估值師)於二零一六年十二月三十一日進行的估值達致。湖州中辰及道衡具備合適資格，且最近曾為有關地點的類似物業進行估值。中國物業的估值乃根據市場上類似物業的可觀察交易使用直接比較法釐定，並已作調整以反映有關物業的地點及狀況。德國物業的估值以淨收入資本化方式釐定，其中物業的所有可出租單位之市場租金經參照該等可出租單位收取的租金以及鄰近地區同類物業之其他租金後予以評核。估計獲採用的資本化率時，已考慮按揭及權益回報要求、有關物業的年齡及狀況、市況以及當地整體房地產市場所示的整體比率。

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17. INVESTMENT PROPERTIES (continued)

Details of the Group's investment properties and information of the fair value hierarchy as at 31 December 2016 are as follows:

17. 投資物業(續)

於二零一六年十二月三十一日本集團投資物業的詳情及公平值層級的資料如下：

		Fair value as at 31 December 2016	
		Level 2	2016
		第2級	於二零一六年 十二月三十一日 的公平值
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Commercial property unit located in the PRC	位於中國的商用物業單位	4,840	29,428
Commercial property units located in Germany	位於德國的商用物業單位	36,975	33,246

The above investment properties are depreciated on a straight-line basis at the following rates per annum:

上述投資物業以直線法按以下年率計提折舊：

Commercial property units located in the PRC	位於中國的商用物業單位	6.33%
Commercial property units located in Germany	位於德國的商用物業單位	5.60%

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18. DEFERRED TAXATION

The deferred tax assets (liabilities) recognised by the Group and the movements thereon, during the year are as follows:

		Allowance for doubtful debts and inventories	Deferred income	Accrual/ provision 應計款項/ 撥備	Tax losses	Withholding tax	Fair value adjustment on assets 資產的公平值 調整	Others	Total
		呆賬及存貨撥備 RMB'000 人民幣千元	遞延收入 RMB'000 人民幣千元	應計款項/ 撥備 RMB'000 人民幣千元	稅項虧損 RMB'000 人民幣千元	預扣稅 RMB'000 人民幣千元	資產的公平值 調整 RMB'000 人民幣千元	其他 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2015	於二零一五年一月一日	7,517	25,838	158,745	15,478	(11,242)	(342)	3,476	199,470
Credit (charge) to profit or loss	計入(扣自)損益	13,889	3,939	35,107	5,511	11,242	(4,232)	(3,692)	61,764
At 31 December 2015	於二零一五年 十二月三十一日	21,406	29,777	193,852	20,989	-	(4,574)	(216)	261,234
Credit (charge) to profit or loss	計入(扣自)損益	62,065	11,528	14,514	3,825	-	190	(2,096)	90,026
At 31 December 2016	於二零一六年 十二月三十一日	83,471	41,305	208,366	24,814	-	(4,384)	(2,312)	351,260

The following is the analysis of the deferred tax balances for financial reporting purposes:

以下為就財務報告的遞延稅項結餘分析：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	353,028	266,848
Deferred tax liabilities	遞延稅項負債	(1,768)	(5,614)
		351,260	261,234

Details of the Group's unused tax losses are as follows:

本集團未動用的稅項虧損詳情如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Tax losses already recognised as deferred tax assets	已確認為遞延稅項資產的稅項虧損	99,256	83,956
Tax losses unrecognised for deferred tax assets	遞延稅項資產的未確認稅項虧損	142,154	211,380

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18. DEFERRED TAXATION (CONTINUED)

The unrecognised tax losses will be expired in the following years:

18. 遞延稅項(續)

未確認的稅項虧損將於以下年度到期：

		At 31 December 於十二月三十一日	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
31 December 2016	二零一六年十二月三十一日	-	688
31 December 2017	二零一七年十二月三十一日	-	13,287
31 December 2018	二零一八年十二月三十一日	-	21,184
31 December 2019	二零一九年十二月三十一日	53,835	153,084
31 December 2020	二零二零年十二月三十一日	23,137	23,137
31 December 2021	二零二一年十二月三十一日	65,182	-
Total	總計	142,154	211,380

No deferred tax assets have been recognised in relation to certain tax losses as shown above due to the unpredictability of future profit streams.

由於未能預測未來的溢利流，因此概無就上述若干稅項虧損確認遞延稅項資產。

The aggregate amount of temporary differences associated with undistributed earnings of PRC subsidiaries for which deferred tax liabilities have not been recognised was approximately RMB3,167,627,000 as at 31 December 2016 (31 December 2015: RMB2,369,534,000). No deferred tax liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

中國附屬公司並未確認遞延稅項負債的未分派盈利連帶的臨時差額總額於二零一六年十二月三十一日約為人民幣3,167,627,000元(二零一五年十二月三十一日：人民幣2,369,534,000元)。由於本集團可控制臨時差額的撥回時間及在可見將來有關差額可能不會撥回，故並無就此等差額確認遞延稅項負債。

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19. GOODWILL

19. 商譽

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
COST	成本		
At beginning and the end of the year	於年初及年終	49,447	49,447

Goodwill of the Group was resulted from the acquisition of the subsidiaries below for the past few years.

本集團的商譽乃來自於過去數年間收購下列附屬公司。

		Goodwill 商譽	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Auhui Chaowei	安徽超威	14,956	14,956
Anhui Yongheng	安徽永恒	9,342	9,342
Huzhou Changguang Haotian Power Co., Ltd. ("Huzhou Changguang Haotian")	湖州長廣浩天電源有限公司 (「湖州長廣浩天」)	754	754
Zhejiang Changxing Jintaiyang	浙江長興金太陽	576	576
Jiangsu Yongda	江蘇永達	23,524	23,524
Qinyang Libiao Plate Co., Ltd. ("Qinyang Libiao")	沁陽市立標隔板有限公司 (「沁陽立標」)	295	295
Total	總計	49,447	49,447

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19. GOODWILL (continued)

For the purpose of impairment testing, goodwill set out above has been allocated to one individual cash-generating unit ("CGU") as the six acquired subsidiaries all engaged in manufacturing of motive batteries or accessories of motive batteries. During the year ended 31 December 2016, management of the Group determines that there is no impairment of its CGU. The basis of the estimation of the recoverable amount of the above CGU and the major underlying assumptions are summarised below:

The recoverable amount has been determined based on a value-in-use calculation. That calculation uses cash flow projections based on financial budgets approved by the management of the Group covering a 5-year period, and discount rate of 13% (31 December 2015: 13%). The CGU's cash flows beyond the 5-year period are extrapolated using a steady 2% growth rate in revenue (31 December 2015: 2%). The growth rate used is based on management's best estimation on growth forecasts and does not exceed the average long-term growth rate for the relevant markets. Other key assumptions for the value-in-use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin. Such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the CGU to exceed the aggregate recoverable amount.

19. 商譽(續)

為進行減值測試，由於所收購的六家附屬公司均從事動力電池或動力電池配件製造，故上文所載的商譽已分配至一個獨立現金產生單位（「現金產生單位」）。於截至二零一六年十二月三十一日止年度，本集團管理層釐定該現金產生單位並無減值。估計上述現金產生單位可收回金額的基準及主要相關假設概述如下：

可收回金額乃透過計算使用價值而釐定。該項計算利用基於本集團管理層所批准涵蓋五年期間的財政預算所得的現金流量預測，而所採用的折現率為13%（二零一五年十二月三十一日：13%）。該現金產生單位五年以後期間的現金流量則按穩定的2%收入增長率（二零一五年十二月三十一日：2%）推算。所採用的增長率以管理層對增長預測的最佳估計為依據，且並不超過有關市場的平均長期增長率。計算使用價值的其他主要假設與現金流入／流出的估計（包括預算銷售及毛利率）有關。有關估計基於該單位過往表現及管理層對市場發展的預期。管理層認為，任何該等假設的合理可能變動不會令該現金產生單位的賬面總值超過可收回總金額。

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20. INTANGIBLE ASSETS

Intangible assets are the specific technologies and know-how relating to the production of start-and-stop batteries for automotive industries and a licence right to use the brand name of MOLL (see Note 22 for definition) in the start-and-stop batteries to be produced by the Group in the future, further details of which are set out in Note 22.

20. 無形資產

無形資產為汽車業啟停電池生產之相關特定技術及專業知識，以及本集團於日後將生產之啟停電池使用MOLL品牌名稱（定義見附註22）之特許權，更多詳情載於附註22。

RMB'000
人民幣千元

COST	成本	
At 1 January 2015, 31 December 2015 and 2016	二零一五年一月一日、二零一五年及 二零一六年十二月三十一日	23,758
AMORTISATION	攤銷	
At 1 January 2015	二零一五年一月一日	1,188
Provided for the year	年內撥備	2,376
At 31 December 2015	二零一五年十二月三十一日	3,564
Provided for the year	年內撥備	2,376
At 31 December 2016	二零一六年十二月三十一日	5,940
CARRYING AMOUNT	賬面值	
At 31 December 2016	二零一六年十二月三十一日	17,818
At 31 December 2015	二零一五年十二月三十一日	20,194

The useful life of 10 years is used in the calculation of amortization of these intangible assets.

該等無形資產之攤銷以10年可使用年限計算。

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21. SUBSIDIARIES

Details of the Group's subsidiaries at the end of the reporting period are as follows.

21. 附屬公司

本集團附屬公司於報告期結束時的資料載列如下。

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid-up share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest attributable to the Company as at 31 December 本公司於十二月三十一日 應佔股本權益		Principal activity 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Directly held 直接持有					
Chaowei Power Group Limited 超威動力集團有限公司	BVI 英屬維爾京群島	US\$100 100美元	100	100	Investment holding 投資控股
Indirectly held 間接持有					
Chaowei Power (Hong Kong) Limited 超威動力(香港)有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Investment holding 投資控股
Chaowei Power Technology Limited 超威動力科技有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Research and development 研發
Chaowei Power (Note i) 超威電源(附註i)	PRC 中國	RMB1,063,800,000 人民幣1,063,800,000元	100	100	Manufacture of motive batteries 製造動力電池
Changxing Zhongcheng Power Co., Ltd. (Note i) 長興眾成電源有限公司(附註i)	PRC 中國	RMB50,000,000 人民幣50,000,000元	100	100	Manufacture of motive batteries 製造動力電池
Henan Chaowei (Note i) 河南超威(附註i)	PRC 中國	RMB10,000,000 人民幣10,000,000元	60	60	Manufacture of motive batteries 製造動力電池
Shandong Chaowei (Note i) 山東超威(附註i)	PRC 中國	RMB100,000,000 人民幣100,000,000元	100	100	Manufacture of motive batteries 製造動力電池
Jiangsu Chaowei (Note i) 江蘇超威(附註i)	PRC 中國	RMB100,000,000 人民幣100,000,000元	100	100	Manufacture of motive batteries 製造動力電池
Anhui Chaowei (Note i) 安徽超威(附註i)	PRC 中國	RMB10,000,000 人民幣10,000,000元	75	75	Manufacture of motive batteries 製造動力電池

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21. SUBSIDIARIES (continued)

Details of the Group's subsidiaries at the end of the reporting period are as follows. (continued)

21. 附屬公司(續)

本集團附屬公司於報告期結束時的資料載列如下。(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid-up share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest attributable to the Company as at 31 December 本公司於十二月三十一日 應佔股本權益		Principal activity 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Zhejiang Chaowei Power Energy Co., Ltd. (Note i) 浙江超威動力能源有限公司(附註i)	PRC 中國	RMB150,000,000 人民幣 150,000,000 元	100	100	Sales of motive batteries and materials 銷售動力電池及材料
Jiangxi Xinwei (Note i) 江西新威(附註i)	PRC 中國	RMB100,000,000 人民幣 100,000,000 元	100	100	Manufacture of motive batteries 製造動力電池
Anhui Yongheng (Note i) 安徽永恆(附註i)	PRC 中國	RMB65,500,000 人民幣 65,500,000 元	100	65	Manufacture of motive batteries 製造動力電池
Huzhou Changguang Haotian (Note i) 湖州長廣浩天(附註i)	PRC 中國	RMB500,000 人民幣 500,000 元	100	100	Manufacture of motive batteries 製造動力電池
Zhejiang Changxing Jintaiyang (Note i) 浙江長興金太陽(附註i)	PRC 中國	RMB10,000,000 人民幣 10,000,000 元	51	51	Manufacture of motive batteries 製造動力電池
Golden Chaowei Technology Limited ("Golden Chaowei") 金超威技術有限公司(「金超威」)	BVI 英屬維爾京群島	HK\$3,000,000 3,000,000 港元	80	80	Research and development 研發
Chaowei Chuangyuan (Note i) 超威創元(附註i)	PRC 中國	RMB83,333,333 人民幣 83,333,333 元	60	100	Manufacture of motive batteries 製造動力電池
Jiangsu Yongda (Note i) 江蘇永達(附註i)	PRC 中國	RMB80,000,000 人民幣 80,000,000 元	60	60	Manufacture of motive batteries 製造動力電池

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21. SUBSIDIARIES (continued)

Details of the Group's subsidiaries at the end of the reporting period are as follows. (continued)

21. 附屬公司(續)

本集團附屬公司於報告期結束時的資料載列如下。(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid-up share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest attributable to the Company as at 31 December 本公司於十二月三十一日 應佔股本權益		Principal activity 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Qinyang Libiao (Note i) 沁陽立標(附註i)	PRC 中國	RMB63,240,769 人民幣63,240,769元	85	85	Manufacture of electrode plate dividing paper 製造電極板隔板紙
Zhejiang Yueda Plastic Co., Ltd. (Note i) 浙江悅達塑業股份有限公司(附註i)	PRC 中國	RMB40,850,000 人民幣40,850,000元	51	51	Manufacture of plastic battery cases 製造電池塑殼
Hebei Chaowei Power Co., Ltd. (Note i) 河北超威電源有限公司(附註i)	PRC 中國	RMB120,000,000 人民幣120,000,000元	100	100	Manufacture of motive batteries 製造動力電池
Anhui Xinwei Power Trading Co., Ltd. (Note i) 安徽新威動力能源貿易有限公司(附註i)	PRC 中國	RMB20,000,000 人民幣20,000,000元	100	100	Sales of motive batteries and materials 銷售動力電池及材料
Zhejiang Xinwei Power Trading Co., Ltd. (Note i) 浙江新威能源貿易有限公司(附註i)	PRC 中國	RMB10,000,000 人民幣10,000,000元	100	100	Sales of motive batteries and materials 銷售動力電池及材料
Henan Chaowei Zhengxiao Power Co., Ltd. (Note i) 河南超威正效電源有限公司(附註i)	PRC 中國	RMB60,000,000 人民幣60,000,000元	100	100	Manufacture of motive batteries 製造動力電池
Xinhe County Battery Trading Co., Ltd. (Note i) 新河縣貝特瑞商貿有限公司(附註i)	PRC 中國	RMB500,000 人民幣500,000元	100	100	Sales of motive batteries and materials 銷售動力電池及材料
Leadnew Limited	BVI 英屬維爾京群島	USD100 100美元	100	100	Investment holding 投資控股

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21. SUBSIDIARIES (continued)

Details of the Group's subsidiaries at the end of the reporting period are as follows. (continued)

21. 附屬公司(續)

本集團附屬公司於報告期結束時的資料載列如下。(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid-up share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest attributable to the Company as at 31 December 本公司於十二月三十一日 應佔股本權益		Principal activity 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Shandong Chaowei Ciyao Power Co., Ltd. ("Chaowei Ciyao") (Note i) 山東超威磁窯電源有限公司(「超威磁窯」) (附註i)	PRC 中國	RMB10,000,000 人民幣10,000,000元	100	100	Manufacture of motive batteries 製造動力電池
Ningyang Chaowei Land Co., Ltd. (Note i) 寧陽超威置業有限公司(附註i)	PRC 中國	RMB10,000,000 人民幣10,000,000元	100	100	Property development 物業發展
Moll Grundstücks-und Vermögensverwaltungs GmbH & Co. KG	Germany 德國	EUR1,500,000 1,500,000 歐元	100	100	Property investment 物業投資
Zhejiang Chaowei Chu Network Technology Co., Ltd. (Note i) 浙江超威蠱網絡科技有限公司(附註i)	PRC 中國	RMB10,000,000 人民幣10,000,000元	100	100	Network technology and E-business technologies 網絡技術及電子商務技術
Jiangsu Changxing Packaging Materials Co., Ltd. (Note i) 江蘇長興包裝材料有限公司(附註i)	PRC 中國	RMB20,000,000 人民幣20,000,000元	100	100	Manufacture of glass fiber separator and plastic battery cases 製造玻璃纖維隔板及電池塑殼
Beijing Chuangyuan Wanwei Power Technology Co., Ltd. ("BJ Chaowei") (Note i) 北京創元萬威能源科技有限公司 (「北京超威」)(附註i)	PRC 中國	RMB2,000,000 人民幣2,000,000元	60	60	Sales of motive batteries and materials 銷售動力電池及材料

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21. SUBSIDIARIES (continued)

Details of the Group's subsidiaries at the end of the reporting period are as follows. (continued)

21. 附屬公司(續)

本集團附屬公司於報告期結束時的資料載列如下。(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid-up share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest attributable to the Company as at 31 December 本公司於十二月三十一日 應佔股本權益		Principal activity 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Chongqing Chuangyuan (Note i) 重慶創元(附註i)	PRC 中國	RMB50,000,000 人民幣50,000,000元	100	90	Manufacture of motive batteries 製造動力電池
Zhejiang Anan New Power Technology Co., Ltd. (Note i) (Note ii) 浙江安安新能源科技有限公司(附註i)(附註ii)	PRC 中國	RMB5,000,000 人民幣5,000,000元	100	-	Sales of motive batteries and materials 銷售動力電池及材料
Zhejiang Weihua Intelligent Device Co., Ltd. (Note i) (Note ii) 浙江威華智能設備有限公司(附註i)(附註ii)	PRC 中國	RMB5,000,000 人民幣5,000,000元	66.67	-	Not yet commence business 未開始營業
Zhejiang Senyue Cultural Transmission Co., Ltd. (Note i) (Note ii) 浙江森悅文化傳播有限公司(附註i)(附註ii)	PRC 中國	RMB5,000,000 人民幣5,000,000元	100	-	Sales of motive batteries and new energy automobiles 銷售動力電池及新能源汽車
Changxing Yiwei New Power Co., Ltd. (Note i) (Note ii) 長興億威新能源有限公司(附註i)(附註ii)	PRC 中國	RMB2,000,000 人民幣2,000,000元	100	-	After-sales services of new energy automobiles 新能源汽車售後服務
Shandong Yueda Plastic Co., Ltd. (Note i) (Note ii) 山東悅達塑業有限責任公司(附註i)(附註ii)	PRC 中國	RMB10,000,000 人民幣10,000,000元	100	-	Manufacture of plastic battery cases 製造電池塑殼

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21. SUBSIDIARIES (continued)

Details of the Group's subsidiaries at the end of the reporting period are as follows. (continued)

21. 附屬公司(續)

本集團附屬公司於報告期結束時的資料載列如下。(續)

Name of company 公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid-up share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest attributable to the Company as at 31 December 本公司於十二月三十一日 應佔股本權益		Principal activity 主要業務
			2016 二零一六年 %	2015 二零一五年 %	
Hebei Yueda Plastic Co., Ltd. (Note i) (Note ii) 河北悅達塑業有限公司(附註i)(附註ii)	PRC 中國	RMB2,000,000 人民幣2,000,000元	90		– Manufacture of plastic battery cases 製造電池塑殼
Zhejiang Heniu Power Co., Ltd. (Note i) (Note ii) 浙江赫牛能源有限公司(附註i)(附註ii)	PRC 中國	RMB10,000,000 人民幣10,000,000元	100		– Sales of motive batteries and materials 銷售動力電池及材料
Zhejiang Golden Chaowei Power Co., Ltd. ("Golden Chaowei PRC") (Note i) (Note ii) 浙江金超威能源有限公司(「中國金超威」) (附註i)(附註ii)	PRC 中國	RMB3,000,000 人民幣3,000,000元	80		– Sales of motive batteries and materials 銷售動力電池及材料
Henan Chaowei Zhengxiao Power Sale Co., Ltd. (Note i) (Note ii) 河南超威正效電源銷售有限公司(附註i) (附註ii)	PRC 中國	RMB10,000,000 人民幣10,000,000元	100		– Sales of motive batteries and materials 銷售動力電池及材料
Changxing Jujiu Plastic Co., Ltd. (Note i) (Note ii) 長興巨久模具有限公司(附註i)(附註ii)	PRC 中國	RMB10,000,000 人民幣10,000,000元	70		– Sales of motive batteries and materials 銷售動力電池及材料

Notes:

- (i) The English names of these companies are for reference only and have not been registered.
- (ii) Newly established during the year ended 31 December 2016.
- (iii) Other than the convertible bonds issued by the Company and the corporate bonds issued by Chaowei Power, none of the subsidiaries had issued any debt securities at the end of the year.

附註：

- (i) 上述公司的英文名稱僅供參考，並沒有登記。
- (ii) 於截至二零一六年十二月三十一日止年度內新成立。
- (iii) 除本公司發行的可換股債券及超威電源發行的企業債券外，概無附屬公司於年終已發行任何債務證券。

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21. SUBSIDIARIES (continued)

Composition of the Group

21. 附屬公司(續)

本集團的組合

Principal activity 主要業務	Place of incorporation and operation 註冊成立及營運地點	Number of wholly- owned subsidiaries 全資附屬公司的數目	
		2016 二零一六年	2015 二零一五年
Investment holding 投資控股	BVI 英屬維爾京群島	2	2
Investment holding 投資控股	Hong Kong 香港	1	1
Research and development 研發	Hong Kong 香港	1	1
Manufacturing of motive batteries 製造動力電池	PRC 中國	13	11
Sales of motive batteries and materials 銷售動力電池及材料	PRC 中國	8	4
Property investment 物業投資	Germany 德國	1	1
Property development 物業開發	PRC 中國	1	1
After-sales services 售後服務	PRC 中國	1	–
Network technology and E-business technologies 網絡技術及電子商務技術	PRC 中國	1	1
		29	22

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21. SUBSIDIARIES (continued) Composition of the Group (continued)

21. 附屬公司(續) 本集團的組合(續)

Principal activity 主要業務	Place of incorporation and operation 註冊成立及營運地點	Number of non-wholly- owned subsidiaries 非全資附屬公司的數目	
		2016 二零一六年	2015 二零一五年
Research and development 研發	BVI 英屬維爾京群島	1	1
Manufacturing and sales of motive batteries 製造及銷售動力電池	PRC 中國	6	6
Sales of motive batteries and materials 銷售動力電池及材料	PRC 中國	1	—
Manufacturing of electrode plate dividing paper 製造電極板隔板紙	PRC 中國	2	1
Manufacturing of plastic battery cases 製造電池塑殼	PRC 中國	3	2
		13	10

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

擁有重大非控股權益的非全資附屬公司的詳情

下表載列本集團擁有重大非控股權益的非全資附屬公司的詳情：

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及 主要營業地點	Proportion of ownership interests and voting rights held by non- controlling interests at 31 December 於十二月三十一日非控 股權益所持擁有權益 比例及投票權比例		Profit allocated to non-controlling interests for the year ended 31 December 截至十二月三十一日 年度分配至非控股 權益的利潤		Accumulated non- controlling interests at 31 December 於十二月三十一日的 累計非控股權益	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Henan Chaowei 河南超威	PRC 中國	40%	40%	83,236	88,768	517,966	446,730
Anhui Chaowei 安徽超威	PRC 中國	25%	25%	14,774	13,396	94,187	79,413
Jiangsu Yongda 江蘇永達	PRC 中國	40%	40%	35,329	39,431	129,225	93,896
Individually immaterial subsidiaries with non-controlling interests	擁有非控股權益的 個別非重大 附屬公司			(18,077)	14,742	107,079	110,853
Total	總計			115,262	156,337	848,457	730,892

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21. SUBSIDIARIES (continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests (continued)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Henan Chaowei

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets	流動資產	1,210,088	1,018,487
Non-current assets	非流動資產	664,437	777,876
Current liabilities	流動負債	339,686	404,187
Non-current liabilities	非流動負債	239,923	275,351
Equity attributable to owners of the Company	本公司擁有人應佔權益	776,950	670,095
Non-controlling interests	非控股權益	517,966	446,730

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收入	2,479,553	2,537,762
Expenses	開支	2,271,463	2,315,842
Profit for the year	年內利潤	208,090	221,920
Profit attributable to owners of the Company	本公司擁有人應佔利潤	124,854	133,152
Profit attributable to the non-controlling interests	非控股權益應佔利潤	83,236	88,768
Profit for the year	年內利潤	208,090	221,920
Dividends paid to non-controlling interests	已付非控股權益的股息	12,000	-
Net cash inflows from operating activities	經營活動現金流入淨額	100,885	133,792
Net cash outflows from investing activities	投資活動現金流出淨額	(174,446)	(275,556)
Net cash (outflows) inflows from financing activities	融資活動現金(流出)流入淨額	(22,432)	194,928
Net cash (outflows) inflows	現金(流出)流入淨額	(95,993)	53,164

21. 附屬公司(續)

擁有重大非控股權益的非全資附屬公司的詳情(續)

本集團擁有重大非控股權益的各附屬公司的概略財務資料載列如下。下列概略財務資料代表集團內公司間抵銷前的數額。

河南超威

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
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	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
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21. SUBSIDIARIES (continued)

Anhui Chaowei

21. 附屬公司(續)

安徽超威

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets	流動資產	291,302	254,239
Non-current assets	非流動資產	224,023	165,580
Current liabilities	流動負債	114,361	90,369
Non-current liabilities	非流動負債	24,219	11,798
Equity attributable to owners of the Company	本公司擁有人應佔權益	282,558	238,239
Non-controlling interests	非控股權益	94,187	79,413

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收入	911,587	965,061
Expenses	開支	852,491	911,477
Profit for the year	年內利潤	59,096	53,584
Profit attributable to owners of the Company	本公司擁有人應佔利潤	44,322	40,188
Profit attributable to the non-controlling interests	非控股權益應佔利潤	14,774	13,396
Profit for the year	年內利潤	59,096	53,584
Dividends paid to non-controlling interests	已付非控股權益的股息	-	-
Net cash inflows from operating activities	經營活動現金流入淨額	34,194	60,231
Net cash outflows from investing activities	投資活動現金流出淨額	(55,898)	(49,351)
Net cash (outflows) inflows from financing activities	融資活動現金(流出)流入淨額	(7)	141
Net cash (outflows) inflows	現金(流出)流入淨額	(21,711)	11,021

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21. SUBSIDIARIES (CONTINUED)

Jiangsu Yongda

21. 附屬公司(續)

江蘇永達

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets	流動資產	321,255	305,208
Non-current assets	非流動資產	196,795	177,063
Current liabilities	流動負債	187,915	240,202
Non-current liabilities	非流動負債	7,074	7,330
Equity attributable to owners of the Company	本公司擁有人應佔權益	193,836	140,843
Non-controlling interests	非控股權益	129,225	93,896

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收入	1,537,710	1,535,348
Expenses	開支	1,449,387	1,436,770
Profit for the year	年內利潤	88,323	98,578
Profit attributable to owners of the Company	本公司擁有人應佔利潤	52,994	59,147
Profit attributable to the non-controlling interests	非控股權益應佔利潤	35,329	39,431
Profit for the year	年內利潤	88,323	98,578
Dividends paid to non-controlling interests	已付非控股權益的股息	-	-
Net cash inflows from operating activities	經營活動現金流入淨額	47,755	85,290
Net cash outflows from investing activities	投資活動現金流出淨額	(30,536)	(58,749)
Net cash outflows from financing activities	融資活動現金流出淨額	(28,904)	(15,925)
Net cash (outflows) inflows	現金(流出)流入淨額	(11,685)	10,616

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22. INTERESTS IN ASSOCIATES

22. 於聯營公司的權益

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Cost of unlisted investments	非上市投資的成本	50,453	42,053
Share of post-acquisition losses	收購後應佔虧損	(14,438)	(7,753)
Share of net assets	應佔資產淨值	36,015	34,300
Loan to an associate	貸款予一間聯營公司	12,987	14,191
		49,002	48,491

As at 31 December 2016, the Group had interests in the following associates:

截至二零一六年十二月三十一日，本集團於以下聯營公司擁有權益：

Name of entity 實體名稱	Date of incorporation/ establishment 註冊成立/ 成立日期	Country of incorporation and operation 註冊成立及 營運所在國家	Fully paid-up/ registered capital 繳足/註冊資本	Proportion of nominal value of registered capital and voting power held by the Group as at 31 December 截至十二月三十一日本集團 所持註冊資本的面值及 所持投票權的比例		Principal activity 主要業務
				2016 二零一六年 %	2015 二零一五年 %	
Akkumulatorenfabrik MOLL GmbH & Co. KG ("MOLL")	1945 一九四五年	Germany 德國	EUR2,302,000 2,302,000 歐元	46	46	Manufacture of start-and-stop batteries 製造啟停電池
Zhejiang Yige Power Co., Ltd. ("Zhejiang Yige") 浙江壹舸能源有限公司 (「浙江壹舸」)	25 July 2016 二零一六年 七月二十五日	China 中國	RMB10,000,000 人民幣 10,000,000 元	49	N/A 不適用	Manufacture of lithium-ion battery pack 製造鋰離子電池組
Zhejiang Yuanli Power Technology Co., Ltd. ("Zhejiang Yuanli") 浙江原力能源科技 有限公司(「浙江原力」)	31 August 2016 二零一六年 八月三十一日	China 中國	RMB50,000,000 人民幣 50,000,000 元	45	N/A 不適用	Manufacture of new energy storage system 製造新能源存儲 系統

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22. INTERESTS IN ASSOCIATES (continued)

On 25 July 2016, Chaowei Power established Zhejiang Yige with an independent third party of the Group. The principal activity of Zhejiang Yige is engaged in manufacturing of Lithium-ion battery pack. Upon establishment, Zhejiang Yige is owned as to 49% by Chaowei Power and 51% by the other investor. At least half of the shareholding interest in Zhejiang Yige are required for decision on directing the relevant activities of Zhejiang Yige and hence in the opinion of the Directors, the Group's interest in Zhejiang Yige is accounted for as an associate. During the current year, the Group made capital contribution of RMB4,900,000 to Zhejiang Yige.

On 31 August 2016, Chaowei Power established Zhejiang Yuanli with Mr. Zhou Mingming, who is the chairman and chief executive officer of the Company, and other two independent third parties of the Group. The principal activity of Zhejiang Yuanli is engaged in the manufacturing of new energy storage system. Upon establishment, Zhejiang Yuanli is owned as to 45% by Chaowei Power, 48% by Mr. Zhou Mingming, 5% and 2% by the other two independent investors respectively. At least half of the shareholding interest in Zhejiang Yuanli are required for decision on directing the relevant activities of Zhejiang Yuanli and hence in the opinion of the Directors, the Group's interest in Zhejiang Yuanli is accounted for as an associate. During the current year, the Group made capital contribution of RMB3,500,000 to Zhejiang Yuanli.

The associates of the Group are accounted for using the equity method in these consolidated financial statements.

22. 於聯營公司的權益(續)

於二零一六年七月二十五日，超威電源與本集團獨立第三方成立浙江壹舸。浙江壹舸的主要業務為製造鋰離子電池組。浙江壹舸成立時由超威電源與另一名投資者各自持有49%及51%。浙江壹舸業務方針的相關決策須經至少50%股權的持有人批准。因此，董事認為，本集團所持浙江壹舸權益入賬為聯營公司。本年度，本集團向浙江壹舸注資人民幣4,900,000元。

於二零一六年八月三十一日，超威電源與本公司主席兼行政總裁周明明先生及本集團其他兩名獨立第三方成立浙江原力。浙江原力的主要業務為製造新能源存儲系統。浙江原力成立時由超威電源、周明明先生及其他兩名獨立投資者分別持有45%、48%、5%及2%。浙江原力業務方針的相關決策須經至少50%股權的持有人批准。因此，董事認為，本集團所持浙江原力權益入賬為聯營公司。本年度，本集團向浙江原力注資人民幣3,500,000元。

本集團的聯營公司以權益法計入綜合財務報表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

22. INTERESTS IN ASSOCIATES (continued)

An unsecured loan was granted by the Group to MOLL in an amount of EUR1,520,000 (equivalent to approximately RMB12,987,000 as at 31 December 2016) at an interest rate of 4.9% per annum with the maturity date at the end of 2018. During the year, the Group received settlement of loan amounting to EUR480,000 from MOLL.

The summarised financial information in respect of the associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRSs.

MOLL

		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Current assets	流動資產	107,394	94,118
Non-current assets	非流動資產	65,938	51,628
Current liabilities	流動負債	124,783	28,385
Non-current liabilities	非流動負債	-	61,635

		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Revenue	收入	462,174	355,181
Loss for the year	年內虧損	(7,175)	(8,760)
Total comprehensive expense for the year	年內全面開支總額	(7,175)	(8,760)

22. 於聯營公司的權益(續)

本集團向MOLL提供為數1,520,000歐元(於二零一六年十二月三十一日相等於約人民幣12,987,000元)的無抵押貸款，年利率為4.9%，將於二零一八年年底到期。年內，本集團收取MOLL的貸款結算款480,000歐元。

有關聯營公司的概略財務資料載列如下。下列的概略財務資料代表根據國際財務報告準則編製的聯營公司財務報表所示的數額。

MOLL

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零一六年十二月三十一日止年度

22. INTERESTS IN ASSOCIATES (continued)

MOLL (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in MOLL recognised in these consolidated financial statements:

22. 於聯營公司的權益 (續)

MOLL (續)

上述概略財務資料與綜合財務報表所確認於MOLL的權益的賬面值對賬：

		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Net assets of MOLL	MOLL的資產淨值	48,549	55,726
Proportion of the Group's ownership interest in MOLL	本集團佔MOLL的擁有權比例	46%	46%
Goodwill	商譽	8,666	8,666
Carrying amount of the Group's interest in MOLL	本集團於MOLL的權益的賬面值	30,999	34,300

Zhejiang Yige

浙江壹舸

At
31 December
2016
於二零一六年
十二月三十一日
RMB'000
人民幣千元
(unaudited)
(未經審核)

Current assets	流動資產	47,333
Non-current assets	非流動資產	9,602
Current liabilities	流動負債	58,310
Non-current liabilities	非流動負債	-

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綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

22. INTERESTS IN ASSOCIATES (continued) Zhejiang Yige (continued)

22. 於聯營公司的權益(續) 浙江壹舸(續)

2016
二零一六年
RMB'000
人民幣千元
(unaudited)
(未經審核)

Revenue	收入	2,669
Loss for the period from the date of establishment to 31 December 2016	自成立日期至二零一六年十二月三十一日期內虧損	(6,274)
Total comprehensive expense for the period from the date of establishment to 31 December 2016	自成立日期至二零一六年十二月三十一日期內全面開支總額	(6,274)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Zhejiang Yige recognised in these consolidated financial statements:

上述概略財務資料與綜合財務報表所確認於浙江壹舸的權益的賬面值對賬：

2016
二零一六年
RMB'000
人民幣千元
(unaudited)
(未經審核)

Net liabilities of the Zhejiang Yige	浙江壹舸的資產淨值	(1,374)
Proportion of the Group's ownership interest in Zhejiang Yige	本集團佔浙江壹舸的擁有權比例	49%
Carrying amount of the Group's interest in Zhejiang Yige	本集團於浙江壹舸的權益的賬面值	(673)

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綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

22. INTERESTS IN ASSOCIATES (continued) Zhejiang Yuanli

22. 於聯營公司的權益(續) 浙江原力

At
31 December
2016
於二零一六年
十二月三十一日
RMB'000
人民幣千元
(unaudited)
(未經審核)

Current assets	流動資產	3,589
Non-current assets	非流動資產	20
Current liabilities	流動負債	796
Non-current liabilities	非流動負債	-

2016
二零一六年
RMB'000
人民幣千元
(unaudited)
(未經審核)

Revenue	收入	-
Loss for the period from the date of establishment to 31 December 2016	自成立日期至二零一六年十二月三十一日期內虧損	(687)
Total comprehensive expense for the period from the date of establishment to 31 December 2016	自成立日期至二零一六年十二月三十一日期內全面開支總額	(687)

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綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

22. INTERESTS IN ASSOCIATES (continued) Zhejiang Yuanli (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Zhejiang Yuanli recognised in these consolidated financial statements:

22. 於聯營公司的權益(續) 浙江原力(續)

上述概略財務資料與綜合財務報表所確認於浙江原力的權益的賬面值對賬：

		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)
Net assets of the Zhejiang Yuanli	浙江原力的資產淨值	2,813
Proportion of the Group's ownership interest in Zhejiang Yuanli	本集團佔浙江原力的擁有權比例	45%
Carrying amount of the Group's interest in Zhejiang Yuanli	本集團於浙江原力的權益的賬面值	1,266

23. INTEREST IN JOINT VENTURES

Details of the Group's investments in joint ventures are as follows:

23. 於合營企業的權益

本集團於合營企業的投資詳情如下：

		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Cost of unlisted investments	非上市投資的成本	129,500	57,000
Share of post-acquisition profit	收購後應佔利潤	919	646
		130,419	57,646

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綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

23. INTEREST IN JOINT VENTURES (continued)

As at 31 December 2016, the Group had interest in the following joint ventures:

Name of entity	Date of establishment	Country of establishment and operation	Fully paid-up/registered capital	Proportion of nominal value of registered capital and voting power held by the Group as at 31 December		Principal activity
				2016 二零一六年 %	2015 二零一五年 %	
Changxing Kewei Venture Capital Investment LLP. (“Changxing Kewei”) 長興科威創業投資合夥企業(「長興科威」)	1 January 2015 二零一五年一月一日	China 中國	RMB100,000,000 人民幣 100,000,000 元	57	57	Venture capital investment 創業基金投資
Zhejiang Pulangte Electric Vehicle Co., Ltd. (“Zhejiang Pulangte”) 浙江普朗特電動汽車有限公司(「浙江普朗特」)	21 March 2016 二零一六年三月二十一日	China 中國	RMB150,000,000 人民幣 150,000,000 元	48.33	N/A 不適用	Technical service of new energy vehicles 新能源汽車技術服務

On 15 January 2015, Chaowei Power entered into a joint venture agreement (the “JV Agreement”) with other three independent third parties of the Group for the establishment of Changxing Kewei. The principal activity of Changxing Kewei is investment in high growth potential enterprises. Upon establishment, Changxing Kewei is owned as to 57% by Chaowei Power, 30%, 12% and 1% by the other three independent investors respectively. The board of directors of Changxing Kewei comprise 5 directors, 3 of which are appointed by Chaowei Power. Under the JV Agreement, at least two-third of the board of directors are required for decision on directing the relevant activities of Changxing Kewei and hence in the opinion of the Directors, the Group’s interest in Changxing Kewei is accounted for as a joint venture.

23. 於合營企業的權益(續)

於二零一六年十二月三十一日，本集團於以下合營企業擁有權益：

於二零一五年一月十五日，超威電源與其他三名本集團獨立第三方就成立長興科威訂立合營協議(「合營協議」)。長興科威的主要活動為投資高增長潛力企業。成立後，長興科威由超威電源擁有57%及由其他三名獨立投資者分別擁有30%、12%及1%。長興科威的董事會包括五名董事，其中三名由超威電源委任。合營協議規定須至少三分之二的董事會成員決策有關長興科威活動的事宜，故董事認為，本集團於長興科威的權益入賬為本集團的合營企業。

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綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

23. INTEREST IN JOINT VENTURES (continued)

On 21 March 2016, Chaowei Power entered into a joint venture agreement (the "2016 JV Agreement") with Mr. Zhou Mingming, who is the chairman and chief executive officer of the Company, for the establishment of Zhejiang Pulangte. The principal activity of Zhejiang Pulangte is provision of technical service of new energy vehicles. Upon establishment, Zhejiang Pulangte is owned as to 48.33% by Chaowei Power and 51.67% by Mr. Zhou Mingming. Under the 2016 JV Agreement, at least three-fifth of the shareholding interest in Zhejiang Pulangte are required for decision on directing the relevant activities of Zhejiang Pulangte and hence in the opinion of the Directors, the Group's interest in Zhejiang Pulangte is accounted for as a joint venture.

The joint ventures are accounted for using the equity method in these consolidated financial statements.

The summarised financial information in respect of the Group's joint ventures is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRSS.

Changxing Kewei

		At 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 於二零一五年 十二月三十一日 RMB'000 人民幣千元 (unaudited) (未經審核)
Current assets	流動資產	4,439	74,534
Non-current assets	非流動資產	97,080	26,600
Current liabilities	流動負債	-	-
Non-current liabilities	非流動負債	-	-

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	現金及現金等價物	4,439	42,534
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23. 於合營企業的權益(續)

於二零一六年三月二十一日，超威電源與本公司主席兼行政總裁周明明先生就成立浙江普朗特訂立合營協議(「二零一六年合營協議」)。浙江普朗特的主要活動為提供新能源汽車技術服務。成立後，浙江普朗特由超威電源及周明明先生分別擁有48.33%及51.67%。二零一六年合營協議規定浙江普朗特業務方針的相關決策須經至少五分之三股權的持有人批准，故董事認為，本集團於浙江普朗特的權益入賬為本集團的合營企業。

合營企業以權益法計入此等綜合財務報表。

有關本集團合營企業的概略財務資料載列如下。下列的概略財務資料代表根據國際財務報告準則編製的合營企業財務報表所示的數額。

長興科威

上述資產及負債金額包括以下項目：

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截至二零一六年十二月三十一日止年度

23. INTEREST IN JOINT VENTURES (continued) Changxing Kewei (continued)

23. 於合營企業的權益(續) 長興科威(續)

		2016 二零一六年 RMB'000 人民幣千元 (unaudited) (未經審核)	2015 二零一五年 RMB'000 人民幣千元 (unaudited) (未經審核)
Revenue	收入	-	-
Profit for the year	年內利潤	384	1,134
Total comprehensive income for the year	年內全面收入總額	384	1,134
Dividends received from Changxing Kewei during the year	年內收取長興科威股息	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in Changxing Kewei recognised in these consolidated financial statements:

上述財務資料概要與綜合財務報表所確認於長興科威的權益的賬面值對賬：

		At 31 December 2016 二零一六年 十二月三十一日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2015 二零一五年 十二月三十一日 RMB'000 人民幣千元 (unaudited) (未經審核)
Net assets of Changxing Kewei	長興科威的資產淨值	101,519	101,134
Proportion of the Group's ownership interest in Changxing Kewei	本集團佔長興科威的擁有權比例	57%	57%
Carrying amount of the Group's interest in Changxing Kewei	本集團於長興科威的權益的賬面值	57,866	57,646

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23. INTEREST IN JOINT VENTURES (continued) Zhejiang Pulangte

23. 於合營企業的權益(續) 浙江普朗特

At
31 December
2016
於二零一六年
十二月三十一日
RMB'000
人民幣千元
(unaudited)
(未經審核)

Current assets	流動資產	8,024
Non-current assets	非流動資產	106,579
Current liabilities	流動負債	30,994
Non-current liabilities	非流動負債	–

The above amounts of assets and liabilities include the following:

上述資產及負債金額包括以下項目：

Cash and cash equivalents	現金及現金等價物	3,594
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債(不包括應付貿易賬款及其他應付款項和撥備)	2,000

2016
二零一六年
RMB'000
人民幣千元
(unaudited)
(未經審核)

Revenue	收入	–
Profit for the period from the date of establishment to 31 December 2016	自成立日至二零一六年十二月三十一日止期間利潤	110
Other comprehensive income for the year	年內其他全面收益	–
Total comprehensive income for the period from the date of establishment to 31 December 2016	自成立日至二零一六年十二月三十一日止期間全面收入總額	110
Dividends received from Zhejiang Pulangte during the year	年內收取浙江普朗特股息	–

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截至二零一六年十二月三十一日止年度

23. INTEREST IN JOINT VENTURES (continued) Zhejiang Pulangte (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Zhejiang Pulangte recognised in these consolidated financial statements:

Net assets of Zhejiang Pulangte	浙江普朗特的資產淨值	83,610
Proportion of the Group's ownership interest in Zhejiang Pulangte	本集團佔浙江普朗特的擁有權比例	48.33%
Carrying amount of the Group's interest in Zhejiang Pulangte	本集團於浙江普朗特的權益的賬面值	40,409

2016
二零一六年
RMB'000
人民幣千元
(unaudited)
(未經審核)

24. LOAN RECEIVABLES

(a) Entrusted loan granted to Chisen Electric Jiangsu Co., Ltd. ("Chisen Electric")

Chaowei Power, the wholly-owned subsidiary of the Company, entered into an entrusted loan agreement with CITIC Trust Co., Ltd. ("CITIC Trust"), a fiduciary company incorporated in the PRC, on 17 December 2012 (the "Chisen Entrusted Loan Agreement"), pursuant to which, Chaowei Power, through CITIC Trust, would provide the entrusted loan of RMB200,000,000 (the "Chisen Entrusted Loan") to Chisen Electric, a company established in the PRC with limited liability which was held as to 98% by Zhejiang Chisen Electric Co., Ltd ("Zhejiang Chisen") and 2% by Mr. Xu Kecheng as at the date of the Chisen Entrusted Loan Agreement, for a term of three years.

The Chisen Entrusted Loan is charged at a fixed rate of interest of 8% per annum.

Chisen Electric shall repay not less than 25%, 50% and 75% of the outstanding principal under the Chisen Entrusted Loan on or before the expiry of the 27th, 30th and 33rd months from the date of the Chisen Entrusted Loan, with balance repayable in full upon expiry of the Chisen Entrusted Loan.

24. 應收貸款

(a) 授予昌盛電氣江蘇有限公司(「昌盛電氣」)的委託貸款

於二零一二年十二月十七日，本公司一家全資附屬公司超威電源，與一家於中國註冊成立的信託公司中信信託有限責任公司(「中信信託」)訂立一項委託貸款協議(「昌盛委託貸款協議」)，超威電源將透過中信信託向一間於中國成立的有限公司昌盛電氣(於昌盛委託貸款協議日期由浙江昌盛電氣有限公司(「浙江昌盛」)及徐克成先生分別持有98%及2%)提供人民幣200,000,000元的委託貸款(「昌盛委託貸款」)，為期三年。

昌盛委託貸款按固定年息8%的利率收費。

昌盛電氣應於昌盛委託貸款日期起計第27個月、第30個月及第33個月屆滿之日或之前償還不少於25%、50%及75%的昌盛委託貸款項下尚未償還本金額，餘額應於昌盛委託貸款屆滿時悉數償還。

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For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

24. LOAN RECEIVABLES (continued)

(a) Entrusted loan granted to Chisen Electric (continued)

In 2015, Chaowei Power, Chisen Electric and CITIC Trust entered into a supplementary entrusted loan agreement to (1) reduce the principal amount of the Chisen Entrusted Loan from RMB200,000,000 to RMB160,000,000; and (2) extend the term of Chisen Entrusted Loan till 17 December 2017 with the first repayment instalment due in March 2017. Except for the details set out in the supplementary entrusted loan agreement above, all other terms and conditions of the Chisen Entrusted Loan remain unchanged.

Prior to the end of 2016, an amount of RMB32,000,000 was repaid by Chisen Electric. As at 31 December 2016, the outstanding amount of Chisen Entrusted Loan was RMB128,000,000 (31 December 2015: RMB160 million) pursuant to the Chisen Entrusted Loan Agreement and the supplementary entrusted loan agreement.

Guarantee and security of the Chisen Entrusted Loan

Chisen Electric and Zhejiang Chisen would assume joint and several obligations regarding the repayment of the principal and interest of the Chisen Entrusted Loan, in addition to which, the full repayment of the principal and the interest of the Chisen Entrusted Loan would be secured by:

- (i) a pledge of 98% equity interest in the Chisen Electric by Zhejiang Chisen for a term commencing from the date of approval of such pledge by the competent governmental authority up to expiry of the limitation period for action by CITIC Trust under (i) the loan agreement entered into between CITIC Trust and Chisen Electric in relation to the Chisen Entrusted Loan dated 17 December 2012 ("Loan Agreement") and (ii) the joint payment agreement dated 17 December 2012 entered into between Chisen Electric, Zhejiang Chisen and CITIC Trust in relation to the repayment of the Chisen Entrusted Loan (the "Joint Payment Agreement");

24. 應收貸款(續)

(a) 授予昌盛電氣的委託貸款(續)

於二零一五年，超威電源、昌盛電氣及中信信託訂立補充委託貸款協議，(1)將昌盛委託貸款本金額由人民幣200,000,000元減至人民幣160,000,000元；及(2)將昌盛委託貸款期限延至二零一七年十二月十七日止，首筆還款將於二零一七年三月到期。除上述補充委託貸款協議所載詳情除外，昌盛委託貸款協議所有其他條款及條件保持不變。

於二零一六年年底前，昌盛電氣已償還人民幣32,000,000元。截至二零一六年十二月三十一日，根據昌盛委託貸款協議及補充委託貸款協議，昌盛委託貸款未償還款項為人民幣128,000,000元(二零一五年十二月三十一日：人民幣160,000,000元)。

昌盛委託貸款的保證及抵押

昌盛電氣及浙江昌盛將共同及個別承擔昌盛委託貸款的本金及利息的還款責任，此外，悉數償還昌盛委託貸款的本金及利息將由以下各項作抵押：

- (i) 浙江昌盛對其於昌盛電氣98%股權的抵押，抵押年期自政府主管機構批准該抵押之日起直至根據(i)中信信託與昌盛電氣就昌盛委託貸款於二零一二年十二月十七日訂立的貸款協議(「貸款協議」)及(ii)昌盛電氣、浙江昌盛與中信信託就償還昌盛委託貸款於二零一二年十二月十七日訂立的共同付款協議(「共同付款協議」)中信信託可採取行動的時限屆滿時為止；

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24. LOAN RECEIVABLES (continued)

(a) Entrusted loan granted to Chisen Electric (continued)

Guarantee and security of the Chisen Entrusted Loan (continued)

- (ii) a pledge of 100% equity interest in Zhejiang Chisen by Fast More Limited, a company incorporated in Hong Kong with limited liabilities, which was wholly-owned by Chisen Electric Corporation, a Nevada corporation in the United States, which was beneficially owned as to 65.8% by Mr. Xu Kecheng as at the date of the Chisen Entrusted Loan Agreement, for the period up to expiry of the limitation period for action by CITIC Trust under the Loan Agreement and the Joint Payment Agreement;
- (iii) floating charges over the current and future inventory of each of the Chisen Electric and Zhejiang Chisen for the period up to expiry of the limitation period for action by CITIC Trust under the Loan Agreement and the Joint Payment Agreement;
- (iv) chattel charges over all the machinery and equipment of each of the Chisen Electric and Zhejiang Chisen for the period up to expiry of the limitation period for action by CITIC Trust under the Loan Agreement and the Joint Payment Agreement; and
- (v) personal guarantee by Mr. Xu Kecheng, the ultimate beneficial owner of the Chisen Electric, for a term of two years from the expiry of the Loan Agreement and the Joint Payment Agreement.

24. 應收貸款(續)

(a) 授予昌盛電氣的委託貸款(續)

昌盛委託貸款的保證及抵押(續)

- (ii) 捷加有限公司(一間於香港註冊成立的有限公司, 由昌盛電氣有限公司(一間在美國的內華達州公司)全資擁有。於昌盛委託貸款協議日期, 昌盛電氣有限公司由徐克成先生實益擁有65.8%權益)對其於浙江昌盛100%股權的抵押, 抵押年期直至根據貸款協議及共同付款協議中信託可採取行動的時限屆滿時為止;
- (iii) 昌盛電氣及浙江昌盛各自對目前及未來存貨的浮動抵押, 抵押年期直至根據貸款協議及共同付款協議中信託可採取行動的時限屆滿時為止;
- (iv) 昌盛電氣及浙江昌盛各自對所有機器設備的動產抵押, 抵押年期直至根據貸款協議及共同付款協議中信託可採取行動的時限屆滿時為止; 及
- (v) 徐克成先生(昌盛電氣的最終實益擁有人)所提供的個人擔保, 自貸款協議及共同付款協議屆滿之日起為期兩年。

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24. LOAN RECEIVABLES (continued)

(a) Entrusted loan granted to Chisen Electric (continued)

Other commitments of Chisen Electric

Chisen Electric has also agreed that, during the term of the Chisen Entrusted Loan Agreement:

- (i) it shall not increase its registered capital or total investment in any form unless agreed by Chaowei Power in writing, except for investment into Chisen Electric made by Chaowei Power;
- (ii) it shall accept investment proposals from Chaowei Power;
- (iii) Chaowei Power shall have the right to appoint one director to the board of directors of Chisen Electric; and
- (iv) it shall amend its articles of association to confirm the director appointment by Chaowei Power.

The aforesaid other commitments undertaken by Chisen Electric only give Chaowei Power protective rights rather than significant influence over Chisen Electric. As such, Chaowei Power does not account for Chisen Electric as an associate.

24. 應收貸款(續)

(a) 授予昌盛電氣的委託貸款(續)

昌盛電氣的其他承擔

昌盛電氣亦已同意，於昌盛委託貸款協議期限內：

- (i) 除非超威電源以書面方式同意，否則其不得以任何形式增加其註冊資本或總投資額，惟超威電源向昌盛電氣作出的投資則除外；
- (ii) 其須接納超威電源提出的投資方案；
- (iii) 超威電源有權委任一名董事加入昌盛電氣的董事會；及
- (iv) 其須修訂其組織章程細則，以確認超威電源對董事的委任。

上述由昌盛電氣承諾的其他承擔僅為保障超威電源的權利，超威電源對昌盛電氣並無重大的影響。因此，超威電源並非昌盛電氣的聯營公司。

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24. LOAN RECEIVABLES (continued)

(b) Entrusted loan granted to Changxing Yongcheng Power Co., Ltd. ("Changxing Yongcheng")

On 26 November 2014, Chaowei Power entered into an entrusted loan agreement with CITIC Trust, pursuant to which, Chaowei Power, through CITIC Trust, provided entrusted loan of RMB5,000,000 (the "Yongcheng Entrusted Loan") to Changxing Yongcheng, an independent third-party company, with a maturity date on 29 November 2015, which is charged at a fixed interest rate of 8% per annum.

Guarantee and security of the Yongcheng Entrusted Loan

The full repayment of the principal and the interest of the Yongcheng Entrusted Loan is secured by:

- (i) a pledge of 95% equity interest in the Changxing Yongcheng; and
- (ii) personal guarantee by Mr. Zou Yongshun, the ultimate beneficial owner of the Changxing Yongcheng.

The Yongcheng Entrusted Loan agreement was renewed in November 2015 and the maturity date of Yongcheng Entrusted Loan was extended to 29 November 2016. Except for the extension of the maturity date, other terms and condition of Yongcheng Entrusted Loan remain unchanged.

On 29 November 2016, Chaowei Power, Changxing Yongcheng and CITIC Trust entered into a supplementary entrusted loan agreement to (1) reduce the principal amount of the Yongcheng Entrusted Loan from RMB5,000,000 to RMB3,600,000; and (2) extend the term of Yongcheng Entrusted Loan till 29 November 2017. Except for the details set out in the supplementary entrusted loan agreement above, all other terms and conditions of the Yongcheng Entrusted Loan remain unchanged.

Prior to the end of 2016, an amount of RMB1,400,000 was repaid by Changxing Yongcheng. As at 31 December 2016, the outstanding amount of Yongcheng Entrusted Loan was RMB3,600,000 (31 December 2015: RMB5,000,000) pursuant to the Yongcheng Entrusted Loan Agreement and the supplementary entrusted loan agreement.

24. 應收貸款(續)

(b) 授予長興永誠電源有限公司(「長興永誠」)的委託貸款

於二零一四年十一月二十六日，超威電源與中信信託訂立委託貸款協議，據此，超威電源透過中信信託向長興永誠(屬獨立第三方)提供人民幣5,000,000元的委託貸款(「永誠委託貸款」)，將於二零一五年十一月二十九日到期。永誠委託貸款按固定年息8%的利率收費。

永誠委託貸款的保證及抵押

悉數償還永誠委託貸款的本金及利息將由以下各項作抵押：

- (i) 長興永誠95%股權之抵押；及
- (ii) 鄒永順先生(長興永誠最終實益擁有人)所提供的個人擔保。

永誠委託貸款協議於二零一五年十一月重續，永誠委託貸款到期日延至二零一六年十一月二十九日。除延後到期日除外，永誠委託貸款的其他條款及條件保持不變。

於二零一六年十一月二十九日，超威電源、長興永誠及中信信託訂立補充委託貸款協議，(1)將永誠委託貸款本金額由人民幣5,000,000元調減至人民幣3,600,000元；及(2)將永誠委託貸款期限延長至二零一七年十一月二十九日結束。除上述補充委託貸款協議所載詳情除外，永誠委託貸款協議所有其他條款及條件不變。

於二零一六年年底前，長興永誠已償還人民幣1,400,000元。截至二零一六年十二月三十一日，根據永誠委託貸款協議及補充委託貸款協議，永誠委託貸款未償還款項為人民幣3,600,000元(二零一五年十二月三十一日：人民幣5,000,000元)。

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24. LOAN RECEIVABLES (continued)

(c) Entrusted loan granted to Huangshan Zhenlong Power Co., Ltd. (“Huangshan Zhenlong”)

On 26 November 2014, Chaowei Power entered into an entrusted loan agreement with CITIC Trust, pursuant to which, Chaowei Power, through CITIC Trust, will provide the entrusted loan of RMB50,000,000 (the “Huangshan Zhenlong Entrusted Loan”) to Huangshan Zhenlong for a term of three years.

The Huangshan Zhenlong Entrusted Loan is charged at a fixed rate of interest of 8% per annum.

As at 31 December 2016, Chaowei Power released an amount of RMB2,500,000 (31 December 2015: RMB2,500,000) to Huangshan Zhenlong.

Guarantee and security of the Huangshan Zhenlong Entrusted Loan

Huangshan Zhenlong, Xuzhou Zhenlong Power Co., Ltd. (“Xuzhou Zhenlong”) and Zhejiang Zhenlong Power Co., Ltd. (“Zhejiang Zhenlong”) would assume joint and several obligations regarding the repayment of the principal and the interest of the Huangshan Zhenlong Entrusted Loan, in addition to which, the full repayment of the principal and the interest of the Huangshan Zhenlong Entrusted Loan is secured by:

- (i) floating charges over the current and future inventories of Huangshan Zhenlong, Xuzhou Zhenlong and Zhejiang Zhenlong; and
- (ii) chattel charges over all the machinery and equipment of Huangshan Zhenlong, Xuzhou Zhenlong and Zhejiang Zhenlong.

24. 應收貸款(續)

(c) 授予黃山振龍電源有限公司(「黃山振龍」)的委託貸款

於二零一四年十一月二十六日，超威電源與中信信託訂立委託貸款協議，超威電源透過中信信託向黃山振龍提供人民幣50,000,000元的委託貸款(「黃山振龍委託貸款」)，為期三年。

黃山振龍委託貸款按固定年息8%的利率收費。

於二零一六年十二月三十一日，超威電源向黃山振龍發放人民幣2,500,000元(二零一五年十二月三十一日：人民幣2,500,000元)。

黃山振龍委託貸款的保證及抵押

黃山振龍、徐州振龍電源有限公司(「徐州振龍」)及浙江振龍電源股份有限公司(「浙江振龍」)將共同及個別承擔黃山振龍委託貸款的本金及利息的還款責任，除此以外，悉數償還黃山振龍委託貸款的本金及利息將由以下各項作抵押：

- (i) 黃山振龍、徐州振龍及浙江振龍對目前及未來存貨的浮動抵押；及
- (ii) 黃山振龍、徐州振龍及浙江振龍對所有機器設備的動產抵押。

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24. LOAN RECEIVABLES (continued)

(d) Entrusted loan granted to Xuzhou Zhenlong

On 26 November 2014, Chaowei Power entered into an entrusted loan agreement with CITIC Trust, pursuant to which, Chaowei Power, through CITIC Trust, will provide the entrusted loan of RMB30,000,000 (the "Xuzhou Zhenlong Entrusted Loan") to Xuzhou Zhenlong for a term of three years.

The Xuzhou Zhenlong Entrusted Loan is charged at a fixed rate of interest of 8% per annum.

As at 31 December 2016, Chaowei Power released an amount of RMB2,500,000 (31 December 2015: RMB2,500,000) to Xuzhou Zhenlong.

Guarantee and security of the Xuzhou Zhenlong Entrusted Loan

Xuzhou Zhenlong and Zhejiang Zhenlong would assume joint and several obligations regarding the repayment of the principal and the interest of the Xuzhou Zhenlong Entrusted Loan, in addition to which, the full repayment of the principal and the interest of the Xuzhou Zhenlong Entrusted Loan is secured by:

- (i) floating charges over the current and future inventories of Xuzhou Zhenlong and Zhejiang Zhenlong; and
- (ii) chattel charges over all the machinery and equipment of Xuzhou Zhenlong and Zhejiang Zhenlong.

24. 應收貸款(續)

(d) 授予徐州振龍的委託貸款

於二零一四年十一月二十六日，超威電源與中信信託訂立委託貸款協議，據此，超威電源透過中信信託向徐州振龍提供人民幣30,000,000元的委託貸款（「徐州振龍委託貸款」），為期三年。

徐州振龍委託貸款按固定年息8%的利率收費。

於二零一六年十二月三十一日，超威電源向徐州振龍發放人民幣2,500,000元（二零一五年十二月三十一日：人民幣2,500,000元）。

徐州振龍委託貸款的保證及抵押

徐州振龍及浙江振龍將共同及個別承擔徐州振龍委託貸款的本金及利息的還款責任，除此以外，悉數償還徐州振龍委託貸款的本金及利息將由以下各項作抵押：

- (i) 徐州振龍及浙江振龍對目前及未來存貨的浮動抵押；及
- (ii) 徐州振龍及浙江振龍對所有機器設備的動產抵押。

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24. LOAN RECEIVABLES (continued)

(e) Entrusted loan granted to Jiangxi Changxin Power Co., Ltd. (“Jiangxi Changxin”)

On 29 June 2015, Chaowei Power entered into an entrusted loan agreement with CITIC Trust, pursuant to which, Chaowei Power, through CITIC Trust, will provide the entrusted loan of RMB20,000,000 (the “Changxin Entrusted Loan”) to Jiangxi Changxin, an independent third-party company, for a term of one year.

Changxin Entrusted Loan is charged at a fixed rate of interest of 8% per annum.

The Changxin Entrusted Loan agreement was renewed in July 2016 and the maturity date of Changxin Entrusted Loan was extended to 29 June 2017. Except for the extension of the maturity date, other terms and condition of Changxin Entrusted Loan remain unchanged.

The Group has released additional entrusted loan of RMB30,000,000 to Jiangxi Changxin for a term of one year according to the entrusted loan agreement entered into with Jiangxi Changxin on 14 January 2016.

The Changxin Entrusted Loan agreement was renewed in January 2017 and the maturity date of Changxin Entrusted Loan was extended to 28 November 2017. Except for the extension of the maturity date, other terms and condition of Changxin Entrusted Loan remain unchanged.

As at 31 December 2016, Chaowei Power released an amount of RMB50,000,000 (31 December 2015: RMB20,000,000) to Jiangxi Changxin.

24. 應收貸款(續)

(e) 授予江西長新電源有限公司(「江西長新」)的委託貸款

於二零一五年六月二十九日，超威電源與中信信託訂立委託貸款協議，超威電源透過中信信託向江西長新(屬獨立第三方)提供人民幣20,000,000元的委託貸款(「長新委託貸款」)，為期一年。

長新委託貸款的固定年利率為8%。

長新委託貸款協議於二零一六年七月重續，長新委託貸款到期日延後至二零一七年六月二十九日。除到期日延後外，長新委託貸款的其他條款及條件不變。

根據與江西長新於二零一六年一月十四日訂立的委託貸款協議，本集團向江西長新發放額外委託貸款人民幣30,000,000元，為期一年。

長新委託貸款協議於二零一七年一月重續，長新委託貸款到期日延後至二零一七年十一月二十八日。除到期日延後外，長新委託貸款的其他條款及條件不變。

於二零一六年十二月三十一日，超威電源向江西長新發放人民幣50,000,000元(二零一五年十二月三十一日：人民幣20,000,000元)。

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24. LOAN RECEIVABLES (continued)

(e) Entrusted loan granted to Jiangxi Changxin Power Co., Ltd. ("Jiangxi Changxin") (continued)

Guarantee and security of the Changxin Entrusted Loan

Changxin Entrusted Loan provides the following guarantees:

- (i) floating charges over the current and future inventories of Jiangxi Changxin;
- (ii) chattel charges over all the machinery and equipment of Jiangxi Changxin; and
- (iii) personal guarantee by Mr. Yuan Wenyong, the ultimate beneficial owner of Jiangxi Changxin, and his wife, Ms. He Maoyi.

(f) Entrusted loan granted to Binhai Changxing Plastic Co., Ltd. ("Binhai Changxing")

On 6 September 2016, Chaowei Power entered into an entrusted loan agreement with Bank of China Binhai Branch ("BOC"), pursuant to which, Chaowei Power, through BOC, will provide the entrusted loan of RMB5,000,000 (the "Binhai Entrusted Loan") to Binhai Changxing, an independent third-party company, for a term of one year.

Binhai Entrusted Loan is charged at a fixed rate of interest of 7% per annum.

Prior to the end of 2016, the Binhai Entrusted Loan has been repaid in full.

Guarantee and security of the Binhai Entrusted Loan

Binhai Entrusted Loan provides the following guarantees:

Binhai Changxing would assume obligations regarding the repayment of the principal and the interest of the Binhai Entrusted Loan. The full repayment of the principal and the interest of the Binhai Entrusted Loan is secured by chattel charges over all the machinery and equipment, furnitures and motor vehicles of Binhai Changxing.

24. 應收貸款(續)

(e) 授予江西長新電源有限公司(「江西長新」)的委託貸款(續)

長新委託貸款的保證及抵押

長新委託貸款提供以下保證：

- (i) 江西長新對目前及未來存貨的浮動抵押；
- (ii) 江西長新對所有機器設備的動產抵押；及
- (iii) 袁文勇先生(江西長新最終實益擁有人)及其配偶何茂頤女士提供的個人擔保。

(f) 授予濱海長興塑業有限公司(「濱海長興」)的委託貸款

於二零一六年九月六日，超威電源與中國銀行濱海支行(「中國銀行」)訂立委託貸款協議，超威電源透過中國銀行向濱海長興(獨立第三方公司)提供人民幣5,000,000元的委託貸款(「濱海委託貸款」)，貸款為期一年。

濱海委託貸款的固定年利率為7%。

於二零一六年年底前，濱海委託貸款已償清。

濱海委託貸款的保證及抵押

濱海委託貸款提供以下保證：

濱海長興承擔濱海委託貸款的本金及利息的還款責任。悉數償還濱海委託貸款的本金及利息以濱海長興的所有機器及設備、傢俬及汽車作抵押。

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24. LOAN RECEIVABLES (continued)

(g) Loan granted to Qinyang City Construction Investment and Development Co., Ltd. (“City Construction”, a company as to 49% owned by State-owned Assets Supervision and Administration Commission of Qinyang City (“SASAC of Qinyang City”))

On 20 September 2015, Henan Chaowei, a subsidiary of the Company, entered into a loan agreement with City Construction, pursuant to which, Henan Chaowei provided a loan of RMB96,000,000 (the “City Construction Loan”) to City Construction for a term of five years repayable on a five-year annual instalment basis from 2016 to 2020. In 2015, an amount of RMB290,000 was repaid by City Construction. The City Construction Loan is charged at a floating rate of 4.3% per annum, a floating rate based on the borrowing rate announced by the People’s Bank of China.

During 2016, an amount of RMB25,000,000 was repaid by City Construction. As at 31 December 2016, the outstanding amount of City Construction Loan was RMB70,710,000 (31 December 2015: RMB95,710,000).

Guarantee of the City Construction Loan

The City Construction Loan is guaranteed by Qinyang Qinbei Construction Investment Co., Ltd., a company wholly-owned by SASAC of Qinyang City.

24. 應收貸款(續)

(g) 授予沁陽市城市建設投資發展有限公司(「城市建設」，由沁陽市國有資產監督管理委員會(「沁陽市國資委」)擁有49%股權)

於二零一五年九月二十日，河南超威(本公司的附屬公司)與城市建設訂立貸款協議，河南超威向城市建設提供人民幣96,000,000元的貸款(「城市建設貸款」)，為期五年，於二零一六年至二零二零年止五年期按年度基準分期償還。於二零一五年，城市建設已償還人民幣290,000元。城市建設貸款的浮動年利率為4.3%，浮息乃按中國人民銀行公佈的借貸利率計算。

於二零一六年，城市建設已償還人民幣25,000,000元。截至二零一六年十二月三十一日，城市建設貸款未償還金額為人民幣70,710,000元(二零一五年十二月三十一日：人民幣95,710,000元)。

城市建設貸款的保證

城市建設貸款由沁陽市沁北建設投資有限公司(沁陽市國資委全資擁有的公司)保證。

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24. LOAN RECEIVABLES (continued)

(h) Loan granted to the government of Guangchen Town, Ningyang County (“Ningyang Government”)

In 2015, Chaowei Ciyao, a subsidiary of the Company, entered into a loan agreement with Ningyang Government, pursuant to which, Chaowei Ciyao provided a loan of RMB32,000,000 (the “Ningyang Loan”) to Ningyang Government for a term of five years. In 2015, an amount of RMB5,000,000 was repaid by Ningyang Government. The Ningyang Loan is charged at a floating rate of 4.3% per annum, a floating rate based on the borrowing rate announced by the People’s Bank of China.

During 2016, an amount of RMB23,500,000 was repaid by Ningyang Government. As at 31 December 2016, the outstanding amount of Ningyang Loan was RMB3,500,000 (31 December 2015: RMB27,000,000).

Guarantee of the Ningyang Loan

The Ningyang Loan is guaranteed by Ningyang County Jincal Investment Co., Ltd. which is owned as to 40% by the government of Ningyang County and 60% by another state-owned entity.

(i) Loan granted to MOLL

During the current year, the Group granted to MOLL an unsecured loan in an amount of EUR1,767,000 (equivalent to approximately RMB12,911,000 as at 31 December 2016) at a fixed interest rate of 5% per annum with the maturity date at 30 June 2017.

24. 應收貸款(續)

(h) 授予寧陽縣埧城鎮政府(「寧陽政府」)的貸款

於二零一五年，本公司的附屬公司超威磁窯與寧陽政府訂立貸款協議，超威磁窯向寧陽政府提供人民幣32,000,000元的貸款(「寧陽貸款」)，為期五年。於二零一五年，寧陽政府已償還人民幣5,000,000元。寧陽貸款的浮動年利率為4.3%，浮息乃按中國人民銀行公佈的借貸利率計算。

於二零一六年，寧陽政府已償還人民幣23,500,000元。截至二零一六年十二月三十一日，寧陽貸款未償還金額為人民幣3,500,000元(二零一五年十二月三十一日：人民幣27,000,000元)。

寧陽貸款的保證

寧陽貸款由寧陽縣金財投資有限公司(由寧陽縣政府及另一國有企業分別擁有40%及60%)保證。

(i) 授予MOLL的貸款

本年度，本集團向MOLL發放一筆1,767,000歐元(於二零一六年十二月三十一日相當於約人民幣12,911,000元)的無抵押貸款，按固定年利率5%計息，於二零一七年六月三十日到期。

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24. LOAN RECEIVABLES (continued)

(i) Loan granted to MOLL (continued)

Set out below are the summary of various entrusted loans:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Chisen Entrusted Loan	昌盛委託貸款	128,000	160,000
Yongcheng Entrusted Loan	永誠委託貸款	3,600	5,000
Huangshan Zhenlong Entrusted Loan	黃山振龍委託貸款	2,500	2,500
Xuzhou Zhenlong Entrusted Loan	徐州振龍委託貸款	2,500	2,500
Changxin Entrusted Loan	長新委託貸款	50,000	20,000
City Construction Loan	城市建設貸款	70,710	95,710
Ningyang Loan	寧陽貸款	3,500	27,000
MOLL	MOLL	12,911	-
		273,721	312,710
Analysis for reporting purposes as:	就報告目的分析為：		
Current assets	流動資產	199,511	46,000
Non-current assets	非流動資產	74,210	266,710
		273,721	312,710

24. 應收貸款(續)

(i) 授予MOLL的貸款(續)

下文概列各項委託貸款：

25. INVENTORIES

25. 存貨

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Raw materials	原材料	394,131	365,297
Work in progress	在製品	1,780,793	963,034
Finished goods	製成品	140,906	738,461
		2,315,830	2,066,792

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26. TRADE RECEIVABLES

26. 應收貿易賬款

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Trade receivables	應收貿易賬款	1,755,565	1,197,181
Less: allowance for doubtful debts	減：呆賬撥備	(144,991)	(68,558)
		1,610,574	1,128,623

The Group normally allows a credit period of 15 days to its trade customers with good trading history, or otherwise sales on cash terms are required.

本集團一般向交易記錄良好的交易客戶提供15日的信貸期，否則銷售以現金進行。

The aged analysis of trade receivables net of allowance for doubtful debts presented based on the goods delivery date, which is the same as revenue recognition date, at the end of the reporting period is as follows:

於報告期結束時，扣除呆賬撥備後的應收貿易賬款的賬齡分析按交貨日期（即收入確認日期）呈列如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
0–15 days	0–15 日	506,571	498,475
16–90 days	16–90 日	800,019	474,440
91–180 days	91–180 日	159,170	74,360
181–365 days	181–365 日	144,814	81,348
		1,610,574	1,128,623

Before accepting any new customer, the Group will internally assess the credit quality of the potential customer and define appropriate credit limits.

在接納任何新客戶前，本集團將內部評估潛在客戶的信貸質素，並釐定適合的信貸限額。

Management closely monitors the credit quality of trade receivables and considers the trade receivables that are neither past due nor impaired to be of a good credit quality.

管理層緊密監察應收貿易賬款的信貸質素，認為未到期未減值的應收貿易賬款具有良好的信貸質素。

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26. TRADE RECEIVABLES (continued)

The aged analysis of trade receivables which are past due but not impaired is as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
16–90 days	16–90 日	800,019	474,440
91–180 days	91–180 日	159,170	74,360
181–365 days	181–365 日	144,814	81,348
		1,104,003	630,148

The Group does not hold any collateral over those balances which are past due but not impaired.

The Group has no significant concentration of credit risk on trade receivables, with exposure spread over a large number of counter parties and customers.

Impairment for trade receivables over credit period are provided for based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience and objective evidences of impairment.

Movements in allowance for trade receivables during the year:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
At beginning of the year	年初	68,558	34,465
Provided for the year	年內撥備	76,433	34,093
At end of the year	年終	144,991	68,558

In determining the recoverability of the trade receivables, the Group reassesses the credit quality of the trade receivables since the credit was granted and up to the end of the reporting period. Based on the historical experience of the Group, the Directors believe that no further allowance is required.

26. 應收貿易賬款(續)

已到期但未減值的應收貿易賬款之賬齡分析如下：

本集團對該等已到期但未減值的結餘並無持有任何抵押品。

本集團的應收貿易賬款並無重大信貸集中風險，風險分散至大量的交易對手及客戶。

本集團參考過往欠款紀錄及客觀減值證據，基於估計銷售貨品的不可收回款項，就超過信貸期的應收貿易賬款計提減值撥備。

年內應收貿易賬款撥備變動：

衡量應收貿易賬款的可收回情況時，本集團重新評估由授出信貸起直至報告期結束時的應收貿易賬款信貸質素。根據本集團的過往經驗，董事認為無需作出進一步撥備。

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27. BILLS RECEIVABLE

The aged analysis of bills receivable presented based on the issue date at the end of the reporting period is as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
0-90 days	0-90 日	484,830	320,705
91-180 days	91-180 日	683,743	219,563
		1,168,573	540,268

28. TRANSFER OF FINANCIAL ASSETS

The following were the Group's financial assets as at 31 December 2016 that were transferred to suppliers by endorsing those bills receivable to suppliers on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these bills receivable, it continues to recognise the full carrying amount of the bills receivable and the corresponding trade payables in the consolidated statement of financial position accordingly. These financial assets are carried at amortised cost in the Group's consolidated statement of financial position.

As at 31 December 2016

		Bills receivable discounted to banks with full recourse 以全面追索基準 向銀行貼現的 應收票據 RMB'000 人民幣千元	Bills receivable endorsed to suppliers with full recourse 以全面追索基準 向供應商批出的 應收票據 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Carrying amount of transferred assets	轉讓資產的賬面值	19,300	168,264	187,564
Carrying amount of associated liabilities	有關負債的賬面值	(19,300)	(168,264)	(187,564)
Net position	淨額	-	-	-

27. 應收票據

於報告期結束時，應收票據按發出日期的賬齡分析如下：

28. 轉讓金融資產

以下乃本集團截至二零一六年十二月三十一日透過按全面追索基準以向供應商批出該等應收票據向供應商轉讓的金融資產。由於本集團並無轉移與該等應收票據有關的重大風險及回報，其會繼續相應地於綜合財務狀況表內悉數確認應收票據的賬面值及有關的應付貿易賬款。此等金融資產按攤銷成本於本集團的綜合財務狀況表內列賬。

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28. TRANSFER OF FINANCIAL ASSETS (continued) As at 31 December 2015

28. 轉讓金融資產(續)

截至二零一五年十二月三十一日

		Bills receivable discounted to banks with full recourse 以全面追索基準 向銀行貼現的 應收票據 RMB'000 人民幣千元	Bills receivable endorsed to suppliers with full recourse 以全面追索基準 向供應商批出的 應收票據 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Carrying amount of transferred assets	轉讓資產的賬面值	26,412	130,912	157,324
Carrying amount of associated liabilities	有關負債的賬面值	(26,412)	(130,912)	(157,324)
Net position	淨額	-	-	-

In addition, included in the bills receivable as at 31 December 2016 was an amount of approximately RMB23,460,000 (31 December 2015: RMB4,911,000) which was endorsed with full recourse to third party suppliers as deposits paid for purchase of machinery and payments for construction in progress. The Group continues to recognise the bills receivable in the consolidated statement of financial position.

此外，於二零一六年十二月三十一日，應收票據包含約人民幣23,460,000元(二零一五年十二月三十一日：人民幣4,911,000元)以全面追索基準向第三方供應商批出作為購買機器所付按金及在建工程付款。本集團會繼續於綜合財務狀況表確認應收票據。

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29. PREPAYMENTS AND OTHER RECEIVABLES

An analysis of prepayments and other receivables is as follows:

29. 預付款項及其他應收款項

預付款項及其他應收款項的分析如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Other receivables	其他應收款項	678,255	483,919
Less: allowance for doubtful debts on other receivables	減：其他應收款項的呆賬撥備	(33,887)	(30,072)
Prepayments to suppliers	預付供應商的款項	644,368 676,015	453,847 333,072
		1,320,383	786,919

An analysis of other receivables is as follows:

其他應收款項分析如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Value-added tax recoverable	可收回增值稅	449,872	252,437
Income tax recoverable	可收回所得稅	61,418	75,511
Receivable from disposal of an associate (note (a))	出售一家聯營公司的應收款項 (附註(a))	23,996	35,583
Interest receivable on loan receivables	應收貸款利息	6,725	5,277
Prepayments to employees	預付僱員款項	29,615	18,322
Deposits	按金	13,055	7,627
Service fee	服務費	12,417	5,544
Others	其他	81,157	83,618
		678,255	483,919

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29. PREPAYMENTS AND OTHER RECEIVABLES (continued)

Analysed for financial reporting purpose:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Non-current	非即期	28,153	44,808
Current	即期	1,292,230	742,111
		1,320,383	786,919

Notes:

(a) The outstanding receivable from disposal of an associate is unsecured, bears interest at a rate of 5.25% per annum and to be settled at RMB13,000,000 and RMB12,000,000 on 28 April 2017 and 2018, respectively.

Movements in allowance for other receivables during the year:

29. 預付款項及其他應收款項(續)

作財務呈報用途分析：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
		28,153	44,808
		1,292,230	742,111
		1,320,383	786,919

附註：

(a) 出售一家聯營公司的未償還應收款項為無抵押，以年利率5.25%計息，於二零一七年及二零一八年四月二十八日分別償還人民幣13,000,000元及人民幣12,000,000元。

年內，其他應收款項撥備變動如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
At beginning of the year	於年初	30,072	12,423
Provided for the year	年內撥備	3,815	17,649
At end of the year	年終	33,887	30,072

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30. RESTRICTED BANK DEPOSITS AND BANK BALANCES AND CASH

Restricted bank deposits represent the Group's bank deposits pledged to banks to secure certain facilities granted to the Group by banks.

The restricted bank deposits carry market interest rate of 0.35% per annum as at 31 December 2016 (2015: 0.35% per annum).

Bank balances and cash comprise cash and short-term deposits with an original maturity of three months or less which are held with banks and carry interest at prevailing market rate.

Bank balances and cash at 31 December 2016 were mainly denominated in RMB which is not a freely convertible currency in the international market. The exchange rate of RMB is determined by the Government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

30. 受限制銀行存款及銀行結餘及現金

受限制銀行存款指本集團質押予銀行的銀行存款，作為銀行向本集團授出若干授信的擔保。

於二零一六年十二月三十一日，受限制銀行存款按市場年利率0.35%（二零一五年：0.35%）計息。

銀行結餘及現金由現金及原到期日為三個月或以內的短期存款組成，上述存款存放於銀行，按當時市場利率計息。

於二零一六年十二月三十一日，銀行結餘及現金主要以人民幣計值，而人民幣為不可於國際市場上自由兌換的貨幣，其匯率由中國政府釐定，而將有關資金匯出中國須受中國政府實施的外匯限制所規範。

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31. TRADE PAYABLES

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The Group normally settles its trade payables within 30 days from the material receiving date.

Included in the balance of trade payables as at 31 December 2016 of RMB168,264,000 (31 December 2015: RMB1,490,253,000) aged within 180 days has been settled by endorsed bills receivable but not matured at the end of the reporting period (see Note 28).

The aged analysis of trade payables presented based on the material receiving date at the end of the reporting period is as follows:

31. 應付貿易賬款

應付貿易賬款主要包括未付的交易貨款及持續成本。本集團一般於由材料收貨日期起30日內清償應付貿易賬款。

於二零一六年十二月三十一日，應付貿易賬款結餘之中，賬齡在180日以內的人民幣168,264,000元(二零一五年十二月三十一日：人民幣1,490,253,000元)已經以已背書應收票據清償，但在報告期結束時尚未到期支付(見附註28)。

於報告期結束時，應付貿易賬款按材料收貨日期的賬齡分析如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
0-30 days	0-30日	867,674	1,059,253
31-90 days	31-90日	301,636	484,761
91-180 days	91-180日	381,262	147,150
181-365 days	181-365日	54,828	46,752
1-2 years	1-2年	28,025	67,846
Over 2 years	逾2年	18,614	16,113
		1,652,039	1,821,875

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32. BILLS PAYABLE

The aged analysis of bills payable presented based on the issue date at the end of the reporting period is as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
0-90 days	0 - 90 日	427,783	278,584
91-180 days	91 - 180 日	648,708	363,332
		1,076,491	641,916

All the bills payable are of trading nature and will mature within six months from the issue date.

32. 應付票據
於報告期結束時，應付票據按發出日期的賬齡分析如下：

所有應付票據均屬交易性質並將於發出日期起計六個月內到期。

33. OTHER PAYABLES AND ACCRUALS

An analysis of other payables is as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Deposits received from distributors and others	從分銷商及其他方面收取的押金	150,756	113,936
Accrued commission	應計佣金	60,341	51,854
Other payables	其他應付款項	264,397	281,139
Interest payable on Corporate Bonds (Note 38)	應付企業債券利息(附註38)	35,787	32,573
Advance from customers	預收客戶款項	664,039	354,836
Accrued payroll and welfare	應計薪金及福利	149,301	129,047
Other tax payables	其他應付稅項	130,987	9,103
		1,455,608	972,488

33. 其他應付款項及應計款項

其他應付款項分析如下：

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34. DEFERRED INCOME

34. 遞延收入

		Arising from government grants 來自政府補助 RMB'000 人民幣千元
At 1 January 2015	於二零一五年一月一日	153,559
Additions	添置	38,805
Release to income (Note 6)	計入收入(附註6)	(9,353)
At 31 December 2015	於二零一五年十二月三十一日	183,011
Additions	添置	80,785
Release to income (Note 6)	計入收入(附註6)	(14,510)
At 31 December 2016	於二零一六年十二月三十一日	249,286

Deferred income arising from government grants represents the government subsidies obtained in relation to the acquisition of land use right or equipment of certain subsidiaries of the Group, which were included in the consolidated statement of financial position as deferred income and credited to profit or loss on a straight-line basis over the lease term of the land use right or the useful life of the equipment.

來自政府補助的遞延收入指就收購本集團若干附屬公司的土地使用權或設備所獲得的政府補貼，於綜合財務狀況表入賬為遞延收入，並以直線法於土地使用權之租期或設備的可使用年期計入損益。

35. PROVISION

35. 撥備

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
At beginning of year	於年初	462,890	441,528
Provision for the year	年內撥備	799,720	573,001
Utilisation of provision	動用撥備	(718,661)	(551,639)
At end of year	於年終	543,949	462,890

The warranty provision represents management's best estimate of the Group's liability within fifteen months' warranty granted on motive battery products, based on prior experience for defective products.

保證撥備指基於過往次品經驗，本集團管理層對動力電池產品提供十五個月保證所承擔責任的最佳估計。

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36. BANK BORROWINGS

36. 銀行借貸

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Secured bank borrowings	有抵押銀行借貸	931,831	534,650
Unsecured bank borrowings	無抵押銀行借貸	1,998,652	1,627,017
		2,930,483	2,161,667
The borrowings are repayable as follows:	須於以下年期償還的借貸：		
Within one year	一年內	1,681,831	1,389,729
More than one year but not exceeding two years	一年以上但不超過兩年	877,496	219,200
More than two years but not exceeding five years	兩年以上但不超過五年	371,156	552,738
		2,930,483	2,161,667
Less: Amount due for settlement within one year and shown under current liabilities	減：須於一年內償還並呈列於流動負債的款項	(1,665,025)	(1,389,729)
Amount due after one year	一年後到期的款項	1,265,458	771,938
Total borrowings	總借貸		
— at fixed rates	— 定息	1,984,037	1,391,150
— at floating rates	— 浮息	946,446	770,517
		2,930,483	2,161,667
Analysis of borrowings by currency:	借貸按貨幣劃分的分析：		
— denominated in RMB	— 以人民幣計值	2,862,542	2,094,412
— denominated in EUR	— 以歐元計值	16,806	17,738
— denominated in HK\$	— 以港元計值	51,135	49,517
		2,930,483	2,161,667

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36. BANK BORROWINGS (continued)

Fixed interest rate borrowings were charged at the rates ranging from 3.03% to 5.91% (2015: from 1.98% to 7.40% per annum) per annum for the year ended 31 December 2016.

Interest on RMB borrowings at floating rates is calculated based on the borrowing rates announced by the People's Bank of China. Interest on HK\$ borrowings at floating rates is charged at 2.75% over 3 months Hong Kong Interbank Offer Rate. Floating interest rate borrowings were charged at the rates ranging from 3.92% to 7.04% (2015: from 4.35% to 7.38% per annum) per annum for the year ended 31 December 2016.

Details of pledge of assets for the Group's secured bank borrowings are set out in Note 46.

36. 銀行借貸(續)

截至二零一六年十二月三十一日止年度，定息借貸按介乎3.03%至5.91%（二零一五年：介乎1.98%至7.40%）的年利率計息。

浮息人民幣借貸的利息按中國人民銀行公佈的借貸利率計算。浮息港元借貸的利息按3個月香港銀行同業拆息2.75%計算。截至二零一六年十二月三十一日止年度，浮息借貸按介乎3.92%至7.04%（二零一五年：介乎4.35%至7.38%）的年利率計息。

本集團有抵押銀行借貸的資產抵押詳情載於附註46。

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37. OBLIGATIONS UNDER FINANCE LEASES

The Group has entered into a finance leases of certain machineries with an independent third party. In accordance with the lease agreement, the term of the lease was 3 years at a floating rate calculated based on the borrowing rates announced by the People's Bank of China and the Group has an option to purchase the assets at a nominal consideration upon the end of the lease term.

At the end of the reporting period, the Group's total future minimum lease payments under finance leases and the present value of which is as follows:

37. 融資租賃責任

本集團已與一名獨立第三方就若干機器訂立融資租賃。根據租賃協議，租期為三年，浮息按中國人民銀行公佈的借貸利率計算，而本集團可於租期完結後選擇以名義代價購買該等資產。

於報告期結束時，本集團進行融資租賃的未來最低租金總額及有關現值如下：

		Minimum lease payments 最低租金 At December 31 於十二月三十一日		Present value of minimum lease payments 最低租金現值 At December 31 於十二月三十一日	
		2016 二零一六年 RMB '000 人民幣千元	2015 二零一五年 RMB '000 人民幣千元	2016 二零一六年 RMB '000 人民幣千元	2015 二零一五年 RMB '000 人民幣千元
Amounts payable:	應付款項：				
Within one year	一年內	107,821	60,259	100,781	51,555
In the second year	於第二年	76,791	107,821	74,219	100,621
In the third year	於第三年	-	76,791	-	73,732
Total minimum finance lease payments	融資租賃最低租金總額	184,612	244,871	175,000	225,908
Future finance charges	未來融資費用	(9,612)	(18,963)	-	-
Present value of finance lease payables	應付融資租賃現值	175,000	225,908	175,000	225,908
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：十二個月內須付款額(於流動負債列示)			(100,781)	(51,555)
Amount due for settlement after 12 months	十二個月後須付款額			74,219	174,353

The carrying amount of the underlying machineries held under finance leases as at 31 December 2016 amounted to RMB239,774,000 (31 December 2015: RMB277,874,000). Leased assets are pledged as security for the related finance lease liability.

根據融資租賃所持相關機器於二零一六年十二月三十一日的賬面值為人民幣239,774,000元(二零一五年十二月三十一日：人民幣277,874,000元)。租賃資產已抵押作為有關融資租賃負債的擔保。

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38. CORPORATE BONDS

On 14 August 2014, Chaowei Power issued a six-year term corporate bonds (the "Corporate Bonds") in the PRC with a principal amount of RMB600,000,000. The effective interest rate of the Corporate Bonds is 8.31% per annum for the first three years up to 13 August 2017. At the end of the third year, on 13 August 2017, the bonds holders have a right to redeem all or part of the Corporate Bonds to Chaowei Power at its face value and Chaowei Power has a right to adjust upward the interest rate of the Corporate Bonds from a range of 1-100 basis points (both fingers inclusive). The Company has provided an irrevocable guarantee on the entire principal amount and interest of the Corporate Bonds.

39. CONVERTIBLE BONDS

On 24 September 2012, the Company issued a United State Dollar ("US\$") settled 7.25% convertible bonds due 2017 in an aggregate principal amount of RMB633,000,000 (the "Convertible Bonds"). The Convertible Bonds are listed on Singapore Exchange Securities Trading Limited. The net proceeds from the issue of Convertible Bonds are mainly used to fund future expansions of production capacities of the Group, the upgrade of production facilities, debt repayment, selective acquisitions and other general corporate purposes.

The Convertible Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Company, and shall at all times rank pari passu and without any preference or priority among themselves.

38. 企業債券

於二零一四年八月十四日，超威電源於中國發行本金額為人民幣600,000,000元之六年期企業債券（「企業債券」）。企業債券首三年的實際年利率為8.31%，直至二零一七年八月十三日止。於第三年末，於二零一七年八月十三日，債券持有人有權按面值向超威電源贖回全部或部分企業債券，而超威電源有權上調企業債券的利率，以介乎1-100基點（包括首尾數字）為限。本公司已就企業債券之全部本金額及利息提供不可撤回之擔保。

39. 可換股債券

於二零一二年九月二十四日，本公司發行本金總額為人民幣633,000,000元以美元（「美元」）結算於二零一七年到期的7.25厘可換股債券（「可換股債券」）。可換股債券於新加坡證券交易所有限公司上市。發行可換股債券的所得款項淨額主要用於為日後擴大本集團之產能、更新生產設施、償債、選擇性收購及其他一般公司用途提供資金。

可換股債券構成本公司一項直接、無條件、非後償及無抵押的義務，各可換股債券之間於任何時間均享有同等地位，並無優先次序或優先權之分。

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39. CONVERTIBLE BONDS(continued)

The principal terms of the Convertible Bonds are as follows:

(a) Conversion right

The conversion right attaching to any Convertible Bonds may be exercised, at the option of the holder thereof, at any time on and after 4 November 2012 up to the close of business (at the place where the certificate evidencing such bonds is deposited for conversion) on 17 September 2017 or, if such bonds shall have been called for redemption by the Company before 24 September 2017 (the "Maturity Date"), then up to the close of business (at the place aforesaid) on a date no later than seven business days (both days inclusive and in the place aforesaid) prior to the date fixed for redemption thereof, or if notice requiring redemption has been given by the holder of such bonds, then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice.

The number of shares to be issued on conversion of the Convertible Bonds will be determined by dividing the RMB principal amount of the Convertible Bonds to be converted (translated into HK\$ at the fixed exchange rate of RMB0.8165 = HK\$1.00) by the Conversion Price (as defined below) in effect at the conversion date.

The price at which shares will be issued upon conversion (the "Conversion Price") will initially be HK\$5.20 per share, but will be subject to adjustment for, among other things, consolidation, reclassification or subdivision, capitalization of profit or reserves, distributions, rights issues of shares or options over shares, dividend adjustments and other dilutive events. In the opinion of the Directors, the adjustments to Conversion Price in those circumstances are all for anti-dilutive purpose to protect the right of bondholders. In 2013, an adjustment had been made to the conversion price from HK\$5.20 per share to HK\$4.93 per share as a result of the dividends paid. In 2014, an adjustment had been made to the conversion price from HK\$4.93 per share to HK\$4.76 per share as a result of the dividends paid. On 2 June 2016, an adjustment had been made to the conversion price from HK\$4.76 per share to HK\$4.63 per share as a result of the dividends paid.

39. 可換股債券(續)

可換股債券的主要條款如下：

(a) 轉換權

可換股債券的持有人可選擇於二零一二年十一月四日及以後直至二零一七年九月十七日營業時間結束為止(以存放該等債券轉換證明文件當地時間計)，或倘該等債券於二零一七年九月二十四日(「到期日」)前已被本公司要求贖回，則直至不遲於指定贖回日期前七個營業日(包括首尾兩天及以上地點時間計)營業時間結束為止(以上述地點時間計)，或倘有關債券持有人已發出要求贖回的通知，則直至發出該通知前一日營業時間結束為止(以上述地點時間計)，隨時行使附隨任何可換股債券的轉換權。

因轉換可換股債券發行的股份數目乃透過將將予轉換的可換股債券的人民幣本金額(按固定匯率人民幣0.8165元=1.00港元兌換為港元)除以轉換日期有效之轉換價(定義見下文)釐定。

因轉換而將予發行的股份價格(「轉換價」)將初步訂為每股5.20港元，但就以下各項可予調整(其中包括)：股份合併、重新分類或拆細、利潤或儲備資本化、派發、供股或設定購股權、調整股息及其他攤薄事項。董事認為，在該等情況下作出的轉換價調整均為反攤薄而作出，以保障債券持有人的權利。於二零一三年，由於派付股息，轉換價已由每股股份5.20港元調整為每股股份4.93港元。於二零一四年，由於宣派股息，轉換價已由每股股份4.93港元調整為每股股份4.76港元。於二零一六年六月二日，由於宣派股息，轉換價已由每股股份4.76港元調整為每股股份4.63港元。

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39. CONVERTIBLE BONDS (continued)

(a) Conversion right (continued)

In May and June 2015, certain holders of the Convertible Bonds exercised their right to convert certain Convertible Bonds, consisting of principal amount of RMB75,000,000 and accumulated unpaid interest payable of RMB2,687,000, into share capital and share premium of RMB1,180,000 and RMB76,507,000 respectively, as a result of which 19,297,363 new ordinary shares were issued in 2015.

During 2016, all holders of the Convertible Bonds exercised their right to convert all of the outstanding Convertible Bonds, consisting of principal amount of RMB315,000,000 and accumulated unpaid interest payable of RMB7,178,000, into share capital and share premium of RMB5,641,000 and RMB339,705,000 respectively, as a result of which 83,324,616 new ordinary shares were issued during the current year (Note 42).

(b) Final redemption

Unless previously redeemed, converted or purchased and cancelled, the Company will redeem the Convertible Bonds on the Maturity Date at the US\$ equivalent of their RMB principal amount together with accrued and unpaid interest thereon. All amounts due under, and all claims arising out of or pursuant to, the Convertible Bonds, and/or the trust deed (as amended or supplemented from time to time, the "Trust Deed") from or against the Company shall be payable and settled in US\$ equivalent of the RMB amount only.

39. 可換股債券(續)

(a) 轉換權(續)

於二零一五年五月及六月，若干可換股債券持有人行使彼等權利將若干可換股債券(包括本金額人民幣75,000,000元及累計未支付應付利息人民幣2,687,000元)分別轉換為股本人民幣1,180,000元及股份溢價人民幣76,507,000元，因此二零一五年發行19,297,363股新普通股。

於二零一六年，所有可換股債券持有人行使權利將全部尚未行使可換股債券(包括本金額人民幣315,000,000元及累計未支付應付利息人民幣7,178,000元)分別轉換為股本人民幣5,641,000元及股份溢價人民幣339,705,000元，因此本年度發行83,324,616股新普通股(附註42)。

(b) 最後贖回

除非預先贖回、轉換或購買及註銷可換股債券，否則本公司將按相等於其人民幣本金額的美元金額連同就其累計及未付的利息於到期日贖回可換股債券。可換股債券及/或信託契據(經不時修訂或補充，「信託契據」)項下本公司應付的所有款項及所產生或據此向本公司要求的一切索償，僅可以相等於人民幣款額的美元支付及清償。

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39. CONVERTIBLE BONDS (continued)

(c) Redemption at the option of the Company

At any time after 24 September 2015 and prior to the Maturity Date, the Company may, having given not less than 30 nor more than 60 days' notice to the bondholders and the trustee, redeem all, but not some only, of the Convertible Bonds at the US\$ equivalent of their RMB principal amount together with interest accrued on such redemption date, provided, however, that no such redemption may be made unless the closing price of the shares (as derived from the daily quotations sheet of the Stock Exchange) translated into RMB at the prevailing rate applicable to the relevant trading day, for each of 20 consecutive trading days, the last of which occurs not more than 30 days prior to the date of such notice, was at least 130% of the Conversion Price then in effect, translated into RMB at the fixed rate of RMB0.8165=HK\$1.00.

The Company may, on giving not less than 30 nor more than 60 days' notice to the trustee and the bondholders, redeem all, but not some only, of the Convertible Bonds at the US\$ equivalent of their RMB principal amount together with interest accrued on such redemption date if at any time, prior to the date the relevant notice is given, at least 90% in principal amount of the Convertible Bonds has already been converted, redeemed or purchased and cancelled.

(d) Redemption at the option of the bondholders

According to the terms of the Convertible Bonds, on 24 September 2015, the holders of the Convertible Bonds would have the right, at such holders' option, to require the Company to redeem all or some only of the Convertible Bonds of such holders at the US\$ equivalent of their RMB principal amount together with interest accrued to such date.

On 10 August 2015, the Company received a notification from the holders of the Convertible Bonds that Convertible Bonds with a total principal amount of RMB243,000,000 were redeemed on 24 September 2015.

39. 可換股債券(續)

(c) 本公司選擇贖回

於二零一五年九月二十四日後及到期日前，在向債券持有人及受託人發出不少於30日但不超過60日的通知後，本公司可隨時按相等於其人民幣本金額的美元金額加上累計至該贖回日期的利息，贖回全部而非部分可換股債券。然而，除非發生下列情況，否則不可贖回有關的可換股債券：股份收市價(來自聯交所的每日報價表)(已按相關交易日的適用現行匯率兌換為人民幣)於20個連續交易日(其最後一日不遲於選擇贖回通知日期前30日)至少為當時有效的轉換價的130%，按人民幣0.8165元=1.00港元的固定匯率兌換為人民幣。

在向受託人及債券持有人發出不少於30日但不超過60日的通知後，倘於發出相關通知的日期前任何時間，可換股債券至少90%的本金額已被兌換、贖回或購回及註銷，則本公司可按相等於其人民幣本金額的美元金額加上累計至該贖回日期的利息，贖回全部而非部分可換股債券。

(d) 債券持有人選擇贖回

根據可換股債券期限，於二零一五年九月二十四日，可換股債券的持有人將有權(按有關持有人選擇)按相等於其人民幣本金額的美元金額加上累計至該日期的利息，要求本公司贖回該等持有人的全部或僅部分可換股債券。

二零一五年八月十日，本公司自可換股債券持有人接獲通知，本金總額人民幣243,000,000元的可換股債券於二零一五年九月二十四日贖回。

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39. CONVERTIBLE BONDS (continued)

(e) Negative Pledge

The Company has, among other things, also undertaken that, so long as any Convertible Bonds remain outstanding (as defined in the Trust Deed), the Company will not, and will ensure that none of its subsidiaries will, create or have outstanding, any mortgage, charge, pledge, lien or other security interest, upon the whole or any part of their respective present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness (as defined below), without at the same time or prior thereto according to the Convertible Bonds the same security as is created or subsisting to secure any relevant indebtedness, or any guarantee or indemnity in respect of any such Relevant Indebtedness as either (i) the trustee shall in its absolute discretion deem not materially less beneficial to the interests of the holder of the Convertible Bonds or (ii) shall be approved by an extraordinary resolution (as defined in the Trust Deed) of holders of the Convertible Bonds.

For the purpose of the negative pledge as described above, "Relevant Indebtedness" means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock, bearer participation certificates, depositary receipts, certificates of deposit or other similar securities or instruments which for the time being are, or are intended to be or are capable of being, quoted, listed, dealt in or traded on any stock exchange or over-the-counter or other securities market.

39. 可換股債券(續)

(e) 不抵押保證

本公司亦已(其中包括)承諾,倘任何可換股債券仍未兌換(定義見信託契據),本公司本身將不會並將確保其附屬公司概不會以其各自的全部或任何部分現有或未來業務、資產或收益(包括任何未催繳資本)設立或產生任何按揭、抵押、質押、留置權或其他抵押權益以為任何相關債務(定義見下文)作抵押,且並無於同一時間或之前根據可換股債券的條款設立或允許存續同一抵押以作為任何相關債務的抵押,或就任何該等相關債務作出擔保或彌償保證,而(i)受託人全權酌情認為不會顯著削減可換股債券持有人的利益或(ii)須經可換股債券持有人以特別決議案(定義見信託契據)批准。

就上述不抵押擔保而言,「相關債務」指形式、代表項目或憑證項目為債券、票據、債權證、債權股額、不記名參與證券、存託收據、存款證或其他類似證券或文據的任何債務,其時在任任何證券交易所或場外交易或其他證券市場掛牌、上市、買賣或交易,或打算或能夠作此等方面的用途。

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39. CONVERTIBLE BONDS (continued)

The net proceeds received from the issue of the Convertible Bonds have been split between a liability component and an equity component in its initial recognition as follows:

- (i) Liability component is initially measured at fair value, which represents the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, with the bondholder redemption option but without the conversion option. It is subsequently measured at amortised cost by applying an effective interest rate of 10.55% per annum after considering the effect of the transaction costs.
- (ii) In the opinion of the Directors, the economic characteristics and risks of the early redemption options are closely related to the host debt contract of the Convertible Bonds. Therefore, the Company does not account for the early redemption options separately; and
- (iii) Equity component is initially measured at an amount equivalent to the difference between the net proceeds received and the fair value of the liability component, amounted to approximately RMB62,109,000.

39. 可換股債券(續)

發行可換股債券之所得款項淨額於初步確認時分開為負債部分及股本部分，載列如下：

- (i) 負債部分最初按公平值計量，為根據合約釐定的未來現金流量以信貸狀況相若及大致上可提供相同現金流量的工具當時適用的現行市場利率按相同條款(具有債券持有人贖回選擇權但並無兌換選擇權)折現的現值。經考慮交易成本的影響後，其隨後透過應用實際年利率 10.55% 按攤銷成本計量。
- (ii) 董事認為，提早贖回權的經濟特徵及風險與可換股債券的總債務合約是緊密相關的。因此本公司並無將提早贖回權獨立入賬；及
- (iii) 權益部分初步按相等於已收所得款項淨額與負債部分公平值之差額的數額計量，約為人民幣 62,109,000 元。

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39. CONVERTIBLE BONDS (continued)

The movements of the liability component and equity component of the Convertible Bonds for the year are set out below:

39. 可換股債券(續)

年內，可換股債券的負債部分及股本部分的變動載列如下：

		Liability component	Equity component	Total
		負債部分	股本部分	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
As at 1 January 2015	於二零一五年一月一日	593,305	59,643	652,948
Conversion of Convertible Bonds	轉換可換股債券	(70,620)	(7,067)	(77,687)
Redemption of Convertible Bonds	贖回可換股債券	(220,104)	(22,896)	(243,000)
Interest charged for the year (Note 8)	年內已發生的利息(附註8)	44,438	-	44,438
Interest paid	已付利息	(43,174)	-	(43,174)
As at 31 December 2015	於二零一五年 十二月三十一日	303,845	29,680	333,525
Conversion of Convertible Bonds	轉換可換股債券	(315,665)	(29,680)	(345,345)
Interest charged for the year (Note 8)	年內已發生的利息(附註8)	23,239	-	23,239
Interest paid	已付利息	(11,419)	-	(11,419)
As at 31 December 2016	於二零一六年 十二月三十一日	-	-	-

All outstanding Convertible Bonds had been fully converted and subsequently cancelled up to 31 December 2016.

截至二零一六年十二月三十一日，全部尚未行使可換股債券均已悉數轉換，然後註銷。

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40. DERIVATIVE FINANCIAL INSTRUMENT

The Group uses commodity derivative contracts (standard lead forward contracts in Shanghai Futures Exchange) to manage its exposure against lead price fluctuations. This arrangement is designated to address significant fluctuations in the price of lead concentrate and lead related products which move in line with the price of lead. However, this arrangement is not accounted for under hedge accounting according to the Group's accounting policies.

Details of the contract value and the related terms are summarized as follows:

40. 衍生金融工具

本集團使用商品衍生工具合約(上海期貨交易所標準鉛遠期合約)管理鉛價波動風險。該安排旨在避免精鉛及鉛產品價格隨鉛價大幅波動。然而，根據本集團會計政策，該安排並無按對沖會計法入賬。

合約價值及相關條款詳情概述如下：

		As at 31 December 2016 於二零一六年 十二月三十一日 RMB'000 人民幣千元
Commodity derivative short-position contracts:	商品衍生工具淡倉合約：	
— Volume (tons)	— 量(噸)	875
— Executed contract value	— 已簽約價值	48,767
— Fair value of derivative financial assets	— 衍生金融資產公平值	18,905
Contract maturity date	合約到期日	02/2017

41. HELD-FOR-TRADING INVESTMENTS

Held for trading investments include:

41. 持作買賣投資

持作買賣投資包括：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Listed securities:	上市證券：		
— Equity securities listed in Hong Kong	— 於香港上市的股本證券	2,178	—

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42. SHARE CAPITAL

The details of the Company's share capital are as follows:

42. 股本

本公司的股本詳情如下：

		Number of shares 股份數目	Shares capital 股本 US\$'000 千美元
Authorised:	法定：		
Ordinary shares of US\$0.01 each	每股0.01美元的普通股		
At 31 December 2015 and 31 December 2016	於二零一五年十二月三十一日及 二零一六年十二月三十一日	10,000,000,000	100,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of US\$0.01 each	每股0.01美元的普通股		
At 31 December 2015	於二零一五年十二月三十一日	1,024,587,363	10,246
Conversion of Convertible Bonds (Note 39)	轉換可換股債券(附註39)	83,324,616	833
At 31 December 2016	於二零一六年十二月三十一日	1,107,911,979	11,079
			RMB'000 人民幣千元
Presented at 31 December 2016	於二零一六年十二月三十一日相當於		74,961
Presented at 31 December 2015	於二零一五年十二月三十一日相當於		69,320

43. RESERVES

Reserves of the Group other than retained earnings include statutory surplus reserve, share premium, convertible bonds equity reserve, other reserves and exchange fluctuation reserve, which form part of the equity holders' equity.

Statutory surplus reserve

In accordance with the articles of association of all subsidiaries established in the PRC, those subsidiaries are required to transfer 5% to 10% of the profit after taxation reported under the relevant accounting policies and financial regulations in the PRC to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity owners. The statutory surplus reserve can be used to make up previous year's losses, expand the existing operations or convert into additional capital of the subsidiaries.

43. 儲備

除保留盈利外，本集團儲備包括法定盈餘儲備、股份溢價、可換股債券權益儲備、其他儲備及匯兌波動儲備，其構成部分權益持有人權益。

法定盈餘儲備

根據所有在中國成立的附屬公司的公司章程，該等附屬公司須調撥其根據中國有關會計政策及財務法規所呈報的除稅後利潤5%至10%至法定盈餘儲備，直至該儲備達到註冊資本之50%。調撥資金至該儲備須在向權益持有人分派股息前進行。法定盈餘儲備可用於抵償過去年度的虧損、擴充現有業務或轉換成為附屬公司的額外資本。

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43. RESERVES (continued)

Other reserves

Other reserves are mainly arising from (i) the difference between the fair value of the consideration paid/received and the carrying amount of the net assets acquired from/disposed to the non-controlling shareholders; (ii) equity-settled share-based payment transactions entered into and fully vested before 1 January 2007; (iii) debt waived by a related party; and (iv) paid-in capital of Chaowei Power transferred during the Group's reorganization made on 9 March 2010 for the purpose of listing on the Stock Exchange.

Convertible bonds equity reserve

Convertible bonds equity reserve is arising from the initial recognition of the Convertible Bonds. On the initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the Convertible Bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the Convertible Bonds into equity and the redemption option for the holder to require the Company to redeem the Convertible Bonds, is included in equity as convertible bonds equity reserve. The reduction of the Convertible bonds equity reserve during the year was due to the conversion of the outstanding Convertible Bonds (Note 39).

43. 儲備(續)

其他儲備

其他儲備主要來自(i)已付/已收取代價的公平值與向非控股股東收購/出售的資產淨值賬面值的差額；(ii)在二零零七年一月一日前訂立及全面歸屬的以權益結算以股份支付交易；(iii)獲關聯方豁免的債務；及(iv)超威電源於本集團為於聯交所上市而於二零一零年三月九日進行重組時轉讓的實繳股本。

可換股債券權益儲備

可換股債券權益儲備於初步確認可換股債券時產生。於初步確認時，負債部分的公平值乃按類似的非可換股債務的現行市場利率釐定。發行可換股債券的所得款項總額與轉移至負債部分的公平值之間的差額(即持有人將可換股債券兌換為權益的兌換選擇權及持有人要求本公司贖回可換股債券的贖回選擇權)會計入權益作為可換股債券權益儲備。年內可換股債券權益儲備減少乃由於轉換尚未行使可換股債券(附註39)。

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44. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the year.

The capital structure of the Group consists of net debt, which comprising the bank borrowings disclosed in Note 36, the corporate bonds disclosed in Note 38, the Convertible Bonds disclosed in Note 39, the derivative financial instrument disclosed in Note 40, held-for-trading investments disclosed in Note 41, finance leases disclosed in Note 37, bank balances and cash, and equity attributable to owners of the Company, comprising issued share capital and reserves as disclosed in Notes 42 and 43, in the consolidated statement of changes in equity.

The Directors review the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt.

44. 資金風險管理

本集團管理其資金以保證本集團實體能持續經營，同時透過優化債務及股本平衡，為權益持有人帶來最大回報。本集團於本年度的整體策略維持不變。

本集團的資本架構包括淨債務（當中包括附註36披露的銀行借貸）、附註38披露的企業債券、附註39披露的可換股債券、附註40披露的衍生金融工具、附註41披露的持作買賣投資、附註37披露的融資租賃、銀行結餘及現金以及綜合權益變動表內的本公司擁有人應佔權益（當中包括附註42及43所披露的已發行股本及儲備）。

董事定期審閱資本架構。作為審閱的一部分，董事考慮資金成本及各類資本的相關風險。根據董事的推薦意見，本集團將透過派付股息、發行新股及購回股份以及發行新債來平衡其整體資本架構。

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45. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

45. 金融工具

(a) 金融工具類別

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Financial assets	金融資產		
Fair value through profit or loss (FVTPL):	透過損益按公平值列賬：		
Held-for-trading investments	持作買賣投資	2,178	-
Commodity derivative contracts	商品衍生工具合約	18,905	-
		21,083	-
Loans and receivables:	貸款及應收款項：		
Trade, bills and other receivables	應收貿易賬款、應收票據及 其他應收款項	2,858,851	1,751,196
Loan receivables	應收貸款	273,721	312,710
Amounts due from related parties	應收關聯方款項	96,538	43,742
Restricted bank deposits	受限制銀行存款	526,778	404,723
Bank balances and cash	銀行結餘及現金	588,439	960,960
		4,344,327	3,473,331
Financial liabilities	金融負債		
Liabilities at amortised cost:	按攤銷成本計算的負債：		
Trade, bills and other payables	應付貿易賬款、應付票據及 其他應付款項	3,239,811	2,943,293
Bank borrowings	銀行借貸	2,930,483	2,161,667
Convertible Bonds	可換股債券	-	303,845
Corporate Bonds	企業債券	595,287	593,987
Obligations under finance leases	融資租賃責任	175,000	225,908
Amounts due to related parties	應付關聯方款項	10,358	201
		6,950,939	6,228,901

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45. FINANCIAL INSTRUMENTS (continued)

(b) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and lead prices.

There has been no change to the Group's exposure to market risks, nor the manner in which it manages and measures the risk.

(i) Foreign currency risk management

The Group has certain foreign currency bank balances and cash denominated in HK\$, EUR and US\$, which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amount of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

45. 金融工具(續)

(b) 市場風險

本集團的業務主要面對有關外幣匯率、利率及鉛價變動的財務風險。

本集團承受的市場風險或其管理及計量風險的方式均無變動。

(i) 外匯風險管理

本集團有若干以港元、歐元及美元計值的外幣銀行結餘及現金，令本集團面對外匯風險。本集團目前並無制訂外匯對沖政策。然而，管理層監察外匯風險，並會於需要時考慮對沖重大外幣風險。

於報告期結束時，本集團以外幣計值的貨幣資產賬面值呈列如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Assets	資產		
HK\$	港元		
Bank balances and cash	銀行結餘及現金	66,457	57,332
US\$	美元		
Bank balances and cash	銀行結餘及現金	15,678	26,276
EUR	歐元		
Bank balances and cash	銀行結餘及現金	1,121	679
Liabilities	負債		
HK\$	港元		
Bank borrowings	銀行借貸	51,135	49,517

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45. FINANCIAL INSTRUMENTS (continued)

(b) Market risk (continued)

(i) Foreign currency risk management (continued)

Sensitivity analysis

The Group is mainly exposed to the fluctuation in HK\$, EUR and US\$ against RMB.

The Directors' assessment of the reasonably possible change in foreign exchange rate is 5%, 1% and 5% for RMB against HK\$, USD and EUR respectively (2015: 5%, 1% and 5% for RMB against HK\$, USD and EUR respectively), which is also the sensitivity rate used when reporting foreign currency risk internally to key management personnel.

For a 5% (2015: 5%) weakening of RMB against HK\$, there will be an increase in the post-tax profit for the year of RMB574,000 (2015: increase RMB293,000) and there would be an equal but opposite impact on the post-tax profit for the year for a 5% (2015: 5%) strengthen of RMB against HK\$.

For a 1% (2015: 1%) weakening of RMB against US\$, there will be an increase in the post-tax profit for the year of RMB117,000 (2015: increase RMB197,000) and there would be an equal but opposite impact on the post-tax profit for the year for a 1% (2015: 1%) strengthen of RMB against US\$.

For a 5% (2015: 5%) weakening of RMB against EUR, there will be an increase in the post-tax profit for the year of RMB42,000 (2015: increase RMB25,000) and there would be an equal but opposite impact on the post-tax profit for the year for a 5% (2015: 5%) strengthen of RMB against EUR.

45. 金融工具(續)

(b) 市場風險(續)

(i) 外匯風險管理(續)

敏感度分析

本集團主要面對港元、歐元及美元兌人民幣的波動風險。

人民幣兌港元、美元及歐元分別為5%、1%及5%(二零一五年: 人民幣兌港元、美元及歐元分別為5%、1%及5%)乃董事對外幣匯率可能出現的合理變動的評估,亦為向主要管理人員內部呈報外匯風險的敏感度比率。

倘人民幣兌港元貶值5%(二零一五年: 5%),年內除稅後利潤將增加人民幣574,000元(二零一五年: 增加人民幣293,000元);倘人民幣兌港元升值5%(二零一五年: 5%),則年內除稅後利潤則會出現相等但反向的影響。

倘人民幣兌美元貶值1%(二零一五年: 1%),年內除稅後利潤將增加人民幣117,000元(二零一五年: 增加人民幣197,000元);倘人民幣兌美元升值1%(二零一五年: 1%),則年內除稅後利潤則會出現相等但反向的影響。

倘人民幣兌歐元貶值5%(二零一五年: 5%),年內除稅後利潤將增加人民幣42,000元(二零一五年: 增加人民幣25,000元);倘人民幣兌歐元升值5%(二零一五年: 5%),則年內除稅後利潤則會出現相等但反向的影響。

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45. FINANCIAL INSTRUMENTS (continued)

(b) Market risk (continued)

(ii) Interest rate risk management

The Group's fair value interest rate risk relates primarily to its fixed-rate loan receivable, fixed-rate bank borrowings and the Convertible Bonds. The cash flow interest rate risk of the Group relates primarily to the restricted bank deposits, bank balances and cash, variable-rate bank borrowings and the Corporate Bonds. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, management will consider hedging significant interest rate exposure should the need arise.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note. The Group cash flow interest rate risk is mainly concentrated on the fluctuation of borrowing rates announced by the People's Bank of China arising from the Group's RMB denominated borrowings.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting period. For variable-rate bank borrowings, restricted bank deposits and bank balances and cash, the analysis is prepared assuming the financial instruments outstanding at the end of the reporting period was outstanding for the whole year. A 27 basis points (2015: 27 basis points) increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 27 basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2016 would increase/decrease by RMB413,000 (2015: RMB1,329,000).

45. 金融工具(續)

(b) 市場風險(續)

(ii) 利率風險管理

本集團的公平值利率風險主要涉及定息應收貸款、定息銀行借貸及可換股債券。本集團的現金流量利率風險主要涉及受限制銀行存款、銀行結餘及現金、浮息銀行借貸及企業債券。本集團目前並無使用任何衍生工具合約以對沖其利率風險。然而，管理層將於需要時考慮對沖重大利率風險。

本集團的金融資產及金融負債的利率風險詳情載於本附註內的流動資金風險管理一節。本集團的現金流量利率風險主要集中於本集團以人民幣計值的借款所產生的中國人民銀行所公佈的借款利率波動。

敏感度分析

下述敏感度分析乃按照報告期結束時金融工具所承受的利率風險而釐定。就浮息銀行借貸、受限制銀行存款及銀行結餘及現金而言，分析乃假設報告期結束時未償付的金融工具於整個年度均未償還。所採用的27個基點(二零一五年：27個基點)增減為管理層對利率可能出現的合理變動的評估。

倘利率上升/下降27個基點，而所有其他變數維持不變，則本集團於截至二零一六年十二月三十一日止年度的除稅後利潤會增加/減少人民幣413,000元(二零一五年：人民幣1,329,000元)。

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45. FINANCIAL INSTRUMENTS (continued)

(b) Market risk (continued)

(iii) Commodity price risk

The Group's commodity price risk refers to the exposure to fluctuations in the prevailing market price of lead which are the major raw materials purchased by the Group and the details of which are set out in Note 40.

Sensitivity analysis

The sensitivity analyses below have been determined based on the Group's exposure to lead price risks arising from derivative financial instruments outstanding at the year end of the reporting period. It is based on the assumption that there would be a 5% change in lead forward contract prices with all other variables held constant.

If the lead forward contract price had been 5% higher, the Group's post-tax profit for the year ended 31 December 2016 would decrease by RMB915,000, if the lead forward contract price had been 5% lower, there would be an equal and opposite impact on the post-tax profit.

45. 金融工具(續)

(b) 市場風險(續)

(iii) 商品價格風險

本集團的商品價格風險指本集團購買主要原材料鉛的當時市價波動風險，詳情載於附註40。

敏感度分析

下述敏感度分析乃按照報告期結束時本集團未償付衍生金融工具的鉛價風險釐定，並假設遠期合約鉛價有5%的變動，而所有其他變數維持不變。

倘遠期合約鉛價上升5%，本集團截至二零一六年十二月三十一日止年度的除稅後利潤將減少人民幣915,000元，倘遠期合約鉛價下降5%，除稅後利潤會受到同等反向影響。

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45. FINANCIAL INSTRUMENTS (continued)

(c) Credit risk

The Group's credit risk is primarily attributable to its trade receivables, bills receivable, other receivables, loan receivables, amounts due from related parties, bank balances and restricted bank deposits. At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counter parties is arising from the carrying amount of the respective recognised financial assets stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Other than loan receivables as disclosed in Note 24, the Group has no significant concentration of credit risk on bills and trade receivables, with exposure spread over a large number of counter parties and customers.

The Group's loan receivables amounting to RMB273,721,000 (2015: RMB312,710,000) (see Note 24 for details) exposed the Group to concentration of credit risk. The Directors continue to monitor and assess the financial status of the counterparties, and they believe the exposure to credit risk on these receivables is not significant as these loan receivables are guaranteed and secured, and certain borrowers also undertook various commitments to enable the Group to have reasonably protective rights.

The credit risk on bank balances and deposits is limited because the counter parties are various banks and financial institutions with good credit ratings in the PRC and Hong Kong.

45. 金融工具(續)

(c) 信貸風險

本集團的信貸風險主要因其應收貿易賬款、應收票據、其他應收款項、應收貸款、應收關聯方款項、銀行結餘及受限制銀行存款所致。於報告期結束時，本集團因交易對手未能履行責任而令本集團蒙受財務損失的最高信貸風險乃因綜合財務狀況表載列的各項已確認金融資產的賬面值所致。

為盡量減低信貸風險，本集團的管理層已委派一組人員負責釐定信貸限額、信貸批核及其他監督程序，確保能採取跟進行動以收回逾期債務。此外，本集團於報告期結束時審閱各個別債務的可收回金額，確保為不可收回的金額計提足夠的減值虧損。就此而言，董事認為本集團的信貸風險已大幅減少。

除附註24所披露的應收貸款外，本集團於應收票據及應收貿易賬款中並無高度集中的信貸風險，風險均分散至多名交易對手及客戶。

本集團的應收貸款金額為人民幣273,721,000元(二零一五年：人民幣312,710,000元)(詳情見附註24)，反映本集團的信貸風險集中。董事持續監察及評估交易對手之財務狀況，而由於應收貸款獲保證及抵押，而若干借貸人亦承諾各項承擔以使本集團可擁有合理的保障權，故彼等認為就該等應收款項承受的信貸風險並不重大。

由於交易對手為多家中國及香港具良好信譽評級的銀行及金融機構，故有關銀行結餘及存款的信貸風險有限。

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45. FINANCIAL INSTRUMENTS (continued)

(d) Liquidity risk management

The Group manages liquidity risk by maintaining a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings from time to time.

The Group relies on cash flow from operating activities, bank borrowings, the Convertible Bonds, corporate bonds and finance leases as a significant source of liquidity. At 31 December 2016, the Group has available unutilised short-term bank loan facilities of approximately RMB761,830,000 (2015: RMB673,211,000).

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of reporting period.

45. 金融工具(續)

(d) 流動資金風險管理

本集團透過維持管理層視為充足之現金及現金等價物而管理流動資金風險，向本集團營運提供融資及減緩現金流波動影響。管理層不時監控銀行借貸動用情況。

本集團依賴經營活動所得現金流、銀行借貸、可換股債券、企業債券及融資租賃作為流動資金的重要來源。於二零一六年十二月三十一日，本集團有未動用短期銀行貸款融資約人民幣761,830,000元(二零一五年：人民幣673,211,000元)。

下表詳列本集團的非衍生金融負債根據協定還款期而釐定的餘下合約到期日。該表乃根據本集團於可能被要求還款的最早日期的金融負債未貼現現金流量編製。該表包括利息及本金的現金流。倘利息流量按浮息計算，報告期結束時的未貼現金額會按利率推算。

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45. FINANCIAL INSTRUMENTS (continued)

(d) Liquidity risk management (continued)

45. 金融工具(續)

(d) 流動資金風險管理(續)

		Weighted average interest rate	On demand	6 months or less	6-12 months	1-2 years	2-5 years	Total undiscounted cash flows	Total carrying amount
		加權平均利率 %	應要求償還 RMB'000 人民幣千元	6個月或以下 RMB'000 人民幣千元	6-12個月 RMB'000 人民幣千元	1-2年 RMB'000 人民幣千元	2-5年 RMB'000 人民幣千元	未貼現現金 流量總額 RMB'000 人民幣千元	總賬面值 RMB'000 人民幣千元
At 31 December 2016	於二零一六年 十二月三十一日								
Non-derivative financial liabilities	非衍生金融負債								
Fixed-rate bank borrowings	定息銀行借貸	4.50	-	665,105	761,398	496,214	104,015	2,026,732	1,984,037
Variable-rate bank borrowings	浮息銀行借貸	4.78	-	90,289	189,375	410,540	274,441	964,645	946,446
Trade payables	應付貿易賬款		228,696	1,162,111	261,232	-	-	1,652,039	1,652,039
Bills payable	應付票據		-	1,076,491	-	-	-	1,076,491	1,076,491
Other payables	其他應付款項		39,886	236,471	234,924	-	-	511,281	511,281
Amounts due to related parties	應付關聯方款項		10,358	-	-	-	-	10,358	10,358
Corporate Bonds	企業債券	8.31	-	-	647,880	-	-	647,880	595,287
Obligations under finance leases	融資租賃責任	4.75	-	29,179	78,642	76,791	-	184,612	175,000
			278,940	3,259,646	2,173,451	983,545	378,456	7,074,038	6,950,939
At 31 December 2015	於二零一五年 十二月三十一日								
Non-derivative financial liabilities	非衍生金融負債								
Fixed-rate bank borrowings	定息銀行借貸	5.63	-	727,768	872,603	1,732	16,028	1,618,131	1,391,150
Variable-rate bank borrowings	浮息銀行借貸	6.15	-	108,453	607,179	8,448	130,519	854,599	770,517
Trade payables	應付貿易賬款		305,728	1,427,597	88,550	-	-	1,821,875	1,821,875
Bills payable	應付票據		-	641,916	-	-	-	641,916	641,916
Other payables	其他應付款項		58,083	261,229	160,190	-	-	479,502	479,502
Amounts due to related parties	應付關聯方款項		201	-	-	-	-	201	201
Convertible Bonds	可換股債券	7.25	-	11,419	11,419	326,438	-	349,276	303,845
Corporate Bonds	企業債券	8.31	-	-	47,880	647,880	-	695,760	593,987
Obligations under finance leases	融資租賃責任	4.75	-	30,403	29,856	107,821	76,791	244,871	225,908
			364,012	3,208,785	1,817,677	1,092,319	223,338	6,706,131	6,228,901

The amounts included above for variable interest rate non-derivative financial liabilities are subject to change if changes in interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘利率變動與報告期結束時釐定的該等估計利率不同，上述浮息非衍生金融負債的金額可能有變。

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45. FINANCIAL INSTRUMENTS (continued)

(e) Fair value

This note provides information about how the Group determines fair value of certain financial assets.

The derivative financial assets are measured at fair value at the end of each reporting period. The derivative financial assets with carrying value of approximately RMB18,905,000 at 31 December 2016 was Level 1 measurement.

There were no transfers between Level 1 and 2 during 2016.

Fair value of the Group's financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required)

Except as detailed in the following table, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values:

45. 金融工具(續)

(e) 公平值

此附註就本集團如何釐定若干金融資產的公平值提供資料。

衍生金融資產按各報告期結束時的公平值計量。於二零一六年十二月三十一日賬面值約人民幣18,905,000元的衍生金融資產為第一級計量。

於二零一六年，第一與第二級之間並無轉撥。

並非根據經常性基準按公平值計量的本集團金融資產的公平值(惟須披露公平值)

除下表所詳述者外，董事認為，綜合財務報表中已確認的金融資產及金融負債的賬面值與其公平值相若：

		31/12/2016 二零一六年十二月三十一日		31/12/2015 二零一五年十二月三十一日	
		Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元 (Note) (附註)	Carrying amount 賬面值 RMB'000 人民幣千元	Fair value 公平值 RMB'000 人民幣千元 (Note) (附註)
Financial liabilities	金融負債				
Convertible Bonds (liability component)	可換股債券 (負債部分)	-	-	303,845	381,556
Corporate Bonds	企業債券	595,287	641,495	593,987	645,554

Note: Fair value of the Convertible Bonds at the end of 2015 was estimated based on the quoted bid prices from Bloomberg, which included liability component and equity component of the Convertible Bonds. The equity component of the Convertible Bonds at 31 December 2015 was RMB29,680,000. As at 31 December 2016, the equity component of the Convertible Bonds was nil as all outstanding Convertible Bonds were fully converted during 2016.

附註：可換股債券於二零一五年年底之公平值乃根據彭博所報買入價估計，當中計及可換股債券的負債部分及權益部分。於二零一五年十二月三十一日，可換股債券的權益部分為人民幣29,680,000元。由於所有尚未行使可換股債券於二零一六年悉數轉換，故於二零一六年十二月三十一日可換股債券的權益部分為零。

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46. PLEDGE OF ASSETS

At the end of the reporting period, certain of the Group's assets were pledged to secure banking facilities granted to the Group. The aggregate carrying amount of the assets of the Group pledged at the end of each of the reporting periods is as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Buildings	樓宇	410,621	369,949
Land use rights	土地使用權	28,301	99,642
Bills receivable	應收票據	811,109	26,412
Restricted bank deposits	受限制銀行存款	526,778	404,723

47. OPERATING LEASES The Group as lessee

Minimum lease payments paid for the year under operating leases for premises 於年內根據物業經營租賃已付的最低租賃付款

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within one year	一年內	4,991	6,370
In the second to fifth year, inclusive	第二至第五年(包括首尾兩年)	5,719	8,472
		10,710	14,842

Operating lease payments represent rentals payable by the Group for certain of its properties. Leases are negotiated for terms of 2 to 5 years.

46. 資產抵押

於報告期結束時，本集團抵押若干資產作為銀行授予本集團銀行授信的抵押。於各報告期結束時，本集團已質押資產的總賬面值如下：

47. 經營租賃

本集團作為承租人

於報告期結束時，本集團根據不可撤銷經營租賃於下述期間屆滿的未來最低租賃付款承擔如下：

經營租賃付款指本集團就其若干物業應付的租金。租約每兩年至五年再磋商。

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47. OPERATING LEASES (continued)

The Group as lessor

Property rental income earned for the year ended 31 December 2016 was approximately RMB5,243,000 (2015: RMB4,237,000). The properties held has committed tenants up to 2017 and 2021 respectively.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

47. 經營租賃(續)

本集團作為出租人

截至二零一六年十二月三十一日止年度，物業租金收入約為人民幣5,243,000元(二零一五年：人民幣4,237,000元)。持有的物業已獲租戶承租，分別直至二零一七年及二零二一年止。

於報告期結束時，本集團與租戶就下述未來最低租賃付款訂約如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within one year	一年內	3,507	3,532
In the second to fifth year, inclusive	第二至第五年(包括首尾兩年)	5,270	8,777
		8,777	12,309

48. CAPITAL COMMITMENTS

48. 資本承擔

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Contracted but not provided for — acquisition of property, plant and equipment	已訂約但未撥備 — 收購物業、廠房及設備	245,647	296,140

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For the year ended 31 December 2016
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49. RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Name 名稱	Relationship 關係
Henan Yifeng Electric Bikes Manufacturing Co., Ltd. ("Henan Yifeng") 河南屹峰電動車製造有限公司(「河南屹峰」)	Controlled by non-controlling shareholder of Henan Chaowei 由河南超威的非控股股東控制
Henan Yilin Commerce & Trade Co., Ltd. ("Henan Yilin") 河南省屹林商貿有限公司(「河南屹林」)	Controlled by Henan Yifeng 由河南屹峰控制
Henan Gaoyuan Aluminum Development Co., Ltd. ("Henan Gaoyuan") 河南高遠鋁業發展有限公司(「河南高遠」)	Controlled by non-controlling shareholder of Henan Chaowei 由河南超威的非控股股東控制
Zhejiang Zhenlong (Note (i)) 浙江振龍(附註(i))	Associate 聯營公司
MOLL	Associate
MOLL	聯營公司
Xuzhou Zhenlong (Note (i)) 徐州振龍(附註(i))	Subsidiary of Zhejiang Zhenlong 浙江振龍的附屬公司
Huangshan Zhenlong (Note (i)) 黃山振龍(附註(i))	Subsidiary of Zhejiang Zhenlong 浙江振龍的附屬公司
Zhejiang Pulangte 浙江普朗特	Joint venture 合營企業
Zhejiang Yige 浙江壹舸	Associate 聯營公司
Wu Rongliang (Note (ii)) 吳榮良(附註(ii))	Non-controlling party of Anhui Yongheng 安徽永恒的非控股方
Zhang Yongxuan 張永軒	Non-controlling party of Jiangsu Yongda 江蘇永達的非控股方
Kai Mingmin 開明敏	Non-controlling party of Zhejiang Changxing Jintaiyang 浙江長興金太陽的非控股方

49. 關聯方交易

(a) 關聯方名稱及關係

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

49. RELATED PARTY TRANSACTIONS (continued)

(a) Name and relationship with related parties (continued)

Name 名稱	Relationship 關係
Qian Haichun 錢海春	Non-controlling party of Anhui Chaowei 安徽超威的非控股方
Guo Yonglang 郭永榔	Non-controlling party of Golden Chaowei and Golden Chaowei PRC 金超威及金超威中國的非控股方
Chen Liwei 陳利偉	Non-controlling party of BJ Chuangyuan 北京創元的非控股方
Ke Ke 柯克	Non-controlling party of Chaowei Chuangyuan 超威創元的非控股方
Song Wentao 宋文濤	Non-controlling party of Chaowei Chuangyuan 超威創元的非控股方
Zhejiang Doulan Intelligent Equipment Co., Ltd ("Zhejiang Doulan") 浙江兜蘭智能設備股份有限公司(「浙江兜蘭」)	Controlled by Zhou Mingming 由周明明控制
Xiamen Mate High-Tech New Power Co., Ltd ("Xiamen Mate") 廈門馬特高科新能源有限公司(「廈門馬特」)	Controlled by Zhou Mingming 由周明明控制

Notes:

- (i): The Group disposed of its entire equity interest in Zhejiang Zhenlong on 28 April 2015 and Zhejiang Zhenlong, Xuzhou Zhenlong and Huangshan Zhenlong ceased to be the related parties of the Group from then.
- (ii): Wu Rongliang disposed of its entire equity interest in Anhui Yongheng on 31 January 2016 and Wu Rongliang ceased to be the related party of the Group from then.

附註：

- (i)：本集團於二零一五年四月二十八日出售其於浙江振龍的全部股權，自此浙江振龍、徐州振龍及黃山振龍不再為本集團的關聯方。
- (ii)：吳榮良於二零一六年一月三十一日出售其於安徽永恆的全部股權，自此吳榮良不再為本集團的關聯方。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016
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49. RELATED PARTY TRANSACTIONS (continued)

(b) The Group has entered into the following significant transactions with its related parties during both years:

49. 關聯方交易(續)

(b) 本集團於兩個年度內與其關聯方訂立下列重大交易：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Sales of goods	銷售貨品		
— Henan Yilin	— 河南屹林	1,846	4,572
— Zhejiang Pulangte	— 浙江普朗特	138	—
— Zhejiang Yige	— 浙江壹舸	18,354	—
— Xuzhou Zhenlong	— 徐州振龍	—	10,950
— Huangshan Zhenlong	— 黃山振龍	—	15,537
		20,338	31,059
Purchase of materials	購買材料		
— Xiamen Mate	— 廈門馬特	13,980	—
— Zhejiang Yige	— 浙江壹舸	3,786	—
— Xuzhou Zhenlong	— 徐州振龍	—	13,701
— Huangshan Zhenlong	— 黃山振龍	—	9,166
— Zhejiang Zhenlong	— 浙江振龍	—	70,789
— Henan Gaoyuan	— 河南高遠	46	45
— Henan Yifeng	— 河南屹峰	—	15,000
— Zhejiang Doulan	— 浙江兜蘭	13,169	1,127
		30,981	109,828
Income earned by the Group from provision of rental services	本集團提供租賃服務賺取的收入		
— MOLL	— MOLL	1,465	1,472

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綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

49. RELATED PARTY TRANSACTIONS (continued)

(c) Balances with related parties

49. 關聯方交易(續)

(c) 關聯方結餘

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Amounts due from related parties:	應收關聯方款項：		
Trade nature	貿易性質		
— Henan Yifeng	— 河南屹峰	—	15,315
— Henan Yilin	— 河南屹林	—	1,920
— Zhejiang Yige	— 浙江壹舸	21,134	—
— Zhejiang Pulangte	— 浙江普朗特	29	—
— Zhejiang Doulan	— 浙江兜蘭	6,744	1,079
Non-trade nature	非貿易性質		
— Wu Rongliang	— 吳榮良	—	2,418
— Chen Liwei	— 陳利偉	908	—
— Guo Yonglang	— 郭永榔	600	—
— Ke Ke	— 柯克	500	—
— Song Wentao	— 宋文濤	200	—
— Zhang Yongxuan	— 張永軒	28,000	18,000
— Kai Mingmin	— 開明敏	4,600	3,010
— Qian Haichun	— 錢海春	5,000	2,000
— Zhejiang Pulangte	— 浙江普朗特	800	—
— Zhejiang Yige	— 浙江壹舸	28,023	—
Total	總計	96,538	43,742

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綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

49. RELATED PARTY TRANSACTIONS (continued)

(c) Balances with related parties (continued)

The amounts due from related parties were denominated in RMB, unsecured, interest free and repayable on demand.

49. 關聯方交易(續)

(c) 關聯方結餘(續)

應收關聯方的款項以人民幣計值，為無抵押、免息及須應要求償還。

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Amounts due to related parties:	應付關聯方款項：		
Trade nature	貿易性質		
— Henan Gaoyuan	— 河南高遠	20	33
— Henan Yilin	— 河南屹林	298	—
— Xiamen Mate	— 廈門馬特	3,204	—
— Zhejiang Yige	— 浙江壹舸	4,430	—
— Zhejiang Doulan	— 浙江兜蘭	1,866	48
Non-trade nature	非貿易性質		
— Guo Yonglang	— 郭永榔	160	—
— Kai Mingmin	— 開明敏	80	—
— Qian Haichun	— 錢海春	300	120
Total	總計	10,358	201

All amounts due to the related parties were denominated in RMB, unsecured, interest free and to be settled on demand.

所有應付關聯方的款項以人民幣計值，為無抵押、免息及須應要求結清。

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綜合財務報表附註

For the year ended 31 December 2016
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49. RELATED PARTY TRANSACTIONS (continued) (d) Compensation of key management personnel

49. 關聯方交易(續) (d) 主要管理人員的酬金

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Short term employee benefits	短期僱員福利	8,327	8,724
Retirement benefits scheme contributions	退休福利計劃供款	60	42
		8,387	8,766

50. RETIREMENT BENEFITS SCHEME CONTRIBUTIONS

The employees of the Company's PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The Company's PRC subsidiaries are required to contribute a certain percentage of their employees' payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme which are calculated based on 18% to 20% of the employee's basic salaries during the year.

In accordance with the relevant mandatory provident fund laws and regulations of Hong Kong, the Group operates a Mandatory Provident Fund scheme ("MPF Scheme") for all qualifying Hong Kong employees. The assets of the scheme are held separately from those of the Group and under the control of an independent MPF service provider. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group in respect of the MPF Scheme is to make the required contributions under the scheme.

51. MAJOR NON-CASH TRANSACTION

During 2015, the Group early terminated the entrusted loan granted to Changxing Tiandu Power Co., Ltd. ("Changxing Tiandu") and recovered RMB33 million prior to the end of 2015 by means of taking over certain machinery and equipment from Changxing Tiandu of RMB21 million and offsetting trade payable to Changxing Tiandu of RMB12 million.

50. 退休福利計劃供款

本公司中國附屬公司的僱員為中國政府管理的國家退休福利計劃的成員。本公司中國附屬公司須按僱員薪金若干百分比向該退休福利計劃供款以作為福利資金。本集團對退休福利計劃的唯一責任為根據該計劃作出所需供款，供款乃按僱員年內基本薪金的18%至20%計算。

本集團根據相關的香港強制性公積金法例及規例，為所有合資格的香港僱員設立一項強制性公積金計劃（「強積金計劃」）。計劃資產與本集團資產分開持有，並由獨立強積金服務供應商管理。根據強積金計劃的規則，僱主及其僱員各自須按規則指定的比率向該計劃供款。本集團對強積金計劃的唯一責任為按照該計劃作出所需的供款。

51. 重大非現金交易

於二零一五年，本集團提前終止授予長興天都電源有限公司（「長興天都」）的委託貸款，並通過接管長興天都若干機器及設備人民幣21,000,000元及抵銷應付長興天都貿易賬款人民幣12,000,000元，於二零一五年年底前收回人民幣33,000,000元。

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綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

52. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

52. 有關本公司財務狀況表及儲備變動的資料

於報告期結束時，有關本公司財務狀況表的資料包括：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產		
Office equipment	辦公室設備	10	30
Investment in subsidiaries	於附屬公司的投資	302,490	302,490
Amounts due from subsidiaries	應收附屬公司款項	244,108	313,231
		546,608	615,751
CURRENT ASSETS	流動資產		
Prepayments and other receivables	預付款項及其他應收款項	7,069	308
Held-for-trading investments	持作買賣投資	2,178	-
Amounts due from subsidiaries	應收附屬公司款項	29,996	41,806
Bank balances and cash	銀行結餘及現金	20,089	43,281
		59,332	85,395
CURRENT LIABILITIES	流動負債		
Other payables	其他應付款項	3,391	833
Amounts due to subsidiaries	應付附屬公司款項	-	12,328
Short term loans	短期貸款	51,135	49,517
		54,526	62,678
NET CURRENT ASSETS	流動資產淨值	4,806	22,717
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	551,414	638,468
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	74,961	69,320
Reserves	儲備	464,125	265,303
TOTAL EQUITY	總權益	539,086	334,623
NON-CURRENT LIABILITIES	非流動負債		
Amounts due to subsidiaries	應付附屬公司款項	12,328	-
Convertible bonds	可換股債券	-	303,845
		551,414	638,468

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綜合財務報表附註

For the year ended 31 December 2016
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52. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENTS OF THE COMPANY (continued)

52. 有關本公司財務狀況表及儲備變動的資料(續)

		Share capital	Share premium	Convertible bonds equity reserve	Retained earnings	Total
		股本	股份溢價	可換股債券權益儲備	保留利潤	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2015	於二零一五年一月一日	68,140	1,089	59,643	177,623	306,495
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	-	-	-	(19,596)	(19,596)
Issue of shares upon conversion of convertible bonds	轉換可換股債券後發行股份	1,180	76,507	(7,067)	-	70,620
Redemption of convertible bonds	贖回可換股債券	-	-	(22,896)	-	(22,896)
At 31 December 2015	於二零一五年十二月三十一日	69,320	77,596	29,680	158,027	334,623
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	-	-	-	(11,818)	(11,818)
Dividend paid to owners of the Company	已付本公司擁有人股息	-	-	-	(99,385)	(99,385)
Issue of shares upon conversion of convertible bonds	轉換可換股債券後發行股份	5,641	339,705	(29,680)	-	315,666
At 31 December 2016	於二零一六年十二月三十一日	74,961	417,301	-	46,824	539,086

Financial Summary

財務資料概要

The following table summarizes the consolidated results, assets and liabilities of the Group for the five years ended 31 December:

下表載列本集團於截至十二月三十一日止五個年度的綜合業績、資產及負債情況概要：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Results	業績					
Revenue	收入	21,454,756	18,870,205	18,187,060	14,973,221	9,559,439
Profit before taxation	除稅前利潤	705,070	545,872	73,355	501,716	752,471
Taxation	稅項	(86,012)	(57,866)	(35,067)	(113,179)	(132,537)
Profit and total comprehensive income for the year	年內利潤及全面收入總額	619,058	488,006	38,288	388,537	619,934
Profit attributable to non-controlling interests	非控股權益應佔利潤	115,262	156,337	67,243	78,299	123,606
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔利潤/(虧損)	503,796	331,669	(28,955)	310,238	496,328
Assets	資產					
Non-current assets	非流動資產	5,160,473	4,828,265	4,142,232	3,598,945	2,879,344
Current assets	流動資產	7,825,684	5,938,855	5,303,859	4,425,544	4,238,568
Total assets	總資產	12,986,157	10,767,120	9,446,091	8,024,489	7,117,912
Liabilities	負債					
Non-current liabilities	非流動負債	(1,590,731)	(2,032,748)	(1,276,630)	(1,341,543)	(868,494)
Current liabilities	流動負債	(7,244,005)	(5,418,840)	(5,388,135)	(3,835,533)	(3,623,230)
Total liabilities	總負債	(8,834,736)	(7,451,588)	(6,664,765)	(5,177,076)	(4,491,724)
Capital and reserves	資本及儲備					
Equity attributable to owners of the Company	本公司擁有人應佔權益	3,302,964	2,584,640	2,206,270	2,328,174	2,167,048
Non-controlling interests	非控股權益	848,457	730,892	575,056	519,239	459,140
Total Equity	總權益	4,151,421	3,315,532	2,781,326	2,847,413	2,626,188
Current ratio (current assets/current liabilities)	流動比率(流動資產/流動負債)	1.08	1.10	0.98	1.15	1.17
Gearing ratio (total bank borrowings, short term financing notes, corporate bonds and convertible bonds/total assets)	資本負債比率(總銀行借貸、短期融資票據、企業債券及可換股債券/總資產)	29%	31%	41%	36%	32%

The results of the Group for the financial year ended 31 December 2016 and its assets and liabilities as at 31 December 2016 are set forth on pages 88 to 231, and are presented on the basis set out in note 1 to the consolidated financial statements.

本集團截至二零一六年十二月三十一日止財政年度的業績及其於二零一六年十二月三十一日的資產與負債載列於第88頁至第231頁，按照綜合財務報表附註1所載的基準呈列。

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CHAOWEI POWER HOLDINGS LIMITED
超威動力控股有限公司