

# Annual Report

## 2018 年報



**理士國際技術有限公司**  
LEOCH INTERNATIONAL TECHNOLOGY LIMITED

於開曼群島註冊成立的有限公司 股票代碼：0842.HK  
(Incorporated in the Cayman Islands with limited liability) Stock Code: 0842. HK

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# Corporate Information 公司資料

## Board of Directors

### Executive Directors

Mr. DONG Li (*Chairman*)  
Ms. YIN Haiyan (*Chief Executive Officer*)  
(appointed on 30 July 2018)  
Ms. ZHAO Huan (resigned on 6 August 2018)

### Non-Executive Director

Mr. Philip Armstrong NOZNESKY  
(passed away on 22 September 2018)

### Independent Non-Executive Directors

Mr. LIU Yangsheng  
Mr. CAO Yixiong Alan  
Mr. LAU Chi Kit

## Board Committees

### Audit Committee

Mr. CAO Yixiong Alan (*Chairman*)  
Mr. LIU Yangsheng  
Mr. LAU Chi Kit

### Remuneration Committee

Mr. LAU Chi Kit (*Chairman*)  
Mr. DONG Li  
Mr. CAO Yixiong Alan

### Nomination Committee

Mr. DONG Li (*Chairman*)  
Mr. LIU Yangsheng  
Mr. LAU Chi Kit

## Company Secretary

Mr. CHOW Kam Keung, Albert

## 董事會

### 執行董事

董李先生 (*主席*)  
印海燕女士 (*行政總裁*)  
(二零一八年七月三十日委任)  
趙歡女士 (二零一八年八月六日辭任)

### 非執行董事

Philip Armstrong NOZNESKY先生  
(於二零一八年九月二十二日辭世)

### 獨立非執行董事

劉陽生先生  
曹亦雄先生  
劉智傑先生

## 董事會委員會

### 審核委員會

曹亦雄先生 (*主席*)  
劉陽生先生  
劉智傑先生

### 薪酬委員會

劉智傑先生 (*主席*)  
董李先生  
曹亦雄先生

### 提名委員會

董李先生 (*主席*)  
劉陽生先生  
劉智傑先生

## 公司秘書

周錦強先生



## Authorised Representatives

Mr. DONG Li  
Mr. CHOW Kam Keung, Albert

## Auditor

Ernst & Young

## Registered Office in the Cayman Islands

Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## Principal Place of Business in Hong Kong

Unit C, 33rd Floor  
TML Tower  
No.3 Hoi Shing Road  
Tsuen Wan, New Territories  
Hong Kong

## Headquarters in the PRC

5th Floor, Xin Bao Hui Building  
No. 2061, Nanhai Avenue  
Nanshan District  
Shenzhen, Guangdong Province  
PRC

## Company's Website

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

## Stock Code

842

## 授權代表

董李先生  
周錦強先生

## 核數師

安永會計師事務所

## 開曼群島註冊辦事處

Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## 香港主要營業地點

香港  
新界荃灣  
海盛路3號  
億京大廈  
33樓C室

## 中國總部

中國  
廣東省深圳市  
南山區  
南海大道2061號  
新保輝大廈5樓

## 公司網站

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

## 股份代號

842



## Cayman Islands Principal Share Registrar

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## 開曼群島股份登記總處

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O.Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited  
Level 22  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

## 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心  
22樓

## Principal Bankers

The Hongkong and Shanghai Banking Corporation Limited  
Hang Seng Bank Limited  
Bank of China  
Shanghai Pudong Development Bank  
China CITIC Bank International Limited  
Industrial Bank Co., Ltd.  
Chiyu Banking Corporation Limited  
CTBT Bank Co., Limited

## 主要往來銀行

香港上海滙豐銀行有限公司  
恒生銀行有限公司  
中國銀行  
上海浦東發展銀行  
中信銀行(國際)有限公司  
興業銀行股份有限公司  
集友銀行有限公司  
中國信託商業銀行股份有限公司



# Financial Highlights 財務摘要

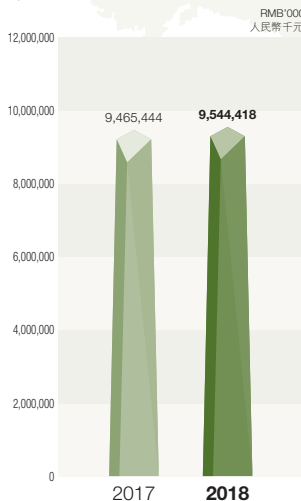


Leoch International Technology Limited (the “Company”) and its subsidiaries (together, the “Group”) are pleased to announce the following financial highlights:

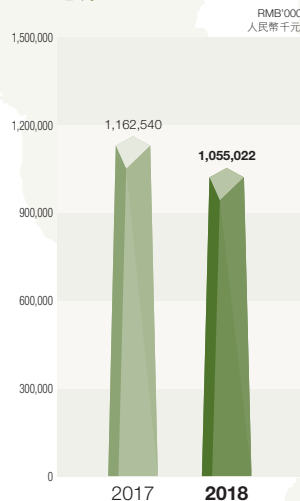
理士國際技術有限公司(「本公司»)及其附屬公司(統稱為「本集團»)欣然宣佈下列財務摘要:

		Year ended 31 December 截至十二月三十一日止年度		
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	Change 變動
Revenue	收益	<b>9,544,418</b>	9,465,444	+0.8%
Gross profit	毛利	<b>1,055,022</b>	1,162,540	-9.2%
Profit for the year	本年度溢利	<b>127,140</b>	271,480	-53.2%
Profit attributable to owners of the parent	母公司擁有人應佔溢利	<b>106,418</b>	242,885	-56.2%
Basic earnings per share, in RMB	每股基本盈利 (人民幣元)	<b>0.08</b>	0.18	

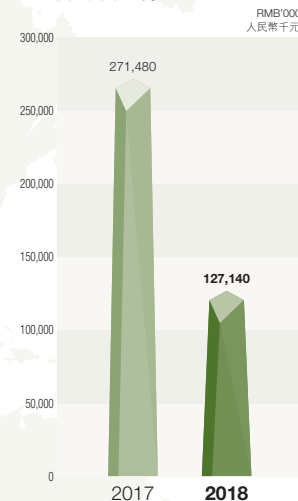
Revenue  
收益



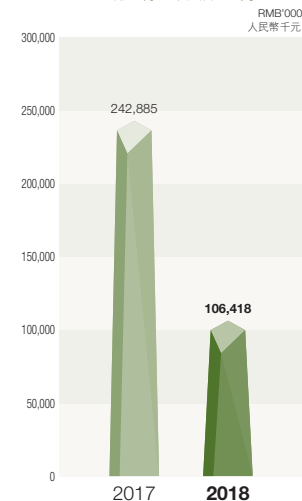
Gross profit  
毛利



Profit for the year  
本年度溢利



Profit attributable to owners of the parent  
母公司擁有人應佔溢利





## Financial Highlights 財務摘要

For the year ended 31 December 2018 (the “**Period**”), the Group’s audited profit attributable to owners of the parent amounted to approximately RMB106.4 million.

Basic earnings per share was RMB0.08 (2017: RMB0.18), the calculation of such basic earnings per share amount is based on the profit for the year attributable to owners of the parent and the weighted average number of ordinary shares of 1,357,431,128 (2017: 1,355,932,999) in issue during the year.

The board of directors (the “**Board**”) of the Company recommended the payment of a final dividend of 2.0 HK cents for the year ended 31 December 2018 (2017: Nil HK cents). The Company had not declared and paid any interim dividend or special dividend during the year ended 31 December 2018.

The register of members of the Company will be closed from Tuesday, 21 May 2019 to Friday, 24 May 2019 (both days inclusive) for the purpose of determining shareholders’ entitlement to attend the 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, shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company’s branch share registrar (see below) for registration by no later than 4:30 p.m. on Monday, 20 May 2019.

本集團截至二零一八年十二月三十一日止年度（「**期內**」）經審核母公司擁有人應佔溢利為約人民幣106.4百萬元。

每股基本盈利為人民幣0.08元（二零一七年：人民幣0.18元），該每股基本盈利金額乃按母公司擁有人應佔年內溢利及年內已發行普通股加權平均數1,357,431,128股（二零一七年：1,355,932,999股）股份為基準計算。

本公司董事會（「**董事會**」）建議派發截至二零一八年十二月三十一日止年度的末期股息每股2.0港仙（二零一七年：零港仙）。截至二零一八年十二月三十一日止年度，本公司未宣派及支付任何中期股息或特別股息。

為確定股東出席股東週年大會（「**股東週年大會**」）的資格，本公司將於二零一九年五月二十一日（星期二）至二零一九年五月二十四日（星期五）（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，股東應確保所有過戶文件連同有關股票不遲於二零一九年五月二十日（星期一）下午四時三十分送交本公司的股份過戶登記分處（見下文），以辦理登記手續。



The register of members of the Company will be closed from Monday, 3 June 2019 to Wednesday, 5 June 2019 (both days inclusive), for the purpose of determining shareholders' entitlement to receive the final dividend, during which period no transfer of shares will be registered. In order to qualify for receiving the final dividend, shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar (see below) for registration by no later than 4:30 p.m. on Friday, 31 May 2019.

Tricor Investor Services Limited  
Address: Level 22, Hopewell Centre,  
183 Queen's Road East, Hong Kong

為確定股東收取末期股息的權利，本公司將於二零一九年六月三日（星期一）至二零一九年六月五日（星期三）（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。為符合資格收取末期股息，股東應確保所有過戶文件連同有關股票文件不遲於二零一九年五月三十一日（星期五）下午四時三十分送交本公司的股份過戶登記分處（見下文），以辦理登記手續。

卓佳證券登記有限公司  
地址：香港皇后大道東183號合和中心22樓







# Chairman's Statement 主席報告

On behalf of the board of directors (the “**Board**”) of Leoch International Technology Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”), I am pleased to present the Group's report on its annual results for the year ended 31 December 2018 (the “**Period**”) for shareholders' review.

## Review

2018 was a challenging and extraordinary year to the Group. During the Period, the Group's business performance was affected by various factors, including the US-China trade war and unusual surge in the PRC lead price. Despite these challenges, the Group was still able to sustain growth in the battery businesses and solidify its market position. In addition, 2018 marked a significant milestone in the Group's growth strategy in both the PRC and overseas markets, with its construction of the lead-acid battery production plants in Vietnam and the lithium battery production plant in the PRC, as well as the expansion of recycling lead production capacity in the PRC. With these new production facilities, the Group will be able to provide its long-term and valuable customers with broader lines of battery products and solutions to meet their ongoing demands.

Besides the US-China trade war that suppressed the Group's business growth in the US market during the second half of the Period, the unusual surge in the PRC lead price during the last eight months of the Period in the PRC was the main adverse factor affecting the Group's business growth and profitability. Overall growth momentum was halted resulting in turnover in the second half of the Period being nearly the same as the first half of the Period. While in 2017, battery business was 29% more in the second half when comparing to the first half of the same year. Detailed discussion and analysis is available in the “Management Discussion and Analysis” section of this report for your review.

本人謹代表理士國際技術有限公司（「**本公司**」）及其附屬公司（統稱「**本集團**」）董事會（「**董事會**」）欣然提呈本集團截至二零一八年十二月三十一日止年度（「**期內**」）之全年業績報告，請各位股東省覽。

## 回顧

二零一八年對本集團而言是充滿挑戰且非同尋常的一年。期內，本集團的業務表現受多種因素影響，其中包括中美貿易戰及中國鉛價異常飆升。儘管存在該等挑戰，本集團仍然能夠維持電池業務的增長並鞏固其市場地位。此外，二零一八年是本集團在中國及海外市場實施增長策略的重要里程碑，其分別在越南及中國建設鉛酸電池生產廠房及鋰電池生產廠房，並擴大在中國的回收鉛產能。憑藉該等新的生產設施，本集團將能夠為其長期及重要客戶提供更多種類的電池產品及解決方案，以滿足彼等的持續需求。

除了期內下半段中美貿易戰抑制了本集團在美國市場的業務增長外，期內最後八個月中國鉛價的異常飆升乃影響本集團業務增長及盈利能力的主要不利因素。整體增長勢頭停止，導致期內下半段營業額與期內上半年基本持平。而於二零一七年，與同年上半年相比，下半年電池業務增長29%。詳細討論及分析可在本報告「管理層討論及分析」一節查閱。



During the Period, recycled lead business was temporarily interrupted due to the PRC Government's lead-related heavy metal discharging enterprises structural reform. The Group decided to embark on expansion of production capacity and enhancement of environment protection facilities in the third quarter of 2018. Although the sale and profit contribution from the lead recycling business was unavoidably reduced, the allowed production volume will be doubled, with potential annual sales of recycled lead products reaching RMB4 billion once the new plant becomes fully operational.

The construction of the two factories in Vietnam and the lithium batteries factory in the PRC was started during the Period and has been making good progress. The completion of the construction and commencement of products delivery are expected to take place in the second half of 2019.

### Outlook

The agreement between the U.S. and China to postpone proposed tariff increases for 90 days has modest impact to encourage growth, particularly for China. In the first quarter of 2019, the global economy and Chinese economy were still suffering from the US-China trade war and other factors reducing confidence and decreasing demand. The market is expecting that the trade war may end soon, coupled with China's reduction of value-added tax (VAT) rate for manufacturers from 16 per cent to 13 per cent, are positive factors to demand recovery and cost reduction.

In short to medium term, we believe the continuously rapid development of integrated data center ("IDC"), clean energy storage and the acceleration of 5G network development in the PRC will be the major growth drivers of reserve power batteries business. With our strong global sales network and comprehensive product solution with lithium batteries, we are confident that our reserve power batteries will resume growth momentum soon.

期內，由於中國政府對與鉛相關重金屬排放企業進行結構改革，回收鉛業務暫時中斷。本集團決定於二零一八年第三季度開始擴大產能及加強環保設施。儘管鉛回收業務的銷售額及利潤貢獻不可避免地減少，但許可產量將倍翻，一旦新廠房全面投入運營，回收鉛產品的年銷售額可能會達到人民幣40億元。

期內已開始在越南建設兩間工廠及在中國建設鋰電池廠，截至目前進展良好。預計將於二零一九年下半年完成相關建設並開始交付產品。

### 前景

美國與中國之間協議推遲90天加徵關稅，這對促進增長（特別是對中國而言）影響有限。二零一九年第一季度，全球經濟及中國經濟仍受到中美貿易戰及其他因素的影響，該等因素降低了信心並減少了需求。市場預計貿易戰可能會很快結束，再加上中國將製造商的增值稅（增值稅）從16%降至13%，對恢復需求及降低成本而言均屬正面因素。

就中短期而言，我們認為中國的集成數據中心（「IDC」）持續迅猛發展、清潔能源儲存及5G網絡的加速發展將是備用電池業務的主要增長動力。憑藉強大的全球銷售網絡及鋰電池的全面產品解決方案，我們相信我們的備用電池將很快恢復增長勢頭。



## Chairman's Statement 主席報告

The demand of SLI batteries remains robust thanks to the growing of aging vehicles and high growth rate of vehicle fleet in China, making China accounting for about 50% of global SLI sales by 2020. The Group believes that it will continue to enjoy a healthy growth rate in the PRC market. With our SLI factory located in Vietnam commencing production in the third quarter of 2019, we are confident that the overseas SLI business will be recovered in short term.

The development of new energy vehicles that leads to the growth of low-speed electric vehicles, coupled with the rapid development of e-commerce logistics that boosts the domestic and overseas demand of electric forklift, will provide tremendous demand for motive power batteries business. With its research and development investment in both lead-acid and lithium batteries, the Group is committed to sustaining the growth momentum in the motive power batteries.

The rectification of the PRC recycled lead industry has created a good opportunity for the Group in expanding the recycling lead business. With more production quota being granted, the joint venture lead recycling enterprise will double the production capacity within a few months. The Group will develop the recycling lead business in a prudent manner.

The Group anticipated that the global demand for rechargeable batteries will continue to grow in the next few years. With our comprehensive product lines in both lead-acid and lithium battery applications, and dedicated sales teams in the PRC, USA, Asia and Europe, we are well-positioned to seize opportunities arising from rechargeable batteries markets in 2019 and onwards.

由於老化汽車的增長及中國汽車增長率較高，對起動電池的需求仍然強勁，令中國於二零二零年之前佔全球起動電池銷量約50%。本集團相信該業務在中國市場將繼續保持健康增長。我們位於越南的起動電池工廠於二零一九年第三季度開始生產，我們相信海外起動電池業務將在短期內復原。

新能源汽車的發展帶動低速電動車增長，加上電子商務物流快速發展拉動電動叉車的國內外需求，這為動力電池業務帶來強勁需求。本集團持續對鉛酸及鋰電池的研發進行投資，致力於維持動力電池的增長勢頭。

整改中國回收鉛行業為本集團擴大回收鉛業務創造了良機。由於獲授更多生產配額，合營鉛回收企業的產能將在幾個月內倍翻。本集團將審慎發展回收鉛業務。

本集團預計全球對可充電電池的需求於未來數年將持續增長。憑藉我們在鉛酸及鋰電池應用領域的全面產品線，以及在中國、美國、亞洲和歐洲的專責銷售團隊，我們已作好準備迎接二零一九年及以後由充電電池市場帶來的機遇。



Fluctuations in raw material price in the PRC has an adverse impact on the Group's profitability on export business. With the completion of our Vietnam factories, the Group will be able to cope with the problem by substantially hedging the risk of raw material price. The Group is committed to expanding its footprint in overseas markets and matching the demand with overseas supply in highest possibility and effort. In view of the fierce price competition amongst major players in the PRC and overseas market, the Group will keep strict control over its production costs and enhance its production efficiency to overcome these challenges.

In order to maintain its leading position in technological knowhow and product reliability, the Group will continue to invest in research and development. The Group will constantly review its strategy and development, and perform timely adjustment when required.

The objective of the Group is to provide sustainable growth in shareholder value over the long term. Backed by 20 years of experience in providing reliable and innovation battery solutions for a broad range of industries around the world and with our growth strategy in both the PRC and overseas markets in place, we are confident of our business performance in the long run.

### Acknowledgement

On behalf of the Board, I would like to thank our shareholders, customers and business partners for their long-term support and trust. I also wish to express my deep appreciation to our management team and our staff members for their diligent work, and members of the Board of Directors for their significant contributions. I believe that, with the continuous support from our shareholders, commitment of our management team and staff members, we are well-positioned to achieve a higher level of success.

中國原材料價格波動為本集團出口業務的盈利能力造成不利影響。隨著越南工廠的建成，本集團便能大幅度對沖此種原材料價格風險，從而解決此等問題。本集團致力於擴大其在海外市場的足跡，並盡最大可能及努力將海外需求與供應相配。鑑於中國及海外市場主要參與者之間的價格競爭激烈，本集團將嚴格控制其生產成本及提升生產效率以應對該等挑戰。

為維持我們於專業技術及產品可靠性方面的領先地位，本集團將繼續投資於研發領域。本集團將繼續檢討其策略及發展，並於需要時及時作出調整。

本集團的目標是為股東價值提供長期可持續的增長。憑藉20年為全球各行業提供可靠及創新電池解決方案的經驗以及我們在中國和海外市場實施的增長策略，我們對我們長遠的業務表現充滿信心。

### 致謝

本人謹代表董事會感謝各位股東、客戶及業務夥伴長期以來的支持和信任，同時對我們的管理團隊及員工的勤奮工作以及董事會成員的重大貢獻深表謝意。本人堅信，在股東的持續支持、管理團隊及員工的不懈努力下，我們有能力取得更大成功。



# Management Discussion and Analysis

## 管理層討論及分析

### Business Review

The Group is a vertically integrated enterprise principally engaged in the development, sale and manufacture of lead acid batteries and the lead recycling and remanufacturing business. It is one of the leading manufacturers and the top exporter of lead-acid batteries in the People's Republic of China (the "PRC"). The Group sells over 2,000 models of lead-acid battery products which are widely used in different business applications such as telecommunication, UPS, energy storage, vehicle, motorcycle, golf cart, forklift truck, electric vehicle etc. Among the lead-acid battery manufacturers in the PRC, the Group offers the broadest lines of lead-acid battery product.

For the year ended 31 December 2018 (the "Period"), the Group's revenue amounted to RMB9,544.4 million, representing an increase of 0.8% from RMB9,465.4 million for the corresponding period in 2017.

During the Period, revenue from batteries and related items amounted to RMB8,069.1 million, representing an increase of 5.3% from RMB7,661.3 million for the corresponding period in 2017. In normal circumstance, the price linkage mechanism will pass raw material price fluctuation to customers, the growth in revenue was driven mainly by the increase in average lead price as compared to the corresponding period in 2017. The growth rate in terms of volume delivered in terms of ton was around 1.0% as compared to the corresponding period last year. Revenue from recycled lead products amounted to RMB1,419.1 million representing a decrease of 19.1% from RMB1,754.8 million for the corresponding period in 2017.

### 業務回顧

本集團為一間垂直整合企業，主要從事鉛酸蓄電池的開發、銷售及製造以及鉛回收及再生產業務。其為中華人民共和國（「中國」）領先的鉛酸蓄電池製造商之一及最大出口商。本集團所銷售的鉛酸蓄電池產品超過2,000種，廣泛用於電信通訊、UPS、儲能、車輛、摩托車、高爾夫球車、叉車、電動車等不同的業務應用領域。在眾多中國鉛酸蓄電池企業中，本集團是提供最廣泛鉛酸蓄電池產品的企業之一。

截至二零一八年十二月三十一日止年度（「期內」），本集團的收益為人民幣9,544.4百萬元，比二零一七年同期的人民幣9,465.4百萬元增加0.8%。

期內，電池及相關產品的收益為人民幣8,069.1百萬元，較二零一七年同期的人民幣7,661.3百萬元增加5.3%。在正常情況下，價格聯動機制將原材料價格波動轉嫁至客戶，而收益增長乃主要由於平均鉛價較二零一七年同期上漲所致。期內付運量（以噸計）較去年同期增長約1.0%。回收鉛產品的收益為人民幣1,419.1百萬元，較之二零一七年同期的人民幣1,754.8百萬元減少19.1%。



Various adverse factors affected the performance of global and the PRC economy, as well as the lead-acid battery industry and the Group in 2018. The US-China trade war suppressed the Group's business growth in the US market while the abnormal hike of the PRC lead price further increased the suppression pressure to all categories of product at overseas markets. The Group's gross profit margin was affected since the abnormal lead price hike occurred in the last 8 months in the PRC was not fully transferrable to the customers and losses occurred from those overseas orders temporarily required to be produced in the PRC with higher material costs during the re-construction period of the JV factory. Nevertheless, the Group continued to drive business growth in the PRC and overseas. Among the RMB407.7 million (2017: RMB1,398.5 million) increment in sales revenue of battery, 26.9% (2017: 58.1%) was contributed from the PRC while 73.1% (2017: 41.9%) was from overseas in 2018. There was a decrement in sales of recycled lead amounted to RMB335.8 million (2017: RMB1,754.8 million, first year of record), together with other income, the PRC share of the Group's turnover for the Period accounted for 64.7% (2017: 67.5%).

Lead-acid batteries are generally classified into three major market categories, namely reserve power batteries, SLI batteries and motive power batteries. Details of business operations of the Group in these three categories are as follows:

### Reserve power batteries

The Group's sales of reserve power batteries during the Period amounted to RMB4,436.9 million (2017: RMB4,674.2 million), representing a decrease of 5.1% as compared to the same period of last year. The decrement in sales revenue of reserve power batteries amounted to RMB237.3 million (2017: RMB354.6 million increment) during the Period. Reserve power batteries accounted for approximately 55.0% of batteries revenue as compared to 61.0% in the corresponding period of 2017.

於二零一八年，全球及中國經濟的表現、以及鉛酸蓄電池行業及本集團的表現均受各項不利因素影響。中美貿易戰抑制本集團業務於美國市場的發展，與此同時，中國鉛價異常走高，進一步打壓了海外市場所有類別的產品。由於中國的鉛價於過去八個月異常走高，及不可全部轉移予客戶，且於合營廠房重建期間，暫時須於中國生產的海外訂單的材料成本較高致使產生虧損，故本集團的毛利率受到影響。然而，本集團繼續推進中國及海外市場的業務增長。於二零一八年，電池的銷售收益增加人民幣407.7百萬元（二零一七年：人民幣1,398.5百萬元），其中，26.9%（二零一七年：58.1%）歸因於中國市場，而73.1%（二零一七年：41.9%）則歸因於海外市場。回收鉛銷售金額減少人民幣335.8百萬元（二零一七年：銷售金額人民幣1,754.8百萬元，首年紀錄），且其連同其他收入，致使中國市場佔本集團期內營業額為64.7%（二零一七年：67.5%）。

鉛酸蓄電池的市場一般可細分為備用電池、起動電池及動力電池三大市場類別。本集團在該三類領域的經營情況如下：

### 備用電池

本集團期內的備用電池的銷售金額為人民幣4,436.9百萬元（二零一七年：人民幣4,674.2百萬元），較去年同期減少5.1%。期內，備用電池的銷售收益減少人民幣237.3百萬元（二零一七年：增加人民幣354.6百萬元）。備用電池佔電池收益約55.0%，而二零一七年同期為61.0%。



The increase in volume delivered for Uninterruptible Power Supplies (“UPS”) and renewable energy application batteries both in China and overseas partially overcome the reduction in other application batteries in the PRC. This was contributed by our sales and marketing efforts to expand our market share in UPS and renewable energy application areas. However, the trade war between the US and the PRC and the abnormal high lead price in China during the last 8 months in 2018 suppressed overseas demand and hindered the Group’s overseas growth in 2018. Accordingly, this business category resulted in negative growth rate in terms of sales and products delivery as compared to last year.

### SLI batteries

SLI batteries category are used mainly in starting up automobiles and motorcycles. The Group’s sales of SLI batteries during the Period amounted to RMB2,542.1 million (2017: RMB2,164.7 million), representing an increase of 17.4% as compared to the same period of last year. The increment in sales revenue of SLI batteries amounted to RMB377.4 million (2017: RMB721.8 million) during the Period. SLI batteries accounted for approximately 31.5% of batteries revenue as compared to 28.3% in the corresponding period of 2017.

Vehicle production in China suffered the first drop since 1990. Vehicle production in December 2018 was estimated down by 14.9% year-on-year, the sixth consecutive month of negative growth. On the other hand, estimated car ownership in China has reached 240 million units by the end of 2018, more than 10% increase as compared to the 2017 figure, indicating that demand for automotive batteries replacement remained high. During the Period, our PRC SLI business continued to grow at average of above 30% in sales to the vehicle manufacturers and the after-market. However, due to abnormal high lead price in China in the last 8 months in 2018, the Group’s growth in export sales on this category was hindered, resulting in a negative growth rate in terms of product delivery and lower profit margin. Nevertheless, the Group managed to keep overall growth rate of our SLI business within a healthy range.

中國及海外市場的不間斷電源系統（「UPS」）及可再生能源應用電池付運量增加，部分抵銷了中國其他應用電池的減少。這得益於我們加大銷售及營銷力度擴大我們於UPS及可再生能源應用領域的市場份額。然而，中美貿易戰及中國鉛價於二零一八年過去八個月異常走高，均會抑制海外市場的需求，阻礙本集團二零一八年的海外市場發展。因此，該業務類型的銷售及產品付運量均較之去年均錄得負增長率。

### 起動電池

起動電池主要用於汽車及摩托車的起動。本集團於期內的起動電池銷售額為人民幣2,542.1百萬元（二零一七年：人民幣2,164.7百萬元），較去年同期增加17.4%。期內，起動電池的銷售收益增加人民幣377.4百萬元（二零一七年：人民幣721.8百萬元），佔電池收益約31.5%，而二零一七年同期為28.3%。

中國的車輛生產量自一九九零年以來首次出現下滑。二零一八年十二月錄得的車輛生產量按年估計下降14.9%，連續第六個月錄得負增長。另一方面，於二零一八年底，中國的汽車擁有量估計達240百萬輛，較之二零一七年所錄數據增加超逾10%，由此顯示替換汽車電池的需求仍然較高。期內，我們於中國的起動電池業務向汽車製造商及售後市場作出的銷售額方面繼續按高於30%的平均增長率增長。然而，由於中國的鉛價於二零一八年過去八個月異常走高，本集團此類別的出口銷售額的增長受阻，導致產品付運量錄得負增長及較低的溢利率。然而，本集團盡力將起動電池的整體增長率控制在良好範圍內。



### Motive power batteries

Motive power batteries revenue mainly generated from batteries used to provide power for electric vehicles, electric forklifts and other applications. During the Period, the Group's motive power batteries business recorded sales revenue of RMB871.6 million (2017: RMB497.0 million), representing an increase of 75.4% as compared to the same period of last year. The increment in sales revenue of motive power batteries amounted to RMB374.6 million (2017: RMB215.2 million) during the Period. Motive power batteries accounted for approximately 10.8% of batteries revenue as compared to 6.5% in the corresponding period of 2017.

This remarkable result was contributed by the substantial increase in sales of batteries on various applications including batteries used by electric vehicles and forklifts. The Group will continue to invest in this category to sustain the rapid growth momentum.

### Recycled lead

Revenue from the sale of recycled lead products amounted to RMB1,419.1 million (2017: RMB1,754.8 million) during the Period, representing a decrease of 19.1% as compared to the same period of last year. To coordinate with the PRC Government lead-related heavy metal discharging enterprises structural reform, the Group decided to commence production capacity expansion plan of the Group's recycled lead production facilities and enhance the factory's environment protection facilities in the third quarter of 2018. Accordingly, production was temporary interrupted and the revenue in the second half year of 2018 decreased by 53.8% to RMB448.2 million as compared to RMB970.9 million in the first half of 2018, resulting in reduction of sales and profit contribution from the lead recycling business.

### 動力電池

動力電池收益主要產生於為電動車、電動叉車及其他應用提供動力的電池。本集團在期內錄得動力電池業務的銷售收益人民幣871.6百萬元（二零一七年：人民幣497.0百萬元），較去年同期增加75.4%。期內，動力電池銷售收益增加人民幣374.6百萬元（二零一七年：人民幣215.2百萬元）。動力電池佔電池收益約10.8%，而二零一七年同期為6.5%。

此顯著成果乃得益於各應用領域的電池（包括電動車及叉車所用的電池）的銷售額大幅增加。本集團將繼續投資於該類別以維持迅猛的增長勢頭。

### 回收鉛

期內銷售回收鉛產品所得收益為人民幣1,419.1百萬元（二零一七年：人民幣1,754.8百萬元），較去年同期減少19.1%。為配合中國政府進行鉛相關重金屬排放企業結構改革，本集團決定於二零一八年第三季度啟動本集團回收鉛生產設施的產能擴張計劃及改進廠房環保設施。因此，生產暫時受到障礙及二零一八年下半年錄得收益減少53.8%至人民幣448.2百萬元，而二零一八年上半年為人民幣970.9百萬元，導致鉛回收業務的銷售額及所貢獻溢利有所減少。





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

### *Sales network*

The Group distributes its products to more than 100 countries and regions across the world. The Group established regional sales offices in Beijing, Shenzhen, Zhaoqing, Nanjing, Hong Kong, Singapore, Malaysia, Australia and other ASEAN countries, India, Sri Lanka, the United States and the European Union including the United Kingdom. Together with domestic sales centres across the PRC, the Group has more than 50 sales offices and centres around the world. As at 31 December 2018, the Group has over 850 dedicated sales and marketing and related supporting employees. The Group will continue expanding its sales and marketing teams and business network in the PRC and overseas to support the sales and marketing, distribution, and after sales services for all categories of battery products of the Group.

The acquisition of 60% stake in DBS Energy Limited, a UK battery distributor, was completed on 16 January 2018. In 2018, two wholly owned trading company, Leoch Nordeuropa GmbH in Germany and Leoch Italia S.R.L. in Italy, were established on 22 February 2018 and 24 October 2018, respectively. The Group believed that the above setups will further strengthen our position in Europe and pave a solid path for our business to accelerate growth in European countries in 2019 and onward.

### *Research and development (“R&D”) of new products*

The Group is a leader in R&D and application of lead-acid battery technologies in China. To support its R&D efforts, the Group works closely with international and domestic battery experts and research institutions to develop new technologies. The Group’s battery research and development team consists of more than 400 researchers and technicians. Currently, the Group holds 372 patents and there are 133 proprietary technologies in the process of patent applications as at the date of this report.

### *銷售網絡*

本集團在全球100多個國家及地區分銷其產品。本集團的區域銷售辦事處分別設於北京、深圳、肇慶、南京、香港、新加坡、馬來西亞、澳洲及東盟其他國家、印度、斯里蘭卡、美國及歐盟（包括英國）。連同在中國設有的國內銷售中心，本集團於全球擁有超過50個銷售辦事處及中心。於二零一八年十二月三十一日，本集團擁有逾850名人員，專責進行銷售、營銷及相關支援工作。本集團將繼續在中國及海外擴建銷售及營銷隊伍以及業務網絡，為本集團各類電池產品的銷售、營銷、分銷及售後工作提供支援。

收購英國電池分銷商DBS Energy Limited的60%股權已於二零一八年一月十六日完成。於二零一八年，本集團分別於二零一八年二月二十二日及二零一八年十月二十四日在德國及意大利成立兩間全資貿易公司Leoch Nordeuropa GmbH及Leoch Italia S.R.L.。本集團相信，成立上述公司將進一步鞏固我們在歐洲的地位，並為加快我們業務於二零一九年及往後年度在該等歐洲國家的增長鋪平堅實的道路。

### *新產品研究及開發（「研發」）*

本集團是中國研發及應用鉛酸蓄電池技術的領導者。本集團與國際及國內電池專家及研究機構緊密合作開發新技術，以支持本集團的研發工作。本集團的電池研發團隊包括超過400名研究人員及技術人員。目前，本集團持有372項專利，且於本報告日期，另有133項專有技術正在申請專利中。



The Group has grasped and applied most of lead-acid battery technologies in the world. The Group's strong R&D capabilities enable it to produce a broad range of battery products deploying most of the key lead-acid battery technologies. Currently, the Group has developed more than 2,000 models of battery products of different types employing various application technologies, making the Group one of the battery enterprises with the broadest range of lead-acid batteries. Close to 100 production lines and related testing equipments together with three dedicated battery research and development centers located in Guangdong, Anhui and Jiangsu constituted a strong and advance manufacturing and research and development capabilities of the enterprise. Leoch mainly produces reserve power batteries, SLI batteries and motive power batteries and they include series of product such as AGM VRLA batteries, VRLA-GEL battery, pure lead batteries, UPS high rate batteries, marine batteries, railway batteries, start-stop batteries, automotive batteries, motorcycle batteries, OPzV, OPzS, PzS, PzV and PzB tubular plate batteries, golf cart batteries, scrubber sweeper batteries and electric vehicle batteries etc.. Our forward-looking research and development team and high production quality make Leoch possess influential international competitive power.

Being hardworking and enterprising, through practice, Leoch keeps on developing and blazing new trails constantly. For quality control, professional quality management centres have been set up and successfully acquired the recognition of various standards such as ISO9001, TS16949, ISO14001 and OHSAS18001. In the area of technological innovation, we have carried out technical cooperation with renowned overseas battery manufacturers, introduced advance equipment and instruments from domestic and overseas suppliers and obtained a number of patent technologies. Our production capability has reached international advanced level. To enhance Leoch independent innovation ability, we continuously perform technical exchanges and cooperation with famous universities in the PRC and established research bases with them. For Leoch to become a globalized competitive leading battery manufacturer soon, we have laid a solid foundation.

本集團已掌握及應用世界上大部分的鉛酸蓄電池技術。本集團強大的研發能力使本集團能利用大部分關鍵的鉛酸蓄電池技術生產一系列的電池產品。現時，本集團已開發逾2,000種不同類型及使用不同應用技術的電池產品，令本集團成為提供最廣泛的鉛酸蓄電池系列產品的電池企業之一。接近100條生產線及相關測試設備連同位於廣東、安徽及江蘇的三處專用電池研發中心，由此體現企業強大及先進的生產及研發能力。理士主要生產備用電池、起動電池及動力電池，且該等電池包括AGM密封式閥控鉛酸蓄電池、GEL型密封式閥控鉛酸蓄電池、純鉛電池、UPS高率電池、船用電池、鐵路電池、啟停電池、汽車電池、摩托車電池、OPzV、OPzS、PzS、PzV及PzB管式極板電池、高爾夫球車電池、掃地機電池及電動車電池等產品系列。我們的前瞻性研發團隊及高生產品質，令理士具有國際影響力及競爭實力。

理士不斷實踐、積極進取及富於開拓，孜孜不倦地研發及開闢新的道路。就品質控制而言，專業品質管理中心已設立及成功獲得各項標準認可，如ISO9001、TS16949、ISO14001及OHSAS18001。於技術創新領域，我們已於知名海外電池製造商開展技術合作，引進國內及海外供應商的先進設備及工具並獲得各項專利技術。我們的生產能力已達到國際先進水平。為提升理士獨立創新能力，我們不斷進行技術交流，並與國內知名院校合作，並在該等院校設立研究基地。我們為理士很快成為具有全球競爭實力的領先電池製造商奠定堅實的基礎。



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

Lead-acid battery is under another stage of revolution since its invention in 1860. Innovative companies like Gridtential Energy, Inc. has been working on solution that bring lead-acid batteries, which already are the most cost-effective, safest form of energy storage and more recyclable, by using its new technology to perform up to 5 times greater power density, lighter weight and more than double the current lifespan. The Group will continue working closely with Gridtential Energy, Inc. to explore this advanced battery technologies.

To cope with product diversification and satisfy customers' need, the Group had put in large amount of resources in the last few years on the development of lithium batteries to cover all application areas in reserve and motive power with priority on telecommunication area. With the construction of the first phase of lithium batteries factory starting in 2018, more lithium products will be designed and ready for mass production.

### *Production bases*

During the Period, the Group operated eight well-built battery production bases, including four wholly-owned production bases in the PRC, two wholly-owned production bases (one in Sri Lanka and the other one in India), two joint venture production bases in Malaysia and one joint venture recycling lead factory in the PRC with a total site area of approximately 970,000 square meters ("**sq.m.**"). As at 31 December 2018, the Group had battery capacity of 21.7 million KVAh (2017: 21.6 million KVAh). To cope with potential business expansion and needs, the Group will expand its manufacturing capacities in the PRC and overseas in a prudent manner.

自一八六零年發明以來，鉛酸蓄電池現進入另一輪變革階段。諸如Gridtential Energy, Inc.等創新公司已竭力尋求解決方案，以期透過應用其新技術令目前已屬最具成本效益、最安全儲能方式及更環保的鉛酸蓄電池實現高達五倍功率密度、重量更輕及超過現有使用期限兩倍。本集團將繼續與Gridtential Energy, Inc.密切合作研發此先進電池技術。

為配合產品多元化策略及滿足客戶需求，本集團於過去數年投入大量資源於開發鋰電池，以涵蓋備用電池及動力電池的所有應用領域，且優先考慮電信通訊領域。隨著二零一八年開始建設一期鋰電池廠房，本集團將設計更多鋰產品並準備進行批量生產。

### *生產基地*

期內，本集團共有八個現有電池生產基地，包括四個位於中國的全資生產基地，兩個全資生產基地（一個位於斯里蘭卡，另一個位於印度），兩個位於馬來西亞的合營生產基地以及一個位於中國的合營鉛回收工廠，佔地面積合共約為970,000平方米（「**平方米**」）。於二零一八年十二月三十一日，本集團的電池產能為21.7百萬千伏安時（二零一七年：21.6百萬千伏安時）。為應對潛在業務擴張及需求，本集團將以審慎方式擴大其於中國及海外的製造能力。



The construction of the two factories in Vietnam is in full gear after we signed the construction agreement in November 2018. It is expected that the factory for reserve power batteries will start to deliver products before the end of second quarter in 2019. The factory for automotive batteries (SLI batteries) is expected to deliver products by the end of third quarter in 2019. The designed production capacity of these two factories will be more than double of current total overseas production capacity with opportunity for future expansion. The Group is committed to expand our overseas production capacity to satisfy at least 50% overseas demand by the end of 2020.

The plan to expand the manufacturing capability and capacity of India factory in the second half year of 2018 had been delayed due to longer than expected time to conclude the leasing contract and various production and environment license applications are still under process. The Group estimates that implementation of the expansion plan can be started within 2019.

The construction of a lithium batteries factory has been started in December 2018 at Huaibei Development Zone of Anhui. Site area of nearly 150,000 square meters will eventually provide at least 4GWh design production capacity to produce various Li-ion batteries products used for business application in reserve power and motive power market categories. More than one-third of the designed production capacity is expected to commence operation by the last quarter of 2019.

繼我們於二零一八年十一月簽署建設協議之後，越南的兩間工廠正在如火如荼的建設之中。預期備用電池工廠將於二零一九年第二季度末前開始交付產品。汽車電池（起動電池）廠房預計於二零一九年第三季度末前交付產品。此兩間廠房的設計產能將超過目前海外總產能的兩倍，且有機會進一步擴張。本集團於二零二零年底之前竭力擴張海外產能，以滿足至少50%的海外需求。

由於達成租賃合約所需時間超過預期及各項生產及環保執照仍在申請中，故於二零一八年下半年擴張印度工廠的生產能力及產能的計劃延遲。本集團估計可於二零一九年內開始實施擴張計劃。

本集團已於二零一八年十二月開始在安徽淮北經濟開發區建設鋰電池工廠。該工廠佔地面積近150,000平方米，最終可提供至少4千兆瓦時的設計產能，可生產各項鋰電池產品用於備用電池及動力電池類別的業務領域。預計於二零一九年最後一個季度之前啟動超逾三分之一的設計產能開始投入運營。



To coordinate with the Taihe County People's Government lead-related heavy metal discharging enterprises structural reform and to realize annual production capacity of 200,000 tons of recycling lead, the Group decided to commence the production capacity expansion plan of the Group's recycled lead production facilities and enhance the factory's environment protection facilities in the third quarter of 2018. It is expected that the factory will resume full production after these construction being completed and checked by County People's Government in the second quarter of 2019. Based on the allowed production volume which has been increased from 100,000 tons annually in 2017 to 200,000 tons in 2018; potential annual sales of recycled lead products can reach RMB4 billion under full production.

### *Trend of lead price*

Lead is the main raw material of lead-acid batteries and accounts for a major product cost for the Group's battery production. According to Shanghai Metals Market ("SMM"), an information service provider of the non-ferrous metal market, the monthly average lead price per ton fluctuated within the range of RMB18,192 to RMB20,514 during the Period, representing a change within the range of -4.1% to 8.1% as compared with December 2017 SMM monthly average of RMB18,973 per ton.

The monthly average of SMM lead price in each of the first six months of 2018 was RMB19,339, RMB19,310, RMB18,659, RMB18,520, RMB19,534 and RMB20,514 respectively. SMM lead price start surging after April 2018 when the supply of recycling lead was significantly reduced at the PRC market. Lead import started to surge in May 2018 and reached the highest point in December of 2018. In 2018, the PRC lead import reached 128 kt, a 64% growth compared to 2017. These arbitrage actions partially adjusted the abnormal hike of the PRC lead price during the second half of the Period.

為配合太和縣人民政府進行鉛相關重金屬排放企業結構改革及為實現回收鉛的年產能達到200,000噸，本集團決定於二零一八年第三季度啟動本集團回收鉛生產設施的產能擴張計劃及改進廠房環保設施。預計該工廠將於該等建設完工，並於二零一九年第二季度接受縣人民政府檢查後恢復全面生產。基於所允許的產量（年產量已自二零一七年的100,000噸增至二零一八年的200,000噸），回收鉛產品的年銷售額在全面生產的情況下可能達到人民幣40億元。

### *鉛價走勢*

鉛為鉛酸蓄電池的主要原材料，並佔本集團電池生產業務產品成本的主要部分。根據上海有色網（「上海有色網」）（有色金屬市場信息服務供應商）的數據，期內每噸的月平均鉛價在人民幣18,192元至人民幣20,514元的範圍內波動，與二零一七年十二月上海有色網每月平均每噸人民幣18,973元相比，變動範圍介乎-4.1%至8.1%之間。

於二零一八年首六個月各月，上海有色網鉛價的月平均值分別為人民幣19,339元、人民幣19,310元、人民幣18,659元、人民幣18,520元、人民幣19,534元及人民幣20,514元。由於中國市場回收鉛供應量大幅減少，上海有色網鉛價於二零一八年四月之後開始暴漲。鉛進口量於二零一八年五月開始顯著增加，並於二零一八年十二月觸及最高位。於二零一八年，中國鉛進口量達到128千噸，較之二零一七年增長64%。該等套利行動在一定程度上調節了期內下半年中國鉛價異常走高的情況。



The monthly average of SMM lead price in each of the last six months of 2018 was RMB19,818, RMB18,192, RMB18,966, RMB18,559, RMB18,651 and RMB18,649 respectively. SMM lead price continue to adjust downward for two consecutive months before it rebounded back to similar average price in December 2017 mainly due to a decrease in the demand in the PRC with the slowing down of the economy. Thereafter, the average lead price remained quite stable for the rest of 2018 when more lead were imported to cover for the shortage of local supply.

To cope with potential risks of fluctuation in lead price, the Group adopts a price linkage mechanism, passing raw materials price fluctuation to customers to hedge relevant risks. The Group's centralized procurement of raw materials enables it to trim down costs of raw materials through favorable negotiations on bulk purchase contracts.

### Future Prospects

The Group anticipates that our business will sustain the growth momentum in the PRC and overseas markets in light of the US-China trade war might soon be ended and the abnormal price hike of the PRC lead price will not be as severe as that in 2018. Concentration will be twisted towards margin improvement than market growth. However, there are always challenges ahead and below are our view and action plans:

#### *Reserve power batteries*

During the Period, reserve power batteries suffered a negative growth rate of 5.1% in revenue with RMB237.3 million sales decrement. This was mainly contributed by the reduction in demand of lead-acid batteries from the telecommunication market in the PRC. The PRC government imposed policy to utilize retired lithium batteries from electric vehicle and the trend will continue at the telecommunication market.

於二零一八年後六個月各月，上海有色網鉛價的月平均值分別為人民幣19,818元、人民幣18,192元、人民幣18,966元、人民幣18,559元、人民幣18,651元及人民幣18,649元。上海有色網鉛價連續兩個月繼續向下調整，在此之後，其反彈至二零一七年十二月的相若平均價格水平，此乃主要由於隨著經濟放緩，中國需求下降所致。在此之後，由於鉛的進口量增加，彌補了本地供應不足的情況，故平均鉛價於二零一八年餘下月份保持相對穩定。

為應對潛在的鉛價波動風險，本集團採納價格聯動機制，將原材料價格的波動轉嫁予客戶，以避免相關的風險。本集團原材料採購則已實行中央化，讓其可就大量採購合約進行有利磋商從而降低原材料成本。

### 未來前景

鑒於中美貿易戰即將停火及中國鉛價異常走高的情況將不會如二零一八年嚴重，本集團預計我們業務於中國及海外市場的增長勢頭將得以維持。本集團的重心將轉向提升利潤率，而非市場增長率。然而，前路漫漫，挑戰重重，我們的意見及行動計劃如下：

#### *備用電池*

期內，備用電池收益錄得負增長率5.1%，且銷售額減少人民幣237.3百萬元。此乃主要歸因於中國電信通訊市場的鉛酸蓄電池的需求減少。中國政府出台政策，以利用電動車的廢舊鋰電池，且該趨勢將於電信通訊市場得以延續。



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On the other hand, besides solidifying the position in the PRC UPS market, the Group achieved preliminary breakthrough in the sales of renewable energy application where sales increment was close to RMB100 million. Renewable energy storage and grid energy storage are now the hottest topics on future development besides 5G.

Part of the Group's core business ability is varietal diversity in product with reasonable price, reliable quality and timely delivery. We are a customer centric company working restlessly to become a world class, competitive and technology leading manufacturer of rechargeable battery. Being as a major supplier of reserve power batteries in the market, we are well prepared and determined to expand our market shares by satisfying the need of customers. With our first lithium factory mass production on the way in the second half year of 2019, Leoch is ready to open another new page. We are confident that our reserve power batteries will resume growth momentum in the near future.

The threat to levy 10-25% tariff was crystallized in September 2018 by the US government, a 10% tariff was implemented to the Group's products shipped to the US market. Besides, the abnormal lead price hike also affected overseas demand of the Group's products in the second half year of 2018. With the schedule for the Vietnam reserve power factory to complete its construction and commenced to deliver products within a few months, the Group's overseas competitive strength will rapidly increase and can tackle overseas trade barrier better. Furthermore, the PRC lead price has been back to normal since January of 2019, which attracts more demand from overseas customers. Although the Group encountered a very tough business condition in 2018, we managed to grow our reserve power business in all overseas regions. The reduction of sales in Asian countries was due to underperformance of SLI batteries because of abnormal lead price hike in the PRC where these products were produced.

另一方面，除鞏固於中國UPS市場的地位外，本集團於銷售可再生能源應用方面取得初步突破，在此情況下，銷售額增加近人民幣100百萬元。如今，除5G外，可再生能源儲存及電網儲能均為未來發展的最熱門話題。

本集團核心業務能力的其中一方面為產品品種多元化，且價格合理、品質可靠及交付及時。我們是一間以客戶為中心的公司，力求成為一間世界級、具競爭力及技術領先的可充電電池製造商。作為市場上備用電池的主要供應商，我們已準備充分，並決定透過滿足客戶需求，擴大市場份額。隨著二零一九年下半年第一間鋰電池工廠投入批量生產，理士已準備開啟新篇章。我們深信備用電池將於不久的將來重振增長勢頭。

美國政府威脅徵收10-25%關稅於二零一八年九月落實，且對本集團運往美國市場的產品徵收10%的關稅。此外，鉛價異常走高亦影響本集團產品於二零一八年下半年的海外需求。鑒於越南備用電池工廠竣工及於數月內開始交付產品的時間安排，本集團的海外競爭實力將會迅速提升，從而更好地處理海外貿易壁壘。此外，中國鉛價自二零一九年一月回歸正常水平，由此帶動海外客戶需求增長。儘管本集團於二零一八年面臨極為嚴峻的營商環境，但我們仍盡力發展所有海外地區的備用電池業務。亞洲國家銷售額下跌乃由於起動電池因中國（生產該等產品的國家）的鉛價異常走高導致表現不佳所致。



### SLI batteries

In 2018, SLI batteries continue to be one of the major growth contributors in revenue of batteries with around RMB377.4 million sales increment. Despite China's vehicle production suffered the first fall since 1990, products delivered to auto makers and aftermarket distributors continued to enjoy around 30% growth in each area.

In January 2019, automobile sales in the PRC market estimated to drop another 15.8%, making the seventh straight month of decline in the world's largest automobile market. However, with car ownership reached 240 million units by the end of 2018 and it is widely anticipated that this will continue to rise, the PRC is set to become the largest market for SLI batteries by 2020. The majority of the growth will come from the aftermarket segment mainly due to ageing of the vehicle fleet in the country which accelerates car owners' need to replace the existing batteries. By 2020, about 77% of the vehicles in the PRC will be over 3 years old, the average age at which its battery needs to be replaced as compared to 66% in 2015. The demand for SLI batteries will remain robust at the PRC market.

The Group believes that this category will continue to enjoy healthy growth in the PRC market mainly due to the prevailing favorable business environment for SLI batteries in the PRC. Sufficient resources will be put in to continue enlarging our customer bases and to penetrate the market. Areas like R&D, production, product quality, sales and marketing including distribution network will be enhanced. The Group is determined and working towards becoming one of the top suppliers of SLI batteries in the PRC.

### 起動電池

於二零一八年，起動電池繼續成為電池收益的主要增長貢獻者之一，且銷售增加約人民幣377.4百萬元。儘管中國汽車產量自一九九零年以來首次出現下滑，但付運至汽車製造商及售後市場分銷商的产品於各地區繼續錄得約30%的增長率。

於二零一九年一月，中國市場的汽車銷量估計會繼續下滑15.8%，這意味著全球最大的汽車市場連續第七個月錄得下滑。然而，由於於二零一八年底前，汽車擁有量達到240百萬輛且普遍預計其將繼續攀升，故於二零二零年之前，中國旨在成為規模最大的起動電池市場。由於中國的車輛老化，促使車主加速更換現有電池，故該增長大部分將源自售後市場分部。到二零二零年，中國約有77%的車輛的車齡將超過需更換電池的平均車齡三年，而二零一五年則為66%。中國市場對起動電池的需求仍將保持強勁勢頭。

本集團相信，該類產品將繼續於中國市場錄得穩健增長，而有關增長乃主要由於中國起動電池當前有利的營商環境所致。本集團將投入充足資源，繼續擴大客戶基礎及深入市場。研發、生產、產品質素、銷售及營銷（包括分銷網絡）等領域之表現將有所提升。本集團銳意及致力成為中國起動電池的主要供應商之一。





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The abnormal lead price in the PRC during the Period reduced the export demand in SLI batteries since the gap between SMM and LME lead price was widened significantly due to supply chain disruption caused by the structural reform in the PRC recycling lead industry. Unfortunately this sudden increase in the price of lead in the PRC was not able to pass to overseas customers where LME lead price is always the guiding reference for overseas selling price formation. Since January of 2019, the gap is back to normal and more or less reflect the import tax and value added tax imposed by the PRC government after taking into account conversion cost and transportation cost. However, the supply disruption of recycling lead may not be over and the price drop in the first quarter of 2019 in the PRC may only be the result of weak demand. To cope with this uncertainty, the Group's SLI factory located in Vietnam is planned to start production in the third quarter of 2019. The designed production capacity with potential expansion opportunity allows the Group to support overseas SLI business and enhance our cost efficiency and competitive power. It also benefits to release production capacity in our PRC plants for expected growth in the local market. We are confident that the overseas SLI business will be back on growing track in short term.

### *Motive power batteries*

During the Period, the sales of motive power batteries recorded around RMB374.6 million increment and continued to be one of the major growth contributors of the Group. Batteries for electric transportation and equipment such as low-speed electric vehicles and electric forklifts continued to have the highest growth rate among the battery categories.

期內，中國鉛價異常削弱了起動電池的出口需求，此乃由於上海有色金屬網與倫敦金屬交易所的鉛價差距因中國回收鉛行業的結構性改革所導致的供應鏈中斷而顯著擴大。令人遺憾的是中國鉛價突然上漲無法轉嫁予海外客戶，原因為倫敦有色金屬網的鉛價始終對制定海外售價具有指導性參考意義。自二零一九年一月起，此差距回歸正常水平，其大致體現中國政府經計入轉換成本及運輸成本之後所徵收的進口稅及增值稅。然而，回收鉛供應中斷或許並未結束，且中國於二零一九年第一季度的價格回落僅可能由於需求疲軟所致。為應對此不確定因素，本集團位於越南的起動電池工廠計劃於二零一九年第三季度開始生產。設計產能及潛在擴張機會均令本集團可支持海外起動電池業務及提升我們的成本效率及競爭實力。其亦有利於為中國市場的預期增長，釋放中國工廠產能。我們相信海外起動電池業務將於短期內回歸增長態勢。

### *動力電池*

期內，動力電池銷售額錄得約人民幣374.6百萬元的增長，且將繼續成為本集團主要的增長貢獻者之一。電動車（如低速電池車及叉車）電池繼續錄得電池領域的最高增長率。



The demand for motive power batteries has been propelled by the extensive promotion and application of the batteries in electric transportation and equipment such as low-speed electric vehicles and electric forklifts in the PRC. Low-speed electric vehicles as commuter tools to solve the transportation demand between county and township is the most favorable solution nowadays. The current low-speed electric vehicle market has 5 million vehicles and is expected to reach 10 million by 2020 with battery market size reaching RMB8.4 billion.

The proportion of forklifts sold in the PRC which is powered by electricity increased year-on-year from 38.4% in 2016 to 40.3% in 2017. The market share of electric forklift in the European Union, the United States and Japan is more than 70% and continues to grow. Given the trend towards shifting to electrical powered forklifts in the rest of the World, the proportion of electrical forklifts in the PRC is bound to further increase in the PRC at a faster pace. Furthermore, driven by the combination factors of tighter environmental requirements, the rapid development of e-commerce logistics and the competitive advantage of construction machinery export, electric forklift market is expected to enter a new period of rapid growth.

Lithium batteries continue enlarging its proportion in e-bike application and might increase more rapidly than expected over the next few years. Other motive power application markets the Group concentrating on is following the trend but in a slower pace due to cost sensitive nature. However, the result depends on the lead-acid batteries revolution whether more cost effective with greater power density, lighter weight and longer lifespan can successfully be commercialized. Nevertheless, the Group is well prepared in both directions. On one side, the first lithium factory is on the way for motive power applications. On the other side, we have invested and continued working with one of the revolutionary technology company to make the commercialization of this advance lead-acid production technology.

在中國，動力電池在電動車（包括低速電池車及叉車）被廣泛推廣及應用，帶動對動力電池的需求。低速電動車作為通勤工具乃時下解決城鎮之間交通的最有利解決方式。目前低速電動車市場擁有500萬輛車，預計到二零二零年將達到1,000萬輛，且電池市場規模將達到人民幣84億元。

於中國出售電動叉車的比例由二零一六年的38.4%按年增長至二零一七年的40.3%。電動叉車於歐盟、美國及日本的市場份額均超過70%，且該比例正不斷上升。鑒於全球其他地方的趨勢轉向電動叉車，電動叉車於中國所佔比例將以更快的速度進一步增長。此外，受到環保規定更為嚴格、電子商務物流快速發展及工程機械出口的競爭優勢等因素的推動，預計電動叉車市場將步入新一輪的快速增長期。

鋰電池繼續擴大其於電動自行車領域的應用比例及於未來數年的增速超過預期。本集團關注的其他動力電池應用市場緊跟該趨勢，但由於其成本敏感性質，增速有所放緩。然而，該結果視乎鉛酸蓄電池變革而定，即更具成本效益、功率密度更大、重量更輕及使用期限更長的電池是否可成功商業化。然而，本集團一切均已準備就緒。一方面，針對動力電池應用的首間鋰電池工廠已在建設中。另一方面，我們已投資並繼續與一間具有革新技術的公司合作，以促進此先進的鉛酸生產技術商業化。



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

### Overseas Market

The Group is the top exporter in the PRC for lead acid battery. During the Period, overseas sales reached RMB3,373.7 million (2017: RMB3,075.5 million), a growth rate of 9.7% as compared to the corresponding period of last year. Leoch is a reputable brand at overseas markets especially at the reserve power segment. Despite the fact that the US-China trade war affected the demand in the US market, the Group managed to achieve around 7.2% growth in the region of America. Among the RMB298.2 million increment sales, around 67.1% was contributed in the first half year of 2018 while only 22.9% was incurred in the second half year of the Period. The abnormal high lead price in the PRC hindered the growth momentum at the overseas markets since most of the batteries were produced in the PRC.

With a hope that the trade war could come to end in the second quarter of 2019 and the gap between SMM and LME lead price is back to normal, overseas demand will gradually rise. Production volume in all overseas factories has been back to normal since the start of 2019 and all overseas factories are working towards its maximum designed capacity. Within second and third quarter of 2019, the Group's two largest Vietnam factories might start to deliver reserve power and SLI products. Above factors will positively increase the Group's overseas competitive power and sustain our future growth at the overseas market.

The Group has concluded that more resources should be put in to accelerate the business development and growth in Europe for the next few years. The Group will continue looking for opportunities for any business acquisition(s) in the near future.

### 海外市場

本集團乃中國最大的鉛酸蓄電池出口商。期內，海外銷售額達到人民幣3,373.7百萬元（二零一七年：人民幣3,075.5百萬元），較去年同期增長9.7%。理士品牌在海外市場（尤其是備用電池分部）有口皆碑。儘管中美貿易戰影響美國市場的需求，但本集團竭力在美國地區錄得約7.2%的增長率。銷售額增加人民幣298.2百萬元，其中約67.1%由二零一八年上半年貢獻，而僅22.9%源自期內下半年。由於大多數電池於中國生產，故中國鉛價異常走高阻礙了海外市場的增長勢頭。

由於寄望於貿易戰於二零一九年第二季度停火及上海有色金屬網及倫敦金屬交易所鉛價差距回歸正常水平，海外需求將逐步提升。所有海外工廠產量自二零一九年初已回歸正常水平，且所有海外工廠正竭力達致其最大的設計產能。於二零一九年第二季度及第三季度，本集團兩個規模最大的越南工廠可能開始交付備用電池及起動電池產品。上述因素將積極提升本集團的海外競爭實力及維持我們日後於海外市場的增長。

本集團認為應投入更多資源，以加快未來數年歐洲業務的發展及增長。本集團將尋求於不久將來進行業務收購的商機。



### Recycled Lead

Due to the PRC environment protection policy, the Chinese recycling lead industry became an important component of its lead industry. The newly implemented “Environmental Protection Law of the People’s Republic of China” eliminated those unqualified capacities because of higher environmental protection standards in place. New policies and regulations promote the regulatory development of the recycling lead industry. The rectification of the industry has created a good opportunity for lead-acid battery manufacturing enterprises to enter upstream resource processing.

In 2018, the “structural reform” with stricter regulation and more frequent environmental and safety inspections has started to squeeze out smaller operators in favour of more modern, larger plants using new technology to comply with increasingly tough emissions standards. According to January 2019 edition commodity market report published by Wood Mackenzie, larger-scale smelters with annual capacities of 100k tones of recycling lead or more are now being built instead of smaller scale smelters. In Taihe county of Anhui province, smelter with 200k tones per annum capacity was under construction in December of 2018 while smaller scale smelters with a total of around 400K tones annum capacity were demolished in March of 2018 due to environmental problems and other province like Henan and Yunnan were also affected. The short-term disruption of recycling supply caused the abnormal price hike starting in May of 2018 and peaked in June of 2018 before it gradually narrowed and backed to normal in January of 2019. The reform process will provide structure to a previously fragmented industry.

### 回收鉛

由於實施中國環保政策，中國回收鉛行業已成為其鉛行業的重要組成部分。新近施行的《中華人民共和國環境保護法》要求提升環保標準，淘汰不合格產能。新政策及法規推動回收鉛行業的監管發展。整改該行業為鉛酸蓄電池製造企業進軍上游資源加工領域帶來良機。

於二零一八年，「結構改革」推行更為嚴格的監管及更頻繁的環保及安全檢查，規模較小的公司開始遭到淘汰，而運用新技術以遵守日益嚴苛的排放標準的更先進及規模更大的廠房從中受益。根據Wood Mackenzie刊發的二零一九年一月版本的商品市場報告，回收鉛的年產能為100千噸或以上的規模較大的冶煉廠現正在建設中，用以取代規模較小的冶煉廠。於安徽省太和縣，於二零一八年十二月，年產能為200千噸的冶煉廠仍在建設中，而年產能合共約為400千噸的規模較小的冶煉廠由於環保問題於二零一八年三月被拆毀，且諸如河南及雲南等其他省份亦受到影響。回收供應短期中斷促使價格於二零一八年五月開始異常走高並於二零一八年六月觸及峰值，隨後其逐漸收窄並於二零一九年一月回歸正常水平。改革將為之前裂化的行業搭建結構。



In fact, our Group's recycling joint venture factory benefited from the "structural reform" and successfully increased the allowed production capacity from 100k tones per annum to 200k tones. The Group decided to commence with the expansion of the factory's production capacity and enhance the factory's environment protection facilities in the third quarter of 2018. Base on the new production capacity, potential annual sales can reach RMB4 billion under full production and the plant is scheduled to resume full production after the expansion being completed and checked by Taihe County People's Government in the second quarter of 2019. The Group believes recycling lead business will continue to be one of the major revenue contributors with satisfactory results.

### Financial Review

For the year ended 31 December 2018, the Group's revenue amounted to RMB9,544.4 million, representing a slight increase of 0.8% compared to the year ended 31 December 2017. The profit for the year amounted to RMB127.1 million for the year ended 2018 as compared to RMB271.5 million for the year ended 2017, of which the profit attributable to the owners of the parent amounted to RMB106.4 million as compared to RMB242.9 million for the corresponding period in 2017. Basic profit per share for the year ended 31 December 2018 was RMB0.08.

### Revenue

The Group's revenue from battery business increased by 5.3% from RMB7,661.3 million for the year ended 31 December 2017 to RMB8,069.1 million for the year ended 31 December 2018.

The Group's revenue from recycled lead products decreased by 19.1% from RMB1,754.8 million for the year ended 31 December 2017 to RMB1,419.1 million for the year ended 31 December 2018 due to planned expansion and enhancement of production facilities, resulting in the reduction of output.

事實上，本集團的回收合營工廠因「結構改革」而獲益，且成功將所允許的產能由每年100千噸增至200千噸。本集團決定於二零一八年第三季度啟動工廠的產能擴張計劃及改進工廠的環保設施。基於新產能計算，年銷售額在全面生產的情況下可能達人民幣40億元，且該廠房預計於二零一九年第二季度完成擴張並接受太和縣人民政府檢查之後恢復全面生產。本集團相信回收鉛業務將繼續成為主要收益貢獻者之一，並達致令人滿意的結果。

### 財務回顧

截至二零一八年十二月三十一日止年度，本集團的收益為人民幣9,544.4百萬元，相比截至二零一七年十二月三十一日止年度略上升0.8%。截至二零一八年止年度，本年度溢利為人民幣127.1百萬元，而截至二零一七年止年度為人民幣271.5百萬元，其中母公司擁有人應佔溢利為人民幣106.4百萬元，而二零一七年同期則為人民幣242.9百萬元。截至二零一八年十二月三十一日止年度的每股基本溢利為人民幣0.08元。

### 收益

本集團電池業務收益由截至二零一七年十二月三十一日止年度的人民幣7,661.3百萬元，增加5.3%至截至二零一八年十二月三十一日止年度的人民幣8,069.1百萬元。

本集團回收鉛產品收益由截至二零一七年十二月三十一日止年度的人民幣1,754.8百萬元減少19.1%至截至二零一八年十二月三十一日止年度的人民幣1,419.1百萬元，此乃由於計劃擴張及改進生產設施，導致產出減少所致。



The revenue of reserve power batteries slightly decreased by 5.1% from RMB4,674.2 million for the year ended 31 December 2017 to RMB4,436.9 million for the year ended 31 December 2018. The revenue of SLI batteries increased by 17.4% from RMB2,164.7 million for the year ended 31 December 2017 to RMB2,542.1 million for the year ended 31 December 2018. The revenue of motive power batteries increased by 75.4% from RMB497.0 million for the year ended 31 December 2017 to RMB871.6 million for the year ended 31 December 2018. Details of the Group's revenue for the years ended 31 December 2018 and 2017 by category of batteries are set out below:

備用電池的收益由截至二零一七年十二月三十一日止年度的人民幣4,674.2百萬元略減少5.1%至截至二零一八年十二月三十一日止年度的人民幣4,436.9百萬元。起動電池的收益由截至二零一七年十二月三十一日止年度的人民幣2,164.7百萬元增加17.4%至截至二零一八年十二月三十一日止年度的人民幣2,542.1百萬元。動力電池的收益由截至二零一七年十二月三十一日止年度的人民幣497.0百萬元增加75.4%至截至二零一八年十二月三十一日止年度的人民幣871.6百萬元。以下為本集團於截至二零一八年及二零一七年十二月三十一日止年度按電池類型劃分的收益明細：

Product category	產品類型	2018 二零一八年			2017 二零一七年	
		Revenue RMB'000 人民幣千元	Percentage share	Percentage increase/ (decrease) 增長率/ (減少率)	Revenue RMB'000 人民幣千元	Percentage share
Reserve power batteries	備用電池	4,436,853	46.5%	(5.1%)	4,674,185	49.4%
SLI batteries	起動電池	2,542,113	26.6%	17.4%	2,164,669	22.9%
Motive power batteries	動力電池	871,582	9.1%	75.4%	497,012	5.3%
Others	其他	218,540	2.3%	(32.9%)	325,477	3.4%
Sub-total	小計	8,069,088	84.5%	5.3%	7,661,343	81.0%
Recycling lead products	回收鉛產品	1,419,052	14.9%	(19.1%)	1,754,834	18.5%
Others	其他	56,278	0.6%	14.2%	49,267	0.5%
Total	合計	9,544,418	100%	0.8%	9,465,444	100%



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

Geographically, the Group's customers are principally located in the PRC, the European Union, the United States and other Asian countries/areas. The Group recorded different degrees of growth in its sales in the United States, the European Union, and other secondary market while sales in the PRC and other Asian countries/areas decreased.

The Group's sales revenue in the PRC decreased by 3.4% from RMB6,389.9 million for the year ended 31 December 2017 to RMB6,170.7 million for the year ended 31 December 2018, representing 64.6% of the Group's total revenue (2017: 67.5%). This is combined result of 2.4% increase in sales of battery from RMB4,585.8 million for the year ended 31 December 2017 to RMB4,695.4 million for the year ended 31 December 2018 and 19.1% decrease in sales of recycling lead.

The Group's sales revenue in the European Union and United States increased by 20.4% and 7.2% from RMB902.9 million and RMB895.6 million for the year ended 31 December 2017 to RMB1,087.1 million and RMB960.3 million for the year ended 31 December 2018, respectively. The Group's sales revenue in other Asian countries/areas decreased by 10.3% from RMB887.5 million for the year ended 31 December 2017 to RMB796.3 million for the year ended 31 December 2018. The Group's sales revenue in other countries increased by 36.0% from RMB389.5 million for the year ended 31 December 2017 to RMB530.0 million for the year ended 31 December 2018.

在地域方面，本集團客戶主要位於中國、歐盟、美利堅合眾國及其他亞洲國家／地區。本集團在美國、歐盟及其他次要市場取得不同程度的增長，而中國及其他亞洲國家／地區的銷售額有所下降。

本集團在中國的銷售收益由截至二零一七年十二月三十一日止年度的人民幣6,389.9百萬元減少3.4%至截至二零一八年十二月三十一日止年度的人民幣6,170.7百萬元，佔本集團總收益的64.6%（二零一七年：67.5%）。此乃由於電池銷售額由截至二零一七年十二月三十一日止年度的人民幣4,585.8百萬元增加2.4%至截至二零一八年十二月三十一日止年度的人民幣4,695.4百萬元以及回收鉛銷售額減少19.1%共同導致。

本集團在歐盟及美國的銷售收益分別由截至二零一七年十二月三十一日止年度的人民幣902.9百萬元及人民幣895.6百萬元增加20.4%及7.2%至截至二零一八年十二月三十一日止年度的人民幣1,087.1百萬元及人民幣960.3百萬元。本集團在其他亞洲國家／地區的銷售收益由截至二零一七年十二月三十一日止年度之人民幣887.5百萬元減少10.3%至截至二零一八年十二月三十一日止年度之人民幣796.3百萬元。本集團在其他國家的銷售收益由截至二零一七年十二月三十一日止年度之人民幣389.5百萬元增加36.0%至截至二零一八年十二月三十一日止年度之人民幣530.0百萬元。



The following revenue information is based on the location of the customers for the years ended 31 December 2018 and 2017:

以下為截至二零一八年及二零一七年十二月三十一日止年度按客戶所在地域劃分的收益資料：

Product category	產品類型	2018 二零一八年			2017 二零一七年	
		Revenue RMB'000 人民幣千元	Percentage share 所佔百分比	Percentage increase/ (decrease) 增長率/ (減少率)	Revenue RMB'000 人民幣千元	Percentage share 所佔百分比
PRC	中國大陸	6,170,748	64.6%	(3.4%)	6,389,915	67.5%
European Union	歐盟	1,087,103	11.4%	20.4%	902,930	9.5%
United States of America	美利堅合眾國	960,332	10.1%	7.2%	895,555	9.5%
Other Asian countries/areas	其他亞洲國家/地區	796,309	8.3%	(10.3%)	887,497	9.4%
Other countries	其他國家	529,926	5.6%	36.0%	389,547	4.1%
Total	合計	9,544,418	100%	0.8%	9,465,444	100%

## Cost of Sales

The Group's cost of sales increased by 2.2% from RMB8,302.9 million for the year ended 31 December 2017 to RMB8,489.4 million for the year ended 31 December 2018, mainly because of the increased lead price.

## 銷售成本

本集團的銷售成本由截至二零一七年十二月三十一日止年度的人民幣8,302.9百萬元，增加2.2%至截至二零一八年十二月三十一日止年度的人民幣8,489.4百萬元。該增幅乃主要由於鉛價上漲所致。

## Gross Profit

The Group's gross profit decreased by 9.2% from RMB1,162.5 million for the year ended 31 December 2017 to RMB1,055.0 million for the year ended 31 December 2018. The overall gross profit margin decreased from 12.3% for the year ended 31 December 2017 to 11.1% for the year ended 31 December 2018. Both gross profit margins for battery business and lead recycling and manufacturing business decreased during the Period. The decrease in battery business was because the abnormal lead price hike in the PRC cannot be fully transferred to customers while the decrease in lead recycling and manufacturing business was mainly due to less production during the second half year of 2018.

## 毛利

本集團的毛利由截至二零一七年十二月三十一日止年度的人民幣1,162.5百萬元，減少9.2%至截至二零一八年十二月三十一日止年度的人民幣1,055.0百萬元。整體毛利率由截至二零一七年十二月三十一日止年度的12.3%減少至截至二零一八年十二月三十一日止年度的11.1%。期內，電池業務及鉛回收及製造業務的毛利率均有所下降。電池業務的毛利率下降乃由於中國鉛價異常走高無法全部轉嫁予客戶所致，而鉛回收及製造業務的毛利率下降乃主要由於二零一八年下半年產量減少所致。





### Other Income and Gains

Other income and gains increased by 25.8% from RMB94.0 million for the year ended 31 December 2017 to RMB118.3 million for the year ended 31 December 2018 as a result of increased government grants and insurance claims received compensating the lack of exchange gains during the Period.

### Selling and Distribution Expenses

The Group's selling and distribution costs increased by 11.3% from RMB367.2 million for the year ended 31 December 2017 to RMB408.7 million for the year ended 31 December 2018, primarily due to the increase in staff costs, freight charges and rental expenses as a result of the sale network expansion and an acquisition of subsidiary in the United Kingdom as well as increase in insurance expenses in order to reduce the overseas credit risks during the Period.

### Administrative Expenses

The Group's administrative expenses increased slightly by 3.4% from RMB260.7 million for the year ended 31 December 2017 to RMB269.7 million for the year ended 31 December 2018, mainly due to better control over the administrative spending during the Period.

### R&D Expenses

The development expenditure of the Group decreased by 22.4% from RMB143.1 million for the year ended 31 December 2017 to RMB111.0 million for the year ended 31 December 2018. The decrease in expenditure was mainly due to the fact that most of expenditure relating to development of new products carried out in 2017 were capitalized in 2018.

### 其他收入及收益

其他收入及收益由截至二零一七年十二月三十一日止年度的人民幣94.0百萬元增加25.8%至截至二零一八年十二月三十一日止年度的人民幣118.3百萬元，主要是期內收到的政府補貼及保險賠償增加並彌補無外匯收益所致。

### 銷售及分銷開支

本集團的銷售及分銷成本由截至二零一七年十二月三十一日止年度的人民幣367.2百萬元，增加11.3%至截至二零一八年十二月三十一日止年度的人民幣408.7百萬元，乃主要由於期內擴張銷售網絡及收購英國的附屬公司導致員工成本、運輸費用及租金費用增加，以及為降低海外信貸風險導致保險費用增加所致。

### 行政開支

本集團的行政開支由截至二零一七年十二月三十一日止年度的人民幣260.7百萬元，略增加3.4%至截至二零一八年十二月三十一日止年度的人民幣269.7百萬元，此乃主要由於期內對行政開支的控制得當所致。

### 研發開支

本集團的研發開支由截至二零一七年十二月三十一日止年度的人民幣143.1百萬元，減少22.4%至截至二零一八年十二月三十一日止年度的人民幣111.0百萬元。開支減少乃主要由於與二零一七年開發新產品相關的大部分開支於二零一八年資本化所致。



## Other Expenses

The Group's other expenses increased from RMB34.6 million for the year ended 31 December 2017 to RMB35.3 million for the year ended 31 December 2018, which mainly comprised the foreign exchange loss of RMB28.0 million for the year ended 31 December 2018, as compared to losses caused by a fire accident on inventories and property, plant and equipment of RMB28.2 million for the year ended 31 December 2017.

## Finance Costs

The Group's finance costs increased by 33.3% from RMB151.8 million for the year ended 31 December 2017 to RMB202.4 million for the year ended 31 December 2018, mainly due to the increased interest hike during the Period.

## Profit before Tax

As a result of the foregoing factors, the Group recorded profit before tax of RMB143.0 million for the year ended 31 December 2018 as compared to RMB306.8 million for the year ended 31 December 2017.

## Income Tax Expense

Income tax expense decreased by 55.2% from RMB35.4 million for the year ended 31 December 2017 to RMB15.8 million for the year ended 31 December 2018, mainly because assessable profits from the lead-acid battery business decreased while profit from the lead recycling and remanufacturing business was not subject to tax during the Period.

## Profit for the Year

As a result of the foregoing factors, the Group recorded consolidated net profit of RMB127.1 million (2017: RMB271.5 million) for the year ended 31 December 2018, of which the Group recorded profit attributable to the owners of the parent of RMB106.4 million (2017: RMB242.9 million) for the same period.

## 其他開支

本集團的其他開支由截至二零一七年十二月三十一日止年度的人民幣34.6百萬元增加至截至二零一八年十二月三十一日止年度的人民幣35.3百萬元，主要包括截至二零一八年十二月三十一日止年度，外匯匯兌虧損人民幣28.0百萬元，而截至二零一七年十二月三十一日止年度有關存貨及物業、廠房及設備的火災所引致的虧損人民幣28.2百萬元。

## 財務成本

本集團的財務成本由截至二零一七年十二月三十一日止年度的人民幣151.8百萬元，增加33.3%至截至二零一八年十二月三十一日止年度的人民幣202.4百萬元，乃主要由於期內加息所致。

## 稅前溢利

由於以上因素，本集團於截至二零一八年十二月三十一日止年度錄得稅前溢利人民幣143.0百萬元，而截至二零一七年十二月三十一日止年度則為人民幣306.8百萬元。

## 所得稅開支

所得稅開支由截至二零一七年十二月三十一日止年度的人民幣35.4百萬元減少55.2%至截至二零一八年十二月三十一日止年度的人民幣15.8百萬元，乃主要由於期內鉛酸蓄電池業務所得應課稅溢利減少，而鉛回收及再生業務溢利毋須繳稅所致。

## 本年度溢利

由於以上因素，本集團於截至二零一八年十二月三十一日止年度錄得綜合純利人民幣127.1百萬元（二零一七年：人民幣271.5百萬元），其中同期本集團錄得母公司擁有人應佔溢利為人民幣106.4百萬元（二零一七年：人民幣242.9百萬元）。



### Net Current Assets

As at 31 December 2018, the Group had net current assets of RMB718.3 million (2017: RMB209.9 million). The Group's current assets mainly consist of inventories, trade receivables, debt investments at fair value through other comprehensive income, cash and bank balances, prepayments, other receivables and other assets. The Group's current liabilities mainly consist of trade and bills payables, other payables and accruals, and interest-bearing bank borrowings.

### Inventories

Inventories constituted one of the principal components of the Group's current assets. As at 31 December 2018, the Group had inventories of RMB1,963.0 million (2017: RMB1,872.3 million). Inventories increased slightly as a result of strong shipments required in January of 2019.

### Trade receivables

The Group's trade receivables primarily related to receivables for goods sold to its customers and mainly comprised customers from the battery business. As at 31 December 2018, the Group had trade receivables of RMB2,424.7 million (2017: RMB2,313.4 million). The slight increase in trade receivables was in line with the increase in sales from the battery business during the Period.

### Prepayments, other receivables and other assets

The Group's prepayments mostly relate to the purchase of raw materials. As at 31 December 2018, the Group had prepayments, other receivables and other assets of RMB186.7 million (2017: RMB174.4 million). The slight increase in prepayments, other receivables and other assets as compared to 2017 was primarily because the Group increased its prepayments for raw materials in order to meet the expected strong production and shipment requirements in January of 2019.

### 流動資產淨值

於二零一八年十二月三十一日，本集團有流動資產淨值人民幣718.3百萬元（二零一七年：人民幣209.9百萬元）。本集團流動資產主要包括存貨、貿易應收款項、公允價值變動計入其他全面收益的債務投資、現金及銀行結餘、預付款項、其他應收款項及其他資產。本集團流動負債主要包括貿易應付款項及應付票據、其他應付款項及應計費用以及計息銀行借貸。

### 存貨

存貨構成本集團流動資產的其中一個主要部分。於二零一八年十二月三十一日，本集團持有人民幣1,963.0百萬元（二零一七年：人民幣1,872.3百萬元）的存貨。存貨略有增加乃由於二零一九年一月強勁的裝運需求所致。

### 貿易應收款項

本集團的貿易應收款項主要與已售給客戶（主要包括電池業務客戶）貨品的應收款項有關。於二零一八年十二月三十一日，本集團有貿易應收款項人民幣2,424.7百萬元（二零一七年：人民幣2,313.4百萬元）。貿易應收款項略有增加與期內電池業務銷售額增加一致。

### 預付款項、其他應收款項及其他資產

本集團的預付款項主要與購買原材料有關。於二零一八年十二月三十一日，本集團有預付款項、其他應收款項及其他資產人民幣186.7百萬元（二零一七年：人民幣174.4百萬元）。預付款項、其他應收款項及其他資產較之二零一七年略有增加乃主要由於為滿足二零一九年一月預期強勁的生產及裝運需求而導致原材料預付款項增加所致。



## Trade and Bills Payables

The Group's trade and bills payables primarily relate to its purchase of raw materials for production. As at 31 December 2018, the Group had trade and bills payables of RMB2,001.7 million (2017: RMB1,665.2 million). The increase in trade and bills payables was mainly due to longer credit period granted by suppliers and more bills payables used for oversea procurement of raw material during the Period.

## Other Payables and Accruals

The Group's other payables and accruals primarily consisted of provision for social insurance and retirement benefits, payments for its expenditures related to construction and renovation of its production facilities, payments in connection with transportation charges, contract liabilities, tax payables other than current income tax liabilities and accruals for payroll and benefits for its employees. As at 31 December 2018, the Group had other payables and accruals of RMB777.4 million (2017: RMB706.5 million), the increase was mainly due to increase in contract liabilities as a result of better credit control over oversea customers.

## Capital Expenditures

During the Period, the Group invested RMB296.2 million (2017: RMB314.2 million) in property, plant and equipment for its new production facilities.

## 貿易應付款項及應付票據

本集團的貿易應付款項及應付票據主要與購買生產所需的原材料有關。於二零一八年十二月三十一日，本集團有貿易應付款項及應付票據人民幣2,001.7百萬元（二零一七年：人民幣1,665.2百萬元）。貿易應付款項及應付票據增加乃主要由於期內供應商授出的信貸期較長及用於海外採購原材料的應付票據增加所致。

## 其他應付款項及應計費用

本集團其他應付款項及應計費用主要包括社會保險及退休福利撥備、支付與建設及翻新生產設施有關的開支、有關運輸費用的付款、合約負債、應付稅項（即期所得稅負債除外）及僱員的工資和福利的應計費用。於二零一八年十二月三十一日，本集團有其他應付款項及應計費用人民幣777.4百萬元（二零一七年：人民幣706.5百萬元），增加乃主要由於對海外客戶的信貸控制提升導致合約負債增加所致。

## 資本開支

期內，本集團已投資人民幣296.2百萬元（二零一七年：人民幣314.2百萬元）於新生產設施的物業、廠房及設備。



### Liquidity and Financial Resources

As at 31 December 2018, the Group's net current assets amounted to RMB718.3 million (2017: RMB209.9 million), among which cash and bank deposits amounted to RMB987.4 million (2017: RMB941.2 million). As at 31 December 2018, the Group had bank borrowings of RMB2,884.1 million (2017: RMB3,013.9 million), all of which are interest-bearing. Except for borrowings of RMB712.8 million (2017: RMB109.3 million) which has a maturity over one year, all of the Group's bank borrowings were repayable within one year. The Group's borrowings were denominated in RMB, US dollars, HK dollars, Singapore dollars, Malaysian ringgits and Great Britain Pound, and the effective interest rates of which as of 31 December 2018 were 1.50% to 8.32% (2017: 1.50% to 7.53%).

A portion of the Group's bank borrowings was secured by pledges over certain assets of the Group including property, plant and equipment, leasehold lands, deposits and trade and bills receivables. As at 31 December 2018, the Group's gearing ratio was 31.9% (2017: 34.9%), which was calculated by dividing total borrowings by total assets as at the end of each respective period, multiplied by 100%.

### Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 December 2018 (2017: Nil).

### 流動資金及財務資源

於二零一八年十二月三十一日，本集團的流動資產淨值為人民幣718.3百萬元（二零一七年：人民幣209.9百萬元），其中現金及銀行存款為人民幣987.4百萬元（二零一七年：人民幣941.2百萬元）。於二零一八年十二月三十一日，本集團的銀行借貸為人民幣2,884.1百萬元（二零一七年：人民幣3,013.9百萬元），全部均為須計息。除人民幣712.8百萬元（二零一七年：人民幣109.3百萬元）的借貸於一年後到期，本集團所有銀行借貸須於一年內償還。本集團的借貸以人民幣、美元、港元、新加坡元及馬來西亞令吉及英磅計值，於二零一八年十二月三十一日的實際利率介乎1.50%至8.32%（二零一七年：1.50%至7.53%）之間。

本集團部分銀行借貸以本集團若干資產抵押，包括物業、廠房及設備、租賃土地、存款以及貿易應收款項及應收票據。於二零一八年十二月三十一日，本集團的資本負債比率是31.9%（二零一七年：34.9%），乃將各期間末的總借貸除以同期期末總資產再乘以100%後得出。

### 或然負債

於二零一八年十二月三十一日，本集團並沒有任何重大或然負債（二零一七年：無）。



## Foreign Exchange Risk

The Group operated primarily in the PRC. For the Group's companies in the PRC, their principal activities were transacted in RMB. For other companies outside of the PRC, their principal activities were transacted in US dollars. However, as a result of the Group's revenue being denominated in RMB, the conversion into foreign currencies in connection with payments is subject to regulatory restrictions on currency conversion in the PRC. The value of the RMB against the US dollars and other currencies may fluctuate and is affected by, among other things, change in the political and economic conditions in the PRC. The Group's product sales adopted a price mechanism by which the currency fluctuation is basically transferred to the customers, but the Group's foreign currency trade receivables may still be exposed to risk in the credit period.

## Material Acquisition and Disposal

There was no material acquisition or disposal of subsidiary, associated company or joint venture by the Group during the Period.

## EMPLOYEES

As at 31 December 2018, the Group had around 13,288 employees. Employee benefit expenses (including directors' remuneration), which comprised wages and salaries, performance-related bonuses, equity-settled share option expenses and retirement benefit scheme contributions, totaled RMB838.6 million for the year ended 31 December 2018 (2017: RMB799.0 million).

The Group has a share option scheme for selected participants as incentive and reward for their contribution to the Group. A mandatory provident fund scheme and local retirement benefit schemes are also in effect. The Group encourages employees to receive continuing education and training to strengthen their work skills and for personal development. The Group also provides workshops for staff at different levels to enhance their knowledge of work safety and to build up team spirit. Staff are rewarded based on performance of the Group as well as on individual performance and contribution.

## 匯兌風險

本集團主要在中國營運。就本集團於中國的公司而言，其主要業務以人民幣作交易。就中國境外的其他公司而言，其主要業務使用美元作交易。然而，由於本集團的收益以人民幣計值，而將有關付款兌換為外幣須受中國有關貨幣兌換的監管限制規限。人民幣兌美元及其他貨幣的價值可能會波動，並受（其中包括）中國的政治和經濟狀況變動所影響。本集團的產品銷售採用價格聯動機制，匯率波動風險基本轉到客戶，但本集團的外幣貿易應收款項於信貸期內可能存在風險。

## 重大收購及出售事項

期內本集團並無任何重大收購或出售附屬公司、聯營公司或合營公司事項。

## 僱員

於二零一八年十二月三十一日，本集團聘約有13,288位僱員。截至二零一八年十二月三十一日止年度，僱員福利開支（包括董事酬金）包括薪酬及工資、與表現掛鈎的獎金、以權益結算的購股權開支及退休福利計劃供款，合計為人民幣838.6百萬元（二零一七年：人民幣799.0百萬元）。

本集團為被甄選的參與者設立一項購股權計劃，以鼓勵及酬謝彼等對本集團的貢獻。本集團亦設有強積金計劃及地方退休福利計劃。本集團鼓勵僱員進行持續進修及培訓，以加強彼等的工作技巧及個人發展。本集團亦為員工提供不同程度的工作坊，以提升彼等的職業安全知識及建立團隊精神。員工獎勵須視乎本集團的業績表現及員工的個人表現及貢獻。



# Directors and Senior Management

## 董事及高級管理層

### Executive Directors

**DONG Li (董李)**, aged 52, is an executive director, chairman of the Board and nomination committee, a member of the remuneration committee and founder of the Company. Mr. Dong has been appointed as executive director since 27 April 2010, the date of the incorporation of our Company. Mr. Dong is a controlling shareholder of the Company. He is also one of the authorised representatives of the Company and serving as director for various subsidiaries of the Group. Mr. Dong also serves as director for various private wholly owned companies which include investment holding and manufacturing enterprise.

Mr. Dong obtained an EMBA degree from National University of Singapore in 2015. Mr. Dong graduated from Xi'an International Studies College, the predecessor of Xi'an International Studies University, in 1990 with a Bachelor of Arts degree and Northwest Textile University of Science and Technology, the predecessor of Xi'an Polytechnic University, in 1988 with a Bachelor's degree in Engineering.

Mr. Dong also holds the positions of part-time professor of Shanghai University and visiting professor of the Xi'an Polytechnic University.

Mr. Dong personally did not hold any share options in the Company as at 31 December 2018.

### 執行董事

**董李**，52歲，本公司執行董事、董事會主席及提名委員會主席、薪酬委員會成員兼創辦人。董先生自二零一零年四月二十七日起（本公司註冊成立日期）獲委任為執行董事。董先生為本公司控股股東。他亦是本公司授權代表之一及擔任若干本集團附屬公司的董事。董先生亦擔任若干私營獨資企業（包括投資控股及生產企業）的董事。

董先生於二零一五年取得新加坡國立大學EMBA學位。董先生於一九九零年獲得西安外國語學院（西安外國語大學的前身）文學學士學位，並於一九八八年獲得西北紡織工學院（西安工程大學的前身）工學學士學位。

董先生亦擔任上海大學兼職教授、西安工程大學客座教授。

截至二零一八年十二月三十一日，董先生個人並無持有本公司購股權。

## Directors and Senior Management 董事及高級管理層



**YIN Haiyan**, aged 43, is an executive director and chief executive officer of the Company. Ms. Yin has been appointed as executive director since 30 July 2018.

印海燕，43歲，本公司執行董事兼行政總裁。印女士從二零一八年七月三十日起獲委任為執行董事。

Ms. Yin graduated from JiangSu University of Science and Technology with a degree in Accounting.

印女士持有江蘇科技大學會計學本科學歷。

Ms. Yin joined the Group in 2004 as manager of the finance department. She was subsequently promoted to deputy general manager of administration department, general manager, vice president of finance department, president, and finally to her current position, in which her responsibilities focus on strategic planning and policy development and make recommendations for the Board's consideration, and leading the management in the day-to-day running of the Group's business in accordance with the business plans and within the budgets approved by the Board.

印女士於二零零四年加入本集團，起初擔任任財務部經理，其後晉升為行政副總經理、總經理、財務外聯副總裁、財經中心總裁及最終擔任現有的職任，職責主要制定及建議集團戰略及政策予董事會考慮、領導管理層按董事會批准的業務計劃及預算執行日常集團業務運作。

Ms. Yin is currently the representative of the 14th National People's Congress of Jinhu County, Jiangsu Province, China and the 8th National People's Congress of Huai'an City.

印女士現任中國江蘇省金湖縣第十四屆人大代表及淮安市第八屆人大代表。

Ms. Yin personally held 450,000 share options in the Company as at 31 December 2018.

截至二零一八年十二月三十一日，印女士個人持有450,000份本公司的購股權。





### Independent Non-executive Directors

**CAO Yixiong Alan (曹亦雄)**, aged 50, has been appointed as an independent non-executive director, chairman of the audit committee and a member of remuneration committee of the Company since 14 October 2010.

Mr. Cao holds a Bachelor's degree in Accounting from Sonoma State University and an MBA degree from the Anderson School of the University of California, Los Angeles. He worked at the auditing department of Coopers & Lybrand between 1993 and 1996, and obtained his CPA license (California, United States) in 1996. From 1997 to 2002, he worked at J.P. Morgan and Merrill Lynch in their respective private banking divisions. Since 2002, he has been the Executive Director of Etech Capital, a subsidiary of Etech Securities, Inc., responsible for its Greater China private equity advisory business. He is also currently the Chief Executive Officer, Director and Founding Partner of Shanghai Great Wall Etech Capital Management Company, a joint venture between China Great Wall Asset Management Company, one of the largest Chinese asset management companies, and Etech Group. Mr. Cao is also currently the Chairman of the Board of Supervisors of Chongqing Tongli Heavy Machinery Manufacturing Co., LTD.

Mr. Cao personally held 300,000 share options in the Company as at 31 December 2018.

### 獨立非執行董事

**曹亦雄**，50歲，自二零一零年十月十四日起獲委任為本公司獨立非執行董事、審核委員會主席及薪酬委員會成員。

曹先生持有加州州立索諾瑪大學頒授的會計學士學位，以及加州大學洛杉磯分校安德森商學院頒授的工商管理碩士學位。曹先生於一九九三年至一九九六年在Coopers & Lybrand的審計部門工作，並於一九九六年取得美國加州的註冊會計師執照。由一九九七年至二零零二年，他分別於J.P.摩根及美林證券公司私人銀行部工作。自二零零二年起，他便擔任美國億泰證券集團的附屬公司億泰資本的執行董事，負責大中華區私募股權投資諮詢業務。他目前亦是上海長城億泰股權投資管理有限公司（中國最大資產管理公司之一的中國長城資產管理公司及美國億泰集團的合營企業）的行政總裁、董事兼發起合夥人。曹先生目前亦是重慶同力重型機器製造有限公司監事會的主席。

截至二零一八年十二月三十一日，曹先生個人持有300,000份本公司的購股權。



**LAU Chi Kit (劉智傑)**, aged 74, has been appointed as an independent non-executive director, the chairman of the remuneration committee, a member of the nomination committee and a member of the audit committee of the Company since 17 September 2014.

He retired from The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”) in December 2000 after more than 35 years’ of service. Among the senior positions in HSBC, he was the Assistant General Manager and Head of Personal Banking Hong Kong and Assistant General Manager and Head of Strategic Implementation, Asia-Pacific Region. He is a Fellow of the Hong Kong Institute of Bankers (“**Institute**”). He was the chairman of the Institute’s Executive Committee (from January 1999 to December 2000) and is currently an Honorary Advisor of the Institute’s Executive Committee. He served as a member on a number of committees appointed by the Government of Hong Kong Special Administration Region, including the Advisory Council on the Environment (from October 1998 to December 2001), the Advisory Committee on Human Resources Development in the Financial Services Sector (from June 2000 to May 2001), the Corruption Prevention Advisory Committee of the Independent Commission Against Corruption (from January 2000 to December 2003), the Environment and Conservation Fund Committee (from August 2000 to October 2006), the Innovation and Technology Fund (Environment) Projects Vetting Committee (from January 2000 to December 2004) and the Law Reform Commission’s Privacy Sub-committee (from February 1990 to March 2006). He also served as Chairman of the Business Environment Council Ltd. (from September 1998 to December 2001).

**劉智傑**，74歲，自二零一四年九月十七日起獲委任為本公司獨立非執行董事、薪酬委員會主席、提名委員會成員及審核委員會成員。

劉先生服務香港上海滙豐銀行有限公司(「滙豐銀行」)逾35年後，於二零零零年十二月退休。於滙豐銀行擔任之各主要職務中，彼曾任職副總經理兼香港個人銀行業務主管及亞太區副總經理兼策略執行業務主管。彼為香港銀行學會(「學會」)資深會士。彼曾於學會之理事會擔任主席(自一九九九年一月至二零零零年十二月)，現時擔任學會理事會之榮譽顧問。彼先後獲香港特別行政區政府委任服務多個委員會，包括環境諮詢委員會(自一九九八年十月至二零零一年十二月)、財經界人力資源諮詢委員會(自二零零零年六月至二零零一年五月)、廉政公署防止貪污諮詢委員會(自二零零零年一月至二零零三年十二月)、環境及自然保育基金委員會(自二零零零年八月至二零零六年十月)、創新及科技基金環境項目評審委員會(自二零零零年一月至二零零四年十二月)及香港法律改革委員會私隱問題小組委員會(自一九九零年二月至二零零六年三月)。彼亦曾出任商界環保協會有限公司主席(自一九九八年九月至二零零一年十二月)。



## Directors and Senior Management 董事及高級管理層

Currently, he is also an executive director of Chinlink International Holdings Limited (stock code: 997) and is an independent non executive director of Royale Furniture Holdings Limited (stock code: 1198), Century Sunshine Group Holdings Limited (stock code: 509), Janco Holdings Limited (stock code: 8035), Hin Sang Group (International) Holding Co Ltd (stock code: 6893). The shares of Chinlink International Holdings Limited, Royale Furniture Holdings Limited, Century Sunshine Group Holdings Limited, Hin Sang Group (International) Holding Co Ltd, are listed on the Main Board and Janco Holdings Limited on the GEM Board of The Stock Exchange of Hong Kong. He retired from Hua Long Jin Kong Company Limited (formerly known as Highlight China IOT International Limited) (stock code: 1682) as an executive director in 2017.

Mr. Lau personally held 300,000 share options in the Company as at 31 December 2018.

彼現亦為普匯中金國際控股有限公司（股份代號：997）之執行董事及皇朝傢俬控股有限公司（股份代號：1198）、世紀陽光集團控股有限公司（股份代號：509）、駿高控股有限公司（股份代號：8035）、及衍生集團（國際）控股有限公司（股份代號：6893）之非執行董事。普匯中金國際控股有限公司、皇朝傢俬控股有限公司、世紀陽光集團控股有限公司及衍生集團（國際）控股有限公司之股份於香港聯合交易所有限公司主板上市，駿高控股有限公司於GEM上市。彼於二零一七年以執行董事身份從華隆金控有限公司（前稱高銳中國物聯網國際有限公司）（股份代號：1682）退休。

截至二零一八年十二月三十一日，劉先生個人持有300,000份本公司的購股權。





**Mr. LIU Yangsheng (劉陽生)**, aged 72, was appointed as an independent non-executive director and a member of the audit committee as well as the nomination committee on 14 October 2010.

Mr. Liu studied wireless communications at Beijing College of Posts and Telecommunications, the predecessor of Beijing University of Posts and Telecommunications, from 1965 to 1970.

After that, he worked at Beijing College of Posts and Telecommunications for more than 10 years until 1984. Mr. Liu joined the Ministry of Posts and Telecommunications, the predecessor of Ministry of Industry and Information Technology, in 1984, and served as the director of the cadre members department. He served as deputy director of human resources department of Department of the Ministry of Posts and Telecommunications in 1990 and then he served as director of the human resources department of the Information Business Department, the predecessor of Ministry of Industry and Information Technology, in 1995. Mr. Liu retired from the Ministry of Information Industry in 2007. Ministry of Industry and Information Technology is responsible for the overall management such as promulgation of industry policies and strategies, implementation of laws and regulations, and assessment for approvals and permits of the telecommunication industry in the PRC which covers aspects of telecommunication equipment such as telecommunication batteries. Therefore, during his time with Ministry of Industry and Information Technology and its predecessor, Mr. Liu had the experience in working in the telecommunication battery area. Mr. Liu is now the chairman of Cosmos Posts & Telecommunications International Leasing Co., Ltd. (環宇郵電國際租賃有限公司) and a supervisor of Viton Wireless Technology AG, a company listed on the Frankfurt Stock Exchange (stock code: CHEN99).

Mr. Liu personally held 300,000 share options in the Company as at 31 December 2018.

劉陽生先生，72歲，自二零一零年十月十四日起獲委任為本公司獨立非執行董事以及審核委員會及提名委員會成員。

由一九六五年至一九七零年，劉先生於北京郵電學院（北京郵電大學的前身）修讀無線通訊。

直至一九八四年為止，劉先生於北京郵電學院工作超過10年。劉先生於一九八四年加入郵電部（工業和信息化部的前身），並曾擔任幹部處處長。於一九九零年擔任郵電部人事司副司長及於一九九五年擔任信息業務部（工業和信息化部的前身）人事司司長。劉先生於二零零七年在信息產業部退休。工業和信息化部負責整體管理，如頒佈行業政策及策略、實施法律及法規，以及評估中國電信行業涵蓋電信電池等電信設備方面的批准及許可。因此，在他任職期間，劉先生擁有電信電池方面的經驗。劉先生目前擔任環宇郵電國際租賃有限公司的董事長，亦擔任Viton Wireless Technology AG（一間在法蘭克福證券交易所上市的公司）（股份代號：CHEN99）的監事。

截至二零一八年十二月三十一日，劉先生個人持有300,000份本公司的購股權。



### Chief Financial Officer and Company Secretary

Mr. CHOW Kam Keung Albert, aged 54, joined the Company as chief financial officer and company secretary in 1 November 2015.

Mr. Chow has over 31 years of experience in accounting, auditing, tax, information system, corporate finance and management. Prior to joining the Company, he had held various senior positions with public companies listed in Hong Kong which mostly are manufacturing enterprises. Mr. Chow obtained a Bachelor's degree in Business Administration with double majors in Accounting and Management Information Systems in 1986 and a Master's degree in Accounting in 1987 from the University of Hawaii in the United States. He is a member of The Hong Kong Institute of Certified Public Accountants, a CFA charter holder and a member of the Chinese Institute of Certified Public Accountants.

### 首席財務官及公司秘書

周錦強先生，54歲，自二零一五年十一月一日起加入本公司擔任首席財務官及公司秘書。

周先生擁有超過31年的會計、審計、稅務、資訊系統、企業財務及管理經驗。於加入本公司前，彼曾在於香港上市的多家上市公司（大多為製造企業）擔任多個高級職位。周先生於一九八六年持有美國夏威夷大學工商管理學士學位，主修會計及資訊系統管理學，並於一九八七年擁有會計碩士學位。彼為香港會計師公會會員、特許財經分析師(CFA charter holder)及中國註冊會計師協會會員。



# Report of the Directors 董事會報告



The Board is pleased to present the annual report together with the consolidated financial statements for the year ended 31 December 2018 which have been audited by the Company's auditor Ernst & Young and reviewed by the audit committee of the Company.

董事會欣然呈報已經由本公司核數師安永會計師事務所審核及本公司審核委員會審核截至二零一八年十二月三十一日止年度的年度報告及綜合財務報表。

## Principal Activities and Geographical Analysis of Operations

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries as at 31 December 2018 are set out in note 1 to the financial statements.

## 主要業務及營運地區分析

本公司的主要業務為投資控股。本公司的附屬公司於二零一八年十二月三十一日的主要業務載於財務報表附註1。

An analysis of the Group's performance for the year by operating segments is set out in note 4 to the financial statements.

年內按業務分部劃分的本集團表現分析載於財務報表附註4。

## Key Risks and Uncertainties

Risks and uncertainties involved in the business operations of the Group may affect the Group's financial conditions or growth prospects. The Group has been focusing on the control of risks and uncertainties with the aim of understanding and addressing the concerns of stakeholders. Key risk factors and uncertainties affecting the Group are outlined below:

## 主要風險及不確定因素

本集團業務營運所涉及的風險及不確定因素可能會影響本集團的財務狀況或發展前景。在處理此等風險及不確定因素時，本集團一直致力於控制風險及不確定因素，以了解及解決股份持有人的擔憂。影響本集團的主要風險及不確定因素概述於下文：

1) Our revenue is substantially derived from batteries using lead-acid technology. If the lead-acid battery market does not grow at the rate we expect or at all, or if lead-acid technology is replaced by another technology, our business, profitability and future prospects may be materially and adversely affected;

1) 我們的收益大部分來自使用鉛酸技術的電池。倘鉛酸蓄電池市場未按我們預期的速度增長，或根本沒有增長，或倘鉛酸技術被其他技術取代，我們的業務、盈利能力及日後前景可能會受到重大不利影響；



## Report of the Directors 董事會報告

- 2) The recent array of tariffs against numerous countries by the US government, any global economic downturn, or changes in the economic, political and social conditions in the PRC may have an adverse effect on our business, financial condition, results of operations and prospects;
  - 3) If we are unable to successfully develop new technology or new products, our business, results of operations and prospects may be adversely affected;
  - 4) We derive a significant portion of our income from our major customers, particularly UPS and telecommunications customers, and we have no long-term sales contracts with our customers. Our results of operations could be adversely affected if we lose these customers;
  - 5) We face intense competition in our major markets and continuing pressure to reduce our production costs to remain price competitive;
  - 6) Fluctuations in the prices of raw materials, such as lead, could materially and adversely affect our results of operations; in addition, we rely on our major suppliers for our primary raw materials. Our operations could be affected if our major suppliers are not able to supply raw materials as scheduled. More information on our major suppliers is set out on page 69 under the heading “Major Suppliers and Customers” of the Report of Directors.
- 2) 美國政府近期針對多個國家提出一系列的關稅、全球經濟低迷或中國經濟、政治及社會狀況發生變化，可能會對我們的業務、財務狀況、經營業績及前景產生不利影響；
  - 3) 倘我們不能成功開發新技術或新產品，我們的業務、經營業績及前景可能受到不利影響；
  - 4) 我們從主要客戶，尤其是UPS及通訊客戶取得絕大部分收入，及我們並無與客戶簽訂任何長期合約。倘我們失去該等客戶，我們的經營業績可能受到不利影響；
  - 5) 我們面臨主要市場的激烈競爭及降低生產成本以保持價格具有競爭力的持續壓力；
  - 6) 鉛等原材料價格變動，可能對我們的經營業績產生重大不利影響；此外，我們依賴主要供應商供應主要原材料。倘主要供應商不能按計劃供應原材料，我們的業務營運可能受到影響。有關我們主要供應商的更多資料載於第69頁的本董事會報告「主要供應商及客戶」一節。

These factors are not exhaustive or comprehensive, and there may be other risks in addition to those shown above which are not known to the Group or which may not be material now but could become material in the future.

此等因素非巨細無遺亦非全面，除上文所示者外，亦可能存在本集團未知或現時非重大但日後可能變成重大的其他風險。



## Results and Appropriations

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss on page 103 and consolidated statement of comprehensive income on pages 104 to 105.

The Board recommended the payment of a final dividend of 2.0 HK cents per share for the year ended 31 December 2018 (2017: Nil) to the shareholders of the Company whose names appear on the register of members of the Company as at 5 June 2019. Subject to the approval of the Company's shareholders at the forthcoming annual general meeting of the Company, the said final dividend will be paid to the Company's shareholders on or about 5 July 2019.

## Business Review

A review of the business of the Group during the year and a discussion on the Group's future business development, possible risks and uncertainties that the Group may be facing and an analysis of the performance of the Group during the year using key financial performance indicators are set out in the section headed "Management Discussion and Analysis" on pages 12 to 37 of the annual report.

Discussions on the Group's environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are set out below:

## 業績及股息分派

本集團截至二零一八年十二月三十一日止年度的業績載於第103頁的綜合損益表及第104至105頁的綜合全面收益表。

董事會建議向於二零一九年六月五日名列本公司股東名冊的本公司股東派付截至二零一八年十二月三十一日止年度的末期股息每股2.0港仙（二零一七年：無）。待本公司股東於本公司應屆股東週年大會上批准後，上述末期股息將於二零一九年七月五日或前後派付予本公司股東。

## 業務回顧

本集團年內之業務回顧、有關本集團未來業務發展之討論、本集團可能面臨之潛在風險及不確定因素以及年內使用主要財務表現指標對本集團業績進行之分析載於年報第12至37頁「管理層討論及分析」一節。

有關本集團環境政策之討論、與主要利益相關人士之關係及遵守對本集團產生重大影響之相關法律法規載於下文：





### Environmental Policies and Performance (Environmental Protection)

The Group is committed to safety and environmental protection and has implemented stringent environment protection policies to uphold high standards of operating practices.

Pursuant to the applicable environmental laws and regulations in PRC, the Group installed environmental protection equipment in all of our production facilities for the removal of lead dust and particles generated during our production process in order to minimize the amount of pollutants in the air. The equipment includes ventilation systems, dust absorbing and removing systems, acidic mist and lead fumes purifying machines and fresh air pipelines.

The Group installed waste water treatment facilities at our production facilities. The water treatment facility neutralizes the waste water and removes its lead content in accordance with the applicable environmental standards in PRC. At our Zhaoqing and Anhui production facilities, the purified water is collected and reused in our production process, thus achieving “zero discharge”.

Our PRC factories management constantly control and monitor the waste level. Monitoring systems that provide ontime reading are connected to local government authorities in charge of environment protection for real-time monitoring purpose.

During the reporting period, the Group provided sufficient resources to upgrade and enhance the level of environmental protection. Four factories of the Group in the PRC have passed the environment protection inspection in 2018 and entered the list of approval of industry access inspection released by the Ministry of Industry and Information Technology.

### 環境政策及表現（環境保護）

本集團致力於安全及環境保護並已執行嚴格之環保政策以維持高標準的經營慣例。

根據中國的適用環境法律及法規，本集團已在我們的所有生產設施內安裝環保設備，以去除生產過程中產生的鉛灰塵及顆粒，藉以將空氣中污染物的數量降至最低。有關設備包括通風系統、灰塵吸附及去除系統、酸霧及鉛煙塵淨化器及新鮮空氣管道。

本集團已在我們的生產設施內安裝廢水處理設施。根據中國適用的環保準則，廢水處理設施會中和廢水並去除其含鉛量。在肇慶及安徽的生產設施，淨化後的水會收集並在我們的生產過程中重複使用，從而實現「零排放」。

我們的中國工廠管理層不斷控制及監控廢水水平。提供實時讀取的監控系統與主管環保的地方政府當局相聯，以進行實時監控。

於報告期內，本集團已提供充足資金對環境保護水平進行升級及改造。於二零一八年，本集團位於中國的四家工廠已通過環保檢查並名列工業和信息化部公佈的通過行業准入核查名單。



## Compliance with laws and regulations

Compliance procedure are in place to ensure adherence to applicable laws, rules and regulations in particular, those with a significant impact on the Group. The Group holds high standards of operating practices and complies with the relevant standards. The Group has stringent requirements to maintain high levels of quality control and responsible business practices. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units on a timely basis to ensure that adjustments are made in our procedures and operations to reflect such changes.

During the year ended 31 December 2018, the Group has complied with the relevant laws and regulations that have a significant impact on the operations of the Group.

## Relationship with Employees, Suppliers and Customers

The Group believes that employees are important assets and provides competitive remuneration packages to attract and retain employees. The management regularly reviews the Group's remuneration to its employees to be up to prevailing market standards. Furthermore, the Group provides employee training programs to polish their skills and knowledge and a number of staff activities to enhance employees' sense of belonging and to help create a friendly and harmonious working environment.

The Group also understands that it is important to maintain good relationship with its suppliers and customers to fulfil its long-term goals and development. To maintain its brand competitiveness and dominant status, the Group aims at delivering services of consistently high standards of quality to its customers. During the year ended 31 December 2018, there was no material and significant dispute between the Group and its suppliers and/or customers.

## 遵守法律法規

本集團已實施合規程序，以確保遵守適用法律、規則及法規，尤其是對本集團具有重大影響者。本集團維持高標準的營運常規，並遵守相關標準。本集團制定嚴格要求，維持高水平的質量管控，並負責相關業務實務。相關僱員及相關營運單位會及時獲悉適用法律、規則及法規所發生之任何變動，以確保我們的程序及營運已針對相關變動作出調整。

截至二零一八年十二月三十一日止年度，本集團已遵守對本集團經營有重大影響之相關法律及法規。

## 與僱員、供應商及客戶之關係

本集團認為，僱員為寶貴資產，為吸引及挽留僱員，本集團提供具競爭力之薪酬待遇。管理層定期檢討僱員薪酬，確保符合當時市場標準。此外，本集團向客戶提供培訓計劃、打磨彼等技能及知識，並開展多項員工活動，提升僱員的歸屬感，創造和諧友愛的工作環境。

本集團亦了解與其供應商及客戶保持良好關係對達到其長期目標及發展十分重要。為維持其品牌競爭力以及主導地位，本集團致力向其客戶提供一貫之優質服務。截至二零一八年十二月三十一日止年度，本集團與其供應商及／或客戶之間概無嚴重及重大糾紛。



### Reserves

Details of the movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on pages 108 to 109 of the annual report and in note 46 to the financial statements.

### Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group during the year are set out in note 13 to the financial statements.

### Share Capital

Details of the movements in share capital of the Company during the year are set out in note 33 to the financial statements.

### Distributable Reserves

As at 31 December 2018, the reserves of the Company available for distribution to shareholders amounted to approximately RMB1,221.1 million (2017: approximately RMB1,351.5 million).

### Pre-Emptive Rights

There is no provision for pre-emptive rights under the Company's articles of association (the "**Articles of Association**") or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

### 儲備

本集團及本公司年內的儲備變動詳情載於年報第108至109頁的綜合權益變動表及財務報表附註46。

### 物業、廠房及設備

本集團的物業、廠房及設備於年內的變動詳情載於財務報表附註13。

### 股本

本公司股本於年內的變動詳情載於財務報表附註33。

### 可分派儲備

於二零一八年十二月三十一日，本公司可分派予股東的儲備約為人民幣1,221.1百萬元（二零一七年：約人民幣1,351.5百萬元）。

### 優先認購權

本公司的組織章程細則（「**章程細則**」）或開曼群島法例並無有關優先認購權的條文，致使本公司須按比例向現有股東發售新股份。



## Five-Year Financial Summary

A summary of the results of the Group and of the assets, liabilities and non-controlling interests of the Group for the last five financial years is set out on pages 303 to 304 of this annual report.

## 五年財務概要

本集團過去五個財政年度的業績及本集團的資產、負債及非控股權益的概要載於本公司本年度報告第303至304頁。

## Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares for the year ended 31 December 2018.

## 購買、出售或贖回股份

截至二零一八年十二月三十一日止年度，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股份。

## Directors

The directors of the Company (the “**Directors**”) during the year and up to the date of this report were:

## 董事

年內及截至本報告日期的本公司董事（「**董事**」）如下：

### Executive Directors

Mr. DONG Li (*Chairman*)  
 Ms. YIN Haiyan (*Chief Executive Officer*)  
 (appointed on 30 July 2018)  
 Ms. ZHAO Huan (resigned on 6 August 2018)

### 執行董事

董李先生（*主席*）  
 印海燕女士（*行政總裁*）  
 （於二零一八年七月三十日獲委任）  
 趙歡女士（於二零一八年八月六日辭任）

### Non-Executive Director

Mr. Philip Armstrong NOZNESKY  
 (passed away on 22 September 2018)

### 非執行董事

Philip Armstrong NOZNESKY先生  
 （於二零一八年九月二十二日辭世）

### Independent non-executive Directors

Mr. LIU Yangsheng  
 Mr. CAO Yixiong Alan  
 Mr. LAU Chi Kit

### 獨立非執行董事

劉陽生先生  
 曹亦雄先生  
 劉智傑先生



## Report of the Directors 董事會報告

In accordance with the Articles of Association, Ms. YIN Haiyan, Mr. LIU Yangsheng and Mr. CAO Yixiong Alan will retire and, being eligible, offer themselves for re-election, at the forthcoming annual general meeting of the Company.

There is no financial, business, family or other material/relevant relationship between the Directors.

### Directors' Service Contracts

None of the Directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company, which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

### Permitted Indemnity

Subject to the applicable laws, every director and other officers of the Company shall be entitled to be indemnified by the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur in the execution and discharge of his or her duties or in relation thereto pursuant to the Company's Articles of Association. Such provisions were in force during the course of the financial year ended 31 December 2018 and remained in force as of the date of this report.

The Group has also taken out and maintained directors' liability insurance throughout the year.

根據章程細則，印海燕女士、劉陽生先生及曹亦雄先生將於本公司應屆股東週年大會上告退及合資格膺選連任。

董事之間並無存在財務、業務、家族或其他重大／相關關係。

### 董事服務合約

擬於應屆股東週年大會上重選的董事，概無與本公司訂立不可於一年內終止而無須支付補償（法定補償除外）的服務合約。

### 獲准許彌償

根據適用法律，本公司每名董事或其他高級人員有權獲得本公司就其根據組織章程細則執行及履行其職責或就此可能產生之所有訴訟、成本、費用、損失、損害賠償及開支而作出之彌償。該等條文於截至二零一八年十二月三十一日止財政年度生效及截至本報告日期仍具效力。

本集團亦已於整個年內投購及維持董事責任保險。



## Biographical Details of Directors and Senior Management

Brief biographical details of the Directors and senior management members of the Group are set out on pages 38 to 44 in the annual report of the Company.

## 董事及高級管理層履歷詳情

董事及本集團高級管理層成員履歷詳情載於本公司年度報告第38頁至44頁。

## Changes in Information of Directors

The Company is not notified of any changes in the Directors' information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## 董事資料變動

本公司並不知悉任何董事資料變更須根據上市規則第13.51B(1)條作出披露。

## Remuneration Policy

The remuneration policy for the Directors and senior management members of the Group was based on qualifications, years of experiences and the performance of individual employees and are reviewed regularly.

## 薪酬政策

本集團董事及高級管理層成員的薪酬政策乃根據資歷、年資及員工個人表現而建立並定期檢討。

Details of the remuneration of the Directors and five highest paid employees are set out in notes 8 and 9 to the financial statements.

董事薪酬及五名最高薪酬僱員薪酬詳情載於財務報表附註8和9。



## Directors' Rights to Acquire Shares or Debentures

Save as disclosed in note 34 to the financial statements about the Company's share option schemes, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow 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.

## Directors Interest in Transaction, Arrangement or Contract of Significance

Save as disclosed under the section headed "Connected Transactions" below, no transaction, arrangement or contract of significance, to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year, nor had there been any contract of significance entered into between the Group and a controlling shareholder of the Company during the year ended 31 December 2018.

## 董事購買股份或債券之權利

除於財務報表附註34就本公司購股權計劃所披露者外，於年內任何時間，各董事或彼等各自之配偶或未成年子女並無獲授或行使可藉收購本公司股份或債券而獲利之權利，且本公司或其任何控股公司、附屬公司或同系附屬公司亦無訂立任何安排而使董事可藉收購本公司或任何其他法人團體股份或債券而獲利。

## 董事於重大交易、安排或合約的權益

除下文「關連交易」一節所披露者外，本公司、其任何控股公司、附屬公司或同系附屬公司於年末或年內任何時間概無訂立任何董事或與董事有關連之實體於其中直接或間接擁有重大利益的重要交易、安排或合約，且本集團與本公司控股股東於截至二零一八年十二月三十一日止年度亦無訂立任何重大合約。



## Directors' Interests and Short Positions in Shares

As at 31 December 2018, the interests and short positions of each Director and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which as recorded in the register required to be kept by the Company under section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in the Listing Rules were as follows:

## 董事於股份的權益及淡倉

於二零一八年十二月三十一日，本公司董事及主要行政人員各自於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）股份、相關股份及債券中擁有記錄於本公司根據證券及期貨條例第352條存置之登記冊的權益及淡倉；或根據上市規則所載，上市發行人董事進行證券交易的標準守則（「**標準守則**」）須另行知會本公司及聯交所的權益及淡倉如下：

Name of Director	Nature of Interest	Number and class of securities*	Number and class of securities subject to options granted under the Pre-IPO Share Option Scheme 受根據首次 公開發售前購股權 計劃授出的購股權 所限的證券數目 及類別	Number and class of securities subject to options granted under the Share Option Scheme 受根據購股權計劃 授出的購股權 所限的證券數目 及類別	Total	Approximate percentage of shareholding <sup>(7)</sup>
董事姓名	權益性質	證券數目及類別*			合計	概約持股百分比 <sup>(7)</sup>
Mr. DONG Li 董李先生	Interested of controlled corporation 受控法團的權益	1,007,059,000 <sup>(1)</sup> (L)	-	-	1,007,059,000	74.18%
Ms. YIN Haiyan (appointed on 30 July 2018) 印海燕女士 (於二零一八年七月三十日獲委任)	Beneficial Owner 實益擁有人	-	150,000 <sup>(2)</sup> (L)	300,000 <sup>(3)</sup> (L)	450,000	0.03%
Mr. LIU Yangsheng 劉陽生先生	Beneficial Owner 實益擁有人	-	-	300,000 <sup>(4)</sup> (L)	300,000	0.02%
Mr. CAO Yixiong Alan 曹亦雄先生	Beneficial Owner 實益擁有人	-	-	300,000 <sup>(5)</sup> (L)	300,000	0.02%
Mr. LAU Chi Kit 劉智傑先生	Beneficial Owner 實益擁有人	-	-	300,000 <sup>(6)</sup> (L)	300,000	0.02%

\* The letter “L” denotes long position of the shareholder in the Shares.

\* 「L」代表股東於股份中的好倉。





## Report of the Directors 董事會報告

### Notes:

- (1) Mr. DONG Li is deemed to be interested in 1,007,059,000 shares held by Master Alliance Investment Limited, a company wholly owned by Mr. DONG Li.
- (2) Ms. YIN Haiyan has been granted options for 150,000 shares under the Pre-IPO Share Option Scheme. Please see below section headed "Share Option" for further details of the Pre-IPO Share Option Scheme.
- (3) Ms. YIN Haiyan has been granted options for 300,000 shares under the Share Option Scheme. Please see below section headed "Share Option" below for further details of the Share Option Scheme.
- (4) Mr. LIU Yangsheng has been granted options for 300,000 shares under the Share Option Scheme. Please see below section headed "Share Option" for further details of the Share Option Scheme.
- (5) Mr. CAO Yixiong Alan has been granted options for 300,000 shares under the Share Option Scheme. Please see below section headed "Share Option" for further details of the Share Option Scheme.
- (6) Mr. LAU Chi Kit has been granted options for 300,000 shares under the Share Option Scheme. Please see below section headed "Share Option" for further details of the Share Option Scheme.
- (7) This is based on the 1,357,521,666 Shares in issue as at 31 December 2018.

### 附註：

- (1) 董李先生被視為於Master Alliance Investment Limited (董李全資擁有之公司) 持有的1,007,059,000股股份中擁有權益。
- (2) 根據首次公開發售前購股權計劃，印海燕女士已獲授出150,000股股份的購股權。首次公開發售前購股權計劃的進一步詳情見下述「購股權」一節。
- (3) 根據購股權計劃，印海燕女士已獲授出300,000股股份的購股權。購股權計劃的進一步詳情見下述「購股權」一節。
- (4) 根據購股權計劃，劉陽生先生已獲授出300,000股股份的購股權。購股權計劃的進一步詳情見下述「購股權」一節。
- (5) 根據購股權計劃，曹亦雄先生已獲授出300,000股股份的購股權。購股權計劃的進一步詳情見下述「購股權」一節。
- (6) 根據購股權計劃，劉智傑先生已獲授出300,000股股份的購股權。購股權計劃的進一步詳情見下述「購股權」一節。
- (7) 該百分比乃以二零一八年十二月三十一日已發行的1,357,521,666股股份為基礎計算。



Save as disclosed above, as at 31 December 2018, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, nor had there been any grant or exercise of rights of such interests during the year ended 31 December 2018.

## Share Option

### A. Pre-IPO Share Option Scheme

Pursuant to the resolutions in writing passed by all shareholders of the Company on 25 May 2010, the Company approved and adopted a share option scheme (the “**Pre-IPO Share Option Scheme**”) for the purpose of providing incentive or reward to selected participants for their contribution to, and continuing efforts to promote the interests of, the Company and enabling the Group to recruit and retain high-calibre employees. The number of shares which may be issued pursuant to the outstanding share options (i.e. options which have been granted but not yet lapsed or exercised) under the Pre-IPO Share Option Scheme as at 31 December 2018 was 14,253,000 shares (representing approximately 1.0% of the Company’s total issued share capital as at that date). No further options will be granted under the Pre-IPO Share Option Scheme.

Details of the Pre-IPO Share Option Scheme are disclosed in note 34 to the financial statements.

除上文所披露者外，於二零一八年十二月三十一日，概無本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中，擁有已記錄於本公司根據證券及期貨條例第352條存置的登記冊內的任何權益或淡倉，或擁有已根據標準守則知會本公司及聯交所的任何權益或淡倉，而於截至二零一八年十二月三十一日止年度內，亦概無授出或行使任何有關權益的權利。

## 購股權

### A. 首次公開發售前購股權計劃

根據本公司全體股東於二零一零年五月二十五日通過的一項書面決議案，本公司批准及採納購股權計劃（「**首次公開發售前購股權計劃**」），為甄選的參與者提供激勵或回報，以獎勵他們為本公司的利益作出貢獻和持續效力，並讓本集團得以招聘和挽留優質的僱員。於二零一八年十二月三十一日，根據首次公開發售前購股權計劃項下之尚未行使購股權（即已授出但尚未失效或行使之購股權）可予發行之股份數目為14,253,000股（相當於本公司於當日的已發行股本總額約1.0%）。本公司將不會再根據首次公開發售前購股權計劃授出購股權。

首次公開發售前購股權計劃的詳情於財務報表附註34披露。



## B. Share Option Scheme

Pursuant to the resolutions in writing passed by all shareholders of the Company on 14 October 2010 (as amended at the Annual General Meeting of the Company held on 18 May 2018), the Company approved and adopted another share option scheme (the “**Share Option Scheme**”) for the purpose of providing incentive or reward to selected participants for their contribution to, and continuing efforts to promote the interests of, the Company and for such other purposes as the Board may approve from time to time. The number of shares which may be issued pursuant to the outstanding share options (i.e. options which have been granted but not yet lapsed or exercised) under the Share Option Scheme as at 31 December 2018 was 23,364,000 shares (representing approximately 1.7% of the issued share capital of the Company as at that date).

Details of the Share Option Scheme are disclosed in note 34 to the financial statements.

## Substantial Shareholders’ Interests and Short Positions in Shares

As at 31 December 2018, so far as is known to the Directors, the following persons (other than the Directors and chief executive of the Company) had, or were deemed to have, interests or short positions in the shares and underlying shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

## B. 購股權計劃

根據本公司全體股東於二零一零年十月十四日通過的一項書面決議案（於本公司在二零一八年五月十八日舉行的股東週年大會上經修訂），本公司批准及採納另一項購股權計劃（「購股權計劃」），為甄選的參與者提供激勵或回報，以獎勵他們為本公司的利益作出貢獻和持續效力，以及用於董事會不時批准的其他用途。於二零一八年十二月三十一日，根據購股權計劃項下之尚未行使購股權（即已授出但尚未失效或行使之購股權）可予發行之股份數目為23,364,000股（相當於本公司於當日的已發行股本約1.7%）。

購股權計劃的詳情於財務報表附註34披露。

## 主要股東的股份權益及淡倉

於二零一八年十二月三十一日，據董事所知，下列人士（不包括本公司董事及主要行政人員）已或被視作於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露或記錄於本公司根據證券及期貨條例第336條存置的登記冊的權益或淡倉：

Name of Shareholder 股東名稱	Nature of Interest 權益性質	Number and class of securities* 證券數目及類別*	Approximate percentage of shareholding <sup>(2)</sup> 概約持股百分比 <sup>(2)</sup>
Master Alliance Investment Limited <sup>(1)</sup>	Beneficial Owner 實益擁有人	1,007,059,000 (L)	74.18%

\* The Letter “L” denotes long position of the shareholder in the shares of the Company.

\* [L] 代表股東於股份中的好倉。



## Notes:

- (1) Master Alliance Investment Limited is a company wholly owned by Mr. DONG Li, an executive Director.
- (2) This is based on the 1,357,521,666 Shares in issue as at 31 December 2018.

## 附註：

- (1) Master Alliance Investment Limited由執行董事董李全資擁有。
- (2) 該百分比乃以二零一八年十二月三十一日已發行的1,357,521,666股股份為基礎計算。

Save as disclosed above, at 31 December 2018, the Directors were not aware of any other person (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interest or short position in the shares or underlying shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

除上文所披露外，於二零一八年十二月三十一日，董事概不知悉所知任何人士（不包括本公司董事或主要行政人員）已或被視作於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露或記錄於本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

## Connected Transactions

Details of the Group's related party transactions for the year ended 31 December 2018 are set out in note 41 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 continuing connected transactions entered into by the Group in 2018, which were required to be disclosed under the Listing Rules, are set out as follows:

## 關連交易

本集團於截至二零一八年十二月三十一日止年度關連人士交易的詳情載於綜合財務報表附註41，部分該等交易亦根據上市規則第14A章構成關連交易。本公司已就上述交易遵守上市規則第14A章的披露規定。本集團於二零一八年進行的持續關連交易（須根據上市規則予以披露）載列如下：



**A. Continuing connected transaction which is exempted from the independent shareholders' approval requirement, but subject to the reporting, announcement and annual review requirements**

*Leases with Mr. Dong Li and his associates*

The Company and Mr. DONG Li (our controlling shareholder and executive Director holding approximately 74.18% of the issued share capital of the Company and thus a connected person) entered into a new master leasing agreement dated 21 March 2016 (the **"2016 Master Leasing Agreement"**). Pursuant to the 2016 Master Leasing Agreement, members of the Group will lease from Mr. DONG Li and/or his associates properties for the use by members of the Group. Individual tenancy agreement has been entered into between members of the Group and Mr. DONG Li and/or his associates with respect to the leasing arrangement of individual leased property. The 2016 Master Leasing Agreement is for a term of three years from 1 January 2016 to 31 December 2018. Upon expiry of the term, the 2016 Master Leasing Agreement will, subject to the requirements of the Listing Rules, be renewed for further period of three years by mutual agreement. The annual caps for the transactions under the 2016 Master Leasing Agreement for each of the three years ended 31 December 2018 have been set at RMB3.5 million, RMB3.5 million and RMB3.5 million, respectively. For the year ended 31 December 2018 the aggregate rent paid by the Group under the 2016 Master Leasing Agreement was approximately RMB3.0 million.

**A. 獲豁免遵守獨立股東批准規定但須遵守申報、公佈及年度審閱規定的持續關連交易**

*與董李先生及其聯繫人士之間的租約*

本公司與董李先生（我們的控股股東兼執行董事，彼持有本公司約74.18%之已發行股本，故為本公司關連人士）訂立一項日期為二零一六年三月二十一日的新主租賃協議（「二零一六年主租賃協議」）。根據二零一六年主租賃協議，本集團成員公司將向董李先生及／或其聯繫人士租賃物業以供本集團成員公司使用。在個別租賃物業的租賃安排方面，個別租賃協議將由本集團成員公司與董李先生及／或其聯繫人士訂立。二零一六年主租賃協議由二零一六年一月一日起計至二零一八年十二月三十一日止，為期三年。於年期屆滿時，在上市規則的規限下，二零一六年主租賃協議將按相互協議而重續三年。截至二零一八年十二月三十一日止三個年度各年，二零一六年主租賃協議項下交易的年度上限分別為人民幣3.5百萬元、人民幣3.5百萬元及人民幣3.5百萬元。截至二零一八年十二月三十一日止年度，本集團根據二零一六年主租賃協議支付的租金總額約為人民幣3.0百萬元。



The Company and Mr. DONG Li renewed the 2016 master leasing agreement and entered into a new master leasing agreement dated 15 February 2019 and supplemented on 6 March 2019 (the “**2019 Master Leasing Agreement**”). Pursuant to the 2019 Master Leasing Agreement, members of the Group will lease from Mr. DONG Li and/or his associates properties for the use by members of the Group. Individual tenancy agreement has been entered into between members of the Group and Mr. DONG Li and/or his associates with respect to the leasing arrangement of individual leased property. The 2019 Master Leasing Agreement is for a term of three years from 1 January 2019 to 31 December 2021. Upon expiry of the term, the 2019 Master Leasing Agreement will, subject to the requirements of the Listing Rules, be renewed for further period of three years by mutual agreement. The annual caps for the transactions under the 2019 Master Leasing Agreement for each of the three years ending 31 December 2021 have been set at RMB14.4 million, nil and nil, respectively.

本公司與董李先生重續二零一六年主租賃協議並訂立一項日期為二零一九年二月十五日及於二零一九年三月六日補充的新主租賃協議（「二零一九年主租賃協議」）。根據二零一九年主租賃協議，本集團成員公司將向董李先生及／或其聯繫人士租賃物業以供本集團成員公司使用。在個別租賃物業的租賃安排方面，個別租賃協議將由本集團成員公司與董李先生及／或其聯繫人士訂立。二零一九年主租賃協議由二零一九年一月一日起計至二零二一年十二月三十一日止，為期三年。於年期屆滿時，在上市規則的規限下，二零一九年主租賃協議將按相互協議而重續三年。截至二零二一年十二月三十一日止三個年度各年，二零一九年主租賃協議項下交易的年度上限分別為人民幣14.4百萬元、零及零。



**B. Continuing connected transaction subject to the reporting, announcement, annual review and independent shareholders' approval requirements**

*(i) Sales of Products to Connected Persons*

The Company and Mr. DONG Li entered into a new master agreement dated 13 October 2015 (the “**2015 Master Sales Agreement**”), which sets out the terms and conditions upon which members of the Group will sell to Mr. DONG Li’s associates, and Mr. DONG Li’s associates will purchase from members of the Group, products including lead acid batteries, mainly start lighting and ignition batteries, reserve power batteries and motive power batteries, and related parts. The products to be sold and purchased under the 2015 Master Sales Agreement shall be at the prevailing market price, namely, the price at which the same type of products is sold by us to independent third parties on normal commercial terms in the ordinary course of business in the PRC. The 2015 Master Sales Agreement is for a term of three years commencing from 1 January 2016 and ended on 31 December 2018. Upon expiry of the term, the 2015 Master Sales Agreement will, subject to the requirements of the Listing Rules, be renewed for further period of three years by mutual agreement. The annual caps for the transactions under the 2015 Master Sales Agreement for each of the three years ended 31 December 2018 have been set at RMB100.0 million, RMB150.0 million and RMB200.0 million respectively. For the year ended 31 December 2018, the aggregate amount received by the Group under the 2015 Master Sales Agreement was approximately RMB101.7 million.

**B. 須遵守申報、公佈、年度審閱及獨立股東批准規定的持續關連交易**

*(i) 向關連人士銷售產品*

本公司與董李先生訂立一項日期為二零一五年十月十三日的新主協議（「**二零一五年主銷售協議**」），當中載列本集團的成員公司將向董李先生聯繫人士出售，以及董李先生聯繫人士將向本集團成員公司購買包括鉛酸蓄電池（主要為起動照明及點火電池、備用電池及動力電池）和相關零件等產品的條款及條件。根據二零一五年主銷售協議將予出售及購買的產品，將按當時現行市價定價，即我們在中國的一般業務範圍內，按正常商業條款向獨立第三方出售同類產品時所依據的價格。二零一五年主銷售協議由二零一六年一月一日起計至二零一八年十二月三十一日止，為期三年。於年期屆滿時，在上市規則的規限下，二零一五年主銷售協議將按相互協議而重續三年。截至二零一八年十二月三十一日止三個年度各年，二零一五年主銷售協議項下交易的年度上限分別為人民幣100.0百萬元、人民幣150.0百萬元及人民幣200.0百萬元。截至二零一八年十二月三十一日止年度，本集團根據二零一五年主銷售協議收取的總金額約為人民幣101.7百萬元。



The Company and Mr. DONG Li renewed the 2015 Master Sales Agreement and entered into a new master agreement dated 16 October 2018 (the “**2018 Master Sales Agreement**”), which sets out the terms and conditions upon which members of the Group will sell to Mr. DONG Li’s associates, and Mr. DONG Li’s associates will purchase from members of the Group, products including lead acid batteries, mainly start lighting and ignition batteries, reserve power batteries and motive power batteries, and related parts. The products to be sold and purchased under the 2018 Master Sales Agreement shall be at the prevailing market price, namely, the price at which the same type of products is sold by us to independent third parties on normal commercial terms in the ordinary course of business in the PRC. The 2018 Master Sales Agreement is for a term of three years commencing from 1 January 2019 and ending on 31 December 2021. Upon expiry of the term, the 2018 Master Sales Agreement will, subject to the requirements of the Listing Rules, be renewed for further period of three years by mutual agreement. The annual caps for the transactions under the 2018 Master Sales Agreement for each of the three years ending 31 December 2021 have been set at RMB138.0 million, RMB172.0 million and RMB215.0 million respectively.

本公司與董李先生重續二零一五年主銷售協議並訂立一項日期為二零一八年十月十六日的新主協議（「**二零一八年主銷售協議**」），當中載列本集團的成員公司將向董李先生聯繫人士出售，以及董李先生聯繫人士將向本集團成員公司購買包括鉛酸蓄電池（主要為起動照明及點火電池、備用電池及動力電池）和相關零件等產品的條款及條件。根據二零一八年主銷售協議將予出售及購買的產品，將按當時現行市價定價，即我們在中國的一般業務範圍內，按正常商業條款向獨立第三方出售同類產品時所依據的價格。二零一八年主銷售協議由二零一九年一月一日起計至二零二一年十二月三十一日止，為期三年。於年期屆滿時，在上市規則的規限下，二零一八年主銷售協議將按相互協議而重續三年。截至二零二一年十二月三十一日止三個年度各年，二零一八年主銷售協議項下交易的年度上限分別為人民幣138.0百萬元、人民幣172.0百萬元及人民幣215.0百萬元。





### (ii) Purchase of Products from Connected Persons

The Company and Mr. DONG Li entered into a new master agreement dated 13 October 2015 (the “**2015 Master Purchase Agreement**”), which sets out the terms and conditions upon which members of the Group will purchase from Mr. DONG Li’s associates, and Mr. DONG Li’s associates will sell to members of the Group, products including battery cases, parts, models, chargers and electronic products (for the manufacturing of the Group’s battery products or sale as accessories of the Group’s battery products) and electric scooters (for use by members of the Group). The products to be sold and purchased under the 2015 Master Purchase Agreement shall be at the prevailing market price, namely, the price at which the same type of products is sold to the Group by independent third parties on normal commercial terms in the ordinary course of business in the PRC. The 2015 Master Purchase Agreement is for a term of three years commencing from 1 January 2016 and ended on 31 December 2018. Upon expiry of the term, the 2015 Master Purchase Agreement will, subject to the requirements of the Listing Rules, be renewed for further period of three years by mutual agreement. The annual caps for the transactions under the 2015 Master Purchase Agreement for each of the three years ended 31 December 2018 have been set at RMB40.0 million, RMB50.0 million and RMB60.0 million, respectively. For the year ended 31 December 2018, the aggregate amount paid by the Group under the 2015 Master Purchase Agreement was approximately RMB8.4 million.

### (i) 向關連人士購買產品

本公司與董李先生訂立一項日期為二零一五年十月十三日的新主協議（「**二零一五年主購買協議**」），當中載列本集團的成員公司將向董李先生聯繫人士採購，以及董李先生聯繫人士將向本集團成員公司出售包括電池盒、零件、模具、充電器及電子產品（以供製造本集團的電池產品或作為本集團的電池產品的配件以供銷售）及電動踏板車（以供本集團成員公司使用）等產品的條款及條件。根據二零一五年主購買協議出售及購買的產品，將按當時現行市價定價，即獨立第三方在中國的一般業務範圍內，按正常商業條款向本集團出售同類產品時所依據的價格。二零一五年主購買協議由二零一六年一月一日起計至二零一八年十二月三十一日止，為期三年。於年期屆滿時，在上市規則的規限下，二零一五年主購買協議將按相互協議而重續三年。截至二零一八年十二月三十一日止三個年度各年，二零一五年主購買協議項下交易的年度上限分別為人民幣40.0百萬元、人民幣50.0百萬元及人民幣60.0百萬元。截至二零一八年十二月三十一日止年度，本集團根據二零一五年主購買協議支付的總金額約為人民幣8.4百萬元。



The Company and Mr. DONG Li renewed the 2015 master agreement and entered into a new master agreement dated 16 October 2018 (the “**2018 Master Purchase Agreement**”), which sets out the terms and conditions upon which members of the Group will purchase from Mr. DONG Li’s associates, and Mr. DONG Li’s associates will sell to members of the Group, products including battery cases, parts, models, chargers and electronic products for the manufacturing of the Group’s battery products or sale as accessories of the Group’s battery products. The products to be sold and purchased under the 2018 Master Purchase Agreement shall be at the prevailing market price, namely, the price at which the same type of products is sold to the Group by independent third parties on normal commercial terms in the ordinary course of business in the PRC. The 2018 Master Purchase Agreement is for a term of three years commencing from 1 January 2019 and ending on 31 December 2021. Upon expiry of the term, the 2018 Master Purchase Agreement will, subject to the requirements of the Listing Rules, be renewed for further period of three years by mutual agreement. The annual caps for the transactions under the 2018 Master Purchase Agreement for each of the three year ending 31 December 2021 have been set at RMB41.0 million, RMB55.0 million and RMB72.0 million respectively.

本公司與董李先生重續二零一五年主購買協議並訂立一項日期為二零一八年十月十六日的新主協議（「**二零一八年主購買協議**」），當中載列本集團的成員公司將向董李先生聯繫人士採購，以及董李先生聯繫人士將向本集團成員公司出售包括電池盒、零件、模具、充電器及電子產品（以供製造本集團的電池產品或作為本集團的電池產品的配件以供銷售）等產品的條款及條件。根據二零一八年主購買協議出售及購買的產品，將按當時現行市價定價，即獨立第三方在中國的一般業務範圍內，按正常商業條款向本集團出售同類產品時所依據的價格。二零一八年主購買協議由二零一九年一月一日起計至二零二一年十二月三十一日止，為期三年。於年期屆滿時，在上市規則的規限下，二零一八年主購買協議將按相互協議而重續三年。截至二零二一年十二月三十一日止三個年度各年，二零一八年主購買協議項下交易的年度上限分別為人民幣41.0百萬元、人民幣55.0百萬元及人民幣72.0百萬元。



## Report of the Directors 董事會報告

The independent non-executive Directors have reviewed the continuing connected transactions under paragraphs (A) and (B) above and confirmed that the transactions have been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) normal commercial terms or better; and
- (3) in accordance with the relevant agreements governing such transaction on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

The Board confirms that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in relation to the aforementioned continuing connected transactions.

獨立非執行董事已審閱上述(A)段及(B)段的持續關連交易，並確認該等交易：

- (1) 乃於本集團一般及日常業務過程中訂立；
- (2) 按正常或更好的商業條款訂立；及
- (3) 按規管交易的有關協議訂立，其條款屬公平合理，且符合本公司股東的整體利益。

本公司核數師已獲聘根據香港會計師公會頒佈的《香港核證工作準則》第3000號「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。核數師已根據上市規則第14A.56條發出無保留意見函件，當中載有核數師對本集團所披露的持續關連交易的發現及結論。本公司已將核數師函件副本送呈聯交所。

董事會確認，本公司一直遵守上市規則第14A章有關上述持續關連交易的披露規定。



## Disclosure under Rule 13.21 of the Listing Rules

Pursuant to the terms of a loan facility agreement (the “**Facility Agreement**”) dated 8 May 2017 and entered into, among other parties, the Company as borrower, five of its subsidiaries as guarantors, China Citic Bank International Limited, Hang Seng Bank Limited and The Hongkong and Shanghai Banking Corporation Limited as mandated lead arrangers and bookrunners, and various financial institutions as lenders, a term loan facility of US\$200,000,000 (the “**Loan**”) was made available to the Group for general corporate purposes including, but not limited to financing working capital and refinancing or full repayment of existing indebtedness due under the term and revolving facility made available to the Group in 2015.

The Loan is repayable in five instalments as to 10%, 10%, 10%, 20% and 50% on the dates falling 12, 18, 24, 30 and 36 months respectively after the utilisation date of the Loan.

If, among other matters: (i) Mr. Dong Li (“**Mr. Dong**”) does not or ceases to own, directly or indirectly, at least 51% of the beneficial interest in the Company carrying at least 51% of the voting right, free from any security; (ii) Mr. Dong does not or ceases to have management control over the Company; and (iii) Mr. Dong is not or ceases to be the chairman of the Board of Directors of the Company, it will be an event of default under the Facility Agreement, in which event all or any part of the commitments under the Loan may be cancelled and all amounts outstanding under the Loan may immediately become due and payable.

## 根據上市規則第13.21條之規定作出之披露

根據由（其中包括）本公司（作為借款人）、其五間附屬公司（作為擔保人）、中信銀行（國際）有限公司、恒生銀行有限公司及香港上海滙豐銀行有限公司（作為授權牽頭安排人及賬簿管理人）以及若干金融機構（作為放款人）於二零一七年五月八日訂立的貸款融資協議（「**融資協議**」）之條款，本集團獲得200,000,000美元的定期貸款融資（「**貸款**」）作一般公司用途，包括但不限於撥付營運資金及再融資或悉數償還本集團於二零一五年獲得的定期循環融資項下到期的現有債務。

該貸款分五期償還，分別於動用日期後滿12個月、18個月、24個月、30個月及36個月當日償還貸款之10%、10%、10%、20%及50%。

倘（其中包括）(i)董李先生（「**董先生**」）並無或不再擁有（直接或間接）本公司至少51%的實益權益（隨附至少51%的投票權）（不附任何抵押）；(ii)董先生並無或不再擁有本公司的管理控制權；及(iii)董先生並無或不再出任本公司的董事會主席，其將構成融資協議項下的一項違約事項，在此情況下，貸款的全部或任何部分承擔均可能取消，而貸款的所有未償還金額可能成為即時到期應付。



## Directors' Interest in Competing Business

On 21 December 2010, each of Mr. DONG Li (also being an executive Director) and Master Alliance Investment Limited (collectively the “**Controlling Shareholders**”), entered into a deed of non-competition (the “**Deed of Non-Competition**”) with the Company pursuant to which each of the Controlling Shareholders has individually, jointly, unconditionally and irrevocably undertaken and represented to the Company and each member of the Group that, among other things, he/it procures that his/its associates will not engage, directly or indirectly, in businesses which will or may compete with the business carried on or to be carried on by the Group.

Each of the Controlling Shareholders has provided an annual declaration on his/its compliance with the undertakings contained in the Deed of Non-Competition undertaken by them.

The independent non-executive Directors have reviewed and were satisfied that each of the Controlling Shareholders has complied with the Deed of Non-Competition for the year ended 31 December 2018.

Save as disclosed above, during the year ended 31 December 2018, none of the Directors or any of their respective associates is considered to have interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## 董事於競爭業務的權益

於二零一零年十二月二十一日，董李先生（亦為執行董事）及Master Alliance Investment Limited（統稱「**控股股東**」）各自與本公司訂立不競爭契據（「**不競爭契據**」），據此，各控股股東個別及共同向本公司及本集團每一成員公司無條件及不可撤回地承諾及聲明（其中包括），彼促使其聯繫人士不會直接或間接從事將會或可能會與本集團進行或將進行的業務構成競爭的任何業務。

各控股股東已就彼遵守不競爭契據所載承諾的情況提供年度聲明。

獨立非執行董事已審閱並信納各控股股東於截至二零一八年十二月三十一日止年度已遵守不競爭契據。

除上文所披露者外，於截至二零一八年十二月三十一日止年度，董事或其各自聯繫人士概無於與本集團業務構成或可能構成直接或間接競爭的任何業務中擁有權益。



## Emolument Policy

The emolument policy for the employees of the Group is stipulated by the Directors on the basis of the employees' relevant experience, responsibility and qualifications.

The emolument policy for the Directors of the Group is determined by the Remuneration Committee, having regard to the Group's operating results, individual performance.

## Management Contracts

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

## Major Suppliers and Customers

The percentages of purchases for the year attributable to the Group's major largest suppliers are as follows:

– the largest supplier	9.8%
– five largest suppliers in aggregate	32.7%

The percentages of sales for the year attributable to the Group's major customers are as follows:

– the largest customer	10.8%
– five largest customers in aggregate	22.6%

None of the Directors, their respective close associates (within meaning of the Listing Rules) or any Shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in these major suppliers and customers.

## 酬金政策

本集團僱員的酬金政策由董事按照僱員的相關經驗、職責及資歷作出規定。

本集團董事的酬金政策由薪酬委員會考慮到本集團的經營業績及個人表現釐定。

## 管理合約

年內，本公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存有任何合約。

## 主要供應商及客戶

本集團主要最大供應商應佔年內採購的百分比如下：

–最大供應商	9.8%
–五大供應商合計	32.7%

本集團的主要客戶應佔年內銷售的百分比如下：

–最大客戶	10.8%
–五大客戶合計	22.6%

概無任何董事、彼等各自的緊密聯繫人士（定義見上市規則）或任何股東（根據董事所知，擁有本公司5%以上的股本）擁有該等主要供應商及客戶的權益。



## Closure of Register of Members

The register of members of the Company will be closed:

- (i) from Tuesday 21 May 2019, to Friday 24 May 2019, (both days inclusive) for the purpose of determining Shareholders' entitlement to attend and vote at the AGM, during which period no transfer of Shares will be registered. In order to be eligible to attending and vote at the AGM, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Monday, 20 May 2019; and
- (ii) from Monday, 3 June 2019 to Wednesday, 5 June 2019 (both days inclusive), for the purpose of determining shareholders' entitlement to receive the final dividend, during which period no transfer of Shares will be registered. In order to qualify for receiving the final dividend, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:30 p.m. on Friday, 31 May 2019.

## 暫停股份過戶登記

暫停辦理股東登記手續：

- (i) 為確定股東出席股東週年大會並於會上投票的資格，本公司將於二零一九年五月二十一日（星期二）至二零一九年五月二十四日（星期五）（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並於會上投票，股東應確保所有過戶文件連同有關股票文件不遲於二零一九年五月二十日（星期一）下午四時三十分送交本公司的股份過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心22樓），以辦理登記手續；及
- (ii) 為確定股東收取末期股息的權利，本公司將於二零一九年六月三日（星期一）至二零一九年六月五日（星期三）（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。為符合資格收取末期股息，股東應確保所有過戶文件連同有關股票文件不遲於二零一九年五月三十一日（星期五）下午四時三十分送交本公司的股份過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心22樓），以辦理登記手續。



## Events after the Reporting Period

As from 31 December 2018 to the date of this annual report, save as disclosed herein, the Board is not aware of any significant events that have occurred which require disclosure herein.

## Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there was sufficient public float of more than 25% of the Company's issued shares as at the date of this report.

## Auditor

The financial statements have been audited by Ernst & Young who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

There has been no change in the auditor of the Company in the preceding three years.

On behalf of the Board

**DONG Li**  
*Chairman*

Hong Kong, 22 March 2019

## 報告期後事件

於二零一八年十二月三十一日至本年報日期，除本年報所披露者外，董事會並不知悉任何須於本年報中披露之重大事件。

## 公眾持股量的足夠性

根據本公司公開所得的資料以及就董事所知，本公司於本報告日期有足夠的公眾持股量，佔本公司已發行股份超過25%。

## 核數師

財務報表已經安永會計師事務所審核，該核數師已任滿告退，但表示願意於本公司應屆股東週年大會上應聘連任。

於過往三年，本公司核數師並無變動。

代表董事會

**董李**  
*主席*

香港，二零一九年三月二十二日





# Corporate Governance Report

## 企業管治報告

The Board is pleased to present this Corporate Governance Report in the Group's annual report for the year ended 31 December 2018.

The Group is committed to achieving high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability.

### Compliance Statements

The Company has complied with the required standards set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules for the year ended 31 December 2018.

The details of the compliance of the Company with the code provisions and mandatory disclosure requirements set out in the CG Code are shown below.

### Mandatory Disclosure Requirements

#### Corporate Governance Practices

The Board will continue to review its corporate governance practices from time to time to ensure that the regulatory requirements and principles, such as "comply or explain" regarding the code provisions of the CG Code and mandatory disclosure requirements set out in Appendix 14 to the Listing Rules, are met and the corporate governance practices of the Company are in line with expectations of the shareholders and investors.

In the opinion of the Board, the Company had complied with all applicable code provisions set out in the CG Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules throughout the year ended 31 December 2018.

董事會於本集團截至二零一八年十二月三十一日止年度的年報中欣然呈報本企業管治報告。

本集團致力於達致高標準的企業管治，以保障其股東權益及提升其企業價值及問責性。

### 合規聲明

截至二零一八年十二月三十一日止年度，本公司已遵守上市規則附錄14所載企業管治守則（「企業管治守則」）載列之規定標準。

本公司遵守企業管治守則所載之守則條文及強制披露規定之詳情於下文載列。

### 強制披露規定

#### 企業管治常規

董事會將繼續不時檢討其企業管治常規，以確保符合監管規定及原則，如有關上市規則附錄14載列的企業管治守則的守則條文及強制披露規定的「遵守或解釋」，以及本公司的企業管治常規符合股東及投資者的預期。

董事會認為，本公司於截至二零一八年十二月三十一日止年度一直遵守載於上市規則附錄14載列的企業管治守則及企業管治報告的所有適用守則條文。



## Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of the Company (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as the code for dealing in securities of the Company by its directors (the “**Directors**”).

The Company has made specific enquiry of all Directors and all Directors have confirmed that they had complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the year ended 31 December 2018.

## Board of Directors

### *Composition of the Board*

The Board comprises two executive Directors, namely Mr. DONG Li (chairman of the Board (the “**Chairman**”)) and Ms. YIN Haiyan (chief executive officer) and three independent non-executive Directors, namely Mr. CAO Yixiong Alan, Mr. LIU Yangsheng and Mr. LAU Chi Kit.

Mr. Philip Armstrong NOZNESKY, who was a non-executive Director of the Company during the year ended 31 December 2018, has passed away on 22 September 2018.

The name of each Director, as at the date of this report is set out under the section headed “Corporate Information” in this annual report and is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

## 董事之證券交易

本公司已採納上市規則附錄10所載之公司董事進行證券交易之標準守則（「**標準守則**」），作為其董事（「**董事**」）進行本公司證券交易之守則。

本公司已向全體董事作出特別查詢，及所有董事確認彼等於截至二零一八年十二月三十一日止年度一直遵守標準守則所載之規定標準及有關董事進行證券交易之行為守則。

## 董事會

### *董事會組成*

董事會包括二位執行董事董李先生（董事會主席（「**主席**」）及印海燕女士（行政總裁）及三位獨立非執行董事曹亦雄先生、劉陽生先生及劉智傑先生。

截至二零一八年十二月三十一日止年度，本公司非執行董事Philip Armstrong NOZNESKY先生於二零一八年九月二十二日辭世。

於本報告日期的各董事的姓名載於本年報「公司資料」一節，亦在本公司根據上市規則不時發出的所有企業通訊中披露。獨立非執行董事亦已根據上市規則於所有企業通訊中明確識別。



## Corporate Governance Report 企業管治報告

There is no relationship (including financial, business, family or other material/relevant relationship(s)) among the Directors.

董事之間並無存在任何關係（包括財務、業務、家族或其他重大／相關）。

### *Number of Board, Committee and General Meetings Held*

### *舉行董事會會議、委員會會議及股東大會的次數*

The Board meets regularly for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company. Additional meetings are held when significant events or important issues are required to be discussed and resolved. During the financial year ended 31 December 2018, 15 Board meetings, 2 Audit Committee meetings, 2 Nomination Committee meetings, 2 Remuneration Committee meetings and 2 general meeting were held.

董事會定期舉行會議，以檢討及批准財務及營運表現，以及審閱及批准本公司整體策略及政策。如有重大事件或重要事項須討論及議決，則會舉行額外會議。於截至二零一八年十二月三十一日止財政年度，舉行了15次董事會會議、2次審核委員會會議、2次提名委員會會議、2次薪酬委員會會議及2次股東大會。





## Attendance at the Board Meetings, Board Committee Meetings and General Meeting

## 董事會會議、委員會會議及股東大會的出席情況

The attendance of each Director, by name, at the Board meetings, Board committee meetings and general meeting are set out below:

各董事出席董事會會議、董事會委員會會議及股東大會的情況（按姓名）載列如下：

Name of Director 董事姓名	Attendance/ Number of Board Meetings 出席次數/ 董事會 會議數目	Attendance/ Number of Audit Committee Meetings 出席次數/ 審核委員會 會議數目	Attendance/ Number of Nomination Committee Meetings 出席次數/ 提名委員會 會議數目	Attendance/ Number of Remuneration Committee Meetings 出席次數/ 薪酬委員會 會議數目	Attendance/ Number of General Meeting <sup>(1)</sup> 出席次數/ 股東大會 數目 <sup>(1)</sup>
<b>Executive Directors</b> 執行董事					
Mr. DONG Li 董李先生	13/15	-	2/2	2/2	1/2
Ms. YIN Haiyan <sup>(2)</sup> 印海燕女士 <sup>(2)</sup>	9/15	-	-	-	1/2
Ms. ZHAO Huan <sup>(3)</sup> 趙歡女士 <sup>(3)</sup>	5/15	-	-	-	0/2
<b>Non-executive Director</b> 非執行董事					
Mr. Philip Armstrong NOZNESKY <sup>(4)</sup> Philip Armstrong NOZNESKY先生 <sup>(4)</sup>	4/15	-	-	-	1/2
<b>Independent Non-executive Directors</b> 獨立非執行董事					
Mr. LIU Yangsheng 劉陽生先生	7/15	2/2	2/2	-	1/2
Mr. CAO Yixiong Alan 曹亦雄先生	7/15	2/2	-	2/2	2/2
Mr. LAU Chi Kit 劉智傑先生	7/15	2/2	2/2	2/2	2/2

Notes:

附註：

- |   |  |
|---|--|
| <p>(1) Being the annual general meeting of the Company held on 18 May 2018 and the extraordinary general meeting of the Company held on 3 December 2018.</p> <p>(2) Ms. YIN Haiyan was appointed as an executive director of the Company on 30 July 2018.</p> <p>(3) Ms. ZHAO Huan resigned as an executive director of the Company on 6 August 2018.</p> <p>(4) Mr. Philip Armstrong NOZNESKY ceased to act as a non-executive director of the Company on 22 September 2018.</p> | <p>(1) 即本公司於二零一八年五月十八日舉行的股東週年大會及本公司於二零一八年十二月三日舉行的股東特別大會。</p> <p>(2) 印海燕女士於二零一八年七月三十日獲委任為本公司執行董事。</p> <p>(3) 趙歡女士於二零一八年八月六日辭任本公司執行董事。</p> <p>(4) Philip Armstrong NOZNESKY先生於二零一八年九月二十二日停任本公司非執行董事。</p> |
|---|--|



## Corporate Governance Report 企業管治報告

### *Responsibilities, Accountabilities and Contributions of the Board and Management*

The Board, led by the Chairman, is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance. The Board has delegated to the senior management the authority and responsibility for the day-to-day management and operation of the Group. In addition, the Board has established Board committees and has delegated to these Board committees various authority and duties set out in their respective terms of reference. All Directors have carried out their duties in good faith, in compliance with applicable laws and regulations and in the interests of the Company and its shareholders at all times.

The Board reserves for its decision on all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

The Board has delegated a schedule of responsibilities to the senior management of the Company. These responsibilities include implementing decisions of the Board, directing and coordinating day-to-day operation and management of the Company in accordance with the management strategies and plans approved by the Board, formulating and monitoring the operating and production plans and budgets, and supervising and monitoring the control system.

### *董事會及管理層之職責、問責性及貢獻*

董事會由本公司主席領導，負責領導及控制本公司及監控本集團的業務、戰略決策及表現。董事會授予高級管理層權力及責任進行本集團的日常管理及經營。此外，董事會已成立董事會委員會並授予該等董事會委員會各項權限及責任，詳情載於其各自之職權範圍。所有董事均真誠地履行職責及遵守適用法律及法規之標準，於任何時候均符合本公司及其股東的利益。

董事會保留本公司所有重要事項的決策權，包括批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理系統、重大交易（特別是涉及利益衝突的交易）、財務資料、委任董事及其他重要財務及營運事宜。

董事會向本公司高級管理人員委以各自特定的職責。該等責任包括執行董事會的決定；根據董事會所批准的管理策略及計劃指示及協調本公司之日常營運和管理；制定及監察營運及生產計劃及預算；以及監督和監察監控系統。



## Independent Non-executive Directors

Each of the independent non-executive Directors possess different business experience, knowledge and professional background. The Company has at all times met the requirements of the Listing Rules regarding the appointment of at least three independent non-executive Directors representing at least one-third of its Board members with at least one of them possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received a written annual confirmation regarding the independence from each independent non-executive Director pursuant to Rule 3.13 of the Listing Rules and the Company considers all the independent non-executive Directors to be independent.

The independent non-executive Directors have been invited to serve on the audit committee (the “**Audit Committee**”), the remuneration committee (the “**Remuneration Committee**”) and the nomination committee (the “**Nomination Committee**”). Through participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all independent non-executive Directors make various contributions to the effective direction of the Company.

## 獨立非執行董事

各獨立非執行董事擁有不同的業務經驗、知識及專業背景。本公司於所有時候均已遵守上市規則有關委任最少三名獨立非執行董事（至少佔其董事會成員的三分之一）的規定，其中最少一名擁有合適的專業資格或會計或相關財務管理專業知識。

本公司已收到各獨立非執行董事根據上市規則第3.13條作出的獨立性年度書面確認，而本公司仍視獨立非執行董事為獨立人士。

獨立非執行董事已獲邀加入審核委員會（「**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**」）。透過參與董事會會議，率先管理有潛在利益衝突事務及於董事會委員會服務，全體獨立非執行董事對本公司之有效指導均作出多項貢獻。



### Directors' Training

Pursuant to Code Provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. The Directors have been given relevant guideline materials to ensure that they are apprised of the latest changes in the commercial, legal and regulatory requirements in relation to the Company's businesses, and to refresh their knowledge and skills on the roles, functions and duties as a director of a listed company.

During the year ended 31 December 2018, all Directors provided their records of training to the Company. All Directors, namely Mr. DONG Li, Ms. YIN Haiyan (appointed on 30 July 2018), Ms. ZHAO Huan (resigned on 6 August 2018), Mr. Philip Armstrong NOZNESKY (passed away on 22 September 2018), Mr. LIU Yangsheng, Mr. CAO Yixiong Alan and Mr. LAU Chi Kit participated in this continuous professional development mainly by reading various materials regarding directors' responsibilities, prevention of breaching Listing Rules and disclosure of inside information, etc.

### Chairman and Chief Executive

The roles of the Chairman and Chief Executive Officer are segregated and not performed by the same person. The Chairman is primarily responsible for the leadership of the Board and formulation of overall strategic development of the Group, while the Chief Executive Officer is primarily responsible for the day-to-day management of the Group's business.

### 董事培訓

根據企業管治守則守則條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能。董事均已獲提供相關指引材料以確保彼等了解本公司業務相關之商業、法律及監管規定之最新變化，並更新彼等作為上市公司董事之角色、職能及責任之知識及技能。

截至二零一八年十二月三十一日止年度，所有董事已將其培訓記錄交予本公司。所有董事（即董李先生、印海燕女士（於二零一八年七月三十日獲委任）、趙歡女士（於二零一八年八月六日辭任）、Philip Armstrong NOZNESKY先生（於二零一八年九月二十二日辭世）、劉陽生先生、曹亦雄先生及劉智傑先生）均已參與持續專業發展，主要透過閱讀有關董事責任、防止違反上市規則及洩露內幕資料的若干材料。

### 主席及行政總裁

主席及行政總裁的職務獨立，不應由同一名人士擔任。主席主要負責領導董事會，並制定本集團的整體策略發展；而行政總裁則主要負責本集團業務的日常管理。



Mr. DONG Li is the Chairman of the Board. With effect from 30 July 2018, Ms. YIN Haiyan has been appointed as the Chief Executive Officer of the Company. Ms. ZHAO Huan resigned as the Chief Executive Officer on 6 August 2018.

董李先生為董事會主席。印海燕女士獲委任為本公司行政總裁，自二零一八年七月三十日起生效。趙歡女士已於二零一八年八月六日辭去行政總裁職務。

## Independent Non-executive Directors

Each of the independent non-executive Directors is engaged for a term of three years commencing from their respective dates of appointment and is subject to retirement by rotation and re-election pursuant to the Articles of Association.

## 獨立非執行董事

各獨立非執行董事的任期均由其各自的委任日期起計為三年，並須根據章程細則輪席告退及重選。

## Board Committees

The Board has established three Board committees, namely, the Remuneration Committee, the Audit Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees have been established with defined written terms of reference, which are available to shareholders on the websites of the Company and the Stock Exchange. All Board committees report to the Board on their decisions or recommendations.

## 董事會委員會

董事會已成立三個董事會委員會，即薪酬委員會、審核委員會及提名委員會，以監察本公司特定範疇的事務。所有董事會委員會均明文確立書面職權範圍，並刊發於本公司及聯交所網站提供予股東查閱。所有董事會委員會均向董事會匯報其決定或推薦建議。

All Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

所有董事會委員會均獲提供充裕資源以履行其職責，並可合理要求在適當情況下諮詢獨立專業意見，費用由本公司承擔。





### Remuneration Committee

The principal role and function of the Remuneration Committee are to (a) make recommendations to the Board on the Company's policy and structure of the remuneration of the Directors and the senior management and on the establishment of a formal and transparent procedure for developing remuneration policy; (b) assess the performance of the executive Directors and approve the terms of their service contracts; (c) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; (d) make recommendations to the Board on the remuneration packages of individual executive director and senior management of the Company which include benefits in kind, pension rights and compensation payments such as any compensation payable for loss or termination of their office or appointment; (e) make recommendations to the Board on the remuneration of non-executive directors of the Company; (f) review and approve the remuneration payable to the executive directors and senior management of the Company for any loss or termination of office or appointment to ensure that it is consistent with relevant contractual terms and is otherwise fair and not excessive; (g) review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and (h) ensure that no director of the Company or any of his associates (as defined in the Listing Rules) is involved in deciding his own remuneration. The terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

### 薪酬委員會

薪酬委員會的主要職責及職能為(a)就本公司董事及高級管理人員的薪酬政策及架構，及就制訂薪酬政策設立正規而具透明度的程序，向董事會作出推薦建議；(b)評估執行董事的表現及批准其服務合約條款；(c)因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬方案；(d)向董事會建議本公司個別執行董事及高級管理層的薪酬待遇，包括實物福利、退休金權利及賠償金額（如喪失或終止職務或委任的賠償）；(e)就本公司非執行董事的薪酬待遇向董事會提出推薦建議；(f)檢討及批准向本公司執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與相關合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多；(g)檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排，與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當；及(h)確保本公司任何董事或其任何聯繫人士（按上市規則定義）不得參與釐定彼等自身的薪酬。薪酬委員會之職權範圍於聯交所及本公司網站可供查閱。



As at 31 December 2018, the Remuneration Committee comprised three members, namely, Mr. DONG Li, an executive Director, and Mr. CAO Yixiong Alan and Mr. LAU Chi Kit, both being independent non-executive Directors. Mr. LAU Chi Kit is the chairman of the Remuneration Committee.

於二零一八年十二月三十一日，薪酬委員會由三名成員組成，即董李先生（執行董事）、曹亦雄先生及劉智傑先生（他們均為獨立非執行董事）。劉智傑先生為薪酬委員會主席。

During the year ended 31 December 2018, the Remuneration Committee held two meetings to discuss, review, analyse and consider any change of the remuneration policy of the Company and performed all functions as disclosed above. The records of attendance of committee members, by name, at the meetings held are set out below:

截至二零一八年十二月三十一日止年度，薪酬委員會舉行了兩次會議對本公司薪酬政策的任何變動進行討論、檢討、分析及考慮及執行了上述披露的全部職能。委員會成員之會議出席記錄（按姓名）如下：

Name of Director	Attendance/ Number of Meetings	董事姓名	出席次數/ 會議數目
Mr. LAU Chi Kit	2/2	劉智傑先生	2/2
Mr. DONG Li	2/2	董李先生	2/2
Mr. CAO Yixiong Alan	2/2	曹亦雄先生	2/2

The Remuneration Committee adopted the model of making recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

薪酬委員會採納就個別執行董事及高級管理層的薪酬組合向董事會提出推薦建議的模式。





### *Nomination Committee*

The principal role and function of the Nomination Committee are to (a) review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy and Board Diversity Policy which aims to set out the approach to achieve diversity on the Company's Board; (b) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; (c) assess the independence of the independent non-executive directors; and (d) make recommendations to the Board on the appointment or reappointment of directors and succession planning for directors, in particular the chairman and the chief executive. The terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

The responsibilities and authority for selection and appointment of Directors is delegated to the Nomination Committee but the ultimate responsibility for selection and appointment of Directors of the Company rests with the entire Board. In evaluating and selecting any candidate for directorship, the Nomination Committee will consider, among others, the character and integrity of the candidates, their qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy and such other perspectives that are appropriate to the Company's business and succession plan.

### *提名委員會*

提名委員會的主要職責及職能為(a)檢討董事會的架構、人數及組成(包括技能、知識及經驗方面),並就任何為配合本公司的公司策略及董事會多元化政策(旨在規定實現本公司董事會多元化之途徑)而擬對董事會作出的任何變動提出推薦建議;(b)物色具備合適資格可擔任董事會成員的人士,並挑選提名有關人士出任董事或就此向董事會提供推薦意見;(c)評核獨立非執行董事的獨立性;及(d)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推薦建議。提名委員會之職權範圍於聯交所及本公司網站可供查閱。

甄選及委任董事之職責及授權乃授予提名委員會,惟甄選及委任本公司董事之最終責任由整個董事會負責。於評估及甄選董事候選人時,提名委員會將考慮(其中包括)候選人的品質及誠信、其資質(包括與本公司業務及企業策略有關的專業資格、技能、知識及經驗以及董事會多元化政策項下的多元化層面)以及對於本公司業務及繼任計劃屬適當的其他因素。



Regular reviews will be conducted by the Nomination Committee on the structure, size and composition of the Board and the policy on nomination of Directors of the Company and where appropriate, by the Nomination Committee will make recommendations on changes to the Board to complement the Company's corporate strategy and business needs. The Nomination Committee and/or the Board will evaluate the candidates based on the criteria as set out above to determine whether such candidates are qualified for directorship. The Nomination Committee will also consider recommendations for candidates made by shareholders of the Company.

As at 31 December 2018, the Nomination Committee comprised three members, namely, Mr. DONG Li, an executive Director, and Mr. LIU Yangsheng and Mr. LAU Chi Kit, both being independent non-executive Directors. Mr. DONG Li is the chairman of the Nomination Committee.

During the year ended 31 December 2018, the Nomination Committee held two meetings and performed all functions as disclosed above. The attendance records of each member at the meetings are set out below:

提名委員會將定期審閱董事會的架構、規模及組成以及有關提名本公司董事的政策，且在適當情況下，提名委員會將就為配合本公司的企業策略及業務需求而對董事會作出的變動提出建議。提名委員會及／或董事會將基於上文所述標準評估候選人，以確定該等候選人是否符合資格擔任董事。提名委員會亦將考慮本公司股東所作出的候選人建議。

於二零一八年十二月三十一日，提名委員會由三名成員組成，即董李先生（執行董事）、劉陽生先生及劉智傑先生（他們均為獨立非執行董事）。董李先生為提名委員會主席。

截至二零一八年十二月三十一日止年度，提名委員會舉行了兩次會議並執行了上述披露的全部職能。各成員之會議出席記錄如下：

Name of Director	Attendance/ Number of Meetings	董事姓名	出席次數/ 會議數目
Mr. DONG Li	2/2	董李先生	2/2
Mr. LIU Yangsheng	2/2	劉陽生先生	2/2
Mr. LAU Chi Kit	2/2	劉智傑先生	2/2



All Board members' appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. According to the Board Diversity Policy adopted by the Nomination Committee in 2013, selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

### *Audit Committee*

The principal role and function of the Audit Committee are amongst others to (a) review the financial statements and reports and consider any significant or unusual items raised by the staff responsible for the accounting and financial reporting function or external auditor before submission to the Board; (b) review the relationship with the external auditor by reference to the work performed by the auditor, their fees and terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of external auditor; and (c) review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures. The terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

As at 31 December 2018, the Audit Committee comprised three members, namely, Mr. CAO Yixiong Alan, Mr. LIU Yangsheng and Mr. LAU Chi Kit, all of whom are independent non-executive Directors. Mr. CAO Yixiong Alan is the chairman of the Audit Committee and he possesses relevant accounting and financial management expertise.

所有董事會委任將會持續以用人唯才為原則，同時考慮到董事會成員多元化所帶來之裨益。根據提名委員會於二零一三年採納的董事會多元化政策，甄選候選人時將會根據多元化角度範圍進行，其中包括但不限於性別、年齡、文化及教育背景、經驗（專業或其他）、技能及知識。最終決策將會按甄選候選人之長處及其為董事會帶來之貢獻進行釐定。

### *審核委員會*

審核委員會的主要職責及職能包括(a)於提交董事會前審閱財務報表及報告，以及考慮任何負責會計及財務申報職能的員工或外部核數師提出的重大或不尋常項目；(b)經參考核數師進行之工作、其費用及聘用條款後，檢討與外部核數師之關係，並就委任、續聘及罷免外部核數師向董事會提出推薦建議；及(c)檢討本公司財務申報制度、內部監控制度及風險管理制度與相關程序是否充足及有效。審核委員會之職權範圍於聯交所及本公司網站可供查閱。

於二零一八年十二月三十一日，審核委員會由三名成員組成，即曹亦雄先生、劉陽生先生及劉智傑先生，彼等均為獨立非執行董事。曹亦雄先生為審核委員會主席，彼具備相關會計及財務管理專業知識。



The Audit Committee held two meetings during the year ended 31 December 2018 together with the Company's external auditor and the senior management and performed the following major tasks:

- Reviewed the scope of 2017 annual audit and 2018 interim review work, auditor's fees and terms of engagement; and
- Reviewed and discussed the 2017 annual and 2018 interim financial statements, results announcement and report, the related accounting principles and practices adopted by the Group and the relevant audit findings.

The Audit Committee has not taken a different view from the Board regarding the selection, appointment, resignation or dismissal of the external auditors.

The attendance records of each member at the meeting are set out below:

Name of Director	Attendance/ Number of Meetings	董事姓名	出席次數/ 會議數目
Mr. CAO Yixiong Alan	2/2	曹亦雄先生	2/2
Mr. LIU Yangsheng	2/2	劉陽生先生	2/2
Mr. LAU Chi Kit	2/2	劉智傑先生	2/2

In addition, the Audit Committee has reviewed the financial statements of the Group for the year ended 31 December 2018 and has discussed with the management and the external auditor of the Company on the accounting policies and practices adopted by the Group and the internal controls and financial reporting matters of the Group.

審核委員會攜手本公司外部核數師及高級管理層於截至二零一八年十二月三十一日止年度舉行了兩次會議，並處理了下列主要工作：

- 檢討截至二零一七年年度審核及二零一八年中期審閱工作範圍、核數師費用及聘用條款；及
- 審核及討論二零一七年年度及二零一八年中期財務報表、業績公佈及報告、本集團採納的相關會計原則及規例，以及相關審核結果。

審核委員會在挑選、委任、辭任或罷免外部核數師方面並無與董事會持有分歧意見。

各成員的會議出席記錄如下：

此外，審核委員會已審閱本集團截至二零一八年十二月三十一日止年度的財務報表，並與本公司管理層及外部核數師討論本集團採納的會計政策及規例以及本集團的內部監控及財務申報事宜。



## Corporate Governance Report 企業管治報告

### Corporate Governance Functions

The Board is responsible for performing the following corporate governance duties as required under the CG Code:

- to develop and review the Company's policies and practices on corporate governance;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

During the year, the Board performed the following corporate governance matters:

- review of the corporate governance duties under the CG Code; and
- review of the compliance with the CG Code.

### 企業管治職能

董事會負責履行企業管治守則規定之以下企業管治職責：

- 制定及審閱本公司於企業管治方面之政策及常規；
- 檢討及監察董事及高級管理層之培訓及持續專業發展情況；
- 檢討及監察本公司於遵守法律及監管規定方面之政策及常規；
- 檢討本公司遵守企業管治守則情況並於企業管治報告中作出披露。

年內，董事會考慮以下企業管治事項：

- 檢討企業管治守則項下企業管治責任；及
- 檢討遵守企業管治守則情況。



## Directors' Responsibilities for Financial Reporting in Respect of the Financial Statements

The Directors are responsible for overseeing the preparation of financial statements of the Company with a view to ensuring that such financial statements give a true and fair view of the state of affairs of the Group and that relevant statutory and regulatory requirements are met and applicable accounting standards are complied with. The Board has received from the senior management the management accounts and such accompanying explanation and information as are necessary to enable the Board to make an informed assessment for approving the financial statements.

The Directors acknowledge their responsibilities for preparing the financial statements of the Company for the year ended 31 December 2018.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

## Internal Control and Risk Management

The Board acknowledges its responsibility for maintaining effective internal control and risk management systems to safeguard shareholder investments and the Group's assets on an ongoing basis and for reviewing the effectiveness of such system on an annual basis. Internal audits were carried out on all significant operation units of the Group on an ongoing basis. The senior management reviews and evaluates the control process, monitors any risk factors on a regular basis and reports to the Audit Committee on any findings and measures to address the variances and identified risks.

## 董事就財務報表的財務報告責任

董事負責監督本公司財務報表的編製，以確保該等財務報表能夠真實和公平地反映本集團的事務狀況，以及確保符合相關法規及監管規定以及遵守適用會計準則。董事會已收到高級管理層提供的管理賬目和所需的附隨解釋及資料，以便就批准財務報表作出知情評審。

董事確認其編製截至二零一八年十二月三十一日止年度本公司財務報表的責任。

董事並不知悉任何可對本公司持續經營能力構成重大疑慮的事件或情況方面的任何重大不明朗因素。

## 內部監控及風險管理

董事會確認其維持充足的內部監控及風險管理制度，以持續保障股東投資及本集團資產的責任，並會每年檢討有關制度的效用。董事會持續對本集團所有主要經營單位進行內部審核。高級管理層檢討及評估監控過程，定期監察任何風險因素，並向審核委員會匯報任何發現及處理差異性及已識別風險的措施。





During the year under review, the Board conducted a review of the effectiveness of the internal control and risk management systems of the Group including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. The Board was not aware of any significant internal control or risk management issues that would have an adverse impact on the financial position or operations of the Group and is of the opinion that the internal control and risk management systems of the Group are effective and adequate. The Board is also reasonably satisfied that there are sufficient resources of staff with appropriate qualifications and experience in its accounting and financial reporting team and that sufficient training and budget have been provided.

### External Auditor and Auditor's Remuneration

The statement of the auditor of the Company about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 93 to 102 of this annual report.

For the year ended 31 December 2018, the remuneration paid/payable to Ernst & Young, the Company's external auditor, for annual audit services provided to the Group and for non-audit services which comprise professional tax services, amounted to RMB2.7 million and RMB0.4 million, respectively.

### Dividend Policy

Pursuant to the dividend policy (the "**Dividend Policy**") of the Company, dividends may be distributed to the Shareholders by way of (i) cash or (ii) shares. The profit distribution policy of the Company shall achieve continuity, stability and sustainability.

於回顧年內，董事會已檢討本集團內部監控及風險管理制度的效能，包括資源的足夠性、本公司負責會計及財務申報職能的員工的資歷及經驗，以及彼等的培訓計劃及預算。董事會並不知悉任何將對本集團財務狀況或營運造成不利影響的重大內部監控或風險管理問題，且認為本集團的內部監控及風險管理系統有效。董事會亦合理信納其會計及財務申報團隊擁有足夠且具備合適資格與經驗的員工資源，並且已提供充足的培訓及預算。

### 外部核數師及核數師薪酬

本公司核數師對其就本集團財務報表報告責任的聲明載於本年度報告第93頁至102頁的獨立核數師報告。

截至二零一八年十二月三十一日止年度，就本公司外部核數師安永會計師事務所向本集團提供的年度審核服務和非審核服務（包括稅務專業服務），已向其支付／應付的酬金分別為人民幣2.7百萬元和人民幣0.4百萬元。

### 股息政策

根據本公司的股息政策（「**股息政策**」），股息可透過(i)現金或(ii)股份方式向股東派發。本公司的利潤分配政策應實現連續性、穩定性及可持續性。



The Board will continually review the Dividend Policy from time to time and there can be no assurance that dividends will be paid in any particular amount for any given period. When considering the declaration and payment of dividends, the Board will take into account the Group's financial results, business conditions and strategies and future operations and earnings.

The payment of dividend is also subject to any restrictions under the Laws of Hong Kong, the Companies Law of the Cayman Islands and the Articles of Association of the Company

## Shareholders' Rights

### *Convening an extraordinary general meeting ("EGM")*

Pursuant to Article 58 of the Articles of Association, Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

There are no provisions allowing Shareholders to move new resolutions at general meetings under the Cayman Islands Companies Law or the Articles of Association. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

董事會將不時檢討該股息政策，並不保證會在任何指定期間派付任何特定金額的股息。於考慮宣派及派付股息時，董事會將考慮本集團的財務業績、業務狀況及策略以及未來營運及盈利。

本公司能否派付股息亦受香港法律、開曼群島公司法及本公司章程細則規定所規限。

## 股東權利

### *召開本公司股東特別大會（「股東特別大會」）*

根據章程細則第58條，於遞呈要求日期持有不少於本公司繳足股本（賦有於本公司股東大會上投票的權利）十分之一的股東有權於任何時候透過向董事會或公司秘書提交書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且該大會應於遞呈有關要求後兩個月內舉行。

於開曼群島公司法或章程細則中，概無條文容許股東於股東大會上動議新決議案。有意動議決議案的股東可依循上一段所述的程序要求本公司召開股東大會。



## Corporate Governance Report 企業管治報告

### Enquiries from Shareholders

Shareholders are welcome to send their enquiries and concerns to the Board addressing to the Company Secretary of the Company through the following channels with contact details as set out below:

- i) by mail to the Company's place of business at Unit C, 33/F, TML Tower, No. 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong; or
- ii) by email to [ir@leoch.com](mailto:ir@leoch.com).

### Proposals at Shareholders' Meetings

To safeguard shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at shareholders' meetings.

All resolutions put forward at shareholders' meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholder meeting.

## Changes to Constitutional Documents

There were no significant changes in the Company's constitutional documents during the year ended 31 December 2018, and the Company's constitutional documents are published on the websites of the Company and the Stock Exchange.

### 股東查詢

本公司歡迎股東透過本公司的公司秘書以下列聯絡方法向董事會提出查詢及表達意見，聯絡詳情載列如下：

- i) 郵寄至本公司營業地點香港新界荃灣海盛路3號億京大廈33樓C室；或
- ii) 電郵至 [ir@leoch.com](mailto:ir@leoch.com)。

### 於股東大會上提呈建議

為保障股東的利益及權利，本公司會就各重大獨立事項於股東大會提呈獨立決議案。

根據上市規則，所有於股東大會上提呈的決議案均須以投票方式表決，投票結果將於各股東大會舉行後在本公司及聯交所網站上刊登。

## 章程文件的變動

截至二零一八年十二月三十一日止年度，本公司章程文件概無任何重大變動，且本公司章程文件已刊載於本公司及聯交所的網頁。



## Relationship with the Controlling Shareholders 與控股股東的關係

The Company has received, from each of the Controlling Shareholders, an annual declaration on his/its compliance with the undertakings contained in the Deed of Non-Competition entered into by each of them in favour of the Company pursuant to which each of the Controlling Shareholders has individually, jointly, unconditionally and irrevocably undertaken and represented to the Company and each member of the Group that, among other things, he/it and his/its associates will not engage, directly or indirectly, in businesses which will or may compete with the business carried on or to be carried on by the Group. Details of the Deed of Non-Competition were disclosed in the Prospectus under the section headed “Relationship with Our Controlling Shareholders”.

The independent non-executive Directors have reviewed and have been satisfied that each of the Controlling Shareholders had complied with the Deed of Non-Competition for the year ended 31 December 2018.

本公司已收到各控股股東就彼等遵守不競爭契據所載承諾的情況提供的年度聲明，不競爭契據由各控股股東以本公司為受益人而訂立，據此，各控股股東個別及共同向本公司及本集團每一成員公司無條件及不可撤回地承諾及聲明（其中包括），彼及其聯繫人士不會直接或間接從事將會或可能會與本公司進行或將進行的業務構成競爭的任何業務。有關不競爭契據的詳情載於招股章程「與控股股東的關係」一節。

獨立非執行董事已審閱並信納各控股股東於截至二零一八年十二月三十一日止年度已遵守不競爭契據。

## Communications with Shareholders and Investors

The Board believes that effective communication with shareholders is essential for enhancing investor relations and investors’ understanding of the Group’s business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

## 與股東及投資者溝通

董事會相信，與股東有效溝通是加強投資者關係及加深投資者對本集團業務表現及策略的了解的關鍵。本公司亦認同保持透明度與及時披露公司資料的重要性，其可讓股東及投資者作出最佳的投資決策。



## Corporate Governance Report 企業管治報告

The Company maintains a website at [www.leoch.com](http://www.leoch.com) as a communication platform for shareholders and investors, where information and updates on the Group's business developments and operations, financial information and other information are available for public access. Shareholders and investors may write directly to the Company's principal place of business in Hong Kong for any inquiries.

The Board considers that general meetings of the Company provide an important channel for shareholders to exchange views with the Board. The Chairman of the Board as well as the chairmen and/or other members of the Board committees have endeavored to be available to answer questions raised by the shareholders.

The Company continues to enhance communication and relationship with its investors. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them informed of the Group's developments.

### Company Secretary

The company secretary of the Company, Mr. CHOW Kam Keung Albert, is the chief financial officer and one of the employees of the Company.

Pursuant to Rule 3.29 of the Listing Rules, the company secretary must take no less than 15 hours of relevant professional training in each financial year. Mr. Chow has provided his training records to the Company indicating that he has not less than 15 hours of relevant professional training by means of attending in-house briefings, attending seminars and reading relevant guideline materials.

本公司設有網站[www.leoch.com](http://www.leoch.com)作為股東及投資者的溝通平台，其登載有關本集團業務發展及營運的資料及更新、財務資料及其他資料供公眾查閱。股東及投資者可直接致函本公司的香港主要營業地點查詢。

董事會認為，本公司股東大會為股東與董事會交換意見的重要途徑。董事會主席及其他董事會委員會主席及／或成員已盡可能回答股東的提問。

本公司不斷加強與投資者的溝通及關係。指定的高級管理層定期與機構投資者及分析員進行對話，讓彼等了解本集團的發展情況。

### 公司秘書

本公司的公司秘書周錦強先生為本公司的首席財務官及其中一位僱員。

根據上市規則第3.29條，公司秘書必須在每個財政年度參加不少於15小時的相關專業培訓。周先生已向本公司提供培訓記錄，表示已透過出席內部簡報、出席討會及閱讀相關指引材料完成不少於15小時的相關專業培訓。

# Independent Auditor's Report 獨立核數師報告



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**To the shareholders of  
Leoch International Technology Limited**  
*(Incorporated in the Cayman Islands with limited liability)*

致理士國際技術有限公司  
全體股東  
*(於開曼群島註冊成立的有限公司)*

## Opinion

We have audited the consolidated financial statements of Leoch International Technology Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 103 to 302, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“**IFRSs**”) (which also include International Accounting Standards (“**IASs**”) and Interpretations) issued by the International Accounting Standards Board (the “**IASB**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## 意見

吾等已完成審核載於第103至302頁之理士國際技術有限公司(「**貴公司**」)及其附屬公司(「**貴集團**」)之綜合財務報表,其中包括於二零一八年十二月三十一日之綜合財務狀況表及截至該日止年度之綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註(包括主要會計政策概要)。

吾等認為,此等綜合財務報表已根據國際會計準則委員會(「**國際會計準則委員會**」)頒佈的國際財務報告準則(「**國際財務報告準則**」)(亦包含國際會計準則(「**國際會計準則**」)及詮釋)真實而公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況及截至該日止年度之綜合財務表現及綜合現金流量,並已按照香港公司條例之披露規定妥為編製。



### Basis for opinion

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

### Key audit matters

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

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

### 意見之基準

吾等已根據香港會計師公會（「香港會計師公會」）頒佈之香港審計準則（「香港審計準則」）進行審核。吾等於該等準則項下之責任於吾等之報告核數師審核綜合財務報表之責任一節中進一步詳述。吾等根據香港會計師公會頒佈之專業會計師職業道德守則（「守則」）獨立於貴集團，且吾等已根據守則履行吾等之其他道德責任。吾等相信，吾等所獲得的審核憑證充足及適當地為吾等的意見提供基準。

### 關鍵審核事項

關鍵審核事項乃根據吾等之專業判斷而言，於吾等審核本期綜合財務報表之最重要之事項。該等事項於吾等對綜合財務報表整體進行審核並就此達致吾等之意見時處理，吾等不會對該等事項提供單獨意見。就以下各事項而言，吾等於文中描述吾等之審核如何處理該事項。

吾等已履行於吾等之報告核數師審核綜合財務報表之責任一節所述之責任，包括與該等事項有關者。因此，吾等之審核包括執行旨在應對吾等對綜合財務報表重大錯誤陳述風險之評估之程序。吾等審核程序之結果，包括為處理以下事項執行之程序，為吾等就隨附綜合財務報表之審核意見提供基礎。



## Key audit matters (continued)

## 關鍵審核事項 (續)

## Key audit matter

## 關鍵審核事項

## How our audit addressed the key audit matter

## 吾等之審核如何處理關鍵審核事項

**Inventory provision****存貨撥備**

The Company is principally engaged in the manufacture, development and sale of lead-acid batteries and other related items. Since technology develops rapidly in the lead-acid battery industry, the Group's inventories were subject to significant risk of obsolescence and significant management's judgements and estimates were involved in determining the amount of provision against slow-moving and obsolete inventories. We focused on this area because inventory balances amounting to RMB1,963 million were significant to the Group, which represented 22% of the total assets of the Group, and the provision against inventories was made based on subjective estimates and was influenced by assumptions concerning future consumption or sales of inventories.

貴公司主要從事製造、開發和銷售鉛酸蓄電池及其他相關產品。由於鉛酸蓄電池之技術發展迅速，貴集團之存貨承受重大的過時風險及涉及管理層之重大判斷及估計釐定就滯銷及陳舊存貨所計提撥備之金額。吾等專注於該領域，原因是存貨結餘人民幣1,963百萬元對貴集團而言乃屬重大，佔貴集團資產總值之22%，且存貨撥備乃根據主觀估計而作出及受有關日後消耗或存貨銷售額假設之影響。

The disclosures about inventories are included in notes 3 and 20 to the financial statements.

有關存貨之披露載於財務報表附註3及20。

We obtained an understanding of management's process about how to identify the slow-moving and obsolete inventories and calculate the amount of provision. We evaluated the sales forecasts prepared by management for the purpose of identifying the slow-moving and obsolete inventories by checking, on a sampling basis, the sales orders and agreements, and assessing the estimated sales taking into account the previous estimations, the historical evidence supporting underlying assumptions and current market conditions. We also checked on a sampling basis the ageing reports of inventories and the production records and sales of inventories made after the year end. For the net realisable value of slow-moving and obsolete inventories identified, we checked samples of recent sales invoices for the value.

吾等已了解管理層有關如何確定滯銷及陳舊存貨及計算撥備金額之程序。吾等已評估管理層編製之銷售額預測，旨在通過抽樣核對銷售訂單及協議確定滯銷及陳舊存貨，並經考慮先前估計、支持相關假設之歷史證據及現行市況評估估計銷售額。吾等亦已對存貨之賬齡報告及年末後之生產記錄及作出之存貨銷售進行抽樣檢測。就所確定之滯銷及陳舊存貨之可變現淨值而言，吾等已核對近期銷售發票樣本之價值。





## Key audit matters (continued)

## 關鍵審核事項 (續)

### Key audit matter

#### 關鍵審核事項

### How our audit addressed the key audit matter

#### 吾等之審核如何處理關鍵審核事項

#### **Impairment of trade receivables**

##### 貿易應收款項減值

Trade receivable balances were significant to the Group, which amounted to RMB2,451 million and represented approximately 27% of the total assets in the consolidated statement of financial position as at 31 December 2018. Assessment of the recoverability of trade receivables involves a high level of management judgement. During the year, management used a provision matrix to calculate expected credit losses for receivables. The matrix was initially based on the Group's historical default rates, and specific factors that management considered in the estimation of the rates including the type of customers, ageing of the balances and recent historical payment patterns. Management then calibrated the matrix to adjust the historical credit loss experience with forward-looking information, such as forecasted economic conditions.

貿易應收款項結餘對 貴集團而言乃屬重大，其金額為人民幣2,451百萬元，佔於二零一八年十二月三十一日之綜合財務狀況表資產總值之約27%。對貿易應收款項之可收回性作出評估時涉及重大管理層判斷。年內，管理層採用撥備矩陣計量應收款項之預期信貸虧損。該矩陣初始乃基於 貴集團的過往違約率及管理層於估計該等違約率時考慮的具體因素，包括客戶類型、結餘賬齡及近期過往支付模式。其後，管理層對矩陣進行校準，透過前瞻性資料（如預測經濟狀況）調整過往信貸虧損經驗。

We evaluated the design, implementation and operating effectiveness of key internal controls which govern credit control, debt collection and estimate of expected credit losses ("ECL").

吾等已評估管理信貸控制、債務追討及預期信貸虧損（「預期信貸虧損」）估計之關鍵內部控制的設計、實施及運營有效性。

We assessed, on a sample basis, whether items in the trade receivables ageing report were classified with the appropriate ageing bracket by comparing individual items in the report with the relevant sales invoices.

吾等按樣本基準透過比較報告中不同項目與相關銷售發票，評估貿易應收款項賬齡報告中的項目是否歸入適當的賬齡級別。



## Key audit matters (continued)

## 關鍵審核事項 (續)

## Key audit matter

## 關鍵審核事項

## How our audit addressed the key audit matter

## 吾等之審核如何處理關鍵審核事項

**Impairment of trade receivables (continued)**

## 貿易應收款項減值 (續)

The relevant disclosures are contained in notes 3 and 22 to the financial statements.  
有關披露載於財務報表附註3及22。

We assessed the adequacy of the ECL provision by:(i) evaluating the reasonableness of management's assumptions used in establishing the ECL provision matrix; (ii) examining the information used by management to form such estimations, including testing the accuracy of historical default data, evaluating whether the historical loss rates were appropriately adjusted based on current economic conditions and forward-looking information and (iii) examining the actual losses recorded during the current financial year.

吾等透過以下方式評估預期信貸虧損撥備之充足性：  
(i)評估管理層於建立預期信貸虧損撥備矩陣時採用假設之合理性；(ii)檢查管理層達致此等估計所採用之資料，包括檢測過往違約率數據之準確性及評估過往虧損率是否已根據現時經濟狀況及前瞻性資料進行適當調整及(iii)檢查本財務年度錄得之實際虧損。

We checked the relevant disclosures in financial statements.

吾等已核對載於財務報表之有關披露。



### Other information included in the Annual Report

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

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

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

### Responsibilities of the directors for the consolidated financial statements

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

### 載入年報之其他資料

貴公司董事對其他資料負責。其他資料包括載入年度報告的資料，惟綜合財務報表及吾等的核數師報告除外。

吾等對綜合財務報表作出的意見並未涵蓋其他資料，且吾等不會就此發表任何形式的核證結論。

就吾等對綜合財務報表之審核而言，吾等的責任是閱讀其他資料，並在此過程中考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若基於吾等已履行的工作，吾等認為其他資料出現重大錯誤陳述，吾等須報告該事實。吾等並無就此作出報告。

### 董事對綜合財務報表之責任

貴公司董事負責根據國際財務報告準則（包括國際會計準則委員會批准的準則及詮釋）及香港公司條例的披露規定編製呈列真實及公平意見的綜合財務報表，並進行董事確定屬必要的內部監控，以使編製綜合財務報表不存在因欺詐或錯誤導致的重大錯誤陳述。



## Responsibilities of the directors for the consolidated financial statements (continued)

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

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

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

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

## 董事對綜合財務報表之責任 (續)

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

貴公司董事由審核委員會協助履行其監督貴集團財務報告程序之責任。

## 核數師審核綜合財務報表之責任

吾等的目標是對綜合財務報表作為整體是否不存在由於欺詐或錯誤導致的重大錯誤陳述以及發佈載入吾等意見之核數師報告獲得合理保證。吾等的報告乃向閣下作為整體而作出，並無其他目的。吾等概不就本報告的內容對任何其他人士負責或承擔責任。

合理保證屬高水平之保證，惟並不保證根據香港審計準則進行的審核總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，且倘單獨或匯總起來可合理預期會可能影響綜合財務報表使用者根據該等綜合財務報表所作出的經濟決定，則被視作重大錯誤陳述。



### Auditor's responsibilities for the audit of the consolidated financial statements (continued)

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

### 核數師審核綜合財務報表之責任 (續)

作為根據香港審計準則進行審計其中一部分，吾等在整個審核期間運用專業判斷並保持專業懷疑態度。吾等亦：

- 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，以及獲取充足及適當的審核憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 了解與審核相關之內部控制，以設計在有關情況下屬適當之審核程序，但目的並非對貴集團內部控制之有效性發表意見。
- 評估董事所採用會計政策之適當性及作出會計估計及相關披露之合理性。
- 對董事採用持續經營會計基礎之適當性作出結論，並根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請注意綜合財務報表中之相關披露，或倘有關之披露不足，則修訂吾等之意見。吾等之結論乃基於直至核數師報告日期止所取得之審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營業務。



## Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

## 核數師審核綜合財務報表之責任 (續)

- 評估綜合財務報表之整體列報方式、結構及內容(包括披露)以及綜合財務報表是否公平反映相關交易及事項。
- 就 貴集團內各實體或業務活動之財務資料獲取充足適當之審核憑證，以就綜合財務報表發表意見。吾等負責指導、監督及執行 貴集團之審核工作。吾等須為吾等之審計意見承擔全部責任。

吾等與審核委員會就(其中包括)審核之計劃範圍及時間以及重大審核發現，包括吾等在審核中識別出內部監控之任何重大不足之處溝通。

吾等亦向審核委員會提交聲明，表明吾等已符合有關獨立性之相關道德要求，並與彼等溝通可能合理被認為會影響吾等獨立性的所有關係及其他事項以及相關防範措施(如適用)。

從與審核委員會溝通之事項中，吾等確定該等對本期間綜合財務報表之審核最為重要的事項，因而構成關鍵審核事項。吾等在核數師報告中闡釋該等事項，除非法律或法規不允許公開披露此等事項，或在極端罕見的情況下，合理預期倘於吾等之報告中溝通某事項而造成的負面後果將會超過產生的公眾利益，則吾等決定不應在報告中溝通該事項。



Auditor's responsibilities for the audit of the consolidated financial statements (*continued*)

The engagement partner on the audit resulting in this independent auditor's report is Law Kwok Kee.

Ernst & Young  
Certified Public Accountants  
Hong Kong  
22 March 2019

核數師審核綜合財務報表之責任 (續)

出具本獨立核數師報告之審核項目合夥人為羅國基。

安永會計師事務所  
執業會計師  
香港  
二零一九年三月二十二日



# Consolidated Statement of Profit or Loss

## 綜合損益表

Year ended 31 December 2018  
截至二零一八年十二月三十一日止年度



		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
REVENUE	收益	5	9,544,418	9,465,444
Cost of sales	銷售成本		(8,489,396)	(8,302,904)
Gross profit	毛利		1,055,022	1,162,540
Other income and gains	其他收入及收益	5	118,326	94,031
Selling and distribution expenses	銷售及分銷開支		(408,667)	(367,199)
Administrative expenses	行政開支		(269,719)	(260,742)
Research and development costs	研發成本	6	(111,025)	(143,084)
(Impairment losses)/reversal of impairment on financial assets	金融資產(減值虧損)/ 減值撥回	6	(3,266)	7,713
Other expenses	其他開支		(35,329)	(34,639)
Finance costs	財務成本	7	(202,356)	(151,788)
PROFIT BEFORE TAX	稅前溢利	6	142,986	306,832
Income tax expense	所得稅開支	10	(15,846)	(35,352)
PROFIT FOR THE YEAR	本年度溢利		127,140	271,480
Attributable to:	以下人士應佔:			
Owners of the parent	母公司擁有人		106,418	242,885
Non-controlling interests	非控股權益		20,722	28,595
			127,140	271,480
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通權益持有人 應佔每股盈利	12		
Basic	基本		RMB人民幣0.08元	RMB人民幣0.18元
Diluted	攤薄		RMB人民幣0.08元	RMB人民幣0.18元





# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

Year ended 31 December 2018  
截至二零一八年十二月三十一日止年度

		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
PROFIT FOR THE YEAR	本年度溢利		<b>127,140</b>	271,480
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益／(虧損)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	於隨後期間重新分類至損益的其他全面收益／(虧損)：			
Available-for-sale investments:	可供出售投資：			
Changes in fair value	公允價值變動	19	—	3,703
Income tax effect	所得稅影響	32	—	(926)
			—	2,777
Debt investments at fair value through other comprehensive income:	公允價值變動計入其他全面收益的債務投資：			
Changes in fair value	公允價值變動	23	<b>(2,768)</b>	—
Income tax effect	所得稅影響	32	<b>692</b>	—
Exchange differences on translation of foreign operations	換算境外業務的匯兌差額		<b>(2,076)</b>	—
			<b>9,727</b>	(14,193)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	於隨後期間重新分類至損益的其他全面收益／(虧損)淨額		<b>7,651</b>	(11,416)

# Consolidated Statement of Comprehensive Income 綜合全面收益表

Year ended 31 December 2018  
截至二零一八年十二月三十一日止年度



		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:	於隨後期間不會重新分類至損益的其他全面虧損：			
Equity investments designated at fair value through other comprehensive income:	指定按公允價值變動計入其他全面收益的權益性投資：			
Changes in fair value	公允價值變動	19	(19,659)	—
Income tax effect	所得稅影響	32	4,915	—
			(14,744)	—
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	於隨後期間不會重新分類至損益的其他全面虧損淨額		(14,744)	—
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	本年度其他全面虧損，扣除稅項		(7,093)	(11,416)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年度全面收益總額		120,047	260,064
Attributable to:	以下人士應佔：			
Owners of the parent	母公司擁有人		98,973	235,650
Non-controlling interests	非控股權益		21,074	24,414
			120,047	260,064



# Consolidated Statement of Financial Position

## 綜合財務狀況表

31 December 2018  
二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	13	2,061,137	2,046,177
Investment properties	投資物業	14	14,239	48,392
Properties under development	發展中物業	15	57,863	40,869
Prepaid land lease payments	預付土地租賃款項	16	181,989	154,819
Goodwill	商譽	17	10,636	8,699
Other intangible assets	其他無形資產	18	615,443	484,215
Equity investments designated at fair value through other comprehensive income	指定按公允價值變動計入其他全面收益的權益性投資	19	137,148	–
Available-for-sale investments	可供出售投資	19	–	132,576
Deposits paid for purchase of items of property, plant and equipment and land lease payments	就收購物業、廠房及設備項目支付的訂金及土地租賃款項		145,841	85,016
Deferred tax assets	遞延稅項資產	32	53,001	48,888
<b>Total non-current assets</b>	<b>非流動資產總值</b>		<b>3,277,297</b>	3,049,651
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	20	1,962,966	1,872,285
Completed properties held for sale	持作待售已落成物業	21	15,856	44,205
Trade receivables	貿易應收款項	22	2,424,654	2,313,438
Bills receivables	應收票據	23	–	213,159
Debt investments at fair value through other comprehensive income	公允價值變動計入其他全面收益的債務投資	23	164,625	–
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	24	186,676	174,423
Derivative financial instruments	衍生金融工具	25	–	4,418
Equity investments at fair value through profit or loss	公允價值變動計入損益的權益性投資	26	12,588	12,545
Structured bank deposits	結構性銀行存款	27	109,866	–
Pledged deposits	已抵押存款	28	452,216	540,116
Cash and cash equivalents	現金及現金等價物	28	425,311	401,042
<b>Total current assets</b>	<b>流動資產總值</b>		<b>5,754,758</b>	5,575,631
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and bills payables	貿易應付款項及應付票據	29	2,001,708	1,665,247
Other payables and accruals	其他應付款項及應計費用	30	777,368	706,537
Interest-bearing bank borrowings	計息銀行借貸	31	2,171,301	2,904,553
Income tax payable	應付所得稅		86,099	89,406
<b>Total current liabilities</b>	<b>流動負債總值</b>		<b>5,036,476</b>	5,365,743
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>718,282</b>	209,888
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總值減流動負債</b>		<b>3,995,579</b>	3,259,539

# Consolidated Statement of Financial Position 綜合財務狀況表

31 December 2018  
二零一八年十二月三十一日



		Notes	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
		附註		
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	32	47,681	54,554
Interest-bearing bank borrowings	計息銀行借貸	31	712,807	109,338
Deferred government grants	遞延政府補貼		61,187	48,959
Total non-current liabilities	非流動負債總額		821,675	212,851
Net assets	資產淨值		3,173,904	3,046,688
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the parent</b>	<b>母公司擁有人應佔權益</b>			
Share capital	股本	33	116,213	116,192
Reserves	儲備	35	2,860,714	2,760,418
Non-controlling interests	非控股權益		2,976,927	2,876,610
Total equity	權益總額		3,173,904	3,046,688

**Dong Li**  
董李  
Director  
董事

**Yin Haiyan**  
印海燕  
Director  
董事



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Year ended 31 December 2018  
截至二零一八年十二月三十一日止年度

		Attributable to owners of the parent 母公司擁有人應佔										
		Share capital	Share premium account	Merger reserve	Share option reserve	Available-for-sale investment revaluation reserve	Statutory reserve fund	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價賬	合併儲備	購股權儲備	可供出售資產重估儲備	法定儲備金	匯兌波動儲備	保留溢利	合計	非控股權益	權益總額
		RMB'000	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	人民幣千元
Note		(note 33)	(note 46)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)
附註		(附註33)	(附註46)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)
At 1 January 2017	於二零一七年一月一日	115,846	1,207,864	275,105	27,901	48,819	119,485	23,766	879,102	2,697,888	60,041	2,757,929
Profit for the year	本年度溢利	-	-	-	-	-	-	-	242,885	242,885	28,595	271,480
Other comprehensive income for the year:	本年度其他全面收益:											
Changes in fair value of available-for-sale investments, net of tax	可供出售投資公允價值變動·扣除稅項	-	-	-	-	2,777	-	-	-	2,777	-	2,777
Exchange differences on translation of foreign operations	換算境外業務的匯兌差額	-	-	-	-	-	-	(10,012)	-	(10,012)	(4,181)	(14,193)
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	2,777	-	(10,012)	242,885	235,650	24,414	260,064
Exercise of share options	行使購股權	34	5,338	-	(2,652)	-	-	-	-	3,032	-	3,032
Final 2016 dividend paid	已付二零一六年末期股息	-	(64,603)	-	-	-	-	-	-	(64,603)	-	(64,603)
Equity-settled share option arrangements	以權益結算的購股權安排	-	-	-	4,643	-	-	-	-	4,643	-	4,643
Capital contribution from non-controlling shareholders	非控股股東注資	-	-	-	-	-	-	-	-	-	5,477	5,477
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	80,146	80,146
Appropriations to reserves	撥作儲備	-	-	-	-	-	14,320	-	(14,320)	-	-	-
At 31 December 2017	於二零一七年十二月三十一日	116,192	1,148,599	275,105	29,892	51,596	133,805	13,754	1,107,667	2,876,610	170,078	3,046,688

# Consolidated Statement of Changes in Equity 綜合權益變動表

Year ended 31 December 2018  
截至二零一八年十二月三十一日止年度



		Attributable to owners of the parent 母公司擁有人應佔										
		Share capital	Share premium account	Merger reserve	Share option reserve	Fair value reserve	Statutory reserve fund	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價賬	合併儲備	購股權儲備	公允價值儲備	法定儲備金	匯兌波動儲備	保留溢利	總計	非控股權益	權益總額
		RMB'000	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	人民幣千元
		(note 33)	(note 46)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)	(note 35)
		(附註33)	(附註46)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)	(附註35)
At 31 December 2017	於二零一七年十二月三十一日	116,192	1,148,599	275,105	29,892	51,596	133,805	13,754	1,107,667	2,876,610	170,078	3,046,688
Effect of adoption of IFRS 9	採納國際財務報告準則第9號之影響	-	-	-	-	-	-	-	(1,264)	(1,264)	-	(1,264)
At 1 January 2018 (restated)	於二零一八年一月一日 (經重列)	116,192	1,148,599	275,105	29,892	51,596	133,805	13,754	1,106,403	2,875,346	170,078	3,045,424
Profit for the year	本年度溢利	-	-	-	-	-	-	-	106,418	106,418	20,722	127,140
Other comprehensive income for the year:	本年度其他全面收益:											
Changes in fair value of equity investments designated at fair value through other comprehensive income, net of tax	指定按公允價值變動計入其他全面收益的權益性投資的公允價值變動，扣除稅項	-	-	-	-	(14,744)	-	-	-	(14,744)	-	(14,744)
Changes in fair value of debt investments at fair value through other comprehensive income, net of tax	按公允價值變動計入其他全面收益的債務投資的公允價值變動，扣除稅項	-	-	-	-	(2,076)	-	-	-	(2,076)	-	(2,076)
Exchange differences on translation of foreign operations	換算境外業務的匯兌差額	-	-	-	-	-	-	9,375	-	9,375	352	9,727
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	(16,820)	-	9,375	106,418	98,973	21,074	120,047
Exercise of share options	行使購股權	34	21	310	-	(163)	-	-	-	168	-	168
Lapse of share options	購股權失效	-	-	-	-	(1,917)	-	-	1,917	-	-	-
Acquisition of non-controlling interests	收購非控股權益	-	-	(2,571)	-	-	-	-	-	(2,571)	(5,058)	(7,629)
Appropriations to reserves	撥作儲備	-	-	-	-	-	5,389	-	(5,389)	-	-	-
Equity-settled share option arrangements	以權益結算的購股權安排	-	-	-	5,011	-	-	-	-	5,011	-	5,011
Acquisition of a subsidiary	收購附屬公司	36	-	-	-	-	-	-	-	-	10,883	10,883
At 31 December 2018	於二零一八年十二月三十一日	116,213	1,148,909*	272,534*	32,823*	34,776*	139,194*	23,129*	1,209,349*	2,976,927	196,977	3,173,904

\* These reserve accounts comprise the consolidated reserves of RMB2,860,714,000 (2017: RMB2,760,418,000) in the consolidated statement of financial position.

\* 此等儲備賬包括綜合財務狀況表內之綜合儲備人民幣2,860,714,000元(二零一七年:人民幣2,760,418,000元)。



# Consolidated Statement of Cash Flows

## 綜合現金流量表

Year ended 31 December 2018  
截至二零一八年十二月三十一日止年度

	Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營業務的現金流量</b>		
Profit before tax	稅前溢利	<b>142,986</b>	306,832
Adjustments for:	就下列各項作出調整：		
Finance costs	財務成本	<b>202,356</b>	151,788
Interest income	利息收入	<b>(12,034)</b>	(13,374)
Fair value loss/(gain) from derivative financial instruments, net	衍生金融工具公允價值虧損／(收益)·淨額	<b>145</b>	(1,166)
Fair value (gain)/loss from equity investments at fair value through profit or loss, net	公允價值變動計入損益的權益性投資的公允價值(收益)／虧損·淨額	<b>(43)</b>	1,050
Fair value gain from structured bank deposits	結構性銀行存款的公允價值收益	<b>(866)</b>	—
Loss on remeasurement of the previously held interest in an associate	重新計量先前於一間聯營公司持有權益的虧損	—	2,064
Gain on bargain purchase	議價收購收益	—	(880)
Loss on disposal of items of property, plant and equipment	處置物業、廠房及設備項目的虧損	<b>831</b>	611
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>285,062</b>	218,888
Depreciation of investment properties	投資物業折舊	<b>219</b>	1,321
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	<b>3,862</b>	3,656
Amortisation of intangible assets	無形資產攤銷	<b>103,330</b>	88,849
Amortisation of deferred government grants	遞延政府補貼攤銷	<b>(4,662)</b>	(3,200)
Impairment/(reversal of impairment) of trade receivables	貿易應收款項減值／(減值撥回)	<b>3,266</b>	(7,713)
Impairment of inventories	存貨減值	<b>2,460</b>	3,957
Dividend income from available-for-sale investments	來自可供出售投資的股息收入	—	(1,301)
Loss on a fire accident	火災損失	—	28,153
Equity-settled share option expenses	以權益結算的購股權開支	<b>5,011</b>	4,643
		<b>731,923</b>	784,178

# Consolidated Statement of Cash Flows 綜合現金流量表

Year ended 31 December 2018  
截至二零一八年十二月三十一日止年度



	Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Increase in inventories	存貨增加	(88,592)	(758,830)
Increase in trade receivables	貿易應收款項增加	(102,988)	(109,329)
Decrease/(increase) in debt investments at fair value through other comprehensive income/bills receivables	按公允價值變動計入其他全面收益的債務投資/應收票據減少/(增加)	45,766	(137,680)
Increase in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產增加	(14,980)	(16,310)
Decrease/(increase) in derivative financial instruments	衍生金融工具減少/(增加)	4,273	(12,263)
Increase in trade and bills payables	貿易應付款項及應付票據增加	313,050	29,164
Increase in other payables and accruals	其他應付款項及應計費用增加	62,684	123,862
Cash generated from/(used in) operations	經營活動所得/(所用)現金	951,136	(97,208)
Income tax paid	已付所得稅	(27,205)	(34,176)
Net cash flows from/(used in) operating activities	經營活動所得/(所用)現金流量淨額	923,931	(131,384)
<b>CASH FLOWS FROM INVESTING ACTIVITIES 投資活動所得現金流量</b>			
Interest received	已收利息	12,148	13,294
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(301,286)	(332,143)
Proceeds from disposal of items of property, plant and equipment	處置物業、廠房及設備項目的所得款項	21,451	13,026
Dividend income from available-for-sale investments	來自可供出售投資的股息收入	5	1,301
Additions of equity investments designated at fair value through other comprehensive income	增加指定按公允價值變動計入其他全面收益的權益性投資	(23,431)	-
Additions of available-for-sale investments	增加可供出售投資	-	(5,800)
Additions of intangible assets	增加無形資產	18	(179,908)
Additions of prepaid land lease payments	增加預付土地租賃款項	(7,782)	(32,993)
Additions of deposits paid for land lease payments	增加土地租賃款項已付按金	-	(11,426)
Deposits paid for construction of a property	建造一項物業已付按金	40	(49,130)
Purchases of non-controlling interests	購買非控股權益	(7,629)	-
Acquisition of subsidiaries	收購附屬公司	36	(78,760)
Net cash flows used in investing activities	投資活動所用現金流量淨額	(573,066)	(662,539)





## Consolidated Statement of Cash Flows 綜合現金流量表

Year ended 31 December 2018  
截至二零一八年十二月三十一日止年度

		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金流量</b>			
Issue of shares, net of issuance expenses	股份發行，扣除發行開支	33	168	3,032
New bank borrowings	新借銀行借貸		3,007,792	5,887,649
Repayment of bank borrowings	償還銀行借貸		(3,218,891)	(4,601,065)
Interest paid	已付利息		(201,093)	(151,788)
Capital contribution from non-controlling shareholders	非控股股東注資		–	5,477
Final dividend paid	已付末期股息		–	(64,603)
Increase in structured bank deposits	結構性銀行存款增加		(109,000)	–
Decrease/(increase) in pledged deposits	已抵押存款減少／(增加)		87,900	(49,231)
Receipt of deferred government grants	收取遞延政府補貼		16,890	8,910
<b>Net cash flows (used in)/from financing activities</b>	<b>融資活動(所用)／所得現金流量淨額</b>		<b>(416,234)</b>	1,038,381
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物(減少)／增加淨額</b>		<b>(65,369)</b>	244,458
Cash and cash equivalents at beginning of year	於年初的現金及現金等價物		401,042	214,344
Effect of foreign exchange rate changes, net	匯率變動的影響，淨額		89,638	(57,760)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>於年末的現金及現金等價物</b>		<b>425,311</b>	401,042
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物結餘分析</b>			
Cash and bank balances	現金及銀行結餘	28	425,311	401,042

# Notes to the Financial Statements

## 財務報表附註

31 December 2018  
二零一八年十二月三十一日



### 1. Corporate and Group Information

Leoch International Technology Limited (the “**Company**”) was incorporated in the Cayman Islands on 27 April 2010 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and the Company’s shares have been listed on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 16 November 2010. The registered office of the Company is located at the office of Conyers Trust Company (Cayman) Limited, at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Group is principally engaged in the manufacture, development and sale of lead-acid batteries and other related items.

In the opinion of the directors of the Company (the “**Directors**”), the immediate holding company and the ultimate holding company is Master Alliance Investment Limited, a company incorporated in the British Virgin Islands and wholly owned by Mr. Dong Li.

### 1. 公司及集團資料

理士國際技術有限公司(「**本公司**」)乃於二零一零年四月二十七日根據開曼群島公司法(第22章)(一九六一年第3號法案,經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司,而本公司股份自二零一零年十一月十六日起在香港聯合交易所有限公司(「**聯交所**」)上市。本公司的註冊辦事處位於Conyers Trust Company (Cayman) Limited的辦事處,地址為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本集團主要從事製造、開發和銷售鉛酸蓄電池及其他相關產品。

本公司董事(「**董事**」)認為,直接控股公司及最終控股公司為於英屬處女群島註冊成立的Master Alliance Investment Limited,其為董李先生全資擁有。



# Notes to the Financial Statements 財務報表附註

31 December 2018  
二零一八年十二月三十一日

## 1. Corporate and Group Information (continued)

### Information about subsidiaries

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

Subsidiaries 附屬公司	Date of incorporation/ registration 註冊成立/註冊日期	Place of incorporation/ registration and business 註冊成立/註冊 及營運地點	Issued and paid-up capital 已發行及繳足資本	Percentage of equity interest attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
江蘇理士電池有限公司 (Leoch Battery (Jiangsu) Corp.) ("Jiangsu Leoch") 江蘇理士電池有限公司(「江蘇理士」)	11 March 2003 二零零三年三月十一日	PRC* 中國*	RMB562,649,382 人民幣562,649,382元	-	100	Investment holding and manufacture and sale of lead-acid batteries 投資控股、製造和銷售鉛酸蓄電池
肇慶理士電源技術有限公司 (Zhaoqing Leoch Battery Technology Co., Ltd.) ("Zhaoqing Leoch") 肇慶理士電源技術有限公司(「肇慶理士」)	9 May 2005 二零零五年五月九日	PRC* 中國*	US\$103,780,000 103,780,000美元	-	100	Investment holding and manufacture and sale of lead-acid batteries 投資控股、製造和銷售鉛酸蓄電池
安徽力普拉斯電源技術有限公司 (Anhui Uplus Energy Technology Co., Ltd.) ("Anhui Uplus") 安徽力普拉斯電源技術有限公司 (「安徽力普拉斯」)	26 July 2006 二零零六年七月二十六日	PRC* 中國*	US\$10,001,455 10,001,455美元	-	100	Manufacture and sale of lead-acid batteries 製造和銷售鉛酸蓄電池
深圳市理士新能源發展有限公司 (Leoch Shenzhen Renewable Energy Co., Ltd.) ("Shenzhen Leoch Battery") 深圳市理士新能源發展有限公司 (「深圳理士奧電源」)	26 April 1999 一九九九年四月二十六日	PRC* 中國*	RMB582,649,382 人民幣582,649,382元	-	100	Investment holding and sale of lead-acid batteries 投資控股和銷售鉛酸蓄電池
東莞市理士易事特電源技術有限公司 (Dongguan Leoch Battery Technology Co., Ltd.) 東莞市理士易事特電源技術有限公司	27 November 2002 二零零二年十一月二十七日	PRC* 中國*	RMB3,500,000 人民幣3,500,000元	-	100	Sale of lead-acid batteries 銷售鉛酸蓄電池
廣州理士奧電源技術有限公司 (Guangzhou Leoch Battery Technology Co., Ltd.) 廣州理士奧電源技術有限公司	23 July 2013 二零一三年七月二十三日	PRC* 中國*	RMB100,000 人民幣100,000元	-	100	Sale of lead-acid batteries 銷售鉛酸蓄電池

## 1. 公司及集團資料(續)

### 有關附屬公司之資料

本公司主要附屬公司的詳情如下:



## 1. Corporate and Group Information (continued)

## 1. 公司及集團資料 (續)

## Information about subsidiaries (continued)

## 有關附屬公司之資料 (續)

Subsidiaries 附屬公司	Date of incorporation/ registration 註冊成立/註冊日期	Place of incorporation/ registration and business 註冊成立/註冊 及營運地點	Issued and paid-up capital 已發行及繳足資本	Percentage of equity interest attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
Leoch International Sales Ltd ("Leoch International Sales") 理士國際銷售有限公司 (「理士國際銷售」)	31 December 2010 二零一零年十二月三十一日	Hong Kong 香港	HK\$1 1港元	-	100	Investment holding and sale of lead-acid batteries 投資控股和銷售鉛酸蓄電池
Leoch Battery Corporation ("Leoch Battery Corp.") Leoch Battery Corporation (「Leoch Battery Corp.」)	17 June 2003 二零零三年六月十七日	USA** 美國**	US\$3,256,000 3,256,000美元	-	100	Sale of lead-acid batteries 銷售鉛酸蓄電池
Leoch Power Supply (H.K.) Limited ("Leoch Power Supply") 理士電源(香港)有限公司 (「理士電源」)	18 August 2004 二零零四年八月十八日	Hong Kong 香港	HK\$12,000,000 12,000,000港元	-	100	Investment holding and sale of lead-acid batteries 投資控股和銷售鉛酸蓄電池
Honour Label Investments Limited ("Honour Label") Honour Label Investments Limited (「Honour Label」)	28 February 2005 二零零五年二月二十八日	BVI*** 英屬處女群島***	US\$1 1美元	-	100	Investment holding 投資控股
Peak Year Investments Limited ("Peak Year") Peak Year Investments Limited (「Peak Year」)	25 January 2007 二零零七年一月二十五日	BVI*** 英屬處女群島***	US\$1 1美元	-	100	Investment holding 投資控股
Shieldon International Limited ("Shieldon") Shieldon International Limited (「Shieldon」)	19 January 2007 二零零七年一月十九日	BVI*** 英屬處女群島***	US\$1 1美元	-	100	Investment holding 投資控股
Leoch Battery Company Limited ("Leoch Battery Company") Leoch Battery Company Limited (「Leoch Battery Company」)	25 April 2007 二零零七年四月二十五日	Hong Kong 香港	HK\$1,000,000 1,000,000港元	-	100	Investment holding and sale of lead-acid batteries 投資控股和銷售鉛酸蓄電池
南京理士奧電源技術有限公司 (Nanjing Leoch Battery Technology Co., Ltd.) 南京理士奧電源技術有限公司	15 March 2006 二零零六年三月十五日	PRC* 中國*	RMB300,000 人民幣300,000元	-	100	Sale of lead-acid batteries 銷售鉛酸蓄電池



# Notes to the Financial Statements 財務報表附註

31 December 2018  
二零一八年十二月三十一日

## 1. Corporate and Group Information (continued)

## 1. 公司及集團資料 (續)

### Information about subsidiaries (continued)

### 有關附屬公司之資料 (續)

Subsidiaries 附屬公司	Date of incorporation/ registration 註冊成立/註冊日期	Place of incorporation/ registration and business 註冊成立/註冊 及營運地點	Issued and paid-up capital 已發行及繳足資本	Percentage of equity interest attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
北京理士奧電源技術有限公司 (Beijing Leoch Engineering Technology Co., Ltd.) 北京理士奧電源技術有限公司	14 December 2004 二零零四年十二月十四日	PRC* 中國*	RMB1,000,000 人民幣1,000,000元	-	100	Sale of lead-acid batteries 銷售鉛酸蓄電池
深圳理士電池技術有限公司 (Leoch Battery Shenzhen Corp.) 深圳理士電池技術有限公司	27 September 2007 二零零七年九月二十七日	PRC* 中國*	RMB1,000,000 人民幣1,000,000元	-	100	Sale of lead-acid batteries 銷售鉛酸蓄電池
Catherine Holdings International Company Limited ("Catherine Holdings") Catherine Holdings International Company Limited ("Catherine Holdings")	3 May 2010 二零一零年五月三日	BVI*** 英屬處女群島***	US\$6 6美元	100	-	Investment holding 投資控股
Leoch Battery Pte. Ltd. ("Leoch Battery Pte.") Leoch Battery Pte. Ltd. ("Leoch Battery Pte.")	5 April 2010 二零一零年四月五日	Singapore 新加坡	SG\$2,000,000 2,000,000新加坡元	-	100	Sale of lead-acid batteries 銷售鉛酸蓄電池
Leoch International Holding Pte. Ltd. ("Leoch International Holding") Leoch International Holding Pte. Ltd. ("Leoch International Holding")	21 April 2011 二零一一年四月二十一日	Singapore 新加坡	SG\$1 1新加坡元	-	100	Investment holding 投資控股
安徽理士電源技術有限公司 (Anhui Leoch Power Supply Corp.) ("Anhui Leoch Power") 安徽理士電源技術有限公司 ("安徽理士電源")	26 October 2010 二零一零年十月二十六日	PRC* 中國*	HK\$321,000,000 321,000,000港元	-	100	Manufacture and sale of lead-acid batteries 製造和銷售鉛酸蓄電池
Leoch Lanka (Private) Ltd. Leoch Lanka (Private) Ltd.	26 January 2012 二零一二年一月二十六日	Sri Lanka 斯里蘭卡	LKR337,712,000 337,712,000 斯里蘭卡盧比	-	100	Manufacture and sale of lead-acid batteries 製造和銷售鉛酸蓄電池
Leoch Batteries India Private Limited Leoch Batteries India Private Limited	31 October 2012 二零一二年十月三十一日	India 印度	INR305,988,330 305,988,330 印度盧比	-	100	Sale of lead-acid batteries 銷售鉛酸蓄電池



## 1. Corporate and Group Information (continued)

## 1. 公司及集團資料 (續)

## Information about subsidiaries (continued)

## 有關附屬公司之資料 (續)

Subsidiaries 附屬公司	Date of incorporation/ registration 註冊成立/註冊日期	Place of incorporation/ registration and business 註冊成立/註冊 及營運地點	Issued and paid-up capital 已發行及繳足資本	Percentage of equity interest attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
Big Help Group Limited ("Big Help") Big Help Group Limited (「Big Help」)	19 May 2011 二零一一年五月十九日	Hong Kong 香港	HK\$1 1港元	-	100	Investment holding 投資控股
江蘇思廷置業有限公司 (Jiangsu Siting Real Estate Co., Ltd.) ("Jiangsu Siting") 江蘇思廷置業有限公司(「江蘇思廷」)	29 October 2014 二零一四年十月二十九日	PRC* 中國*	RMB20,000,000 人民幣20,000,000元	-	100	Development and sale of properties 開發及銷售物業
深圳立航電源技術有限公司 (Shenzhen Lihang Battery Technology Co., Ltd.) 深圳立航電源技術有限公司	19 November 2012 二零一二年十一月十九日	PRC* 中國*	HK\$10,000,000 10,000,000港元	-	100	Investment holding 投資控股
理士投資發展(深圳)有限公司 (Leoch Investment Development (Shenzhen) Limited) 理士投資發展(深圳)有限公司	17 June 2014 二零一四年六月十七日	PRC* 中國*	RMB827,456,523 人民幣827,456,523元	-	100	Investment holding 投資控股
Leoch Super Power India Pvt Leoch Super Power India Pvt	7 August 2015 二零一五年八月七日	India 印度	INR259,110,200 259,110,200 印度盧比	-	100	Manufacture and sale of lead-acid batteries 製造和銷售鉛酸蓄電池
肇慶理士瑪西爾電動車有限公司 (Zhaoqing Leoch Marshall Electric Vehicle Co., Ltd.) 肇慶理士瑪西爾電動車有限公司	12 August 2016 二零一六年八月十二日	PRC* 中國*	RMB160,690,000 人民幣160,690,000元	-	75.34	Leasing of properties 物業租賃
Leoch Accupower (M) Sdn. Bhd ("Accupower") Leoch Accupower (M) Sdn. Bhd ("Accupower")	10 July 2016 二零一六年七月十日	Malaysia 馬來西亞	RM40,000,000 40,000,000馬元	-	51	Manufacture and sale of lead-acid batteries 製造和銷售鉛酸蓄電池
安徽力普拉斯新能源材料科技有限公司 (Anhui Uplus New Energy Material Technology Co., Ltd.) ("Anhui Uplus New Energy") 安徽力普拉斯新能源材料科技有限公司 (「安徽力普拉斯新能源」)	9 September 2016 二零一六年九月九日	PRC* 中國*	RMB5,000,000 人民幣5,000,000元	-	100	Investment holding 投資控股



# Notes to the Financial Statements 財務報表附註

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## 1. Corporate and Group Information (continued)

### Information about subsidiaries (continued)

Subsidiaries 附屬公司	Date of incorporation/ registration 註冊成立/註冊日期	Place of incorporation/ registration and business 註冊成立/註冊 及營運地點	Issued and paid-up capital 已發行及繳足資本	Percentage of equity interest attributable to the Company		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
太和縣大華能源科技有限公司 (Taihe Dahua Energy Technology Co., Ltd.) ("Taihe Dahua")	9 January 2017	PRC*	RMB110,000,000	-	60	Recycle and remanufacture of lead from batteries disposed of
太和縣大華能源科技有限公司 (「太和縣大華」)	二零一七年一月九日	中國*	人民幣110,000,000元			自廢蓄電池回收及再生產鉛
Tele Power Sdn. Bhd. ("Tele Power")	23 January 2017	Malaysia	RM1,000,000	-	51	Manufacture and sale of lead-acid batteries
Tele Power Sdn. Bhd. (「Tele Power」)	二零一七年一月二十三日	馬來西亞	1,000,000馬元			製造和銷售鉛酸蓄電池
Leoch Battery (Vietnam) Limited	29 September 2017	Vietnam	US\$3,750,000	-	100	Manufacture and sale of lead-acid batteries
Leoch Battery (Vietnam) Limited	二零一七年九月二十九日	越南	3,750,000美元			製造和銷售鉛酸蓄電池
Leoch Super Power (Vietnam) Limited	29 September 2017	Vietnam	US\$2,100,000	-	100	Manufacture and sale of lead-acid batteries
Leoch Super Power (Vietnam) Limited	二零一七年九月二十九日	越南	2,100,000美元			製造和銷售鉛酸蓄電池
Leoch France SAS	23 November 2017	France	EUR100,000	-	100	Sale of lead-acid batteries
Leoch France SAS	二零一七年十一月二十三日	法國	100,000歐元			銷售鉛酸蓄電池
Leoch DBS Limited ("LDBS")	28 June 2017	United Kingdom	GBP3,516,723	-	60	Investment holding
Leoch DBS Limited (「LDBS」)	二零一七年六月二十八日	英國	3,516,723英鎊			投資控股
DBS Leoch Limited ("DBSL")	20 October 2015	United Kingdom	GBP 1	-	60	Sale of lead-acid batteries
DBS Leoch Limited (「DBSL」)	二零一五年十月二十日	英國	1英鎊			銷售鉛酸蓄電池

\* PRC represents the People's Republic of China excluding the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan.

\*\* USA represents the United States of America.

\*\*\* BVI represents the British Virgin Islands.

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

## 1. 公司及集團資料 (續)

### 有關附屬公司之資料 (續)

\* 中國指中華人民共和國，不包括中國香港特別行政區、中國澳門特別行政區及台灣。

\*\* 美國指美利堅合眾國。

\*\*\* 英屬處女群島指英屬處女群島。

上表列出董事會認為對本集團本年度業績有重大影響或佔本集團資產淨值之重大部分之本公司之附屬公司。董事會認為倘列出其他附屬公司之資料，將使篇幅過於冗長。



## 2.1 Basis of Preparation

These financial statements have been prepared in accordance with IFRSs, which comprise standards and interpretations approved by the IASB, and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments designated at fair value through other comprehensive income, debt investments at fair value through other comprehensive income, structured bank deposits and equity investments at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

### Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2018. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

## 2.1 編製基準

該等財務報表乃根據國際財務報告準則以及香港公司條例的披露規定編製，國際財務報告準則包括國際會計準則委員會已批准的準則和詮釋。該等財務報表乃按照歷史成本慣例編製，惟指定按公允價值變動計入其他全面收益的權益性投資、公允價值變動計入其他全面收益的債務投資、結構性銀行存款及公允價值變動計入損益的權益性投資已按公允價值計量外。該等財務報表以人民幣（「人民幣」）呈列，除另有指明外，所有價值均調整至最接近的千元。

### 合併基準

該等綜合財務報表包括本集團於截至二零一八年十二月三十一日止年度的財務報表。附屬公司乃本公司直接或間接控制之實體（包括結構性實體）。當本集團就參與被投資公司營運所得之可變動回報有風險承擔或享有權利，並能夠向被投資公司運用其權力以影響回報金額（即現存之權利以致本集團能夠指示被投資公司之相關活動），即代表本集團擁有控制權。





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## 2.1 Basis of Preparation (*continued*) 2.1 編製基準 (續)

### Basis of consolidation (*continued*)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangement; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### 合併基準 (續)

倘本公司直接或間接擁有被投資公司的投票權或類似權利少於大多數，則本集團於評估其是否擁有對被投資公司之權力時會考慮一切相關事實及情況，包括：

- (a) 與被投資公司其他投票持有人之合約安排；
- (b) 其他合約安排所產生之權利；及
- (c) 本集團之投票權及潛在投票權。

附屬公司與本公司之財務報表之報告期間相同，並採用一致之會計政策編製。附屬公司之業績由本集團取得控制權之日起計綜合入賬，並繼續綜合入賬至該等控制權終止之時為止。

損益及其他全面收益各項目歸屬於本集團母公司之擁有人及非控股權益，即使導致非控股權益結餘出現虧絀。與集團成員公司間交易有關的所有集團內部資產及負債、股權、收入、開支及現金流已於綜合賬目時全數對銷。



## 2.1 Basis of Preparation (continued) 2.1 編製基準 (續)

### Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 合併基準 (續)

倘有事實及情況顯示上述附屬公司會計政策中所述的三項控制權要素其中一項或多項出現變動，本集團會重新評估其是否對被投資方擁有控制權。附屬公司擁有權權益之變動（並未失去控制權）乃按權益交易處理。

倘本集團失去對一間附屬公司之控制權，則其撤銷確認(i)該附屬公司之資產（包括商譽）及負債，(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計交易差額；及確認(i)所收代價之公允價值，(ii)所保留任何投資之公允價值及(iii)損益賬中任何因此產生之盈餘或虧絀。先前於其他全面收益內確認的本集團股份部分，按照本集團直接出售有關資產或負債的相同基準重新分類至損益或保留溢利（如適當）。



# Notes to the Financial Statements 財務報表附註

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## 2.2 Changes in Accounting Policies and Disclosures

## 2.2 會計政策及披露事項的變動

The Group has adopted the following new and revised IFRSs for the first time for the current year's financial statements.

本集團在本年度財務報表首次採用了下列新訂及經修訂的國際財務報告準則。

Amendments to IFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>	國際財務報告準則第2號的修訂本	以股份為基礎的付款的交易的分類及計量
Amendments to IFRS 4	<i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts</i>	國際財務報告準則第4號的修訂本	與國際財務報告準則第4號保險合約一併應用國際財務報告準則第9號金融工具
IFRS 9	<i>Financial Instruments</i>	國際財務報告準則第9號	金融工具
IFRS 15	<i>Revenue from Contracts with Customers</i>	國際財務報告準則第15號	客戶合約收益
Amendments to IFRS 15	<i>Clarifications to IFRS 15 Revenue from Contracts with Customers</i>	國際財務報告準則第15號的修訂本	對國際財務報告準則第15號客戶合約收益的澄清
Amendments to IAS 40	<i>Transfers of Investment Property</i>	國際會計準則第40號的修訂本	轉讓投資物業
IFRIC 22	<i>Foreign Currency Transactions and Advance Consideration</i>	國際財務報告詮釋委員會第22號	外幣交易及墊付代價
<i>Annual Improvements 2014-2016 Cycle</i>	Amendments to IFRS 1 and IAS 28	二零一四年至二零一六年週期的年度改進	國際財務報告準則第1號及國際會計準則第28號的修訂本

Except for the amendments to IFRS 4 and *Annual Improvements 2014-2016 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised IFRSs are described below:

除國際財務報告準則第4號的修訂本及二零一四年至二零一六年週期的年度改進與編製本集團財務報表無關外，新訂及經修訂國際財務報告準則之性質與影響描述如下：



## 2.2 Changes in Accounting Policies and Disclosures (continued)

The nature and the impact of the amendments are described below:

- (a) Amendments to IFRS 2 address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet an employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The amendments have had no impact on the financial position or performance of the Group as the Group does not have any cash-settled share-based payment transactions and has no share-based payment transactions with net settlement features for withholding tax.

## 2.2 會計政策及披露事項的變動 (續)

該等修訂本之性質與影響描述如下：

- (a) 國際財務報告準則第2號的修訂本主要涉及三個主要方面：歸屬條件對現金結算的以股份為基礎付款的交易計量的影響；對具淨額結算特徵的以股份為基礎付款的交易而預扣若干金額的以滿足僱員與以股份為基礎付款有關的納稅義務的分類；及對以股份為基礎付款的交易中條款及條件的修訂導致其分類從現金結算變更為權益結算的會計處理。該等修訂本澄清在衡量權益結算的以股份為基礎的付款時用於計算歸屬條件的方法亦適用於現金結算的以股份為基礎的付款。該等修訂本引入一項例外規定，在符合若干條件時，為滿足僱員的納稅義務而預扣若干金額的具有淨額結算特徵的以股份為基礎付款的交易乃整項分類為股權結算的以股份為基礎付款的交易。此外，該等修訂本澄清，倘現金結算以股份為基礎付款的交易條款及條件被修改，令其成為股權結算以股份為基礎付款的交易，則該交易自修改之日起作為以股權結算的交易入賬。由於本集團並無任何現金結算的以股份為基礎付款的交易，亦無附有預扣稅具淨額結算特徵的以股份為基礎付款的交易，故應用該等修訂對本集團的財務狀況或表現並無任何影響。



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### 2.2 Changes in Accounting Policies and Disclosures (continued)

- (b) IFRS 9 *Financial Instruments* replaces IAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

The Group has recognised the transition adjustments against the applicable opening balances in equity at 1 January 2018. Therefore, the comparative information was not restated and continues to be reported under IAS 39.

#### *Classification and measurement*

The following information sets out the impacts of adopting IFRS 9 on the statement of financial position, including the effect of replacing IAS 39's incurred credit loss calculations with IFRS 9's expected credit losses ("ECLs").

### 2.2 會計政策及披露事項的變動 (續)

- (b) 國際財務報告準則第9號金融工具於二零一八年一月一日或之後開始的年度期間取代國際會計準則第39號金融工具：確認及計量，匯集金融工具會計處理的所有三個範疇：分類及計量、減值及對沖會計。

本集團已就二零一八年一月一日之適用年初權益結餘確認過渡調整。因此，不會重列比較資料，且繼續根據國際會計準則第39號呈報。

#### *分類及計量*

以下資料載列採納國際財務報告準則第9號對財務狀況表之影響，包括以國際財務報告準則第9號之預期信貸虧損（「預期信貸虧損」）取代國際會計準則第39號的已產生信貸虧損計算法之影響。



## 2.2 Changes in Accounting Policies and Disclosures (continued)

## 2.2 會計政策及披露事項的變動 (續)

## (b) (continued)

## (b) (續)

## Classification and measurement (continued)

## 分類及計量 (續)

A reconciliation between the carrying amounts under IAS 39 and the balances reported under IFRS 9 as at 1 January 2018 is as follows:

根據國際會計準則第39號之賬面值與二零一八年一月一日根據國際財務報告準則第9號呈報之結餘之對賬如下：

		Notes 附註	IAS 39 measurement 國際會計準則第39號計量		Re- classification 重新分類	ECL 預期信貸虧損 RMB'000 人民幣千元	IFRS 9 measurement 國際財務報告準則第9號計量	
			Category 類別	Amount 金額 RMB'000 人民幣千元			Amount 金額 RMB'000 人民幣千元	Category 類別
Financial assets	金融資產							
Equity investments designated at fair value through other comprehensive income	指定按公允價值變動計入其他全面收益的權益性投資		N/A 不適用	-	132,576	-	132,576	FVOCI <sup>1</sup> (equity) (權益)
From: Available-for-sale investments	由：可供出售投資	(i)			132,576	-		
Available-for-sale investments	可供出售投資		AFS <sup>2</sup>	132,576	(132,576)	-	-	N/A不適用
To: Equity investments designated at fair value through other comprehensive income	至：指定按公允價值變動計入其他全面收益的權益性投資	(i)			(132,576)	-		
Bills receivables	應收票據		L&R <sup>3</sup>	213,159	(213,159)	-	-	AC <sup>4</sup>
To: Debt investments at fair value through other comprehensive income	至：公允價值變動計入其他全面收益的債務投資	(ii)			(213,159)	-		
Debt investments at fair value through other comprehensive income	公允價值變動計入其他全面收益的債務投資		N/A 不適用	-	213,159	-	213,159	FVOCI (debt) (債務)
From: Bills receivables	由：應收票據	(ii)			213,159	-		
Trade receivables	貿易應收款項		L&R	2,313,438	-	(1,686)	2,311,752	AC
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產		L&R	40,170	-	-	40,170	AC
Derivative financial instruments	衍生金融工具		FVPL <sup>5</sup>	4,418	-	-	4,418	FVPL (mandatory) (強制性)
Equity investments at fair value through profit or loss	公允價值變動計入損益的權益性投資		FVPL	12,545	-	-	12,545	FVPL (mandatory) (強制性)
Pledged deposits	已抵押存款		L&R	540,116	-	-	540,116	AC
Cash and cash equivalents	現金及現金等價物		L&R	401,042	-	-	401,042	AC
				3,657,464	-	(1,686)	3,655,778	



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## 2.2 Changes in Accounting Policies and Disclosures (continued)

## 2.2 會計政策及披露事項的變動 (續)

### (b) (continued)

### (b) (續)

Classification and measurement (continued)

分類及計量 (續)

		IAS 39 measurement 國際會計準則第39號計量			IFRS 9 measurement 國際財務報告準則第9號計量	
Category	Amount	Re-classification	ECL	Amount	Category	
類別	金額	重新分類	預期信貸虧損	金額	類別	
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元		
Other assets	其他資產					
Deferred tax assets	遞延稅項資產	48,888	-	422	49,310	
<b>Total assets</b>	<b>資產總值</b>	<b>8,625,282</b>	<b>-</b>	<b>(1,264)</b>	<b>8,624,018</b>	
Financial liabilities	金融負債					
Trade and bills payables	貿易應付款項及應付票據	AC 1,665,247	-	-	1,665,247 AC	
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	AC 113,771	-	-	113,771 AC	
Interest-bearing bank borrowings	計息銀行借貸	AC 3,013,891	-	-	3,013,891 AC	
		4,792,909	-	-	4,792,909	
<b>Total liabilities</b>	<b>負債總額</b>	<b>5,578,324</b>	<b>-</b>	<b>-</b>	<b>5,578,324</b>	

- 1 FVOCI: Financial assets at fair value through other comprehensive income
- 2 AFS: Available-for-sale investments
- 3 L&R: Loans and receivables
- 4 AC: Financial assets or financial liabilities at amortised cost
- 5 FVPL: Financial assets at fair value through profit or loss

- 1 FVOCI: 公允價值變動計入其他全面收益之金融資產
- 2 AFS: 可供出售投資
- 3 L&R: 貸款及應收款項
- 4 AC: 按攤銷成本計量之金融資產或金融負債
- 5 FVPL: 公允價值變動計入損益之金融資產



## 2.2 Changes in Accounting Policies and Disclosures (continued)

### (b) (continued)

#### Classification and measurement (continued)

##### Notes:

- (i) The Group has elected the option to irrevocably designate certain of its previous available-for-sale equity investments as equity investments designated at fair value through other comprehensive income.
- (ii) The Group has classified its bills receivables as debt investments at fair value through other comprehensive income since initial adoption of IFRS 9 on 1 January 2018, since the bills receivables were held within the business model whose objective was achieved by both collecting contractual cash flows and selling the financial assets, and the contractual cash flows were solely payments of principal and interest on the principal amount outstanding.

#### Impairment

The following table reconciles the aggregate opening impairment allowances under IAS 39 to the ECL allowances under IFRS 9. Further details are disclosed in note 22 to the financial statements.

## 2.2 會計政策及披露事項的變動 (續)

### (b) (續)

#### 分類及計量 (續)

##### 附註：

- (i) 本集團已議決不可撤回地指定若干過往可供出售權益性投資為指定按公允價值變動計入其他全面收益的權益性投資。
- (ii) 自二零一八年一月一日首次採納國際財務報告準則第9號起，本集團已將應收票據分類為公允價值變動計入其他全面收益的債務投資，原因為應收票據是按同時透過收取合約現金流量及出售金融資產為目的之商業模式下持有，而合約現金流量僅為支付本金及未償還本金之利息。

#### 減值

下表為將根據國際會計準則第39號的年初減值撥備總額與根據國際財務報告準則第9號的預期信貸虧損撥備進行對賬。進一步詳情於財務報表附註22披露。





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### 2.2 Changes in Accounting Policies and Disclosures (continued)

#### (b) (continued)

Impairment (continued)

	<b>Impairment allowances under IAS 39 at 31 December 2017</b>	<b>Re-measurement</b>	<b>ECL allowances under IFRS 9 at 1 January 2018</b>
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Trade receivables 貿易應收款項	30,353	1,686	32,039

Impact on reserves and retained profits

The impact of transition to IFRS 9 on retained profits is as follows:

對儲備及保留溢利之影響

過渡為國際財務報告準則第9號對保留溢利之影響如下：

		<b>Retained profits</b>
		RMB'000 人民幣千元
Retained profits	保留溢利	
Balance as at 31 December 2017 under IAS 39	根據國際會計準則第39號於二零一七年十二月三十一日的結餘	1,107,667
Recognition of expected credit losses for trade receivables under IFRS 9	根據國際財務報告準則第9號確認貿易應收款項的預期信貸虧損	(1,686)
Deferred tax in relation to the above	有關上述的遞延稅項	422
Balance as at 1 January 2018 under IFRS 9	根據國際財務報告準則第9號於二零一八年一月一日的結餘	1,106,403



## 2.2 Changes in Accounting Policies and Disclosures (continued)

- (c) IFRS 15 and its amendments replace IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. IFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The disclosures are included in note 5 to the financial statements. As a result of the application of IFRS 15, the Group has changed the accounting policy with respect to revenue recognition in note 2.4 to the financial statements.

The Group has adopted IFRS 15 using the modified retrospective method of adoption. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group has elected to apply the standard to contracts that are not completed as at 1 January 2018.

## 2.2 會計政策及披露事項的變動 (續)

- (c) 國際財務報告準則第15號及其修訂本取代國際會計準則第11號*建造合約*、國際會計準則第18號*收益*及相關詮釋，且除有限例外情況外，其適用於所有客戶合約產生的收益。國際財務報告準則第15號建立一個新五步模式，以將來自客戶合約的收益列賬。根據國際財務報告準則第15號，收益按能反映實體預期就交換向客戶轉讓貨物或服務而有權獲得的代價金額確認。國際財務報告準則第15號的原則為計量及確認收益提供更加結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆收益總額，關於履行責任、不同期間之間合約資產及負債賬目結餘的變動以及主要判斷及估計的資料。有關披露資料載於財務報表附註5。由於應用國際財務報告準則第15號，本集團已就財務報表附註2.4的確認收益改變會計政策。

本集團已透過採用修改後的追溯調整法採納國際財務報告準則第15號。根據此方法，本集團可對於首次應用日期的所有合約或僅對於該日尚未完成的合約應用該準則。本集團已選擇僅對於二零一八年一月一日尚未完成的合約應用該準則。



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## 2.2 Changes in Accounting Policies and Disclosures (continued)

### (c) (continued)

Before the adoption of IFRS 15, the Group recognised consideration received from customers in advance as receipt in advance included in other payables and accruals. Under IFRS 15, the amount is classified as contract liabilities included in other payables and accruals.

Therefore, upon adoption of IFRS 15, the Group reclassified RMB133,257,000 from receipt in advance included in other payables and accruals to contract liabilities included in other payables and accruals as at 1 January 2018 in relation to the consideration received from customers in advance as at 1 January 2018.

As at 31 December 2018, under IFRS 15, RMB178,188,000 was reclassified from receipt in advance included in other payables and accruals to contract liabilities included in other payables and accruals in relation to the consideration received from customers in advance for the sale of industrial products and sale of properties.

## 2.2 會計政策及披露事項的變動 (續)

### (c) (續)

採納國際財務報告準則第15號前，本集團將預收客戶代價確認為預收款並計入其他應付款項及應計費用。根據國際財務報告準則第15號，有關金額獲分類為合約負債並計入其他應付款項及應計費用。

因此，採納國際財務報告準則第15號後，本集團將於二零一八年一月一日的預收客戶代價人民幣133,257,000元由計入其他應付款項及應計費用的預收款重新分類為二零一八年一月一日計入其他應付款項及應計費用的合約負債。

於二零一八年十二月三十一日，根據國際財務報告準則第15號，銷售工業產品及物業的預收客戶代價人民幣178,188,000元已由計入其他應付款項及應計費用的預收款重新分類為計入其他應付款項及應計費用的合約負債。



## 2.2 Changes in Accounting Policies and Disclosures (continued)

- (d) Amendments to IAS 40 clarify when an entity should transfer property, including property under construction or development, into or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments have had no impact on the financial position or performance of the Group.

IFRIC 22 provides guidance on how to determine the date of the transaction when applying IAS 21 to the situation where an entity receives or pays advance consideration in a foreign currency and recognises a non-monetary asset or liability. The interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset (such as a prepayment) or non-monetary liability (such as deferred income) arising from the payment or receipt of the advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the entity must determine the transaction date for each payment or receipt of the advance consideration. The interpretation has had no impact on the Group's financial statements as the Group's accounting policy for the determination of the exchange rate applied for initial recognition of non-monetary assets or non-monetary liabilities is consistent with the guidance provided in the interpretation.

## 2.2 會計政策及披露事項的變動 (續)

- (d) 國際會計準則第40號的修訂本澄清實體應將物業（其中包括在建或發展中物業）轉入或轉出投資物業的時間。該等修訂載明，當物業符合或不再符合投資物業的定義時，以及有證據顯示用途變動時，用途發生變動。倘管理層僅有意改變物業用途，則不構成用途變動的證據。該等修訂對本集團的財務狀況或表現並無任何影響。

當國際會計準則第21號適用時，國際財務報告詮釋委員會第22號就實體為釐定以外幣收取或支付墊付代價的交易之日期，以及確認非貨幣資產或非貨幣負債提供指引。該詮釋指明，釐定首次確認相關資產、開支或收益（或當中部分）所使用之匯率之交易日期為實體首次確認支付或收取墊付代價產生的非貨幣資產（例如預付款項）或非貨幣負債（例如遞延收入）之日。倘確認有關項目時存在多次付款或提前收取，實體必須釐定每次支付或收取墊付代價的交易日期。由於本集團釐定首次確認非貨幣資產或非貨幣負債所使用之匯率的會計政策與該詮釋提供的指引一致，故該詮釋對本集團的財務報表並無任何影響。



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### 2.3 Issued but not yet Effective International Financial Reporting Standards

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 3	<i>Definition of a Business</i> <sup>2</sup>
Amendments to IFRS 9	<i>Prepayment Features with Negative Compensation</i> <sup>1</sup>
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
IFRS 16	<i>Leases</i> <sup>1</sup>
IFRS 17	<i>Insurance Contracts</i> <sup>3</sup>
Amendments to IAS 1 and IAS 8	<i>Definition of Material</i> <sup>2</sup>
Amendments to IAS 19	<i>Plan Amendment, Curtailment or Settlement</i> <sup>1</sup>
Amendments to IAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> <sup>1</sup>
IFRIC 23	<i>Uncertainty over Income Tax Treatments</i> <sup>1</sup>
<i>Annual Improvements 2015-2017 Cycle</i>	Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 <sup>1</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2020
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>4</sup> No mandatory effective date yet determined but available for adoption

### 2.3 已頒佈惟未生效的國際財務報告準則

本集團於該等財務報表內並無應用以下已頒佈惟未生效的新訂及經修訂的國際財務報告準則。

國際財務報告準則第3號的修訂本	業務的定義 <sup>2</sup>
國際財務報告準則第9號的修訂本	提早還款特性及負補償 <sup>1</sup>
國際財務報告準則第10號及國際會計準則第28號的修訂本	投資者與其聯營公司或合營公司之間的銷售或注資 <sup>4</sup>
國際財務報告準則第16號	租賃 <sup>1</sup>
國際財務報告準則第17號	保險合約 <sup>3</sup>
國際會計準則第1號及國際會計準則第8號的修訂本	重要性的定義 <sup>2</sup>
國際會計準則第19號的修訂本	計劃修訂、縮減或清償 <sup>1</sup>
國際會計準則第28號的修訂本	於聯營公司及合營公司的長期權益 <sup>1</sup>
國際財務報告詮釋委員會第23號	所得稅處理的不確定性 <sup>1</sup>
二零一五年至二零一七年週期的年度改進	國際財務報告準則第3號、國際財務報告準則第11號、國際會計準則第12號及國際會計準則第23號的修訂本 <sup>1</sup>

- <sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效
- <sup>2</sup> 於二零二零年一月一日或之後開始之年度期間生效
- <sup>3</sup> 於二零二一年一月一日或之後開始之年度期間生效
- <sup>4</sup> 尚未釐定強制生效日期惟可供採納



## 2.3 Issued but not yet Effective International Financial Reporting Standards (continued)

Further information about those IFRSs that are expected to be applicable to the Group is described below.

Amendments to IFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 January 2020.

## 2.3 已頒佈惟未生效的國際財務報告準則 (續)

預期將適用於本集團之該等國際財務報告準則之進一步資料載列如下。

國際財務報告準則第3號的修訂本澄清業務的定義及提供有關定義的額外指引。該修訂本澄清，一組綜合活動及資產須至少包括一項參數與一個重要過程，且兩者須共同對創造收益的能力作出重大貢獻，方能被視為一項業務。在並未包含所有創造收益的參數及過程的情況下，業務亦可存續。該修訂本取消對市場參與者是否具備能力收購業務及持續產生收益進行的評估，相反，其重點放在已取得的參數及已取得的重要過程能否共同對創造收益的能力作出重大貢獻。該修訂本亦收窄收益的定義，聚焦向客戶提供的貨品或服務、投資收益或來自日常活動的其他收入。此外，該修訂本提供有關評估已取得的過程是否屬重大的指引，並引入選擇性公允價值集中度測試，允許對一組已收購活動及資產是否屬一項業務進行簡單評估。本集團預期將於二零二零年一月一日起提前採納該修訂本。



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### 2.3 Issued but not yet Effective International Financial Reporting Standards (continued)

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

### 2.3 已頒佈惟未生效的國際財務報告準則 (續)

國際財務報告準則第10號及國際會計準則第28號的修訂本針對國際財務報告準則第10號及國際會計準則第28號之間有關投資者與其聯營公司或合營公司之間的資產出售或注資兩者規定的不一致性。該等修訂本規定，當投資者與其聯營公司或合營公司之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營公司或合營公司的權益為限。該等修訂本即將應用。國際財務報告準則第10號及國際會計準則第28號修訂本之前的強制性生效日期已於二零一五年十二月被國際會計準則委員會移除，新強制性生效日期將於對聯營公司及合營公司的會計處理進行更廣泛檢討完成後決定。然而，該等修訂本現已可供應用。



## 2.3 Issued but not yet Effective International Financial Reporting Standards (continued)

IFRS 16 replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC 15 *Operating Leases – Incentives* and SIC 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in IAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under IFRS 16 is substantially unchanged from the accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between operating leases and finance leases. IFRS 16 requires lessees and lessors to make more extensive disclosures than under IAS 17. Lessees

## 2.3 已頒佈惟未生效的國際財務報告準則 (續)

國際財務報告準則第16號取代國際會計準則第17號租賃、國際財務報告詮釋委員會第4號釐定安排是否包括租賃、常務詮釋委員會—第15號經營租賃—優惠及常務詮釋委員會—第27號評估涉及租賃法律形式之交易之內容。該準則載列確認、計量、呈列及披露租賃之原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項選擇性租賃確認豁免—低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認作出租賃付款之負債（即租賃負債）以及代表有權於租期內使用相關資產之資產（即使用權資產）。除非使用權資產符合國際會計準則第40號有關投資物業之定義或有關採納重估模式之物業、廠房及設備類別，否則使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債的後續增減變動將分別反映租賃負債利息及租賃付款。承租人將須分開確認租賃負債之利息開支及使用權資產之折舊開支。承租人亦須於發生若干事件（例如租賃期變動及因用於釐定未來租賃付款之指數或費率變動而導致該等付款變動）時重新計量租賃負債。承租人將一般確認重新計量租賃負債之金額，作為對使用權資產之調整。國際財務報告準則第16號項下之出租人會計對比國際會計準則第17號項下之會計並無大幅改變。出租人將繼續使用國際會計準則第17號中之相同分類原則分類所有租賃，並區分經營租賃及融資租賃。與國際會計準則第17號相比，國際財務報告準則第16號要求承租人及出租人作出更廣泛的披露。承租人於應用該項準則時，可選擇進行全面追溯採用，或經調節的追溯採用。本集團將自二零一九年一月一日起採納國際財務報告準則第16號。本集團計劃採納國際財務報告準則第16號的過渡條文，以確認首次採納的累計影響作為對二零一九年一月一日之保留溢利年初結餘的調整，且將不會重列比較數據。此外，本集團計劃對過往應用國際會計準則第17號識別為租賃的合約應用新規





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### 2.3 Issued but not yet Effective International Financial Reporting Standards *(continued)*

can choose to apply the standard using either a full retrospective or a modified retrospective approach. The Group will adopt IFRS 16 from 1 January 2019. The Group plans to adopt the transitional provisions in IFRS 16 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 January 2019 and will not restate the comparatives. In addition, the Group plans to apply the new requirements to contracts that were previously identified as leases applying IAS 17 and measure the lease liability at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of initial application. The right-of-use asset will be measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before the date of initial application. The Group plans to use the exemptions allowed by the standard on lease contracts whose lease terms end within 12 months as of the date of initial application. During 2018, the Group has performed a detailed assessment on the impact of adoption of IFRS 16. The Group has estimated that right-of-use assets of RMB15,166,000 and lease liabilities of RMB14,886,000 will be recognised at 1 January 2019 with a corresponding adjustments to the opening balance of retained earnings.

### 2.3 已頒佈惟未生效的國際財務報告準則 (續)

定，並按餘下租賃付款現值計量租賃負債（使用本集團於首次應用日期的增量借貸利率貼現）。使用權資產將按租賃負債金額計量，並按任何緊接首次應用日期前於財務狀況表確認的租賃相關預付或應計租賃付款金額進行調整。本集團計劃就租期於首次應用日期12個月內終止的租賃合約採用相關標準容許的豁免情況。於二零一八年，本集團已詳細評估採納國際財務報告準則第16號的影響。本集團估計，人民幣15,166,000元的使用權資產及人民幣14,886,000元的租賃負債將於二零一九年一月一日確認，並對保留溢利年初結餘進行相關調整。



## 2.3 Issued but not yet Effective International Financial Reporting Standards (continued)

Amendments to IAS 1 and IAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 28 clarify that the scope exclusion of IFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies IFRS 9, rather than IAS 28, including the impairment requirements under IFRS 9, in accounting for such long-term interests. IAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group expects to adopt the amendments on 1 January 2019 and will assess its business model for such long-term interests based on the facts and circumstances that exist on 1 January 2019 using the transitional requirements in the amendments. The Group also intends to apply the relief from restating comparative information for prior periods upon adoption of the amendments.

## 2.3 已頒佈惟未生效的國際財務報告準則 (續)

國際會計準則第1號及國際會計準則第8號的修訂本提供一個新的重大定義。新定義訂明，倘資料遺漏、失實或模糊不清，而可能合理預期會影響用作一般用途的財務報表的主要使用者按該等財務報表作出的決定，則資料屬重大。該等修訂本澄清，重要性將視乎資料的性質或重要性而定。倘資料失實可能合理預期影響主要使用者作出的決定，則屬重大。本集團預期自二零二零年一月一日起採納該等修訂本。該等修訂本預期不會對本集團的財務報表造成任何重大影響。

國際會計準則第28號的修訂本澄清國際財務報告準則第9號的範圍豁免僅包括採用權益法的聯營公司或合營公司的權益，且不包括實質上構成聯營公司或合營公司投資淨額一部分且並無採用權益法的長期權益。因此，於該等長期權益的會計處理中，實體應用國際財務報告準則第9號（包括國際財務報告準則第9號下的減值規定）而非國際會計準則第28號。只有在確認聯營公司或合營公司的虧損及聯營公司或合營公司投資淨額減值的情況下，方會於投資淨額（包括長期權益）應用國際會計準則第28號。本集團預期於二零一九年一月一日採納該等修訂本，並使用修訂本的過渡性規定，根據二零一九年一月一日所存在的事實及情況評估其就該等長期權益的業務模式。本集團亦有意於採納該等修訂後，採用前期重列比較資料的寬免。



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### 2.3 Issued but not yet Effective International Financial Reporting Standards (continued)

IFRIC 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of IAS 12 (often referred to as “**uncertain tax positions**”). The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The interpretation is to be applied retrospectively, either fully retrospectively without the use of hindsight or retrospectively with the cumulative effect of application as an adjustment to the opening equity at the date of initial application, without the restatement of comparative information. The Group expects to adopt the interpretation from 1 January 2019. The interpretation is not expected to have any significant impact on the Group’s financial statements.

### 2.3 已頒佈惟未生效的國際財務報告準則 (續)

國際財務報告詮釋委員會第23號有關當會計處理涉及會影響國際會計準則第12號應用的不確定性因素(常稱為「**不確定課稅情況**」)時,如何將所得稅(即期或遞延)入賬。該詮釋並不適用於國際會計準則第12號範疇以外的稅項或徵費,亦無載列與不確定稅務處理有關的利息及罰款之特定要求。詮釋具體處理(i)實體有否單獨考慮不確定稅務處理;(ii)稅務當局調查稅務處理時,實體作出的假設;(iii)實體如何釐定應課稅溢利或稅務虧損、稅基、未動用稅務虧損、未動用稅務抵免及稅率;以及(iv)實體如何考慮事實及情況變動。該詮釋即將在不利用後見之明的情況下全面追溯應用,或按應用的累積影響追溯應用(作為初始採納當日期初權益的調整,且並不會重列比較資料)。本集團預期自二零一九年一月一日起採納該詮釋。該詮釋預期不會對本集團的財務報表產生任何重大影響。



## 2.4 Summary of Significant Accounting Policies

### Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

## 2.4 主要會計政策概要

### 業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公允價值計算，該公允價值為本集團轉讓的資產於收購日期的公允價值、本集團自被收購方之前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公允價值或被收購方可識別資產淨值的應佔比例，計算於被收購方屬現時擁有權權益並賦予其持有人有權於清盤時按比例分佔實體的淨資產的非控股權益。非控股權益的一切其他成分乃按公允價值計量。收購相關成本於產生時列為開支。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適當的分類及標示，其中包括分離被收購方主合約中的嵌入式衍生工具。

倘業務合併分階段進行，以往持有的股本權益會以收購日期的公允價值重新計量，任何因此帶來的利益或虧損於損益中確認。



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### 2.4 Summary of Significant Accounting Policies (continued)

#### Business combinations and goodwill (continued)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

### 2.4 主要會計政策概要 (續)

#### 業務合併及商譽 (續)

將由收購方轉讓的任何或然代價於收購日期按公允價值確認。分類為資產或負債的或然代價按公允價值計量且其變動於損益確認。分類為權益的或然代價不會重新計量，其後結算於權益列賬。

商譽初始按成本計量，即已轉讓代價、已確認非控股權益金額及本集團先前持有被收購方股本權益的任何公允價值之總額超出所收購可識別資產淨值及所承擔負債的差額。倘此代價及其他項目的總和低於所收購淨資產的公允價值，則再評估後的差額於損益確認為議價收購所得利益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年進行減值測試，若有事件發生或情況改變顯示賬面值可能減值，則會更頻密地進行測試。本集團將於十二月三十一日進行商譽的年度減值測試。為進行減值測試，無論本集團其他資產或負債是否已分配至現金產生單位或現金產生單位組別，因業務合併而購入的商譽自收購日期起分配至預期可從合併產生的協同效益中獲益的本集團各現金產生單位或現金產生單位組別。



## 2.4 Summary of Significant Accounting Policies (continued)

### Business combinations and goodwill (continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

## 2.4 主要會計政策概要 (續)

### 業務合併及商譽 (續)

減值乃通過評估與商譽有關的現金產生單位(現金產生單位組別)的可收回金額釐定。當現金產生單位(現金產生單位組別)的可收回金額低於賬面值時，則確認減值虧損。已確認商譽減值虧損不得於其後期間撥回。

倘商譽已分配至現金產生單位(或現金產生單位組別)而該單位的部分業務已出售，則與所出售業務相關的商譽會在釐定出售的利益或虧損時計入該業務的賬面值。在該等情況下出售的商譽，乃根據所出售業務的相對價值及現金產生單位的保留份額計量。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Fair value measurement

The Group measures its derivative financial instruments, equity investments at fair value through profit or loss and certain available-for-sale investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## 2.4 主要會計政策概要 (續)

### 公允價值計量

本集團於各報告期末按公允價值計量其衍生金融工具、公允價值變動計入損益的權益性投資及若干可供出售投資。公允價值為市場參與者於計量日期在有序交易中出售資產所收取或轉讓負債所支付的價格。公允價值計量乃假設出售資產或轉讓負債的交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行。主要或最具優勢市場須為本集團可進入的市場。資產或負債的公允價值乃基於市場參與者為資產或負債定價時所用的假設計量(假設市場參與者依照彼等的最佳經濟利益行事)。

非金融資產的公允價值計量須計及市場參與者通過使用該資產之最高及最佳用途或將該資產出售予將使用其最高及最佳用途的另一市場參與者而產生經濟效益的能力。

本集團採納適用於不同情況且具備充分數據以供計量公允價值的估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。



## 2.4 Summary of Significant Accounting Policies (continued)

### Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

## 2.4 主要會計政策概要 (續)

### 公允價值計量 (續)

所有公允價值於本財務報表計量或披露的資產及負債乃基於對公允價值計量整體而言屬重大的最低層輸入數據按以下公允價值層級分類：

- 第一級 – 基於相同資產或負債於活躍市場的報價 (未經調整)
- 第二級 – 基於對公允價值計量而言屬重大的可觀察 (直接或間接) 最低層輸入數據的估值方法
- 第三級 – 基於對公允價值計量而言屬重大的不可觀察最低層輸入數據的估值方法

就按經常性基準於本財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類 (基於對公允價值計量整體而言屬重大的最低層輸入數據) 釐定是否發生不同等級轉移。





## 2.4 Summary of Significant Accounting Policies (continued)

### Impairment of non-financial assets

When an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

## 2.4 主要會計政策概要 (續)

### 非金融資產減值

如有跡象顯示出現減值，或須就資產進行年度減值測試（不包括存貨、金融資產及遞延稅項資產），則會估計資產的可收回金額。資產的可收回金額按資產或現金產生單位的使用價值及公允價值減銷售成本（以較高者為準）計算，並就個別資產而釐定，除非有關資產並無產生在頗大程度上獨立於其他資產或資產類別的現金流入，在此情況下，可收回金額就資產所屬的現金產生單位而釐定。

減值虧損僅於資產賬面值超逾其可收回金額時確認。於評估使用價值時，估計日後現金流量按可反映貨幣時間價值的現時市場評估及資產特定風險的稅前貼現率貼現至現值。減值虧損按與該減值資產功能相符的開支類別於產生期間的損益表內扣除。



## 2.4 Summary of Significant Accounting Policies (continued)

### Impairment of non-financial assets (continued)

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

## 2.4 主要會計政策概要 (續)

### 非金融資產減值 (續)

於各報告期間結束時均會就是否有任何跡象顯示先前確認的減值虧損不再存在或可能已經減少進行評估。倘存在任何上述跡象，則會估計可收回金額。僅當用於釐定資產的可收回金額的估計有所改變時，先前就資產（商譽除外）所確認的減值虧損方可撥回，但撥回的金額不可高於假設過往年度並無確認該資產的減值虧損的情況下資產的賬面值（已扣除折舊／攤銷）。撥回的減值虧損於其產生期間計入損益表。

### 關連人士

在下列情況下，有關方會被認為與本集團關連：

- (a) 有關人士為一名人士或該人士之關係密切家庭成員，而該人士
  - (i) 控制本集團或共同控制本集團；
  - (ii) 可對本集團發揮重大影響力；或
  - (iii) 為本集團或其母公司的主要管理人員；

或



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## 2.4 Summary of Significant Accounting Policies (continued)

### Related parties (continued)

- (b) the party is an entity where any of the following conditions applies:
- (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

## 2.4 主要會計政策概要 (續)

### 關連人士 (續)

- (b) 有關人士為適用任何以下條件的實體：
- (i) 該實體與本集團屬同一集團的成員公司；
  - (ii) 一實體為另一實體（或另一實體的母公司、附屬公司或同集團附屬公司）的聯營公司或合營公司；
  - (iii) 該實體與本集團為同一第三方的合營公司；
  - (iv) 一實體為一第三方的合營公司，而另一實體為同一第三方的聯營公司；
  - (v) 該實體為本集團或與本集團有關連的實體就僱員利益而設的僱員離職後福利計劃；
  - (vi) 該實體為(a)所述人士控制、或共同控制；
  - (vii) 於(a)(i)所識別人士對實體有重大影響或屬該實體（或該實體母公司）主要管理人員的一名成員；及
  - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供管理層關鍵人員服務。



## 2.4 Summary of Significant Accounting Policies (continued)

### Property, plant and equipment and depreciation

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

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives of property, plant and equipment are as follows:

Buildings	20 years
Plant and machinery	8 – 10 years
Office equipment	3 – 5 years
Motor vehicles	4 – 5 years
Tooling and equipment	3 – 5 years

## 2.4 主要會計政策概要 (續)

### 物業、廠房及設備折舊

除在建工程外，物業、廠房及設備按成本減累計折舊及任何減值虧損後列賬。物業、廠房及設備項目成本包括其購入價及使資產達致其擬定用途的運作狀況及地點的任何直接應佔成本。

物業、廠房及設備項目投入運作後所產生的支出（例如維修及保養費用），一般於其產生期間從損益表中扣除。倘達到確認標準，則重大檢查的開支將視同更換該資產並予以資本化在該資產的賬面淨值中列示。倘須定期重置大部分物業、廠房及設備，則本集團會將該等部分確認為有特定可使用年期及相應折舊其個別資產。

折舊以直線法計算，以按每項物業、廠房及設備項目的估計可使用年期撇銷其成本至其剩餘價值。物業、廠房及設備的估計可使用年期如下：

樓宇	20年
廠房及機器	8 – 10年
辦公室設備	3 – 5年
汽車	4 – 5年
工具及設備	3 – 5年



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## 2.4 Summary of Significant Accounting Policies (continued)

### Property, plant and equipment and depreciation (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents buildings, plant and machinery under construction or installation and testing. It is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction or installation and testing and capitalised borrowing costs on related borrowed funds during the period of construction or installation and testing. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

## 2.4 主要會計政策概要 (續)

### 物業、廠房及設備折舊 (續)

倘物業、廠房及設備項目的各部分有不同的可使用年期，該項目的成本將在各部分之間作合理分配，而每部分將個別計提折舊。剩餘價值、可使用年期及折舊方法於每個報告日期進行評估，並在適當時候作出調整。

物業、廠房及設備項目於處置時或當其使用或處置預期不會產生任何日後經濟利益時終止確認。被終止確認的資產因其處置或報廢而產生的任何損益，為有關資產的銷售所得款項淨額與賬面值的差額，於該資產終止確認的年度計入損益表。

在建工程指在建或安裝及測試的樓宇、廠房及機器，按成本減任何減值虧損列賬，並不會計提折舊。成本包括建築或安裝和測試期間的直接建築或安裝和測試成本以及對有關借貸資金撥充資本的借款成本。在建工程於完工及可使用時重新分類為適當類別的物業、廠房及設備。



## 2.4 Summary of Significant Accounting Policies (continued)

### Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on the straight-line basis over the estimated useful lives ranging from 20 to 48 years.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use.

### Properties under development

Properties under development are stated at the lower of cost and net realisable value. Cost comprises the land costs, construction costs, capitalised borrowing costs and other cost directly attributed to such properties during the period of construction.

## 2.4 主要會計政策概要 (續)

### 投資物業

投資物業為就賺取租金收入及／或資本增值而持有之土地及樓宇之權益（包括可能符合投資物業之定義而根據物業經營租約之租賃權益），而非用作生產或供應貨物或服務或用作行政用途、或就於日常業務進行銷售而持有之土地及樓宇權益。該等物業首次以成本（包括交易成本）計算。於首次確認後，投資物業按成本減任何累計折舊及任何累計減值虧損列賬。折舊按介乎於20年至48年至估計可使用年期，以直線法計算。

倘本集團佔用的物業（作為擁有人自用物業）成為投資物業，本集團會根據「物業、廠房及設備與折舊」項下訂明的政策對該物業列賬，直至用途改變當日。

### 發展中物業

發展中物業乃按成本與可變現淨值之較低者列賬。成本包括土地成本、建築成本、資本化借貸成本及建築期間有關物業應佔的其他直接成本。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Properties under development (continued)

Properties under development are initially classified as non-current assets and transferred to current assets under the category of properties held for sale when the construction of the relevant properties commences and the construction period of the relevant property development project is expected to complete within the normal operating cycle.

### Completed properties held for sale

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost is determined by an apportionment of the total land and buildings costs attributable to unsold properties. Net realisable value is estimated by the directors based on the prevailing market prices, on an individual property basis.

### Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition as cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

## 2.4 主要會計政策概要 (續)

### 發展中物業 (續)

發展中物業初步分類為非流動資產，並於有關物業動工時轉為流動資產中持作出售之物業類別，預計有關物業開發項目之動工期將於正常營運期間內完成。

### 持作出售已落成物業

持作待售已落成物業乃按成本及可變現淨值之較低者列賬。成本乃藉分配未出售單位應佔之總土地及樓宇成本而釐定。可變現淨值乃按個別物業基準由董事按當時市況估算。

### 無形資產 (商譽除外)

分開收購的無形資產於初始確認時按成本確認。於業務合併中購入的無形資產的成本為收購當日的公允價值。無形資產的可使用年期乃評估為有限。具有有限可使用年期的無形資產在可使用經濟年期內攤銷，並於有跡象顯示無形資產可能減值時評估減值。具有有限可使用年期的無形資產的攤銷年期及攤銷方法最低限度於每個財務年度結算日作評估。



## 2.4 Summary of Significant Accounting Policies (continued)

### Intangible assets (other than goodwill) (continued)

#### Computer software

Computer software of the Group is amortised on the straight-line basis over the estimated useful life of 10 years.

#### Customer relationship

Customer relationship of the Group is amortised on the straight-line basis over the estimated useful life of 10 years.

#### Trademark

Trademark of the Group is amortised on the straight-line basis over the estimated useful life of 8 years.

#### Licence

Licence of the Group is amortised on the straight-line basis over the estimated useful life of 10 years.

#### Research and development costs

All research costs are charged to the statement of profit or loss as incurred.

## 2.4 主要會計政策概要 (續)

### 無形資產 (商譽除外) (續)

#### 電腦軟件

本集團的電腦軟件於估計可使用年限10年內按直線基準攤銷。

#### 客戶關係

本集團的客戶關係以直線法於其10年的估計可使用年期內攤銷。

#### 商標

本集團的商標以直線法於其8年的估計可使用年期內攤銷。

#### 牌照

本集團牌照以直線法於其10年的估計可使用年期內攤銷。

#### 研究及開發成本

所有研究成本會於產生時列支於損益表。





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## 2.4 Summary of Significant Accounting Policies (continued)

### Intangible assets (other than goodwill) (continued)

#### Research and development costs (continued)

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding five years, commencing from the date when the products are put into commercial production.

### Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases, net of any incentives received from the lessor, are charged to the statement of profit or loss on the straight-line basis over the lease terms.

## 2.4 主要會計政策概要 (續)

### 無形資產 (商譽除外) (續)

#### 研究及開發成本 (續)

研發新產品項目所產生的開支只會在本集團能夠顯示其在技術上能夠完成無形資產以能供使用或出售、打算完成資產並能夠加以使用或將之出售、資產將可能產生的未來經濟實益、有足夠資源以完成項目並且有能力可靠地計算發展期間的開支的情況下，才會撥作資本及遞延。倘未能符合以上準則，產品研發開支會在產生時支銷。

遞延開發成本按成本減任何減值虧損列賬，並按直線法在有關產品不超出五年商業壽命（由產品投入商業生產之日期起計）之期間予以攤銷。

### 經營租賃

凡資產所有權的絕大部分回報及風險仍歸出租人所有的租約，均以經營租賃入賬。倘本集團為出租人，則本集團根據經營租賃出租的資產均計入非流動資產，而根據經營租賃應收的租金於租賃期內以直線法計入損益表。倘本集團為承租人，則根據經營租賃應付的租金扣除獲出租人給予的任何優惠後於租賃期內以直線法自損益表扣除。



## 2.4 Summary of Significant Accounting Policies (continued)

### Operating leases (continued)

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018)

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition (applicable from 1 January 2018)" below.

## 2.4 主要會計政策概要 (續)

### 經營租賃 (續)

經營租賃下的預付土地租賃款項初始按成本列值，其後於租賃年內以直線法基準確認。

### 投資及其他金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策)

#### 初始確認及計量

金融資產於初始確認時分類為其後按攤銷成本、按公允價值變動計入其他全面收益及按公允價值變動計入損益計量。

初始確認時，金融資產的分類取決於金融資產的合約現金流量特性及本集團管理該等金融資產的業務模式。除並無重大融資部分或本集團已就其應用不調整重大融資部分的影響的可行權宜方法的貿易應收款項外，本集團初始按公允價值加上交易成本（倘金融資產並非按公允價值變動計入損益）計量金融資產。並無重大融資部分或本集團已應用可行權宜方法的貿易應收款項根據下文「收益確認（自二零一八年一月一日起適用）」載列的政策按國際財務報告準則第15號釐定的交易價格計量。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### Initial recognition and measurement (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

The Group’s business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### 初始確認及計量 (續)

為使金融資產按攤銷成本或按公允價值變動計入其他全面收益進行分類及計量，需產生純粹支付本金及未償還本金利息（「純粹支付本金及利息」）的現金流量。

本集團管理金融資產的業務模式指其管理其金融資產以產生現金流量的方式。業務模式將決定現金流量是否由於收取合約現金流量、出售金融資產，或兩者所致。

任何正常方式購買及出售的金融資產應於交易日，即本集團承諾購買或出售資產的日期確認。正常方式指遵循相關市場中的規則或慣例在約定時間內交付該項金融資產。



## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

#### Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### 後續計量

金融資產的後續計量方法按其分類如下：

#### 按攤銷成本計量之金融資產 (債務工具)

倘滿足以下兩個條件，本集團將按攤銷成本計量金融資產：

- 於旨在持有金融資產以收取合約現金流量的業務模式中持有的金融資產。
- 金融資產的合約條款於特定日期產生的現金流量純粹為支付本金及未償還本金的利息。

按攤銷成本計量之金融資產後續使用實際利率法計量，並可能受減值影響。當資產終止確認、修訂或減值時，收益及虧損於損益表確認。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### Subsequent measurement (continued)

Financial assets at fair value through other comprehensive income (debt instruments)

The Group measures debt investments at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### 後續計量 (續)

公允價值變動計入其他全面收益之金融資產 (債務工具)

倘滿足以下兩個條件，本集團將按公允價值變動計入其他全面收益計量債務投資：

- 於旨在持有金融資產以收取合約現金流量及出售金融資產的業務模式中持有的金融資產。
- 金融資產的合約條款於特定日期產生的現金流量純粹為支付本金及未償還本金的利息。

就按公允價值變動計入其他全面收益的債務投資而言，利息收益、外匯重估及減值虧損或撥回於損益表確認，並按與按攤銷成本計量的金融資產相同的方式計量。其餘公允價值變動於其他全面收益確認。終止確認時，於其他全面收益中確認的累計公允價值變動將重新計入損益。



## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### Subsequent measurement (continued)

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### 後續計量 (續)

指定按公允價值變動計入其他全面收益之金融資產 (權益性投資)

於初始確認時，本集團可選擇於權益性投資符合國際會計準則第32號金融工具：呈報項下的權益定義且並非持作買賣時，將其權益性投資不可撤回地分類為指定按公允價值變動計入其他全面收益的權益性投資。分類乃按個別工具基準釐定。

該等金融資產的收益及虧損概不會被重新計入損益表。當確立支付權時，股息於損益表確認為其他收入，有關股息的經濟利益可能流入本集團且股息金額會被可靠計量，惟當本集團於作為收回金融資產一部分成本的所得款項中獲益時則除外，於此等情況下，該等收益於其他全面收益入賬。指定按公允價值變動計入其他全面收益的權益性投資不受減值評估影響。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### Subsequent measurement (continued)

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### 後續計量 (續)

#### 公允價值變動計入損益之金融資產

公允價值變動計入損益的金融資產包括持作買賣的金融資產、於初始確認時指定為公允價值變動計入損益的金融資產或強制要求按公允價值計量的金融資產。為於短期內出售或購回而購入的金融資產均列為持作買賣。衍生工具 (包括獨立嵌入式衍生工具) 亦分類為持作買賣, 除非被指定為實際對沖工具。現金流量並非純粹支付本金及利息的金融資產, 不論其業務模式, 均按公允價值變動計入損益進行分類及計量。儘管上述債務工具須根據標準按攤銷成本或按公允價值變動計入其他全面收益分類, 惟於初始確認時, 倘能夠消除或顯著減少會計錯配, 則債務工具可指定為按公允價值變動計入損益。

按公允價值變動計入損益的金融資產在財務狀況表以公允價值列示, 公允價值變動淨增加於損益表確認。



## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### Subsequent measurement (continued)

Financial assets at fair value through profit or loss (continued)

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

### Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018)

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### 後續計量 (續)

公允價值變動計入損益之金融資產 (續)

該類別包括本集團並無不可撤回地選擇分類為按公允價值變動計入其他全面收益的衍生工具及權益性投資。分類為按公允價值變動計入損益的金融資產的權益性投資股息亦於取得支付權時於損益表確認為其他收入，與股息相關的經濟利益很可能會流入本集團並能可靠地計量股息金額。

### 投資及其他金融資產 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策)

#### 初始確認及計量

金融資產於初始確認時分類為按公允價值變動計入損益之金融資產、貸款及應收款項以及可供出售金融投資。金融資產初始確認時，以公允價值加收購該金融資產時產生的交易成本計量，惟公允價值變動計入損益的金融資產除外。





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## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

#### Initial recognition and measurement (continued)

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

#### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策) (續)

#### 初始確認及計量 (續)

任何正常方式購買及出售的金融資產應於交易日，即本集團承諾購買或出售資產的日期確認。正常方式指遵循相關市場中的規則或慣例在約定時間內交付該項金融資產。

#### 後續計量

金融資產的後續計量方法按其分類如下：

#### 公允價值變動計入損益之金融資產

公允價值變動計入損益的金融資產包括持作買賣的金融資產和初始確認時指定為公允價值變動計入損益的金融資產。購入目的為於短期內出售的金融資產歸類為持作買賣的金融資產。衍生工具 (包括獨立嵌入式衍生工具) 亦分類為持作買賣金融資產，惟根據國際會計準則第39號獲指定為實際對沖工具之衍生工具則除外。



## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

#### Subsequent measurement (continued)

Financial assets at fair value through profit or loss (continued)

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for “Revenue recognition (applicable before 1 January 2018)” below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IAS 39 are satisfied.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策) (續)

#### 後續計量 (續)

公允價值變動計入損益之金融資產 (續)

按公允價值計入損益的金融資產在財務狀況表以公允價值列示，公允價值變動淨值於損益表確認。該等公允價值淨變動不包括該等金融資產賺取的任何股息或利息，該等股息或利息會根據下文「收益確認 (於二零一八年一月一日之前適用)」所載政策確認。

初始確認時指定為按公允價值變動計入損益的金融資產在初始確認當日指定，且必須符合國際會計準則第39號的標準。

#### 貸款及應收款項

貸款及應收款項指有固定或可確定付款 (在活躍市場上沒有報價) 的非衍生金融資產。於初始計量後，該等資產的賬面值採用實際利率法以攤銷成本減去任何減值撥備計量。計算攤銷成本時已考慮購買產生的任何折價或溢價，並已包括作為實際利率不可或缺的費用和交易費用。實際利率攤銷計入損益表。減值產生的虧損在損益表確認。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

#### Subsequent measurement (continued)

#### Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the statement of profit or loss as other income in accordance with the policies set out for “Revenue recognition (applicable before 1 January 2018)” below.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策) (續)

#### 後續計量 (續)

#### 可供出售金融投資

可供出售金融投資指上市及非上市權益性投資及債務證券中的非衍生金融資產。既非持作買賣，又非指定為按公允價值變動計入損益的權益性投資歸類為可供出售，無固定持有期限且可因流動資金需求或市況改變而出售的債務證券歸類至該類別。

初始確認後，可供出售金融投資後續按公允價值計量，未變現收入或虧損於可供出售投資重估儲備確認為其他全面收益，直至終止確認投資（累計收益或虧損於損益表確認）或投資被釐定已減值（累計收益或虧損自可供出售投資重估儲備重新分類至損益表）為止。持有可供出售金融投資所賺取的利息及股息分別呈報為利息收益及股息收益，根據下文「收益確認（於二零一八年一月一日之前適用）」所載政策於損益表內確認為其他收入。



## 2.4 Summary of Significant Accounting Policies (continued)

### Investments and other financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

#### Subsequent measurement (continued)

#### Available-for-sale financial investments (continued)

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to the statement of profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

## 2.4 主要會計政策概要 (續)

### 投資及其他金融資產 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策) (續)

#### 後續計量 (續)

#### 可供出售金融投資 (續)

當非上市權益性投資的公允價值由於(a)公允價值合理估計範圍的變化對該投資而言屬重大或(b)上述範圍內各種預計的機率難以合理評估並用於估計公允價值而無法可靠計量時，該等投資以成本減任何減值虧損列賬。

本集團評估是否有能力及意向以及是否適宜在短期內出售可供出售金融資產。在很少情況下，當本集團由於缺乏活躍市場而無法買賣該等金融資產時，倘管理層有能力及意向在可見將來持有該等資產或持有至到期，本集團或會選擇對該等金融資產進行重新分類。

倘金融資產從可供出售類別重新劃分為其他類別，則重新分類當日的公允價值賬面值為其新攤銷成本，之前於權益確認的該資產的收益或虧損採用實際利率法於剩餘投資年期內在損益表攤銷。新攤銷成本與到期金額的差額亦採用實際利率法於資產剩餘年期內攤銷。倘資產其後釐定為已減值，則計入權益的金額重新分類至損益表。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Derecognition of financial assets (policies under IFRS 9 applicable from 1 January 2018 and policies under IAS 39 applicable before 1 January 2018)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

## 2.4 主要會計政策概要 (續)

### 終止確認金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下政策及二零一八年一月一日之前適用的國際會計準則第39號項下政策)

金融資產 (或倘適用, 一項金融資產的一部分或一組同類金融資產的一部分) 在下列情況下將予終止確認 (即自本集團之綜合財務狀況表中撇除):

- 自資產收取現金流量的權利已屆滿; 或
- 本集團已轉讓自資產收取現金流量的權利, 或已根據一項「轉付」安排承擔責任, 在無重大延誤情況下, 將所得現金流量全數付予第三方; 及本集團(a)已轉讓資產的絕大部分風險及回報; 或(b)並無轉讓或保留資產的絕大部分風險及回報, 但已轉讓資產的控制權。

當本集團已轉讓其自一項資產收取現金流量的權利或已訂立轉付安排, 則本集團會評估有否保留該資產所有權的風險及回報以及其程度。於並無轉讓或保留該資產的絕大部分風險及回報, 亦無轉讓該資產的控制權時, 本集團繼續確認該轉讓資產, 以參與該資產的程度而確認入賬。於該情況下, 本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團保留的權利及義務的基準計量。



## 2.4 Summary of Significant Accounting Policies (continued)

### Derecognition of financial assets (policies under IFRS 9 applicable from 1 January 2018 and policies under IAS 39 applicable before 1 January 2018) (continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### Impairment of financial assets (policies under IFRS 9 applicable from 1 January 2018)

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

## 2.4 主要會計政策概要 (續)

### 終止確認金融資產 (自二零一八年一月一日起適用的國際財務報告準則第9號項下政策及二零一八年一月一日之前適用的國際會計準則第39號項下政策) (續)

以就已轉讓資產作出保證形式的持續參與，按該項資產的原有賬面值及本集團或須償還的最高代價金額 (以較低者為準) 計量。

### 金融資產減值 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策)

本集團就所有並非按公允價值變動計入損益的債務工具確認預期信貸虧損撥備。預期信貸虧損基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而計算，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他信貸提升措施。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Impairment of financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are one year past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### 一般方法

預期信貸虧損分兩階段確認。就初始確認以來信貸風險並無大幅增加的信貸敞口而言，會為未來12個月可能發生的違約事件所產生的信貸虧損 (12個月預期信貸虧損) 計提預期信貸虧損撥備。就初始確認以來信貸風險大幅增加的信貸敞口而言，須就預期於敞口的餘下年期產生的信貸虧損計提減值撥備 (不論違約的時間) (全期預期信貸虧損)。

本集團於各報告日期評估金融工具的信貸風險是否自初始確認以來顯著增加。於評估時，本集團將於報告日期金融工具發生違約的風險與初始確認日期金融工具發生違約的風險進行比較，並考慮無需不必要成本或精力即可取得的合理及可靠資料，包括歷史及前瞻性資料。

倘合約付款已逾期超過一年，則本集團認為金融資產屬違約。然而，在若干情況下，倘內部或外界資料顯示，在計及本集團作出的任何現有信貸升級措施前，本集團悉數收回未償還合約款項的可能偏低，則本集團亦可認為金融資產屬違約。倘無合理預期可收回合約現金流量時，金融資產將予以撇銷。



## 2.4 Summary of Significant Accounting Policies (continued)

### Impairment of financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### General approach (continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### 一般方法 (續)

按公允價值變動計入其他全面收益的債務投資及按攤銷成本計量之金融資產於一般方法下會出現減值，且於以下階段就預期信貸虧損計量予以分類，惟採用下文所述簡化方法計量的貿易應收款項及合約資產除外。

- 第1階段 – 信貸風險自初始確認起並未大幅增加且其虧損撥備按等於12個月預期信貸虧損的數額計量的金融工具
- 第2階段 – 信貸風險自初始確認起大幅增加但並非信貸減值金融資產且其虧損撥備按等於全期預期信貸虧損的數額計量的金融工具
- 第3階段 – 於報告日期出現信貸減值 (但並非購入或源生信貸減值) 且其虧損撥備按等於全期預期信貸虧損的數額計量的金融資產





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## 2.4 Summary of Significant Accounting Policies (continued)

### Impairment of financial assets (policies under IFRS 9 applicable from 1 January 2018) (continued)

#### *Simplified approach*

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### Impairment of financial assets (policies under IAS 39 applicable before 1 January 2018)

The Group assesses at the end of the reporting period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the financial asset or a group of financial assets have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (自二零一八年一月一日起適用的國際財務報告準則第9號項下的政策) (續)

#### *簡化方法*

就並無重大融資部分或本集團就其應用不調整重大融資部分的影響的可行權宜方法的貿易應收款項而言，本集團採用簡化方法計算預期信貸虧損。根據簡化方法，本集團並未追蹤信貸風險變動，轉而於各報告日期根據全期預期信貸虧損確認虧損撥備。本集團已根據其過往信貸虧損經驗建立撥備矩陣，並就並按與債務人相關的前瞻性因素及經濟狀況調整。

### 金融資產減值 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策)

本集團於報告期末評估是否存在客觀跡象顯示一項或一組金融資產出現減值。倘於初始確認一項或一組金融資產後發生一宗或多宗事件，而該事件對該項或該組金融資產的估計未來現金流量所造成的影響乃能夠可靠地估計，則會被視作減值。減值證據可包括一名或一群債務人正面臨重大財務困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約相關的經濟狀況。



## 2.4 Summary of Significant Accounting Policies (continued)

### Impairment of financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

#### *Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策) (續)

#### *按攤銷成本列賬的金融資產*

就按攤銷成本列賬的金融資產而言，本集團首先會按個別基準就個別屬重大的金融資產或按組合基準就個別不屬重大的金融資產，個別評估是否存在客觀減值跡象。倘本集團認定按個別基準經評估的金融資產（無論具重要性與否）並無客觀跡象顯示存有減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產內，並共同評估該組金融資產是否存在減值。經個別評估減值的資產，其減值虧損會予確認或繼續確認入賬，而不會納入綜合減值評估之內。

任何已確認的減值虧損金額按該資產賬面值與估計未來現金流量（不包括並未產生的未來信貸虧損）現值的差額計量。估計未來現金流量的現值以金融資產的初始實際利率（即初次確認時計算的實際利率）折現。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Impairment of financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

#### *Financial assets carried at amortised cost (continued)*

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to the statement of profit or loss.

#### *Available-for-sale financial investments*

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策) (續)

#### *按攤銷成本列賬的金融資產 (續)*

該資產的賬面值會直接減少或通過使用備抵賬而減少，而虧損金額會於損益表確認。利息收益於減少後賬面值中持續產生，且採用計量減值虧損時用以折現未來現金流量的利率累計。若日後收回不可實現，並且所有抵押品已變現或已轉往本集團，則撇清貸款及應收款項連同任何相關撥備。

倘若在其後期間估計減值虧損金額由於確認減值之後發生的事項增加或減少，則透過調整撥備金額增加或減少先前確認的減值虧損。倘於其後收回未來撇清，該項收回將計入損益表中。

#### *可供出售金融投資*

就可供出售金融投資而言，本集團會於各報告期末評估有否客觀證據顯示一項投資或一組投資出現減值。



## 2.4 Summary of Significant Accounting Policies (continued)

### Impairment of financial assets (policies under IAS 39 applicable before 1 January 2018) (continued)

#### Available-for-sale financial investments (continued)

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. “Significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss – is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is “significant” or “prolonged” requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

## 2.4 主要會計政策概要 (續)

### 金融資產減值 (於二零一八年一月一日之前適用的國際會計準則第39號項下的政策) (續)

#### 可供出售金融投資 (續)

當可供出售資產減值時，其成本（扣除任何本金付款和攤銷）和其現有公允價值，扣減之前曾在損益表內被確認之任何減值虧損之差額，將自其他全面收益移除，並在損益表內確認。

倘權益性投資被列作可出售類別，則客觀證據將包括該項投資之公允價值大幅或長期跌至低於其成本值。「大幅」是相對於投資之原始成本評估，而「長期」則相對於公允價值低於原始成本之時期而評估。倘出現減值證據，則累計虧損（按收購成本與現時公允價值之差額減該項投資先前在損益表內確認之任何減值虧損計量）將從其他全面收益中移除，並於損益表內確認。歸類為可供出售之股權工具之減值虧損不可透過損益表撥回。公允價值扣除減值後的增加額乃於其他全面收益內直接確認。

對於「大幅」以及「長期」定義需要進行判斷。本集團根據一項投資的公允價值低於其成本的持續時間或程度，結合其他因素進行判斷。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Financial liabilities (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018)

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables and accruals, and interest-bearing bank borrowings.

#### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

#### Loans and borrowings

After initial recognition, interest-bearing bank borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

## 2.4 主要會計政策概要 (續)

### 金融負債 (自二零一八年一月一日起適用的國際財務報告準則第9號項下政策及二零一八年一月一日之前適用的國際會計準則第39號項下政策)

#### 初始確認及計量

金融負債於初始確認時被分類為按公允價值變動計入損益之金融負債、貸款及借貸或應付款項 (如適用)。

所有金融負債初始按公允價值確認，而如屬貸款及借貸以及應付款項，則扣除直接應佔交易成本。

本集團的金融負債包括貿易應付款項及應付票據、其他應付款項及應計費用及計息銀行借貸。

#### 後續計量

金融負債按其分類之隨後計量如下：

#### 貸款及借貸

初始計量後，計息銀行借貸後續採用實際利率法按攤銷成本計量，除非貼現的影響屬非重大，則按成本計量。當負債終止確認以及透過實際利率法攤銷過程時，收益及虧損於損益表內確認。



## 2.4 Summary of Significant Accounting Policies (continued)

### Financial liabilities (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018) (continued)

#### Subsequent measurement (continued)

#### Loans and borrowings (continued)

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

### Derecognition of financial liabilities (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

## 2.4 主要會計政策概要 (續)

### 金融負債 (自二零一八年一月一日起適用的國際財務報告準則第9號項下政策及二零一八年一月一日之前適用的國際會計準則第39號項下政策) (續)

#### 後續計量 (續)

#### 貸款及借貸 (續)

計算攤銷成本時，應考慮購買產生的任何折價或溢價，並包括作為實際利率不可或缺的費用或成本。實際利率攤銷列入損益表內財務成本中。

### 終止確認金融負債 (自二零一八年一月一日起適用的國際財務報告準則第9號項下政策及二零一八年一月一日之前適用的國際會計準則第39號項下政策)

金融負債於債項下的責任被解除或取消或屆滿時終止確認。

倘現有金融負債由同一貸方授予條款迥異的其他債項取代，或現有負債的條款經重大修訂，則該等變更或修訂視作終止確認原負債及確認新負債，各賬面值的差額於損益表內確認。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Offsetting of financial instruments (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018)

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### Derivative financial instruments (policies under IFRS 9 applicable from 1 January 2018 and IAS 39 applicable before 1 January 2018)

#### *Initial recognition and subsequent measurement*

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are recognised directly in the statement of profit or loss.

## 2.4 主要會計政策概要 (續)

### 抵銷金融工具 (自二零一八年一月一日起適用的國際財務報告準則第9號項下政策及二零一八年一月一日之前適用的國際會計準則第39號項下政策)

倘現時存在一項可依法強制執行的權利，可抵銷已確認金額，且亦有意以淨額結算或同時變現資產及償付債務，則金融資產及金融負債均可予抵銷，並將淨金額列入財務狀況表內。

### 衍生金融工具 (自二零一八年一月一日起適用的國際財務報告準則第9號項下政策及二零一八年一月一日之前適用的國際會計準則第39號項下政策)

#### *初始確認及後續計量*

本集團採用衍生金融工具，比如遠期貨幣合約，對外匯風險進行套期保值。此類衍生金融工具於訂立衍生合約日按公允價值初始確認，後續按公允價值重新計量。如衍生品公允價值為正，則按資產入賬，如公允價值為負，則按負債入賬。

衍生工具公允價值變動所產生之任何收益或損失直接於損益表中確認。



## 2.4 Summary of Significant Accounting Policies (continued)

### Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis. The costs of raw materials comprise the purchasing costs of the materials and other costs incurred in bringing the materials to their present locations and conditions. The costs of work in progress and finished goods comprise direct materials, direct labour and an appropriate proportion of manufacturing overheads. Net realisable value is based on estimated selling prices, less estimated costs to be incurred to completion and disposal.

### Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

## 2.4 主要會計政策概要 (續)

### 存貨

存貨按成本值及可變現淨值兩者的較低者列賬。成本值按加權平均法計算。原材料成本包括材料的購買成本及將材料運至現有地點並達致現時狀況的其他成本。在製品及製成品的成本包括直接物料成本、直接勞動成本及製造過程經常性開支中的適當部分。可變現淨值乃根據估計售價扣除完成及處置時預期產生的成本計算。

### 現金及現金等價物

就編製綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時轉換為已知數額現金並一般於購入後三個月內到期且受價值變動風險影響輕微的短期高流通性投資，再扣除須於要求時償還並構成本集團的現金管理一部分的銀行透支。

就綜合財務狀況表而言，現金及現金等價物包括手頭現金及銀行現金（包括定期存款），而其用途不受限制。





## 2.4 Summary of Significant Accounting Policies (continued)

### Provisions

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is included in finance costs in the statement of profit or loss.

The Group provides for warranties in relation to the sale of certain industrial products for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate.

### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

## 2.4 主要會計政策概要 (續)

### 撥備

倘本集團因過往事件導致現有債務(法定或推定)及日後可能需要有經濟利益外流以償還債務,並在能對有關債務金額作出可靠估計的情況下,方可確認撥備。

倘貨幣的時間價值的影響屬重大,則確認撥備的數額將按反映(如適用)有關債務獨有風險的現有除稅前貼現率進行貼現。倘使用貼現方法,因時間流逝而引致撥備的增加將在損益表的財務成本內確認。

本集團就銷售若干工業產品提供保修金,以對保修期內發生的缺陷進行一般維修。本集團就該等保證型保修金作出的撥備乃按銷量及過去的維修及退貨情況確認,並在適當的情況下貼現至其現值。

### 所得稅

所得稅由即期及遞延稅項組成。與確認於損益外的項目相關的所得稅,會在損益外確認為其他全面收益或直接計入權益。



## 2.4 Summary of Significant Accounting Policies (continued)

### Income tax (continued)

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the jurisdictions in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## 2.4 主要會計政策概要 (續)

### 所得稅 (續)

即期稅項資產及負債以預期從稅務主管部門返還或獲支付的金額計量。採用的稅率（及稅法）為於報告期末已頒佈或大致上已頒佈的稅率（及稅法），並需考慮本集團經營所處地區現行的詮釋及常規作法。

遞延稅項採用負債法，就財務報告目的而言，對所有於各報告期末就資產和負債的賬面值與計稅基礎不同而引致的暫時性差額提撥準備。

遞延稅項負債乃就所有應課稅暫時性差額確認，除非：

- 遞延稅項負債來自於一項非業務合併交易中初始確認的一項資產或負債，且於交易之時，既不影響會計溢利亦不影響應課稅溢利或虧損；及
- 乃關乎於附屬公司及聯營公司的投資的應課稅暫時性差額，惟暫時性差額的撥回時間可予控制，且暫時性差額可能不會於可見將來撥回。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

## 2.4 主要會計政策概要 (續)

### 所得稅 (續)

遞延稅項資產乃就所有可扣減暫時性差額、結轉未動用稅項抵免及未動用稅項虧損確認，惟以將來有應課稅溢利用於抵銷可扣減暫時性差額，以及結轉未動用稅項抵免及未動用稅項虧損為限，除非：

- 遞延稅項資產關乎因資產或負債於一項非業務合併交易中被初始確認的可扣減暫時性差額，並於交易進行時既不影響會計溢利亦不影響應課稅溢利或虧損；及
- 乃關乎於附屬公司及聯營公司的投資的應扣減暫時性差額，遞延稅項資產的確認僅限於暫時性差額可能於可見將來撥回而且將來有應課稅溢利用於抵銷可動用的暫時性差額。

於各報告期末時審閱遞延稅項資產的賬面值，並減低至不再有足夠應課稅溢利可用以全部或部分抵銷可確認遞延稅項資產為止。未確認的遞延稅項資產將於各報告期末再被評估，並在有足夠應課稅溢利抵銷全部或部分可用遞延稅項資產時被確認。



## 2.4 Summary of Significant Accounting Policies (continued)

### Income tax (continued)

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

Deferred tax assets and deferred tax liabilities are offset and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which is intended to compensate, are expensed. Where the grant relates to an asset, the fair value is credited to a deferred government grant account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

## 2.4 主要會計政策概要 (續)

### 所得稅 (續)

遞延稅項資產及負債乃根據各報告期末已頒佈或大致上已頒佈的稅率(及稅法),按資產變現或負債清償期間的預期適用稅率計算。

當且僅當本集團擁有法定行使權可將當期稅項資產與當期稅項負債相互抵銷及遞延稅項資產與遞延稅項負債與由同一稅務機關對同一應課稅實體或不同的應課稅實體所徵收的所得稅有關,而該等實體有意在日後每個預計有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回的期間內,按淨額基準清償當期稅項負債及資產,或同時變現該資產及清償該負債,即遞延稅項資產可與遞延稅項負債互相抵銷。

### 政府補貼

倘能合理確定能收到補貼及遵循補貼的所有相關條件,政府補貼會按公允價值確認。倘補貼與開支項目相關,會在按擬用以彌償成本的期間以系統化基準確認為收益。倘補貼與資產相關,公允價值會計入遞延政府補貼賬目,並於有關資產預計可使用年期內以數額相等的年度款項撥入損益表。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Revenue recognition (applicable from 1 January 2018)

#### *Revenue from contracts with customers*

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

## 2.4 主要會計政策概要 (續)

### 收益確認 (自二零一八年一月一日起適用)

#### *客戶合約收益*

客戶合約收益於貨物或服務的控制權轉讓予客戶時確認，其金額反映本集團預期於轉讓該等貨物或服務時有權享有的代價。

倘合約代價包含可變金額，則其根據本集團於就交換向客戶轉讓貨物或服務時將享有的代價金額進行估計。可變代價於合約開始時估計並受到限制，直至與可變金額相關的不確定性於其後解除時，有關累計已確認收益金額的重大收益撥回極可能不會產生時方可解除。

倘合約包括給予客戶有關向其轉讓貨物或服務的重大融資利益(一年以上)的融資部分，則收益以應收金額現值計量，並按可反映於合約開始時本集團及客戶獨立融資交易的貼現率進行貼現。倘合約包括向本集團提供超過一年的重大融資利益的融資部分時，則合約項下確認的收益包括按實際利率法於合約負債列賬的利息開支。倘合約中有關客戶付款與轉讓承諾貨物或服務的期間少於一年，則交易價格不會根據重大融資部分的影響予以調整，而是應用國際財務報告準則第15號項下的實際可行方法。



## 2.4 Summary of Significant Accounting Policies (continued)

### Revenue recognition (applicable from 1 January 2018) (continued)

#### Revenue from contracts with customers (continued)

(a) Sale of industrial products

Revenue from the sale of industrial products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the industrial products.

(b) Sale of properties

Revenue from the sales of properties is recognised at the point in time when control of the ownership is transferred to the buyer.

#### Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

#### Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

## 2.4 主要會計政策概要 (續)

### 收益確認 (自二零一八年一月一日起適用) (續)

#### 客戶合約收益 (續)

(a) 銷售工業產品

銷售工業產品的收益於資產控制權轉移至客戶時獲確認，一般為交付工業產品時。

(b) 出售物業

出售物業的收益於所有權轉移至買方時獲確認。

#### 其他來源所得收益

租金收益按時間比率基準在租約年期內確認。

#### 其他收入

利息收益按應計基準以實際利率法將金融工具估計未來在預計可使用年期期間或較短期間 (倘適用) 收取的現金準確貼現至金融資產賬面淨值的利率確認。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Revenue recognition (applicable before 1 January 2018)

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding other sales taxes or duties. The following specific recognition criteria must also be met before revenue is recognised:

#### (a) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred, the title has been passed to the buyer and the amount of revenue can be measured reliably, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

#### (b) Sale of properties

Revenue from the sale of properties is recognised when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the properties sold.

## 2.4 主要會計政策概要 (續)

### 收益確認 (於二零一八年一月一日之前適用)

收益於經濟利益很可能歸向本集團並且收益能可靠計量時確認。收益乃按已收代價 (不包括其他銷售稅項或關稅) 的公允價值計量。於確認收益前亦須達致下列特定確認情況：

#### (a) 銷售貨品

銷售貨品的收益款項於所有權的重大風險及報酬轉移及所有權轉移至買方，且收益金額能予可靠計量時確認，惟本集團須對已售貨品已再無參與涉及所有權的管理，亦對已售貨品再無有效控制權。

#### (b) 出售物業

出售物業的收益款項於所有權的重大風險及報酬轉移至買方時確認，惟本集團須對已售物業已再無參與涉及所有權的管理，亦對已售物業再無有效控制權。



## 2.4 Summary of Significant Accounting Policies (continued)

### Revenue recognition (applicable before 1 January 2018) (continued)

#### (c) Interest income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset.

#### (d) Rental income

Rental income is recognised on a time proportion basis over the lease terms.

### Contract liabilities (applicable from 1 January 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

## 2.4 主要會計政策概要 (續)

### 收益確認 (於二零一八年一月一日之前適用) (續)

#### (c) 利息收益

利息收益按應計基準以實際利率法將金融工具估計未來在預計可使用年期限間收取的現金貼現至金融資產賬面淨值的利率確認。

#### (d) 租金收益

租金收益按時間比率基準在租約年內確認。

### 合約負債 (自二零一八年一月一日起適用)

合約負債指本集團因已向客戶收取代價 (或代價款項已到期) 而須向客戶轉讓貨物或服務的責任。倘客戶於本集團將貨物或服務轉讓予客戶前支付代價, 則於作出付款或付款到期時 (以較早者為準) 確認合約負債。合約負債於本集團履行合約時確認為收益。





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## 2.4 Summary of Significant Accounting Policies (continued)

### Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("**equity-settled transactions**").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of the reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

## 2.4 主要會計政策概要 (續)

### 以股份為基礎的付款

本公司設有一項購股權計劃，旨在為對本集團業務成功作出貢獻的合資格參與者，提供鼓勵與獎賞。本集團僱員（包括董事）獲支付以股份為基礎的付款的方式收取報酬，而僱員則提供服務作為權益工具的代價（「以權益結算的交易」）。

於二零零二年十一月七日後與僱員之間以權益結算的交易的成本乃參考授出權益當日的公允價值計算。該公允價值乃由外部估值師採用二項式模型釐定。

以權益結算的交易的成本在績效及／或服務條件得到履行的期間內，連同相應增加的股權於僱員福利開支內確認。於歸屬日期前的報告期末，以權益結算的交易所確認的累計費用，反映了歸屬期屆滿的程度及本集團對於最終將歸屬的權益工具數量的最佳估計。期內於損益表的借記或貸記金額，指該期初及期終所確認的累計費用的變動。



## 2.4 Summary of Significant Accounting Policies (continued)

### Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

## 2.4 主要會計政策概要 (續)

### 以股份為基礎的付款 (續)

釐定獎勵之授出日公允價值並不考慮服務及非市場表現條件，惟能達成條件之可能性則被評定為將最終歸屬為本集團權益工具數目之最佳估計之一部份。市場表現條件將反映在授出日之公允價值內。附帶於獎勵中但並無相關聯服務要求之其他任何條件皆視為非歸屬條件。除非亦有服務及／或表現條件，否則非歸屬條件乃於獎勵之公允價值中反映並導致獎勵即時支銷。

對於由於未達成非市場表現及／或服務條件而最終並無歸屬的報酬並不確認為開支。倘報酬包括市場或非歸屬條件，在所有其他績效及／或服務條件均獲履行的情況下，不論市場條件或非歸屬條件是否符合，有關交易均視作已歸屬。

倘若以權益結算的獎勵的條款有所變更，則在達致獎勵原定條款的情況下，所確認的開支最少須達到猶如條款並無任何變更的水平。此外，倘若按變更日期計算，任何變更導致以股份為基礎的付款的公允價值總額有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Share-based payments (continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

### Other employee benefits

#### Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “**MPF Scheme**”) under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

## 2.4 主要會計政策概要 (續)

### 以股份為基礎的付款 (續)

倘若以權益結算的獎勵被註銷，應被視為已於註銷日期歸屬，任何尚未確認的授予獎勵的開支，均須即時確認。這包括在本集團或其僱員控制內的非歸屬條件並未達成的任何獎勵。然而，若授予新獎勵代替已註銷的獎勵，並於授出日期指定為替代獎勵，則已註銷之獎勵及新獎勵，誠如前段所述，均應被視為原獎勵的變更。

計算每股盈利時，尚未行使購股權之攤薄效應則反映為額外股份攤薄。

### 其他僱員福利

#### 退休金計劃

本集團根據強制性公積金計劃條例，為香港所有僱員提供定額供款強制性公積金退休福利計劃（「**強積金計劃**」）。供款乃根據僱員基本薪金之百分比計算，並於有關款項根據強積金計劃之規則須予支付時計入損益表。強積金計劃之資產乃獨立於本集團之資產，並由獨立管理之基金持有。本集團之僱主供款於向強積金計劃作出供款時全數歸於僱員。



## 2.4 Summary of Significant Accounting Policies (continued)

### Other employee benefits (continued)

#### *Pension schemes (continued)*

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are recognised as expenses in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## 2.4 主要會計政策概要 (續)

### 其他僱員福利 (續)

#### *退休金計劃 (續)*

本集團於中國內地經營的附屬公司的僱員須參與地方市政府運作的中央養老金計劃。該等附屬公司須按其工資成本的若干比例向中央養老金計劃供款。供款於根據中央退休金計劃規則應付時自損益表扣除。

### 借貸成本

因收購、建設或生產合規格資產(需於一段長時間方能達致其擬定用途或出售者)而直接產生的借貸成本撥充該等資產的部分成本。倘資產已大致上可作其擬定用途或出售,則該等借貸成本將會停止資本化。臨時投資待用於合規格資產開支的特定借貸而賺取的投資收益,從已資本化借貸成本中扣除。其他所有的借貸成本均在發生時確認為開支。借貸成本包括實體涉及有關資金借貸的利息及其他成本。



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### 2.4 Summary of Significant Accounting Policies (continued)

#### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

#### Foreign currencies

The financial statements are presented in RMB. In prior years, the Company's functional currency was RMB. As at 1 July 2018, the Directors had re-evaluated the economic environment of the Company and determined that the functional currency of the Company has been changed from RMB to USD given its major funding and financing activities were raised increasingly in USD. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

### 2.4 主要會計政策概要 (續)

#### 股息

末期股息在股東大會上獲股東批准時確認為負債。擬定末期股息於財務報表附註披露。

中期股息於建議的同時宣派，因為本公司的組織章程大綱及細則授予董事權力宣派中期股息。因此，中期股息於建議及宣派時即時確認為負債。

#### 外幣

財務報表以人民幣呈列。於過往年度，本公司的功能貨幣為人民幣。於二零一八年七月一日，董事已重新評估本公司的經濟環境，由於以美元計值的主要集資及融資活動持續增長，故決定將本公司的功能貨幣由人民幣更改為美元。本集團內各實體自行決定其功能貨幣及各實體的財務報表項目以該功能貨幣計算。本集團內各實體錄得的外幣交易最初以交易當日的各自適用功能貨幣匯率記錄入賬。以外幣列值的貨幣性資產及負債，則按報告期末的功能貨幣匯率換算。貨幣項目結算或交易產生的差額於損益表中確認。



## 2.4 Summary of Significant Accounting Policies (continued)

### Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries and associates are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

## 2.4 主要會計政策概要 (續)

### 外幣 (續)

按外幣歷史成本計量的非貨幣項目按首次交易日期的匯率換算。按外幣公允價值計量的非貨幣項目採用釐定公允價值當日的匯率換算。換算按公允價值計量的非貨幣項目產生之收益或虧損的處理方式，與有關項目公允價值變動之收益或虧損的確認方式相符（即公允價值收益或虧損於其他全面收益或損益中確認之項目的換算差額，亦會分別於其他全面收益或損益中確認）。

於釐定相關資產初始確認的匯率、終止確認與墊付代價有關的非貨幣資產或非貨幣負債的開支或收入時，首次交易日期為本集團初始確認墊付代價產生的非貨幣資產或非貨幣負債之日。倘存在多筆預付款或預收款，則本集團就每筆預付代價款或收取預付代價款釐定交易日期。

若干海外附屬公司及聯營公司的功能貨幣並非人民幣。於報告期末，該等實體的資產及負債按報告期末的匯率折算為人民幣，該等實體的損益表按本年度的加權平均兌換率折算為人民幣。



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## 2.4 Summary of Significant Accounting Policies (continued)

### Foreign currencies (continued)

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

## 3. Significant Accounting Judgements and Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

## 2.4 主要會計政策概要 (續)

### 外幣 (續)

因此而產生的匯兌差額於其他全面收益確認並於匯兌波動儲備累計。出售國外業務時，有關其特定國外業務的其他全面收益的組成部份於損益表內確認。

任何由於收購海外業務產生的商譽及任何因收購帶來的資產及負債的賬面值的公允價值調整，均被視作海外業務的資產及負債處理，並按年終匯率換算。

就編製綜合現金流量表而言，海外附屬公司的現金流量按現金流量日期適用的匯率換算為人民幣。附屬公司在年內產生的經常性現金流量會按該年度的加權平均匯率換算為人民幣。

## 3. 重大會計判斷及估計

本集團財務報表的編製需要管理層作出影響收益、開支、資產及負債呈報金額的判斷、估計及假設，並需作出相應披露及披露或有負債。然而，該等假設及估計不明朗因素會導致未來須對受影響資產或負債的賬面值進行重大調整。



### 3. Significant Accounting Judgements and Estimates (continued)

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

##### *Operating lease commitments – Group as lessor*

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

##### *Classification between investment properties and owner-occupied properties*

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independent of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

### 3. 重大會計判斷及估計（續）

#### 判斷

在應用本集團會計政策過程中，管理層所作之以下判斷（除涉及估計外）乃對財務報表所確認之金額有最重大的影響：

##### *經營租賃承擔—本集團作為出租人*

本集團已就其投資物業組合訂立商業物業租約。本集團已根據對安排之條款及條件的評估釐定，其保留該等根據經營租約出租的物業的絕大部分風險及回報。

##### *投資物業與擁有人自用物業之劃分*

本集團決定物業是否符合投資物業的條件，並制定出此類判斷的標準。投資物業指為賺取租金或資本升值或同時為這兩個目的而持有的物業。因此，本集團考慮一項物業產生的現金流是否大部分獨立於本集團持有的其他資產。若干物業的一部分是為賺取租金或資本升值而持有，而另一部分是為用於生產或提供商品或服務或行政用途而持有。倘該等部分可以分開出售（或按融資租賃分開出租），則本集團分開對這些部分進行會計處理。如果這些部分不能分開出售，則只有在為用於生產或提供商品或服務或行政用途而持有的部分不重大的情況下，該物業才是投資物業。判斷是對各單項物業作出，以確定配套服務是否如此重要而使物業不符合投資物業。





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## 3. Significant Accounting Judgements and Estimates (continued)

### Judgements (continued)

#### Tax

Determining income tax provisions requires the Group to make judgements on the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions in accordance with prevailing tax regulations and practices and makes tax provisions accordingly.

The Group's determination as to whether to recognize deferred tax liability for withholding taxes from the distribution of dividends from the subsidiaries in the PRC according to the relevant tax jurisdictions is subject to judgement on the timing of distribution of dividends. The Directors had assessed whether it is probable for the Group's PRC subsidiaries to distribute dividends out of their profits earned after 1 January 2008. For details, refer to note 32 to the financial statements.

### Estimation uncertainty

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

## 3. 重大會計判斷及估計 (續)

### 判斷 (續)

#### 稅項

釐定所得稅撥備要求本集團對未來若干交易的稅務處理作出判斷。本集團根據現行稅務法規及慣例仔細評估交易的稅務影響，並據此作出稅項撥備。

本集團於釐定是否就相關稅務司法權區來自中國附屬公司的股息分派引致的預扣稅確認遞延稅項負債時，須對派付股息的時間作出判斷。董事會評估於二零零八年一月一日後由本集團中國附屬公司賺取的溢利分派股息的可能性。有關詳情請參閱財務報表附註32。

### 估計不確定性

下文描述有關未來的主要假設及於報告日期估計不明朗因素的其他主要來源，該等因素於下個財政年度極有可能會導致資產及負債賬面值作出重大調整。



### 3. Significant Accounting Judgements and Estimates (continued)

#### Estimation uncertainty (continued)

##### *Impairment of goodwill*

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2018 was RMB10,636,000 (2017: RMB8,699,000). Further details are given in note 17 to the financial statements.

##### *Provision for expected credit losses on trade receivables*

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

### 3. 重大會計判斷及估計 (續)

#### 估計不確定性 (續)

##### *商譽減值*

本集團至少每年釐定商譽是否減值。此乃需要估計已分配商譽的現金產生單位的可使用價值。於估計可使用價值時，本集團須估計該現金產生單位預期未來現金流量，選取合適的貼現率以計算該等現金流量的現值。於二零一八年十二月三十一日，商譽的賬面值為人民幣10,636,000元（二零一七年：人民幣8,699,000元）。有關詳情見財務報表附註17。

##### *貿易應收款項之預期信貸虧損撥備*

本集團採用撥備矩陣計算貿易應收款項之預期信貸虧損。撥備率乃基於因就擁有類似虧損模式的多個客戶分部進行分組（即地理區域、產品類別、客戶類別及評級及信用證或其他信貸保險形式的保障範圍）而逾期的日數計算。



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### 3. Significant Accounting Judgements and Estimates (continued)

#### Estimation uncertainty (continued)

##### *Provision for expected credit losses on trade receivables (continued)*

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 22 to the financial statements.

### 3. 重大會計判斷及估計 (續)

#### 估計不確定性 (續)

##### *貿易應收款項之預期信貸虧損撥備 (續)*

撥備矩陣最初基於本集團的過往觀察違約率。本集團將對矩陣進行校準，透過前瞻性資料調整過往信貸虧損經驗。例如，倘預測經濟狀況（如國內生產總值）預期於未來一年內惡化，並可能導致製造業的違約次數上升，則過往違約率將予以調整。於各報告日期，過往觀察違約率將予以更新並分析前瞻性估計的變動。

對過往觀察違約率、預測經濟狀況及預期信貸虧損間的相關性評估是一項重要估計。預期信貸虧損的金額對環境變化及預測經濟狀況敏感。本集團的過往信貸虧損經驗及對經濟狀況的預測亦或不能代表客戶未來的實際違約。有關本集團貿易應收款項的預期信貸虧損資料於財務報表附註22中披露。



### 3. Significant Accounting Judgements and Estimates (continued)

#### Estimation uncertainty (continued)

##### *Impairment of non-financial assets (other than goodwill)*

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

##### *Useful lives of property, plant and equipment*

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations, competitor actions in response to severe industry cycles or unforeseeable change in legal enforcement rights in future. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

### 3. 重大會計判斷及估計 (續)

#### 估計不確定性 (續)

##### *非金融資產減值 (商譽除外)*

本集團於各報告期末評估所有非金融資產有否任何減值跡象。其他非金融資產在有跡象顯示賬面值可能無法收回時進行減值測試。倘資產的賬面值或現金產生單位超逾其可收回金額 (即公允價值減出售成本與使用價值的較高者)，則視為已減值。公允價值減出售成本按自同類資產公平交易中具約束力的銷售交易的可得數據或可觀察市價減出售資產的增量成本計算。倘採用使用價值計算，則管理層須估計資產或現金產生單位的預計未來現金流量，選取合適的貼現率以計算該等現金流量的現值。

##### *物業、廠房及設備的可使用年期*

本集團釐定物業、廠房及設備的估計可使用年期及相關折舊支出。該估計基於性質及功能相若的物業、廠房及設備的實際可使用年期的過往經驗而作出，或會因技術革新、競爭對手因應嚴峻的行業週期作出相應行動或日後合法執行權出現不可預見的變更而有大幅改動。管理層會於可使用年期較原先估計為短時增加折舊支出，或會撇銷或撇減技術陳舊或已廢棄或出售的非策略資產。



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### 3. Significant Accounting Judgements and Estimates (continued)

#### Estimation uncertainty (continued)

##### *Useful lives of intangible assets*

The Group determines the estimated useful lives and related amortisation charges for its intangible assets. This estimate is based on the historical experience of the actual useful life of intangible assets of similar functions. It could change significantly as a result of technical innovations. Management reassesses the useful lives at each reporting date.

##### *Net realisable value of inventories*

Net realisable value of an inventory is the estimated selling price in the ordinary course of business, less estimated costs to be incurred to completion and disposal. These estimates are based on the current market condition and the historical experience of selling products of a similar nature which could change significantly as a result of competitor actions. Management reassesses these estimates at each reporting date. During the year ended 31 December 2018, the amount of inventories provision recognised in the consolidated statement of profit or loss was RMB2,460,000 (2017: RMB3,957,000) (note 6).

### 3. 重大會計判斷及估計 (續)

#### 估計不確定性 (續)

##### *無形資產的可使用年期*

本集團釐定其無形資產的估計可使用年期及相關攤銷支出。該估計基於功能相若的無形資產的實際可使用年期的過往經驗而作出，或會因技術創新而發生重大改變。管理層會於各報告日期重估可使用年期。

##### *存貨的可變現淨值*

存貨的可變現淨值指日常業務中的估計售價減估計完成及處置的成本。該等估計乃基於當時市況及出售同類性質產品的過往經驗，或會因競爭對手的行動而重大改變。管理層會於各報告日期重估該等估計。截至二零一八年十二月三十一日止年度，於綜合損益表確認的存貨撥備金額為人民幣2,460,000元（二零一七年：人民幣3,957,000元）（附註6）。



### 3. Significant Accounting Judgements and Estimates (continued)

#### Estimation uncertainty (continued)

##### Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The amount of unrecognised tax losses as at 31 December 2018 was RMB83,127,000 (2017: RMB75,857,000). Further details are included in note 32 to the financial statements.

##### Development costs

Development costs are capitalised in accordance with the accounting policy for research and development costs in note 2.4 to the financial statements. Determining the amounts to be capitalised requires management to make assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits. At 31 December 2018, the best estimate of the carrying amount of capitalised development costs was RMB488,696,000 (2017: RMB361,968,000). Further details are included in note 18 to the financial statements.

### 3. 重大會計判斷及估計 (續)

#### 估計不確定性 (續)

##### 遞延稅項資產

倘有應課稅溢利可動用作可扣稅暫時性差額，以及有可供動用的未動用稅項抵免及未動用稅項虧損結轉，則會就所有可扣稅暫時性差額確認遞延稅項資產。釐定可確認的遞延稅項資產金額需要管理層依據日後應課稅溢利的時間與水平及日後稅務規劃策略作出重大判斷。於二零一八年十二月三十一日未確認的稅項虧損金額為人民幣83,127,000元（二零一七年：人民幣75,857,000元）。進一步詳情載於財務報表附註32。

##### 開發成本

開發成本按照財務報表附註2.4所載有關研究及開發成本的會計政策撥充資本。釐定資本化的數額需管理層對該資產預計日後產生的現金、適用的折現率及預計產生利益期限等作出假設。於二零一八年十二月三十一日，管理層對撥充資本的開發成本賬面值作出的最佳估計為人民幣488,696,000元（二零一七年：人民幣361,968,000元）。進一步詳情載於財務報表附註18。



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## 4. Operating Segment Information 4. 經營分部資料

The Group is principally engaged in the manufacture, development and sale of lead-acid batteries and other related items.

International Financial Reporting Standard 8 Operating Segments 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 IFRSs. Therefore, the operation of the Group constitutes one reportable 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.

### Information about products

An analysis of revenue by products is as follows:

本集團主要從事製造、開發和銷售鉛酸蓄電池以及其他相關產品。

國際財務報告準則第8號經營分部規定須根據本集團各部門之內部報告識別經營分部，有關內部報告由主要經營決策者（「主要經營決策者」）定期審閱，以分配資源予分部及評估分部表現。向本公司執行董事（即本集團主要經營決策者）呈報以供分配資源及評估表現的資料不包括各產品線的損益資料，執行董事審閱根據國際財務報告準則呈報之本集團整體毛利。因此，本集團營運包括一個可呈報分部，故並未呈列分部資料。

並無呈列分部資產及負債以及其他相關的分部資料，原因為主要經營決策者未獲提供有關獨立財務資料。

### 產品資料

按產品劃分的收益分析如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Lead-acid batteries	鉛酸蓄電池	<b>8,069,088</b>	7,661,343
Recycled lead products	回收鉛產品	<b>1,419,052</b>	1,754,834
Others	其他	<b>56,278</b>	49,267
		<b>9,544,418</b>	9,465,444



## 4. Operating Segment Information (continued)

## 4. 經營分部資料 (續)

### Geographical information

### 地區資料

(a) Revenue from external customers

(a) 來自外部客戶的收益

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
PRC	中國	6,170,748	6,389,915
European Union	歐盟	1,087,103	902,930
USA	美國	960,332	895,555
Other Asian countries/areas	其他亞洲國家／地區	796,309	887,497
Other countries	其他國家	529,926	389,547
		<b>9,544,418</b>	9,465,444

The revenue information above is based on the locations of the customers.

上述收益資料乃基於客戶的地點分析。

(b) Non-current assets

(b) 非流動資產

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
PRC	中國	2,859,909	2,709,583
Other countries/areas	其他國家／地區	227,239	158,604
		<b>3,087,148</b>	2,868,187

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

上述非流動資產資料乃基於該等資產的位置分析，且不包括金融工具及遞延稅項資產。





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### 4. Operating Segment Information (continued)

#### Information about major customers

Revenue from each major customer, including a group of entities which are known to be under common control with that customer, which accounted for 10% or more of the Group's revenue for the years ended 31 December 2018 and 2017, is set out below:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Customer A	客戶甲	1,033,825	1,269,150
Customer B	客戶乙	342,935	1,099,791
		<b>1,376,760</b>	2,368,941

Except for the aforesaid, there is no single external customer from which the revenue accounted for 10% or more of the Group's revenue.

#### 有關主要客戶的資料

佔本集團截至二零一八年及二零一七年十二月三十一日止年度收益的10%或以上，來自各主要客戶（包括一組據悉受該客戶共同控制的實體）的收益載列如下：

除上文所述者外，並無其他單一外部客戶收益佔本集團收益10%或以上。

### 5. Revenue, Other Income and Gains

An analysis of revenue is as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約收益	9,544,418	-
Sale of goods	銷售貨物	-	9,465,444
		<b>9,544,418</b>	9,465,444

### 5. 收益、其他收入及收益

收益分析如下：



## 5. Revenue, Other Income and Gains (continued)

## 5. 收益、其他收入及收益 (續)

## Revenue from contracts with customers

## 客戶合約收益

## (i) Disaggregated revenue information

## (i) 收益資料細分

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		<b>Total</b>
		總計
		RMB'000
		人民幣千元
Type of goods	貨物類型	
Sale of industrial products	銷售工業產品	9,488,140
Others	其他	56,278
		<b>9,544,418</b>
Timing of revenue recognition	收益確認時間	
Goods transferred at a point in time	於某個時點轉讓之貨物	9,544,418

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

下表列示於報告期初計入合約負債內而於當前會計期間確認之收益金額：

		<b>2018</b>
		二零一八年
		RMB'000
		人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	計入報告期初合約負債的已確認收益：	
Sale of goods	銷售貨物	<b>133,257</b>



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### 5. Revenue, Other Income and Gains (continued)

#### Revenue from contracts with customers (continued)

##### (ii) Performance obligations

Information about the Group's performance obligations is summarised below:

##### Sale of goods

The performance obligation for sale of industrial products is satisfied upon delivery of the industrial products and payment is generally due within 60 to 90 days from delivery, except for new customers, where payment in advance is normally required. The performance obligation for others is satisfied when control of the ownership of properties is transferred to the buyer.

### 5. 收益、其他收入及收益 (續)

#### 客戶合約收益 (續)

##### (ii) 履約責任

有關本集團履約責任之資料概述如下：

##### 銷售貨物

銷售工業產品的履約責任於交付工業產品時達成，付款通常於交付起計60日至90日內到期，惟新客戶通常需要預先付款除外。其他的履約責任於財產的擁有權的控制權轉移予買方時達成。

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	12,034	13,374
Government grants*	政府補貼*	66,610	24,096
Dividend income from available-for-sale investments	可供出售投資股息收入	-	1,301
Sale of scrap materials	銷售廢料	5,552	6,685
Foreign exchange gains, net	外匯匯兌收益，淨額	-	37,121
Rental income	租賃收入	2,350	4,765
Gain on bargain purchase	議價收購收益	-	880
Fair value gains, net:	公允價值收益，淨額：		
Derivative financial instruments	衍生金融工具	-	1,166
Equity investments at fair value through profit or loss	公允價值變動計入損益的權益性投資	43	-
Structured bank deposits	結構性銀行存款	866	-
Others <sup>^</sup>	其他 <sup>^</sup>	30,871	4,643
		<b>118,326</b>	94,031



## 5. Revenue, Other Income and Gains (continued)

### Revenue from contracts with customers (continued)

#### (ii) Performance obligations (continued)

##### Sale of goods (continued)

\* The government grants represent various cash payments and subsidies provided by the local government authorities to the Group as encouragement for its investment and technological innovation. There are no unfulfilled conditions or contingencies relating to these subsidies.

^ Others include an insurance claim received from the insurance company for losses in inventories and property, plant and equipment in relation to the fire of an assembly plant of the Group in Malaysia in December 2017, the amount of which was RMB23,339,000 during the year.

## 5. 收益、其他收入及收益 (續)

### 客戶合約收益 (續)

#### (ii) 履約責任 (續)

##### 銷售貨物 (續)

\* 政府補貼乃指地方政府部門給予本集團的各種現金款項及補貼，以鼓勵投資及技術創新。概無有關該等補貼的未獲達成條件或或然事項。

^ 於本年度，其他包括就二零一七年十二月本集團位於馬來西亞的一個組裝車間失火造成存貨以及物業、廠房及設備損失而已收保險公司的保險理賠金額人民幣23,339,000元。



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### 6. Profit Before Tax

The Group's profit before tax is arrived at after charging/(crediting):

### 6. 稅前溢利

本集團的稅前溢利乃經扣除／（計入）以下項目後得出：

	Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cost of inventories sold	所售存貨成本	<b>7,286,798</b>	7,219,119
Employee benefit expense (including directors' remuneration (note 8)):	僱員福利開支 (包括董事酬金 (附註8)):		
Wages and salaries	工資及薪金	<b>758,701</b>	731,043
Equity-settled share option expenses	以權益結算的 購股權開支	<b>5,011</b>	4,643
Pension scheme contributions	退休金計劃供款	<b>74,856</b>	63,283
		<b>838,568</b>	798,969
Amortisation of other intangible assets except for deferred development costs	其他無形資產攤銷 (遞延開發成本除外)	18 <b>20,483</b>	15,040
Research and development costs:	研發成本:		
Deferred development costs amortised*	遞延開發成本攤銷*	18 <b>82,847</b>	73,809
Current year expenditure	年內開支	<b>111,025</b>	143,084
		<b>193,872</b>	216,893
Auditor's remuneration	核數師酬金	<b>2,700</b>	2,600
Derivative financial instruments:	衍生金融工具:		
Unrealised loss	未變現虧損	-	207
Realised loss/(gain)	已變現虧損／(收益)	<b>145</b>	(1,373)
Fair value loss/(gain) from derivative financial instruments, net <sup>#</sup>	衍生金融工具公允價值 虧損／(收益)·淨額 <sup>#</sup>	<b>145</b>	(1,166)



## 6. Profit Before Tax (continued)

## 6. 稅前溢利 (續)

			2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
	Notes 附註			
Equity investments at fair value through profit or loss: Unrealised (gain)/loss		公允價值變動計入損益的權益性投資：未變現(收益)/虧損	(43)	1,050
Fair value gain from structured bank deposits	27	結構性銀行存款的公允價值收益	(866)	-
Depreciation of property, plant and equipment	13	物業、廠房及設備折舊	285,062	218,888
Depreciation of investment properties	14	投資物業折舊	219	1,321
Amortisation of prepaid land lease payments	16	預付土地租賃款項攤銷	3,862	3,656
Impairment/(reversal of impairment) of trade receivables	22	貿易應收款項減值/(減值撥回)	3,266	(7,713)
Impairment of inventories*		存貨減值*	2,460	3,957
Loss on disposal of items of property, plant and equipment, net#		處置物業、廠房及設備項目的虧損，淨額#	831	611
Loss on remeasurement of the previously held interest in an associate		重新計量先前於一間聯營公司持有權益的虧損	-	2,064
Foreign exchange loss/(gain), net#		外匯匯兌虧損/(收益)，淨額#	28,001	(37,121)
Minimum lease payments under operating leases		經營租賃下的最低租賃款項	13,590	9,717
Insurance claim received from the insurance company for loss on a fire incident/loss on a fire incident		就失火損失已收保險公司的保險理賠/失火損失	(23,339)	28,153

\* The amortisation of deferred development costs and impairment of inventories are included in "Cost of sales" in the consolidated statement of profit or loss.

# Net fair value loss from derivative financial instruments, net loss on disposal of items of property, plant and equipment and net foreign exchange loss are included in "Other expenses" in the consolidated statement of profit or loss.

\* 遞延開發成本攤銷及存貨減值計入綜合損益表「銷售成本」中。

# 衍生金融工具公允價值虧損淨額、處置物業、廠房及設備項目的虧損淨額及外匯虧損淨額計入綜合損益表「其他開支」中。



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### 7. Finance Costs

An analysis of finance costs is as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Interest on bank borrowings	銀行借貸利息	157,117	114,274
Interest arising from discounted bills	貼現票據產生的利息	45,239	37,514
		<b>202,356</b>	151,788

### 7. 財務成本

財務成本分析如下：

### 8. Directors' Remuneration

Directors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

### 8. 董事酬金

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露之年內董事酬金如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Fees	袍金	630	728
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,828	1,862
Equity-settled share option expenses	以權益結算的購股權開支	185	269
Pension scheme contributions	退休金計劃供款	82	86
		<b>2,095</b>	2,217
		<b>2,725</b>	2,945



## 8. Directors' Remuneration (continued)

### (a) Independent non-executive directors

The fees paid to independent non-executive directors were as follows:

## 8. 董事酬金 (續)

### (a) 獨立非執行董事

向獨立非執行董事支付之袍金如下：

		Fees	Salaries, allowances and benefits in kind	Performance- related bonuses	Equity-settled share option expenses	Pension scheme contributions	Total
		袍金	薪金、津貼及 實物福利	績效掛鈎花紅	以權益結算的 購股權開支	退休金 計劃供款	總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>2018</b>	<b>二零一八年</b>						
Mr. Lau Chi Kit	劉智傑先生	210	-	-	39	-	249
Mr. Liu Yangsheng	劉陽生先生	210	-	-	39	-	249
Mr. Cao Yixiong Alan	曹亦雄先生	210	-	-	39	-	249
		<b>630</b>	<b>-</b>	<b>-</b>	<b>117</b>	<b>-</b>	<b>747</b>
<b>2017</b>	<b>二零一七年</b>						
Mr. Lau Chi Kit	劉智傑先生	201	-	-	87	-	288
Mr. Gong Fangxiong*	龔方雄博士*	125	-	-	-	-	125
Mr. Liu Yangsheng	劉陽生先生	201	-	-	87	-	288
Mr. Cao Yixiong Alan	曹亦雄先生	201	-	-	87	-	288
		<b>728</b>	<b>-</b>	<b>-</b>	<b>261</b>	<b>-</b>	<b>989</b>

There were no other emoluments payable to the independent non-executive directors during the year (2017: Nil).

年內並無向獨立非執行董事支付其他酬金(二零一七年：無)。

\* Dr. Gong Fangxiong resigned as an independent non-executive director of the Company on 16 June 2017.

\* 龔方雄博士於二零一七年六月十六日辭任本公司獨立非執行董事。





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### 8. Directors' Remuneration (continued)

### 8. 董事酬金 (續)

#### (b) Executive directors and a non-executive director

#### (b) 執行董事及非執行董事

		Fees	Salaries, allowances and benefits in kind	Performance-related bonuses	Equity-settled share option expenses	Pension scheme contributions	Total
		袍金	薪金、津貼及實物福利	績效掛鈎花紅	以權益結算的購股權開支	退休金計劃供款	總額
		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
<b>2018</b>	<b>二零一八年</b>						
Executive directors:	執行董事:						
Mr. Dong Li	董李先生	-	830	-	-	79	909
Ms. Zhao Huan*	趙歡女士*	-	511	-	-	2	513
Ms. Yin Haiyan*	印海燕女士*	-	333	-	68	1	402
		-	1,674	-	68	82	1,824
Non-executive director:	非執行董事:						
Mr. Philip Armstrong Noznesky <sup>^</sup>	Philip Armstrong Noznesky先生 <sup>^</sup>	-	154	-	-	-	154
		-	1,828	-	68	82	1,978
<b>2017</b>	<b>二零一七年</b>						
Executive directors:	執行董事:						
Mr. Dong Li	董李先生	-	830	-	-	78	908
Ms. Zhao Huan*	趙歡女士*	-	836	-	8	8	852
		-	1,666	-	8	86	1,760
Non-executive director:	非執行董事:						
Mr. Philip Armstrong Noznesky <sup>^</sup>	Philip Armstrong Noznesky先生 <sup>^</sup>	-	196	-	-	-	196
		-	1,862	-	8	86	1,956



## 8. Directors' Remuneration (continued)

### (b) Executive directors and a non-executive director (continued)

- \* Ms. Zhao Huan resigned as an executive director of the Company on 6 August 2018.
- # Ms. Yin Haiyan was appointed as an executive director of the Company on 30 July 2018. Ms. Yin Haiyan is also the chief executive of the Company.
- ^ Mr. Philip Armstrong Noznesky passed away on 22 September 2018.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2017: Nil).

## 8. 董事酬金 (續)

### (b) 執行董事及非執行董事 (續)

- \* 趙歡女士於二零一八年八月六日辭任本公司執行董事。
- # 印海燕女士於二零一八年七月三十日獲委任為本公司執行董事。印海燕女士亦為本公司之行政總裁。
- ^ Philip Armstrong Noznesky先生於二零一八年九月二十二日辭世。

年內概無任何有關董事放棄或同意放棄任何酬金的安排(二零一七年: 無)。

## 9. Five Highest Paid Employees

The five highest paid employees during the year included one (2017: two) director, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining four (2017: three) non-director, highest paid employees are as follows:

## 9. 五名最高薪酬僱員

年內五名最高薪酬僱員中，包括一名(二零一七年: 兩名)董事，其薪酬詳情載於上文附註8。年內，其餘四名(二零一七年: 三名)非董事之最高薪酬僱員的薪酬詳情如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	3,679	2,747
Equity-settled share option expenses	以權益結算的購股權開支	601	927
Pension scheme contributions	退休金計劃供款	34	33
		<b>4,314</b>	<b>3,707</b>



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## 9. Five Highest Paid Employees (continued)

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

## 9. 五名最高薪酬僱員 (續)

薪酬屬下列範圍之非董事的最高薪酬僱員人數如下：

		Number of employees 僱員人數	
		2018 二零一八年	2017 二零一七年
Nil to RMB1,000,000	人民幣零元至 人民幣1,000,000元	2	1
RMB1,000,000 to RMB2,000,000	人民幣1,000,000元至 人民幣2,000,000元	2	2
		4	3

## 10. Income Tax

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in this jurisdiction.

The subsidiaries, Honour Label, Peak Year, Sheldon, and Catherine Holdings, which were incorporated in the British Virgin Islands are not subject to income tax as these subsidiaries do not have a place of business (other than a registered office only) or carry out any business in the British Virgin Islands.

## 10. 所得稅

本集團須就本集團成員公司於其註冊及經營所在的司法管轄區所產生或賺取的溢利按實體基準繳付所得稅。

根據開曼群島的規則及規例，本公司毋須於該司法管轄區繳納任何所得稅。

由於在英屬處女群島註冊成立的附屬公司（即Honour Label、Peak Year、Sheldon及Catherine Holdings）於英屬處女群島並無擁有營業地點（註冊辦事處除外）或經營任何業務，因此該等附屬公司無須繳納所得稅。



## 10. Income Tax (continued)

Leoch Battery Corp., incorporated in the United States, is subject to corporate income tax in the United States. The applicable federal corporate income tax rate is 21% (2017: in the range of 15% to 39%) on taxable income.

The provision for Hong Kong profits tax is based on the statutory rate of 16.5% (2017: 16.5%) of the assessable profits of subsidiaries incorporated in Hong Kong, i.e., Leoch Power Supply and Leoch International Sales. No provision for Hong Kong profits tax has been made by Leoch Battery Company and Big Help as they did not carry on any business in Hong Kong or had no assessable profits arising in or derived from Hong Kong during the year.

The Singapore authority approved Leoch Battery Pte.'s application for the Global Trader Programme on 24 May 2014. The provision for Leoch Battery Pte.'s current income tax is based on the tax rate of 10% (2017: 10%).

The provision for PRC current income tax is based on the statutory rate of 25% of the assessable profits of the Group's subsidiaries in the PRC as determined in accordance with the PRC Corporate Income Tax Law which was approved and became effective on 1 January 2008, except for certain subsidiaries of the Group in the PRC which are taxed at preferential rates.

## 10. 所得稅 (續)

Leoch Battery Corp. 乃於美國註冊成立，須於美國繳納企業所得稅。就應課稅收益而言，適用的聯邦企業所得稅率為21%（二零一七年：介乎15%至39%）。

香港利得稅乃就於香港註冊成立的附屬公司，即理士電源及理士國際營銷的應課稅溢利，按法定稅率16.5%（二零一七年：16.5%）計提撥備。由於Leoch Battery Company及Big Help並無於香港從事任何業務，或於本年度內並無於香港產生或賺取任何應課稅溢利，故其並無計提香港利得稅撥備。

新加坡當局於二零一四年五月二十四日批准Leoch Battery Pte.有關全球貿易商計劃的申請。Leoch Battery Pte.即期所得稅乃按稅率10%（二零一七年：10%）計提撥備。

除本集團於中國的若干附屬公司獲稅務優惠外，中國即期所得稅撥備乃根據中國企業所得稅法（於二零零八年一月一日獲批准及生效）按本集團於中國的附屬公司的應課稅溢利以25%的法定稅率計算。



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### 10. Income Tax (continued)

Jiangsu Leoch, Anhui Leoch Power and Anhui Uplus were designated as high-tech enterprises by the PRC tax authorities and were entitled to a preferential tax rate of 15% for the year 2018.

Taihe Dahua, which engages in qualified recycling businesses, is entitled to a 10% deduction of revenue for manufacturing qualified products with main qualified raw materials.

The major components of income tax charge for the year are as follows:

### 10. 所得稅 (續)

於二零一八年，江蘇理士、安徽理士電源及安徽力普拉斯有限公司獲中國稅務當局確認為高新科技企業，享有優惠所得稅率為15%。

太和縣大華從事合資格回收業務，可要求扣除使用主要合資格原材料生產合資格產品所得收益的10%。

年內所得稅開支的主要組成部分如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Current – PRC	即期稅項－中國	18,069	18,036
Current – Hong Kong	即期稅項－香港	(3,881)	5,248
Current – Singapore	即期稅項－新加坡	7,571	7,202
Current – USA	即期稅項－美國	2,139	3,884
Deferred tax	遞延稅項	(8,052)	982
<b>Total tax charge for the year</b>	<b>年內稅項支出總額</b>	<b>15,846</b>	<b>35,352</b>



## 10. Income Tax (continued)

A reconciliation of the income tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the majority of the companies of the Group are domiciled to the tax expense at effective tax rate is as follows:

## 10. 所得稅 (續)

按本集團大部分公司註冊所在司法管轄區的法定稅率計算的適用於稅前溢利的所得稅開支與按實際稅率計算的稅項開支的對賬如下：

		2018 二零一八年		2017 二零一七年	
		RMB'000 人民幣千元	% %	RMB'000 人民幣千元	% %
Profit before tax	稅前溢利	142,986		306,832	
Tax at the applicable tax rates	按適用稅率計算的稅項	42,705	29.9	86,092	28.1
Tax concession for certain subsidiaries	若干附屬公司的稅務優惠	(27,763)	(19.5)	(46,827)	(15.3)
Additional deductible research and development expenses	額外可扣減研發開支	(6,463)	(4.5)	(8,059)	(2.6)
Income not subject to tax	毋須課稅收益	–	–	(9,459)	(3.1)
Expenses not deductible for tax	不可扣稅開支	1,971	1.4	4,649	1.5
Tax losses not recognised	未確認稅項虧損	8,225	5.8	11,509	3.8
Tax losses utilised from previous periods	動用前期之稅項虧損	(2,829)	(2.0)	(2,553)	(0.8)
Tax charge at the Group's effective rate	按本集團實際稅率計算的稅項開支	15,846	11.1	35,352	11.5



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### 11. Dividends

### 11. 股息

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Final – 2.0 HK cents (2017: nil) per share	末期—每股2.0港仙 (二零一七年：零)	<b>23,164</b>	—

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

年內建議末期股息須於應屆股東週年大會上取得本公司股東之批准。

### 12. Earnings Per Share Attributable to Ordinary Equity Holders of the Parent

### 12. 母公司普通權益持有人應佔每股盈利

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,357,431,128 (2017: 1,355,932,999) in issue during the year.

每股基本盈利金額乃按母公司普通權益持有人應佔年度溢利及年內已發行普通股加權平均數1,357,431,128股(二零一七年：1,355,932,999股)為基準計算。

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

每股攤薄盈利金額乃按母公司普通權益持有人應佔年內溢利為基準計算。計算所用的普通股加權平均數指年內已發行普通股數目(與計算每股基本盈利所用者相同)，以及假設於全部具潛在攤薄普通股視作被行使兌換為普通股時無償發行的普通股的加權平均數。



## 12. Earnings Per Share Attributable to Ordinary Equity Holders of the Parent (continued)

## 12. 母公司普通權益持有人應佔每股盈利(續)

The calculations of basic and diluted earnings per share are based on:

每股基本及攤薄盈利乃根據下列數據計算：

		<b>2018</b> 二零一八年 <b>RMB'000</b> 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Earnings</b>	<b>盈利</b>		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	用於計算每股基本及攤薄盈利之母公司普通權益持有人應佔溢利	<b>106,418</b>	242,885
		<b>Number of shares</b> 股份數目	
		<b>2018</b> 二零一八年	2017 二零一七年
<b>Shares</b>	<b>股份</b>		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	用於計算每股基本盈利之年內已發行普通股加權平均數	<b>1,357,431,128</b>	1,355,932,999
Effect of dilution – weighted average number of ordinary shares: Share options	攤薄影響 – 普通股加權平均數：購股權	<b>1,160,164</b>	6,579,244
		<b>1,358,591,292</b>	1,362,512,243





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## 13. Property, Plant and Equipment 13. 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Tooling and equipment 工具及設備 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>31 December 2018</b>	<b>二零一八年十二月三十一日</b>							
Cost:	成本:							
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	872,153	1,840,236	31,703	43,359	222,879	214,849	3,225,179
Additions	添置	16,920	223,827	10,640	2,016	13,788	29,035	296,226
Transfer from investment properties (note 14)	轉撥自投資物業(附註14)	26,130	-	-	-	-	-	26,130
Acquisition from a subsidiary (note 36)	向一間附屬公司收購 (附註36)	-	-	164	224	474	-	862
Transfers	轉撥	27,246	108,754	-	-	-	(136,000)	-
Disposals	處置	(662)	(25,997)	(597)	(694)	(2,543)	-	(30,493)
Exchange realignment	匯兌調整	954	(1,911)	77	113	69	50	(648)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>942,741</b>	<b>2,144,909</b>	<b>41,987</b>	<b>45,018</b>	<b>234,667</b>	<b>107,934</b>	<b>3,517,256</b>
Accumulated depreciation and impairment:	累計折舊及減值:							
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及 二零一八年一月一日	(199,660)	(745,414)	(25,692)	(27,532)	(179,135)	(1,569)	(1,179,002)
Depreciation provided during the year	年內折舊撥備	(63,041)	(198,394)	(4,403)	(4,630)	(14,594)	-	(285,062)
Transfer from investment properties (note 14)	轉撥自投資物業(附註14)	(756)	-	-	-	-	-	(756)
Acquisition from a subsidiary (note 36)	向一間附屬公司收購 (附註36)	-	-	(44)	(37)	(88)	-	(169)
Disposals	處置	49	5,932	151	589	1,490	-	8,211
Exchange realignment	匯兌調整	(223)	1,074	(21)	(107)	(64)	-	659
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>(263,631)</b>	<b>(936,802)</b>	<b>(30,009)</b>	<b>(31,717)</b>	<b>(192,391)</b>	<b>(1,569)</b>	<b>(1,456,119)</b>
Net carrying amount:	賬面淨值:							
At 31 December 2018	於二零一八年十二月三十一日	679,110	1,208,107	11,978	13,301	42,276	106,365	2,061,137

13. Property, Plant and Equipment  
(continued)

## 13. 物業、廠房及設備 (續)

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及機器 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Tooling and equipment 工具及設備 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
31 December 2017	二零一七年十二月三十一日							
Cost:	成本:							
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	753,217	1,573,863	29,965	32,827	198,640	253,292	2,841,804
Additions	添置	41,387	156,244	2,382	11,534	25,437	77,259	314,243
Transfer to investment properties (note 14)	轉撥至投資物業(附註14)	-	-	-	-	-	(14,380)	(14,380)
Acquisition from a subsidiary	向一間附屬公司收購	-	106,015	-	-	-	-	106,015
Transfers	轉撥	83,000	18,322	-	-	-	(101,322)	-
Disposals	處置	(2,337)	(12,427)	(599)	(941)	(920)	-	(17,224)
Exchange realignment	匯兌調整	(3,114)	(1,781)	(45)	(61)	(278)	-	(5,279)
At 31 December 2017	於二零一七年十二月三十一日	872,153	1,840,236	31,703	43,359	222,879	214,849	3,225,179
Accumulated depreciation and impairment:	累計折舊及減值:							
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	(165,013)	(593,710)	(22,527)	(24,073)	(157,235)	(1,569)	(964,127)
Depreciation provided during the year	年內折舊撥備	(35,730)	(152,982)	(3,334)	(4,227)	(22,615)	-	(218,888)
Acquisition from a subsidiary	向一間附屬公司收購	-	(4,065)	-	-	-	-	(4,065)
Disposals	處置	94	4,899	161	756	671	-	6,581
Exchange realignment	匯兌調整	989	444	8	12	44	-	1,497
At 31 December 2017	於二零一七年十二月三十一日	(199,660)	(745,414)	(25,692)	(27,532)	(179,135)	(1,569)	(1,179,002)
Net carrying amount:	賬面淨值:							
At 31 December 2017	於二零一七年十二月三十一日	672,493	1,094,822	6,011	15,827	43,744	213,280	2,046,177

At 31 December 2018, certain of the Group's buildings and machinery with a net carrying amount of approximately RMB672,268,000 (2017: RMB747,778,000) were pledged to secure general banking facilities granted to the Group. For details of pledged assets, please refer to note 38 to the financial statements.

於二零一八年十二月三十一日，本集團賬面淨值約人民幣672,268,000元(二零一七年：人民幣747,778,000元)之若干樓宇及機器已抵押作為本集團獲授一般銀行融資之擔保。已抵押資產詳情請參閱財務報表附註38。



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### 14. Investment Properties

### 14. 投資物業

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cost:	成本：		
At 1 January	於一月一日	<b>51,193</b>	33,013
Transferred (to)/from property, plant and equipment (note 13)	轉撥(至)/自物業、廠房及設備(附註13)	<b>(26,130)</b>	14,380
Transferred (to)/from prepaid land lease payments (note 16)	轉撥(至)/自預付土地租賃款項(附註16)	<b>(9,194)</b>	3,800
At 31 December	於十二月三十一日	<b>15,869</b>	51,193
Accumulated depreciation:	累計折舊：		
At 1 January	於一月一日	<b>(2,801)</b>	(1,350)
Depreciation provided during the year	年內折舊撥備	<b>(219)</b>	(1,321)
Transferred to property, plant and equipment (note 13)	轉撥至物業、廠房及設備(附註13)	<b>756</b>	-
Transferred to/(from) prepaid land lease payments (note 16)	轉撥至/(自)預付土地租賃款項(附註16)	<b>634</b>	(130)
At 31 December	於十二月三十一日	<b>(1,630)</b>	(2,801)
Carrying amount at 31 December	於十二月三十一日的賬面值	<b>14,239</b>	48,392

The Group's investment properties consist of two industrial properties in Mainland China which were subsequently measured using the cost model. The Directors have determined that the investment properties consist of one class of assets, i.e., industrial properties, based on the nature, characteristics and risk of each property. The Group's investment properties were revalued on 31 December 2018 based on the valuation by management. Management has reviewed the valuation assumptions and valuation results once a year when the valuation is performed for annual financial reporting.

本集團的投資物業包括中國內地的兩個工業物業，該等物業其後使用成本模型計量。董事已根據各物業的性質、特點及風險，確認投資物業由一類資產（即工業物業）組成。本集團已根據管理層作出的估值，於二零一八年十二月三十一日對投資物業進行重估。倘估值乃為年度財務呈報作出，則管理層每年會檢討估值假設及估值結果。



## 14. Investment Properties (continued)

The investment properties are leased to a related company wholly owned by Mr. Dong Li and a third party under operating leases, further summary details of which are included in note 39 to the financial statements.

### Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

## 14. 投資物業 (續)

該等投資物業根據經營租賃出租給董李先生全資擁有的關連公司及第三方，其進一步詳情概要載於財務報表附註39。

### 公允價值層級

下表載列本集團投資物業的公允價值計量層級：

		Fair value measurement as at 31 December 2018 using 於二零一八年十二月三十一日公允價值計量所用層級			
		Quoted prices in active markets 活躍市場 報價 (Level 1) (第1層) RMB'000 人民幣千元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第2層) RMB'000 人民幣千元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第3層) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Industrial properties	工業物業	-	-	30,200	30,200

		Fair value measurement as at 31 December 2017 using 於二零一七年十二月三十一日公允價值計量所用層級			
		Quoted prices in active markets 活躍市場 報價 (Level 1) (第1層) RMB'000 人民幣千元	Significant observable inputs 重大可觀察 輸入數據 (Level 2) (第2層) RMB'000 人民幣千元	Significant unobservable inputs 重大不可觀察 輸入數據 (Level 3) (第3層) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Industrial properties	工業物業	-	-	71,550	71,550



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### 14. Investment Properties (continued)

#### Fair value hierarchy (continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2017: Nil).

The fair values of the investment properties are determined using the comparison method by making references to comparable sale evidence as available in the relevant market. Comparable properties of similar size, character and location are analysed and selected for each investment property in order to arrive at a fair comparison of their fair values. The fair value measurement is positively correlated to the market unit sale rate.

### 14. 投資物業 (續)

#### 公允價值層級 (續)

年內，第一級與第二級之間之公允價值計量並無轉撥，亦無撥入或撥出第三級（二零一七年：無）。

投資物業公允價值乃參照有關市場上可供比較之銷售憑證，使用比較法釐定。為達致公允價值之公平比較，各投資物業將選擇類似規模、特點及位置的可資比較物業進行分析。公允價值計量與市場單位售價呈正相關性。

### 15. Properties Under Development 15. 發展中物業

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	40,869	40,869
Additions	添置	38,595	24,379
Transfer to completed properties held for sale	轉撥至持作待售已落成物業	(21,601)	(24,379)
Carrying amount at 31 December	於十二月三十一日的賬面值	<b>57,863</b>	40,869



## 16. Prepaid Land Lease Payments

## 16. 預付土地租賃款項

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>		
At 1 January	於一月一日	<b>178,660</b>	139,867
Transfer from/(to) investment properties (note 14)	轉撥自／(至)投資物業 (附註14)	<b>9,194</b>	(3,800)
Additions	添置	<b>22,934</b>	32,993
Acquisition of a subsidiary	收購附屬公司	-	9,600
At 31 December	於十二月三十一日	<b>210,788</b>	178,660
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>		
At 1 January	於一月一日	<b>(19,899)</b>	(16,373)
Transfer (from)/to investment properties (note 14)	轉撥(自)／至投資物業 (附註14)	<b>(634)</b>	130
Recognised during the year	於年內確認	<b>(3,862)</b>	(3,656)
At 31 December	於十二月三十一日	<b>(24,395)</b>	(19,899)
<b>Impairment:</b>	<b>減值：</b>		
At 1 January and 31 December	於一月一日及十二月三十一日	<b>(54)</b>	(54)
<b>Carrying amount:</b>	<b>賬面值：</b>		
At 31 December	於十二月三十一日	<b>186,339</b>	158,707
Less: Current portion included in prepayments, other receivables and other assets (note 24)	減：列入預付款項、其他應收款項及其他資產的即期部分(附註24)	<b>(4,350)</b>	(3,888)
Non-current portion	非即期部分	<b>181,989</b>	154,819

At 31 December 2018, certain of the Group's prepaid land lease payments with a net carrying amount of approximately RMB50,297,000 (2017: RMB50,094,000) were pledged to secure general banking facilities granted to the Group. For details of pledged assets, please refer to note 38 to the financial statements.

於二零一八年十二月三十一日，本集團若干賬面淨值約為人民幣50,297,000元(二零一七年：人民幣50,094,000元)的預付土地租賃款項已抵押作為本集團獲授一般銀行融資之擔保。有關已抵押資產之詳情，請參閱財務報表附註38。



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### 17. Goodwill

### 17. 商譽

		RMB'000 人民幣千元
Cost and net carrying amount:	成本及賬面值：	
At 1 January 2017	於二零一七年一月一日	8,660
Acquisition of a subsidiary	收購附屬公司	39
At 31 December 2017	於二零一七年十二月三十一日	8,699
At 1 January 2018	於二零一八年一月一日	8,699
Acquisition of a subsidiary (note 36)	收購附屬公司(附註36)	1,937
At 31 December 2018	於二零一八年十二月三十一日	10,636

#### Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the respective cash-generating units (“CGUs”) for impairment testing.

The carrying amount of goodwill has been allocated to CGUs as follows:

#### 商譽減值測試

透過業務合併收購的商譽已分配至各自現金產生單位(「現金產生單位」)作減值測試。

分配至現金產生單位之商譽賬面值如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Accupower	Accupower	8,660	8,660
Taihe Dahua	太和縣大華	39	39
DBSL (note 36)	DBSL (附註36)	1,937	-
Total	總計	10,636	8,699



## 17. Goodwill (*continued*)

### Impairment testing of goodwill (*continued*)

The recoverable amounts of the above CGUs have been determined based on value-in-use calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management.

The key assumptions adopted on the growth rate and discount rate used in the value-in-use calculations are based on management's best estimates. The growth rate of 3% is determined by considering both internal and external factors relating to the CGUs. The discount rates applied to the cash flow projections are 15% for Accupower, 18% for Taihe Dahua and 11% for DBSL.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amount of goodwill is based would not cause the carrying amount of goodwill to exceed its recoverable amount.

## 17. 商譽 (續)

### 商譽減值測試 (續)

現金產生單位的可收回金額乃根據現金流量預測以可使用價值方式計算，而該現金流量預測乃以高級管理層批准的五年期財務預算為基準。

計算可使用價值所採用的增長率及折現率的主要假設乃基於管理層的最佳估計。3%的增長率乃經考慮與現金產生單位相關的內部及外部因素後釐定。Accupower、太和縣大華及DBSL現金流量預測所採用的折現率分別為15%、18%及11%。

管理層認為，商譽可收回金額所依據之主要假設出現任何合理變動，不會導致商譽的賬面值超出其可收回金額。





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## 18. Other Intangible Assets

## 18. 其他無形資產

		Computer software	Deferred development costs	Customer relationship	Licence	Trademark	Total
		電腦軟件	開發成本	客戶關係	牌照	商標	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
31 December 2018:	二零一八年十二月三十一日:						
Cost at 1 January 2018, net of accumulated amortisation	於二零一八年一月一日的成本· 扣除累計攤銷	3,865	361,968	3,917	97,313	17,152	484,215
Additions	添置	3,414	209,575	-	-	4,589	217,578
Acquisition of a subsidiary (note 36)	收購附屬公司(附註36)	132	-	16,246	-	-	16,378
Amortisation provided during the year	年內攤銷撥備	(3,118)	(82,847)	(2,776)	(10,813)	(3,776)	(103,330)
Exchange realignment	匯兌調整	-	-	602	-	-	602
At 31 December 2018	於二零一八年十二月三十一日	4,293	488,696	17,989	86,500	17,965	615,443
At 31 December 2018:	於二零一八年十二月三十一日:						
Cost	成本	14,500	766,441	21,436	108,126	26,079	936,582
Accumulated amortisation	累計攤銷	(10,207)	(277,745)	(3,447)	(21,626)	(8,114)	(321,139)
Net carrying amount	賬面淨值	4,293	488,696	17,989	86,500	17,965	615,443
31 December 2017	二零一七年十二月三十一日						
At 1 January 2017:	於二零一七年一月一日:						
Cost	成本	9,704	378,210	4,588	-	21,488	413,990
Accumulated amortisation	累計攤銷	(5,928)	(121,089)	(224)	-	(1,719)	(128,960)
Net carrying amount	賬面淨值	3,776	257,121	4,364	-	19,769	285,030
Cost at 1 January 2017, net of accumulated amortisation	於二零一七年一月一日的成本· 扣除累計攤銷	3,776	257,121	4,364	-	19,769	285,030
Additions	添置	1,250	178,656	-	-	2	179,908
Acquisition of a subsidiary	收購附屬公司	-	-	-	108,126	-	108,126
Amortisation provided during the year	年內攤銷撥備	(1,161)	(73,809)	(447)	(10,813)	(2,619)	(88,849)
At 31 December 2017	於二零一七年十二月三十一日	3,865	361,968	3,917	97,313	17,152	484,215
At 31 December 2017 and at 1 January 2018:	於二零一七年十二月三十一日及 於二零一八年一月一日:						
Cost	成本	10,954	556,866	4,588	108,126	21,490	702,024
Accumulated amortisation	累計攤銷	(7,089)	(194,898)	(671)	(10,813)	(4,338)	(217,809)
Net carrying amount	賬面淨值	3,865	361,968	3,917	97,313	17,152	484,215



## 19. Equity Investments Designated at Fair Value Through Other Comprehensive Income/ Available-for-Sale Investments

## 19. 指定按公允價值變動計入其他全面收益的權益性投資／可供出售投資

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定按公允價值變動計入其他全面收益的權益性投資		
Unlisted equity investments, at fair value	非上市權益性投資，按公允價值	<b>137,148</b>	-
Available-for-sale investments	可供出售投資		
Unlisted equity investment, at cost	非上市權益性投資，按成本	-	9,748
Unlisted equity investments, at fair value	非上市權益性投資，按公允價值	-	122,828
		-	132,576

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

During the year ended 31 December 2018, the gross loss in respect of the Group's equity investments designated at fair value through other comprehensive income recognised in other comprehensive income amounted to RMB19,659,000.

During the year ended 31 December 2017, the gross gain in respect of the Group's available-for-sale investments recognised in other comprehensive income amounted to RMB3,703,000.

由於本集團認為該等投資屬策略性投資，因此權益性投資不可撤銷地指定按公允價值變動計入其他全面收益。

於截至二零一八年十二月三十一日止年度，有關本集團於其他全面收益確認的指定按公允價值變動計入其他全面收益的權益性投資的虧損總額為人民幣19,659,000元。

於截至二零一七年十二月三十一日止年度，有關本集團於其他全面收益確認的可供出售投資收益總額為人民幣3,703,000元。



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### 20. Inventories

### 20. 存貨

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Raw materials	原料	632,446	445,494
Work in progress	在製品	795,069	1,008,957
Finished goods	製成品	535,451	417,834
		<b>1,962,966</b>	1,872,285

As at 31 December 2018, inventories with the amount of RMB2,460,000 (2017: RMB3,957,000) were written down to their net realisable value as disclosed in note 6.

誠如附註6所披露，於二零一八年十二月三十一日，金額為人民幣2,460,000元（二零一七年：人民幣3,957,000元）之存貨已撇減至其可變現淨值。

### 21. Completed Properties Held for Sale

### 21. 持作待售已落成物業

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Completed properties held for sale	持作待售已落成物業	15,856	44,205



## 21. Completed Properties Held for Sale (continued)

In 2014, Jiangsu Siting, a subsidiary of the Company, entered into an arrangement (the “**Arrangement**”) with a constructor (the “**Constructor**”), an independent third party, to develop a residential property project for, among others, staff quarters (the “**Project**”). The Constructor is responsible for the management and funding of the Project and sale of the properties after they are completed. There are certain profit sharing arrangements between Jiangsu Siting and the Constructor in accordance with the Arrangement, including that Jiangsu Siting will retain certain units of the properties. The performance of the Constructor under the Arrangement will be guaranteed by an independent third party.

As at 31 December 2018, the carrying amounts of the properties under development and the completed properties held for sale under the Project were RMB57,863,000 (note 15) and RMB15,856,000, respectively.

## 21. 持作待售已落成物業 (續)

於二零一四年，本公司附屬公司江蘇思廷與一名建築商（「**建築商**」）（一名獨立第三方）訂立一項安排（「**安排**」）發展一項住宅物業項目，包括但不限於員工宿舍（「**該項目**」）。建築商負責該項目的管理及融資，以及於項目完成後銷售物業。根據安排，江蘇思廷及建築商之間已訂立若干溢利分拆安排，包括江蘇思廷將保留若干物業單位。根據安排，建築商的履約將由一名獨立第三方作出擔保。

於二零一八年十二月三十一日，該項目項下的發展中物業及持作待售已落成物業的賬面值分別為人民幣57,863,000元（附註15）及人民幣15,856,000元。

## 22. Trade Receivables

Trade receivables	貿易應收款項
Less: Impairment provision	減：減值撥備

## 22. 貿易應收款項

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
		<b>2,450,675</b>	2,343,791
		<b>(26,021)</b>	(30,353)
		<b>2,424,654</b>	2,313,438



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### 22. Trade Receivables (continued)

The Group grants different credit periods to its customers. Credit periods for individual customers are considered on a case-by-case basis. Certain customers are required to make partial payments before or upon delivery. The Group seeks to maintain strict control over its outstanding receivables and closely monitors them to minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables of RMB233,914,000 (2017: RMB261,715,000) were under short term credit insurance and RMB63,713,000 (2017: RMB71,912,000) were under letters of credit. In addition, the Group does not hold any collateral or other credit enhancements over these balances. Trade receivables are non-interest-bearing.

As at 31 December 2018, the Group pledged certain trade receivables amounting to RMB31,592,000 (2017: RMB61,467,000) to banks with recourse in exchange for cash (note 38). The proceeds from pledging the trade receivables of RMB20,759,000 (2017: RMB37,279,000) were accounted for as collateralised bank advances until the trade receivables were collected or the Group made good of any losses incurred by the banks. The details of the transfer of factored trade receivables are included in note 45 to the financial statements.

### 22. 貿易應收款項 (續)

本集團向客戶授予不同的信貸期。各個客戶的信貸期逐一釐定。若干客戶須於交付前或交付時作出部分付款。本集團尋求對其未獲償還的應收款項維持嚴格控制，並密切監察該等賬款，以減低信貸風險。高級管理層會定期審閱逾期未付的結餘。貿易應收款項中人民幣233,914,000元（二零一七年：人民幣261,715,000元）訂有短期信用保險，而人民幣63,713,000元（二零一七年：人民幣71,912,000元）則訂有信用證。此外，本集團概無就該等結餘持有任何抵押品或採取其他信貸提升措施。貿易應收款項為不計息。

於二零一八年十二月三十一日，本集團向銀行抵押若干有追索權的貿易應收款項，金額為人民幣31,592,000元（二零一七年：人民幣61,467,000元），藉以換取現金（附註38）。抵押貿易應收款項所得款項人民幣20,759,000元（二零一七年：人民幣37,279,000元）乃列作有抵押銀行墊款，直至該等貿易應收款項獲收回或本集團彌補銀行產生的任何虧損為止。有關轉讓保理貿易應收款項之詳情載列於財務報表附註45。



## 22. Trade Receivables (continued)

An ageing analysis of the trade receivables as at 31 December 2018 and 2017 based on the invoice date, net of loss allowance, is as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 3 months	3個月內	1,735,538	1,813,243
3 to 6 months	3至6個月	403,444	302,226
6 to 12 months	6至12個月	214,842	141,573
1 to 2 years	1至2年	57,500	53,181
Over 2 years	2年以上	13,330	3,215
		<b>2,424,654</b>	2,313,438

## 22. 貿易應收款項 (續)

於二零一八年及二零一七年十二月三十一日之貿易應收款項按發票日(扣除虧損撥備)的賬齡分析如下:

Movements in the loss allowance for impairment of trade receivables are as follows:

貿易應收款項減值虧損撥備的變動載列如下:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
At 1 January	於一月一日	30,353	38,066
Effect of adoption of IFRS 9	採納國際財務報告準則第9號之影響	1,686	-
At 1 January (restated)	於一月一日(經重列)	32,039	38,066
Impairment/(reversal of impairment) of trade receivables (note 6)	貿易應收款項減值/(減值撥回)(附註6)	3,266	(7,713)
Amount written off as uncollectible	撇減為不可收回的款項	(9,284)	-
At 31 December	於十二月三十一日	<b>26,021</b>	30,353



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## 22. Trade Receivables (continued)

### Impairment under IFRS 9 for the year ended 31 December 2018

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2018

		Current 即期	Past due 逾期	Total 總計		
	Customers with credit enhancement 信貸提升的 客戶	Customers with credit enhancement 信貸提升的 客戶	Customers with credit enhancement 信貸提升的 客戶	Customers with credit enhancement 信貸提升的 客戶		
	普通客戶	普通客戶	普通客戶	普通客戶		
Expected credit loss rate	預期信貸虧損率	0.02%	0.68%	0.36%	100.00%	1.06%
Gross carrying amount (RMB'000)	賬面總值 (人民幣千元)	1,971,630	385,276	71,083	22,686	2,450,675
Expected credit losses (RMB'000)	預期信貸虧損 (人民幣千元)	463	2,619	253	22,686	26,021

## 22. 貿易應收款項 (續)

### 國際財務報告準則第9號項下截至二零一八年十二月三十一日止年度的減值

於各報告日期均採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於因就擁有類似虧損模式的多個客戶分部進行分組（即地理區域、產品類別、客戶類別及評級及信用證或其他信貸保險形式的保障範圍）而逾期的日數計算。該計算反映概率加權結果、貨幣時值及於報告日期可得的有關過往事項、當前條件及未來經濟條件預測的合理及可靠資料。一般而言，貿易應收款項如逾期超過一年且無強制追討行動則予以撇銷。

下表載列本集團使用撥備矩陣計算的貿易應收款項的信貸風險資料：

於二零一八年十二月三十一日



## 22. Trade Receivables (continued)

### Impairment under IAS 39 for the year ended 31 December 2017

Included in the above provision for impairment of trade receivables, which was measured based on incurred credit losses under IAS 39, as at 31 December 2017, was a provision for individually impaired trade receivables of RMB30,353,000 with a carrying amount before provision of RMB30,353,000.

The individually impaired trade receivables as at 31 December 2017 related to customers that were in financial difficulties.

The ageing analysis of trade receivables as at 31 December 2017 that were not individually nor collectively considered to be impaired under IAS 39 is as follows:

		2017 二零一七年 RMB'000 人民幣千元
Neither past due nor impaired	未逾期亦未減值	2,257,042
Past due but not impaired	逾期但未減值	56,396
		2,313,438

Receivables that were neither past due nor impaired related to a large number of diversified customers that have not had a history of default recently.

## 22. 貿易應收款項 (續)

### 國際會計準則第39號項下截至二零一七年十二月三十一日止年度之減值

於二零一七年十二月三十一日，計入上述貿易應收款項的減值撥備（按國際會計準則第39號項下之已產生信貸虧損計量）為就個別已減值的貿易應收款項人民幣30,353,000元計提的撥備，其於作出撥備前的賬面值為人民幣30,353,000元。

於二零一七年十二月三十一日的個別減值貿易應收款項與陷於財困的客戶有關。

於二零一七年十二月三十一日並未根據國際會計準則第39號視作個別或共同減值的貿易應收款項的賬齡分析如下：

未逾期亦未減值的應收款項與多名無近期違約記錄的客戶有關。





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## 22. Trade Receivables (continued)

### Impairment under IAS 39 for the year ended 31 December 2017 (continued)

Receivables that were past due but not impaired related to a number of independent customers that had a good payment track record with the Group. Based on past experience, the directors were of the opinion that no provision for impairment under IAS 39 was necessary in respect of these balances as there had not been a significant change in credit quality of the customers and the balances were still considered fully recoverable.

## 23. Bills Receivables/Debt Investments at Fair Value Through Other Comprehensive Income

The balance as at 31 December 2018 represents bills receivables held by the Group which was measured at fair value through other comprehensive income, since the bills receivables were held within the business model whose objective was achieved by both collecting contractual cash flows and selling the financial assets, and the contractual cash flows were solely payments of principal and interest on the principal amount outstanding.

## 22. 貿易應收款項 (續)

### 國際會計準則第39號項下截至二零一七年十二月三十一日止年度之減值 (續)

已逾期但未減值的應收款項乃與多名與本集團有良好付款往績記錄的獨立客戶有關。由於客戶的信貸質素並無重大變動及結餘仍被認為可以完全收回，根據過往經驗，董事認為並無必要就該等結餘作出國際會計準則第39號項下之減值撥備。

## 23. 應收票據／公允價值變動計入其他全面收益的債務投資

於二零一八年十二月三十一日之結餘指本集團持有之公允價值變動計入其他全面收益的應收票據，原因為應收票據是按同時透過收取合約現金流量及出售金融資產為目的之商業模式下持有，而合約現金流量僅為支付本金及未償還本金之利息。



### 23. Bills Receivables/Debt Investments at Fair Value Through Other Comprehensive Income (continued)

The ageing analysis of bills receivables presented based on issue date at 31 December 2018 and 31 December 2017 is as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 3 months	三個月內	44,126	48,833
3 to 6 months	三至六個月	97,210	103,538
6 to 12 months	六至十二個月	23,289	60,788
		<b>164,625</b>	213,159

The net loss on changes in the fair value of the debt investments at fair value through other comprehensive income amounting to RMB2,768,000 was recognised in the consolidated statement of comprehensive income during the year.

### 23. 應收票據／公允價值變動計入其他全面收益的債務投資 (續)

於二零一八年十二月三十一日及二零一七年十二月三十一日按發行日期呈列之應收票據賬齡分析如下：

年內，公允價值變動計入其他全面收益的債務投資的公允價值變動虧損淨額人民幣2,768,000元於綜合全面收益表中確認。



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### 24. Prepayments, Other Receivables and Other Assets 24. 預付款項、其他應收款項及其他資產

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Prepayments	預付款項	139,671	130,365
Deposits and other receivables	訂金及其他應收款項	35,233	32,926
Loans to employees	向僱員作出的貸款	7,422	7,130
Interest receivables	應收利息	-	114
Current portion of prepaid land lease payments (note 16)	預付土地租賃款項的即期部分 (附註16)	4,350	3,888
		<b>186,676</b>	<b>174,423</b>

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default. The Group estimated the expected credit loss rate is minimal.

上述資產並無逾期或減值。上述結餘所包括的金融資產與無近期違約記錄的應收款項有關。本集團估計預期信貸虧損率甚低。

### 25. Derivative Financial Instruments 25. 衍生金融工具

		2018 二零一八年		2017 二零一七年	
		Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元	Assets 資產 RMB'000 人民幣千元	Liabilities 負債 RMB'000 人民幣千元
Forward currency contracts	遠期貨幣合約	-	-	4,418	-



## 25. Derivative Financial Instruments (continued)

### Forward currency contracts

The Group has entered into various forward currency contracts to manage its exchange rate exposures. These forward currency contracts are measured at fair value through profit or loss. The net loss on changes in the fair value of the forward currency contracts amounting to RMB145,000 (2017: net gain RMB1,166,000) was recognised in the consolidated statement of profit or loss during the year.

## 25. 衍生金融工具 (續)

### 遠期貨幣合約

本集團已訂立多份遠期貨幣合約管理其外匯風險。該等遠期貨幣合約按公允價值變動計入損益計量。年內，遠期貨幣合約的公允價值變動的虧損淨額為人民幣145,000元（二零一七年：收益淨額人民幣1,166,000元），已於綜合損益表內確認。

## 26. Equity Investment at Fair Value Through Profit or Loss

## 26. 公允價值變動計入損益的權益性投資

	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Listed equity investments, at fair value 上市權益性投資，按公允價值	<b>12,588</b>	12,545

The above equity investments at 31 December 2018 were classified as held for trading and were, upon initial recognition, designated by the Group as financial assets at fair value through profit or loss.

上述於二零一八年十二月三十一日之權益性投資分類為持作買賣，及於初步確認後，由本集團指定作公允價值變動計入損益之金融資產。



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## 27. Structured Bank Deposits

## 27. 結構性銀行存款

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Structured bank deposits, in licensed banks in Mainland China: With floating rate, at fair value	中國內地持牌銀行之 結構性銀行存款： 按浮動利率計息， 按公允價值計量	<b>109,866</b>	-

The structured bank deposits have terms of one year and are classified at initial recognition as fair value through profit or loss. The net gain on changes in the fair value of the structured bank deposits amounting to RMB866,000 was recognised in the consolidated statement of profit or loss during the year.

結構性銀行存款為期一年，並於初步確認時分類為公允價值變動計入損益。年內，結構性銀行存款的公允價值變動收益淨額人民幣866,000元於綜合損益表中確認。





## 28. Cash and Bank Balances and Time Deposits

## 28. 現金及銀行結餘以及定期存款

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	425,311	401,042
Time deposits	定期存款	452,216	540,116
		<b>877,527</b>	941,158
Less: Pledged for interest-bearing bank borrowings	減：已就計息銀行借貸抵押	<b>(104,561)</b>	(179,899)
Pledged for bills payable	已就應付票據抵押	<b>(303,714)</b>	(260,099)
Pledged for letters of credit	已就信用證抵押	<b>(43,941)</b>	(100,118)
		<b>(452,216)</b>	(540,116)
Cash and cash equivalents	現金及現金等價物	<b>425,311</b>	401,042
Denominated in RMB	以人民幣計值	<b>706,693</b>	755,673
Denominated in US\$	以美元計值	<b>134,619</b>	155,742
Denominated in HK\$	以港元計值	<b>19,511</b>	19,201
Denominated in Indian Rupee	以印度盧比計值	<b>11,482</b>	3,207
Denominated in Malaysian Dollar ("MYR")	以馬來西亞令吉 (「馬來西亞令吉」) 計值	<b>1,597</b>	4,146
Denominated in Singapore Dollar ("SG\$")	以新加坡元 (「新元」) 計值	<b>1,209</b>	618
Denominated in Euro ("EUR")	以歐元 (「歐元」) 計值	<b>1,149</b>	66
Denominated in Australian Dollar ("AU\$")	以澳元 (「澳元」) 計值	<b>901</b>	2,417
Denominated in Sri Lankan Rupee	以斯里蘭卡盧比計值	<b>366</b>	88
		<b>877,527</b>	941,158



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## 28. Cash and Bank Balances and Time Deposits (continued)

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

## 29. Trade and Bills Payables

## 28. 現金及銀行結餘以及定期存款 (續)

人民幣不得自由兌換作外幣，然而，根據中國外匯管制條例及結匯、售匯及付匯管理規定，本集團獲批准透過授權銀行將人民幣兌換作外幣以進行外匯業務。

存於銀行的現金按每日銀行存款利率的浮動息率賺取利息。短期定期存款之存款期由一日至三個月不等，視乎本集團之實時現金要求而定，各自按短期存款利率獲取利息。銀行結餘及抵押存款存於近期無拖欠記錄且信譽良好的銀行。

## 29. 貿易應付款項及應付票據

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Trade payables	貿易應付款項	980,460	803,985
Bills payable	應付票據	1,021,248	861,262
		<b>2,001,708</b>	1,665,247



## 29. Trade and Bills Payables (continued)

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within 3 months	3個月內	937,623	702,362
3 to 6 months	3至6個月	390,884	364,800
6 to 12 months	6至12個月	632,798	582,439
1 to 2 years	1至2年	36,028	12,266
2 to 3 years	2至3年	1,483	898
Over 3 years	超過3年	2,892	2,482
		<b>2,001,708</b>	1,665,247

The trade payables are non-interest-bearing and are normally settled on 90-day terms. All the bills payable have maturity dates within 365 days. As at 31 December 2018, bills payable amounting to RMB432,967,000 (2017: RMB745,450,000) were issued on intercompany sales transactions within the Group and these bills were discounted to banks for short term financing.

As at 31 December 2018, certain of the Group's bills payable were secured by the pledge of certain of the Group's time deposits amounting to RMB303,714,000 (2017: RMB260,099,000) (note 38).

## 29. 貿易應付款項及應付票據 (續)

於報告期末，貿易應付款項及應付票據按發票日期的賬齡分析如下：

貿易應付款項為不計息，且一般須於90日內支付。所有應付票據均於365日內到期。於二零一八年十二月三十一日，本集團就集團內公司間進行的銷售交易發行金額為人民幣432,967,000元（二零一七年：人民幣745,450,000元）的應付票據，且該等票據貼現予銀行作短期融資。

於二零一八年十二月三十一日，本集團若干應付票據以本集團金額為人民幣303,714,000元（二零一七年：人民幣260,099,000元）的若干定期存款的質押作擔保（附註38）。





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### 30. Other Payables and Accruals

### 30. 其他應付款項及應計費用

		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Provision for social insurance and retirement benefits	社會保險及退休福利撥備		<b>159,011</b>	141,570
Receipt in advance	預收款		-	133,257
Contract liabilities	合約負債	(a)	<b>178,188</b>	-
Accrued expenses	應計開支		<b>99,534</b>	90,041
Accrued payroll	應計工資		<b>105,592</b>	53,027
Payables for purchase of items of property, plant and equipment	購買物業、廠房及設備項目的應付款項		<b>24,312</b>	17,677
Provision for product warranties	產品保修金撥備		<b>13,010</b>	13,239
Tax payables other than current income tax liabilities	應付稅項 (即期所得稅負債除外)		<b>135,305</b>	161,632
Payables to non-controlling shareholders	應付非控股股東之款項	41	<b>43,418</b>	76,238
Others	其他	(b)	<b>18,998</b>	19,856
			<b>777,368</b>	706,537



### 30. Other Payables and Accruals (continued)

Notes:

- (a) Details of contract liabilities as at 31 December 2018 and 1 January 2018 are as follows:

		<b>31 December 2018</b>	1 January 2018
		二零一八年 十二月三十一日	二零一八年 一月一日
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
<i>Short-term advances received from customers</i>	<i>已收客戶短期墊款</i>		
Sale of goods	銷售貨物	<b>178,188</b>	133,257

Contract liabilities are short-term advances received to deliver industrial products. The increase in contract liabilities in 2018 was mainly due to the increase in short-term advances received from customers in relation to sale of goods at the end of the year

- (b) Other payables are non-interest-bearing and have no fixed terms of repayment.

### 30. 其他應付款項及應計費用 (續)

附註：

- (a) 有關於二零一八年十二月三十一日及二零一八年一月一日之合約負債詳情如下：

合約負債為就交付工業產品已收之短期墊款。二零一八年合約負債增加乃主要由於年末就銷售貨物已收客戶的短期墊款增加所致。

- (b) 其他應付款項不計息，且並無固定還款期。



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## 31. Interest-Bearing Bank Borrowings

## 31. 計息銀行借貸

		31 December 2018 二零一八年十二月三十一日			31 December 2017 二零一七年十二月三十一日		
		Effective interest rate (%) 實際利率(%)	Maturity 到期	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期	RMB'000 人民幣千元
<b>Current</b>	<b>即期</b>						
Interest-bearing bank borrowings, secured	計息銀行借貸，有抵押	1.50 to 7.53 1.50至7.53	2019 二零一九年	1,077,598	1.50 to 7.53 1.50至7.53	2018 二零一八年	1,175,362
Collateralised bank advances, secured	有抵押銀行墊款，有抵押	2.00 to 2.40 2.00至2.40	2019 二零一九年	20,759	2.00 to 2.40 2.00至2.40	2018 二零一八年	37,279
Interest-bearing bank borrowings, guaranteed	計息銀行借貸，有擔保	2.56 to 8.32 2.56至8.32	2019 二零一九年	665,727	2.87 to 5.22 2.87至5.22	2018 二零一八年	405,401
Current portion of long term bank borrowings, guaranteed	長期銀行借款即期部分，有擔保	LIBOR + 2.50	2019 二零一九年	407,217	LIBOR + 2.50	on demand 按要求償還	1,286,511
				<b>2,171,301</b>			<b>2,904,553</b>
<b>Non-current</b>	<b>非即期</b>						
Interest-bearing bank borrowings, secured	計息銀行借貸，有抵押	1.50 to 7.53 1.50至7.53	2020-2028 二零二零年至 二零二八年	34,113	1.50 to 7.53 1.50至7.53	2019-2028 二零一九年至 二零二八年	81,338
Interest-bearing bank borrowings, guaranteed	計息銀行借貸，有擔保	LIBOR + 2.50	2020 二零二零年	678,694	4.89	2019 二零一九年	28,000
				<b>712,807</b>			<b>109,338</b>
				<b>2,884,108</b>			<b>3,013,891</b>
Denominated in RMB	以人民幣計值			1,063,699			1,038,680
Denominated in US\$	以美元計值			1,218,810			1,438,764
Denominated in HK\$	以港元計值			556,440			471,434
Denominated in SG\$	以新元計值			15,502			14,135
Denominated in MYR	以馬來西亞令吉計值			24,043			30,815
Denominated in AUD	以澳元計值			-			20,063
Denominated in GBP	以英鎊計值			5,614			-
				<b>2,884,108</b>			<b>3,013,891</b>



### 31. Interest-Bearing Bank Borrowings (continued)

### 31. 計息銀行借貸 (續)

Analysed into:

分析如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Bank loans and advances repayable:	須償還的銀行貸款及墊款：		
On demand	按要求	-	1,286,511
Within one year	一年內	<b>2,171,301</b>	1,618,042
In the second year	第二年	<b>699,650</b>	71,687
In the third to fifth years, inclusive	第三年至第五年， 包括首尾兩年	<b>5,944</b>	28,371
Beyond five years	五年後	<b>7,213</b>	9,280
		<b>2,884,108</b>	3,013,891

The Group's bank borrowings are secured by the following pledge or guarantees:

本集團的銀行借貸以下述質押或擔保作抵押：

(i) pledge of the Group's assets with a total value of RMB858,718,000 (2017: RMB1,039,238,000) for the bank borrowings as disclosed in note 38.

(i) 就銀行借貸以本集團總價值人民幣858,718,000元(二零一七年：人民幣1,039,238,000元)的資產作出的質押(於附註38披露)。

(ii) cross guarantees executed by companies within the Group.

(ii) 本集團內公司簽訂的相互擔保。



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### 31. Interest-Bearing Bank Borrowings (continued)

The Group entered into a three-year term loan facility agreement amounting to US\$200,000,000 on 8 May 2017 (the “**Facility Agreement**”) with certain financial institutions (the “**Lenders**”).

Under the Facility Agreement, there are specific performance obligations on Mr. Dong Li, the controlling shareholder of the Company, to not cease to own, directly or indirectly, at least 51% of the beneficial interest in the Company, carrying at least 51% of the voting right, free from any security. Further, Mr. Dong Li shall not cease to have management control over the Company or cease to be the Chairman of the board of directors of the Company. At the date of approval of these audited consolidated financial statements for the year ended 31 December 2018, such obligations have been complied with.

Five of the Company’s wholly-owned subsidiaries, namely Catherine Holdings, Leoch Power Supply, Leoch Battery Company, Leoch Battery Pte. and Leoch International Sales, were parties who act as guarantors to guarantee punctual performance of the Group’s obligations under the Facility Agreement.

As at 31 December 2018, the outstanding term loan balance under the Facility Agreement amounted to US\$160,000,000 (equivalent to RMB1,085,911,000), of which RMB407,217,000 and RMB678,694,000 are repayable within one year and in the second year, respectively. The term loan bears interest at LIBOR + 2.5% per annum.

### 31. 計息銀行借貸 (續)

本集團於二零一七年五月八日與若干金融機構(「放款人」)訂立金額為200,000,000美元的三年期貸款融資協議(「融資協議」)。

根據融資協議，有特定履約責任，即董李先生(本公司控股股東)不得終止擁有(直接或間接)本公司至少51%的實益權益(附至少51%的表決權)(不附任何抵押)。此外，董李先生不得終止擁有本公司的管理控制權或不出任本公司的董事會主席。於批准該等截至二零一八年十二月三十一日止年度經審核綜合財務報表日期，有關責任已得到遵守。

本公司五間全資附屬公司，即Catherine Holdings、理士電源、Leoch Battery Company、Leoch Battery Pte.及理士國際營銷為擔保人，擔保本集團準時履行融資協議項下的責任。

於二零一八年十二月三十一日，融資協議項下尚未償還定期貸款結餘為160,000,000美元(相當於人民幣1,085,911,000元)，其中人民幣407,217,000元及人民幣678,694,000元分別於一年內及兩年內償還。定期貸款每年按LIBOR+2.5%計息。



## 32. Deferred Tax

The movements in deferred tax assets and liabilities during the year are as follows:

## Deferred tax assets

	Provision for impairment of trade receivables	Depreciation and impairment of property, plant and equipment	Tax losses	Equipment invested in subsidiaries with revalued amounts	Change in fair value of debt investments at fair value through other comprehensive income	Unused tax credit	Unpaid payroll and accruals	Provision for impairment of inventories	Unrealised profit	Deferred government grants	Total	
	貿易應收款項減值撥備	物業、廠房及設備折舊及減值	稅項虧損	金額經重估的投資於附屬公司的設備	公允價值變動計入其他全面收益的債務投資的公允價值變動	未動用稅項抵免	未付工資及應計費用	存貨減值撥備	未變現溢利	遞延政府補貼	合計	
	RMB'000	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	人民幣千元	
Gross deferred tax assets at 1 January 2017		7,126	5,583	21,263	4,227	-	1,338	2,646	1,773	9,017	1,742	54,715
Deferred tax credited/(charged) to the statement of profit or loss during the year		(1,937)	(1,286)	(4,195)	(712)	-	(1,338)	2,588	475	(529)	1,107	(5,827)
Gross deferred tax assets at 31 December 2017 and 1 January 2018		5,189	4,297	17,068	3,515	-	-	5,234	2,248	8,488	2,849	48,888
Effect of adoption of IFRS 9		422	-	-	-	-	-	-	-	-	-	422
Deferred tax credited/(charged) to the statement of profit or loss during the year		(1,504)	(1,190)	1,988	(712)	-	-	554	418	1,269	2,176	2,999
Deferred tax credited to other comprehensive income during the year		-	-	-	-	692	-	-	-	-	-	692
Gross deferred tax assets at 31 December 2018		4,107	3,107	19,056	2,803	692	-	5,788	2,666	9,757	5,025	53,001

## 32. 遞延稅項

年內遞延稅項資產及負債的變動情況如下：

## 遞延稅項資產



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### 32. Deferred Tax (continued)

### 32. 遞延稅項 (續)

#### Deferred tax liabilities

#### 遞延稅項負債

		Change in fair value of equity investments designated at fair value through other comprehensive income/ available-for-sale investments	Change in fair value of structured bank deposits	Fair value adjustments arising from acquisition of subsidiaries	Others	Total	
		已資本化的利息開支 RMB'000 人民幣千元	指定按公允價值變動計入其他全面收益的權益性投資/可供出售投資的公允價值變動 RMB'000 人民幣千元	結構性銀行存款的公允價值變動 RMB'000 人民幣千元	收購附屬公司產生之公允價值調整 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
Gross deferred tax liabilities at 1 January 2017	於二零一七年一月一日的遞延稅項負債總值	9,125	16,272	-	5,238	813	31,448
Acquisition of a subsidiary	收購附屬公司	-	-	-	27,025	-	27,025
Deferred tax credited to the statement of profit or loss during the year	年內計入損益表的遞延稅項	(1,384)	-	-	(3,407)	(54)	(4,845)
Deferred tax charged to other comprehensive income during the year	年內扣除自其他全面收益的遞延稅項	-	926	-	-	-	926
Gross deferred tax liabilities at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日的遞延稅項負債總值	7,741	17,198	-	28,856	759	54,554
Acquisition of a subsidiary (note 36)	收購附屬公司(附註36)	-	-	-	3,087	-	3,087
Deferred tax credited to the statement of profit or loss during the year	年內計入損益表的遞延稅項	(1,299)	-	130	(3,716)	(168)	(5,053)
Deferred tax charged to other comprehensive income during the year	年內扣除自其他全面收益的遞延稅項	-	(4,915)	-	-	-	(4,915)
Exchange realignment	匯兌調整	-	-	-	8	-	8
Gross deferred tax liabilities at 31 December 2018	於二零一八年十二月三十一日遞延稅項負債總值	6,442	12,283	130	28,235	591	47,681



## 32. Deferred Tax (continued)

The Group has tax losses arising in Mainland China of RMB83,127,000 (2017: RMB75,857,000) that will expire in five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings generated from 1 January 2008. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2018, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the Directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future and therefore, no deferred tax liabilities have been recognised as at 31 December 2018 and 2017. As at 31 December 2018, the aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totalled approximately RMB703,624,000 (2017: RMB579,883,000).

## 32. 遞延稅項 (續)

本集團於中國內地產生稅項虧損人民幣83,127,000元(二零一七年:人民幣75,857,000元),該款項可五年內用於抵銷未來應課稅溢利。由於該等虧損乃由已虧損一段時日的附屬公司所產生,故並無就此確認遞延稅項資產,及被認為不太可能有應課稅溢利可經動用稅項虧損抵減。

根據中國企業所得稅法,於中國內地成立的外商投資企業向外國投資者宣派股息須按10%徵收預扣稅。該規定由二零零八年一月一日起生效及適用於二零零八年一月一日起產生的盈利。倘中國內地與外國投資者的司法權區簽訂稅務協定,則適用較低預扣稅率。就本集團而言,適用稅率為5%或10%。因此,本集團有責任就於中國內地所成立附屬公司對於二零零八年一月一日起所得盈利而所分派股息繳付預扣稅。

於二零一八年十二月三十一日,並無就本集團在中國內地成立的附屬公司的未匯出盈利(須繳納預扣稅)應付的預扣稅確認遞延稅項。董事認為,該等附屬公司在可見將來不太可能分配盈利,因而於二零一八年及二零一七年十二月三十一日並未就此確認遞延稅項負債。於二零一八年十二月三十一日,與於中國內地附屬公司的投資有關而並無就此確認遞延稅項負債的暫時性差額總額合共約為人民幣703,624,000元(二零一七年:人民幣579,883,000元)。





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### 33. Share Capital

### 33. 股本

Shares	股份	2018 二零一八年	2017 二零一七年
Authorised: 10,000,000,000 (31 December 2017: 10,000,000,000) ordinary shares of HK\$0.1 each (HK\$'000)	法定： 10,000,000,000 (二零一七年 十二月三十一日： 10,000,000,000) 股每股面值 0.1港元的普通股 (千港元)	<b>1,000,000</b>	1,000,000
Issued and fully paid: 1,357,521,666 (2017: 1,357,271,666) ordinary shares of HK\$0.1 each (HK\$'000)	已發行及繳足： 1,357,521,666 股 (二零一七年： 1,357,271,666 股) 每股面值 0.1港元的普通股 (千港元)	<b>135,752</b>	135,727
Equivalent to RMB'000	相當於人民幣千元	<b>116,213</b>	116,192

A summary of movements in the Company's share capital is as follows:

本公司股本變動概述如下：

		Notes 附註	Number of shares in issue 已發行 股份數目	Share capital 股本 RMB'000 人民幣千元
At 1 January 2017	於二零一七年一月一日		1,353,349,666	115,846
Exercise of share options	行使購股權	(i)	3,922,000	346
At 31 December 2017	於二零一七年十二月三十一日		1,357,271,666	116,192
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日		1,357,271,666	116,192
Exercise of share options	行使購股權	(ii)	250,000	21
At 31 December 2018	於二零一八年十二月三十一日		1,357,521,666	116,213



### 33. Share Capital (continued)

#### Shares (continued)

- (i) The subscription rights attaching to 3,922,000 share options were exercised at subscription prices ranging from HK\$0.20 to HK\$1.40 per share, resulting in the issue of 3,922,000 shares of HK\$0.10 each for a total cash consideration, before expenses, of RMB3,032,000. An amount of RMB2,652,000 was transferred from the share option reserve to the share premium account upon the exercise of the share options.
- (ii) The subscription rights attaching to 250,000 share options were exercised at subscription prices ranging from HK\$0.80 to HK\$0.90 per share, resulting in the issue of 250,000 shares of HK\$0.10 each for a total cash consideration, before expenses, of RMB168,000. An amount of RMB163,000 was transferred from the share option reserve to the share premium account upon the exercise of the share options.

#### Share options

Details of the Company's share option schemes and the share options issued under the schemes are included in note 34 to the financial statements.

### 33. 股本 (續)

#### 股份 (續)

- (i) 3,922,000份購股權隨附的認購權已按每股0.20港元至1.40港元的認購價行使，導致發行3,922,000股每股面值0.10港元的股份，未扣除開支的總現金代價為人民幣3,032,000元。購股權獲行使後，人民幣2,652,000元即自購股權儲備轉撥至股份溢價賬內。
- (ii) 250,000份購股權隨附的認購權已按每股0.80港元至0.90港元的認購價行使，導致發行250,000股每股面值0.10港元的股份，未扣除開支的總現金代價為人民幣168,000元。購股權獲行使後，人民幣163,000元即自購股權儲備轉撥至股份溢價賬內。

#### 購股權

本公司購股權計劃及根據該計劃發行之購股權之詳情載於財務報表附註34。



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## 34. Share Option Schemes

### Pre-IPO Share Option Scheme

The Company operates a pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) for the purpose of providing incentives and rewards to eligible persons who contribute to the success of the Group’s operations. Eligible persons of the Pre-IPO Share Option Scheme include the Company’s directors and other employees of the Group. The Pre-IPO Share Option Scheme became effective on 1 June 2010 and unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The Pre-IPO Share Option Scheme is available to the directors and employees (whether full time or part time) of any member of the Group.

The maximum number of the shares in respect of which options may be granted under the Pre-IPO Share Option Scheme shall be 60,000,000 shares representing approximately 4.5% of the total issued share capital of the Company immediately after the completion of the global offering, taking no account of the exercise of the over-allotment option.

## 34. 購股權計劃

### 首次公開發售前購股權計劃

本公司運作首次公開發售前購股權計劃（「**首次公開發售前購股權計劃**」），旨在向對本集團的成功營運作出貢獻的合資格人士提供獎勵和獎賞。首次公開發售前購股權計劃的合資格人士包括本公司的董事及本集團的其他僱員。首次公開發售前購股權計劃於二零一零年六月一日生效，除非另行註銷或修訂外，否則將由該日起一直生效十年。

首次公開發售前購股權計劃乃提供予本集團任何成員公司的董事及僱員（不論全職或兼職）。

涉及根據首次公開發售前購股權計劃可能授出購股權的股份數目上限將為60,000,000股股份，相當於本公司於緊隨全球發售完成後（不計及行使超額配股權）的已發行股本總額約4.5%。



### 34. Share Option Schemes (continued)

#### Pre-IPO Share Option Scheme (continued)

The subscription price in respect of each share under the Pre-IPO Share Option Scheme is determined by the board of directors at its discretion and set out in the relevant offer letters provided that it should not be less than the nominal value of the shares.

After 28 October 2010, no further options will be offered or granted under the Pre-IPO Share Option Scheme but in other respects the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Pre-IPO Share Option Scheme, and options which are granted on or before 28 October 2010 may continue to be exercisable in accordance with their terms of issue.

Any exercise of an option granted under the Pre-IPO Share Option Scheme is subject to conditions as may be specified in the offer letter in respect of the grant of options.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

### 34. 購股權計劃 (續)

#### 首次公開發售前購股權計劃 (續)

首次公開發售前購股權計劃項下每股股份的認購價乃由董事會按其酌情權釐定，並載於有關要約函件內，但其不得少於股份的面值。

於二零一零年十月二十八日後，不會再根據首次公開發售前購股權計劃發售或授出任何其他購股權，但首次公開發售前購股權計劃的條文在其他方面依然具十足效力和作用，以致在此之前授出的任何購股權仍可行使或根據首次公開發售前購股權計劃的條文規定而另行行使，而於二零一零年十月二十八日或之前授出的購股權，均可根據彼等的發行條款繼續予以行使。

行使根據首次公開發售前購股權計劃授出的購股權以授出購股權的要約函件所列明之條件為準。

購股權並無賦予持有人任何權利，以享有股息或於股東大會上投票。



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### 34. Share Option Schemes (continued)

#### Pre-IPO Share Option Scheme (continued)

The following share options were outstanding under the Pre-IPO Share Option Scheme during the year:

### 34. 購股權計劃 (續)

#### 首次公開發售前購股權計劃 (續)

於年內首次公開發售前購股權計劃項下尚未行使的購股權如下：

		2018 二零一八年		2017 二零一七年	
		Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
At 1 January	於一月一日	1.50	17,508	1.41	20,531
Exercised during the year	年內行使	0.80	(200)	0.85	(2,953)
Forfeited during the year	年內沒收	1.80	(3,055)	2.00	(70)
At 31 December	於十二月三十一日	1.44	14,253	1.50	17,508

The weighted average closing price of the Company's shares at the dates on which the options were exercised during the year was HK\$1.03 per share (2017: HK\$1.83 per share).

年內，本公司股份於購股權獲行使日期之加權平均收市價為每股1.03港元（二零一七年：每股1.83港元）。



### 34. Share Option Schemes (continued)

#### Pre-IPO Share Option Scheme (continued)

Movements in the Company's share options under the Pre-IPO Share Option Scheme during the year are as follows:

Name or category of participant	參與者名稱或姓名或類別	Number of share options 購股權數量			At 31 December 2018 於二零一八年 十二月三十一日	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使期	Exercise price of share options 購股權行使價 HK\$ per share 每股港元
		At 1 January 2018 於二零一八年 一月一日	Exercised during the year 年內行使	Forfeited during the year 年內沒收				
<b>Directors</b>	<b>董事</b>							
Ms. Zhao Huan	趙歡女士	1,500,000	-	(1,500,000)	-	1 June 2010 二零一零年 六月一日	1 June 2012 to 1 June 2022 二零一二年六月一日至 二零二二年六月一日	1.400
Ms Yin Hai Yan	印海燕女士	150,000	-	-	150,000	1 June 2010 二零一零年 六月一日	1 June 2012 to 1 June 2022 二零一二年六月一日至 二零二二年六月一日	1.200
Mr. Philip Armstrong Noznesky*	Philip Armstrong Noznesky 先生*	1,500,000	-	-	1,500,000	1 June 2010 二零一零年 六月一日	1 June 2012 to 1 June 2022 二零一二年六月一日至 二零二二年六月一日	2.000
		3,150,000	-	(1,500,000)	1,650,000			
<b>Other employees in aggregate</b>	<b>其他僱員共計</b>	14,358,000	(200,000)	(1,555,000)	12,603,000	1 June 2010 二零一零年 六月一日	1 June 2012 to 1 June 2022 二零一二年六月一日至 二零二二年六月一日	0.200 - 2.000
		17,508,000	(200,000)	(3,055,000)	14,253,000			

\* Mr. Philip Armstrong Noznesky's share options are inherited by his descendants.

### 34. 購股權計劃 (續)

#### 首次公開發售前購股權計劃 (續)

年內，本公司於首次公開發售前購股權計劃項下的購股權變動如下：

\* Philip Armstrong Noznesky 先生的購股權由其後裔繼承。



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### 34. Share Option Schemes (continued)

#### Pre-IPO Share Option Scheme (continued)

The exercise prices and exercise periods of the Pre-IPO Share Options outstanding at 31 December 2018 are as follows:

### 34. 購股權計劃 (續)

#### 首次公開發售前購股權計劃 (續)

於二零一八年十二月三十一日尚未行使的首次公開發售前購股權的行使價及行使期如下：

Number of options 購股權數目	Exercise price per share 每股行使價	Exercise period 行使期
50,750	HK\$0.200 0.200港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
50,750	HK\$0.200 0.200港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日
50,750	HK\$0.200 0.200港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
50,750	HK\$0.200 0.200港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日
20,000	HK\$0.400 0.400港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
20,000	HK\$0.400 0.400港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日
20,000	HK\$0.400 0.400港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
20,000	HK\$0.400 0.400港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日



### 34. Share Option Schemes (continued)

#### Pre-IPO Share Option Scheme (continued)

Number of options 購股權數目	Exercise price per share 每股行使價	Exercise period 行使期
42,500	HK\$0.600 0.600港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
42,500	HK\$0.600 0.600港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日
42,500	HK\$0.600 0.600港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
42,500	HK\$0.600 0.600港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日
50,000	HK\$0.800 0.800港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
58,000	HK\$0.800 0.800港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日
125,000	HK\$0.800 0.800港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
125,000	HK\$0.800 0.800港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日
425,000	HK\$1.000 1.000港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
657,000	HK\$1.000 1.000港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日

### 34. 購股權計劃 (續)

#### 首次公開發售前購股權計劃 (續)





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### 34. Share Option Schemes (continued)

### 34. 購股權計劃 (續)

#### Pre-IPO Share Option Scheme (continued)

#### 首次公開發售前購股權計劃 (續)

Number of options 購股權數目	Exercise price 每股行使價	Exercise period 行使期
725,000	HK\$1.000 1.000港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
725,000	HK\$1.000 1.000港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日
300,000	HK\$1.200 1.200港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
300,000	HK\$1.200 1.200港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日
425,000	HK\$1.200 1.200港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
425,000	HK\$1.200 1.200港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日
325,000	HK\$1.400 1.400港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
425,000	HK\$1.400 1.400港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日
425,000	HK\$1.400 1.400港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
425,000	HK\$1.400 1.400港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日



### 34. Share Option Schemes (continued)

#### Pre-IPO Share Option Scheme (continued)

Number of options 購股權數目	Exercise price per share 每股行使價	Exercise period 行使期
455,000	HK\$1.600 1.600港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
455,000	HK\$1.600 1.600港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日
455,000	HK\$1.600 1.600港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
455,000	HK\$1.600 1.600港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日
525,000	HK\$1.800 1.800港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
525,000	HK\$1.800 1.800港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日
525,000	HK\$1.800 1.800港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
525,000	HK\$1.800 1.800港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日
985,000	HK\$2.000 2.000港元	1 June 2012 to 1 June 2022 二零一二年六月一日至二零二二年六月一日
985,000	HK\$2.000 2.000港元	1 June 2013 to 1 June 2022 二零一三年六月一日至二零二二年六月一日

### 34. 購股權計劃 (續)

#### 首次公開發售前購股權計劃 (續)

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二零一八年十二月三十一日**34. Share Option Schemes**  
*(continued)***34. 購股權計劃 (續)****Pre-IPO Share Option Scheme**  
*(continued)***首次公開發售前購股權計劃**  
*(續)*

<b>Number of options</b> 購股權數目	<b>Exercise price</b> per share 每股行使價	<b>Exercise period</b> 行使期
985,000	HK\$2.000 2.000港元	1 June 2014 to 1 June 2022 二零一四年六月一日至二零二二年六月一日
985,000	HK\$2.000 2.000港元	1 June 2015 to 1 June 2022 二零一五年六月一日至二零二二年六月一日
14,253,000		

The 200,000 share options exercised during the year resulted in the issue of 200,000 ordinary shares of the Company and additional share capital of HK\$20,000 (equivalent to RMB17,000) and share premium of HK\$140,000 (equivalent to RMB114,000).

年內行使200,000份購股權導致發行200,000股本公司普通股及額外股本20,000港元(相當於人民幣17,000元)及股份溢價140,000港元(相當於人民幣114,000元)。

At the end of the reporting period, the Company had outstanding Pre-IPO Share Options for the subscription of 14,253,000 shares under the Pre-IPO Share Option Scheme, which represented approximately 1.0% of the issued share capital of the Company as at that date. The exercise in full of the outstanding Pre-IPO Share Options would, under the present capital structure of the Company, result in the issue of 14,253,000 additional ordinary shares of the Company and additional share capital of HK\$1,425,000 (equivalent to RMB1,249,000) and share premium of HK\$19,132,000 (equivalent to RMB16,763,000), before related issuance expenses.

於本報告期末，本公司擁有未行使首次公開發售前購股權，可認購首次公開發售前購股權計劃項下14,253,000股股份，相當於本公司於當日的已發行股本約1.0%。根據本公司的現有股本架構，全面行使未行使首次公開發售前購股權會導致發行14,253,000股本公司額外普通股股份，以及額外股本1,425,000港元(相等於人民幣1,249,000元)及股份溢價19,132,000港元(相等於人民幣16,763,000元)(扣除相關發行開支前)。



## 34. Share Option Schemes (continued)

### Pre-IPO Share Option Scheme (continued)

At the date of approval of these financial statements, the Company had 13,253,000 share options outstanding under the Pre-IPO Share Option Scheme, which represented approximately 1.0% of the Company's shares in issue as at that date.

### Share Option Scheme

The Company operates a share option scheme (the “**Share Option Scheme**”) which was approved and adopted by the written resolutions of all the shareholders of the Company passed on 14 October 2010 (as amended at the Annual General Meeting of the Company held on 18 May 2018) for the purpose of providing incentives or rewards to eligible persons for their contribution to, and continuing efforts to promote the interests of, the Group and for such other purposes as the board of directors may approve from time to time. Eligible persons of the Scheme include any director or employee (whether full time or part time), consultant or advisor of the Group who, in the sole discretion of the board of directors, has contributed to or will contribute to the Group.

The Share Option Scheme is available to the directors and employees (whether full time or part time) of any member of the Group.

## 34. 購股權計劃 (續)

### 首次公開發售前購股權計劃 (續)

於該等財務報表獲批當日，本公司根據首次公開發售前購股權計劃擁有13,253,000份尚未行使的購股權，相當於當日本公司已發行股份之約1.0%。

### 購股權計劃

本公司實行一項購股權計劃(「**購股權計劃**」)，經本公司所有股東於二零一零年十月十四日通過的書面決議案(於本公司於二零一八年五月十八日舉行的股東週年大會上修訂)批准及採納，旨在向為本集團作出貢獻或不斷努力提升本集團利益之合資格人士提供獎勵或獎賞，或為董事會不時批准的其他目的。計劃的合資格人士包括董事會全權認為已對或將對本集團作出貢獻的本集團任何董事或僱員(不論全職或兼職)、顧問或諮詢人。

購股權計劃乃提供予本集團任何成員公司的董事及僱員(不論全職或兼職)。



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## 34. Share Option Schemes (continued)

### Share Option Scheme (continued)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting and certain disclosure and reporting requirements.

The maximum number of unexercised share options currently permitted to be granted under the Scheme and any other share option schemes, must not, in aggregate, exceed 30% of the total number of shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting and certain disclosure and reporting requirements.

The subscription price of share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of the shares of the Company. A consideration of RMB1.00 is payable on acceptance of the offer of an option or options.

## 34. 購股權計劃 (續)

### 購股權計劃 (續)

授予本公司董事、主要行政人員或主要股東或彼等的任何聯繫人士的購股權，須事先取得獨立非執行董事的批准。此外，在任何十二個月期間授予本公司的主要股東或獨立非執行董事，或彼等的任何聯繫人士的任何購股權，倘超逾本公司於任何時間的發行股份的0.1%或總值逾5百萬港元（根據於授出日期本公司的股價而釐定）者，則須事先在股東大會上取得股東批准，並須遵守若干披露及申報規定。

按計劃及任何其他購股權計劃目前可授予之尚未行使購股權之最高數目，不得超過本公司於任何時間已發行股份總數之30%。於任何十二個月期間，根據購股權計劃授予每位合資格參與者之購股權可發行股份之最高數目在任何時候均限於本公司已發行股份之1%。超越此限制之任何進一步授出之購股權須先獲得股東於股東大會批准，並遵守若干披露及申報規定。

購股權之認購價由董事會決定，但不得低於 (i) 於授出購股權之日本公司股份在聯交所之收市價；(ii) 緊接授出日期前五個交易日本公司股份在聯交所之平均收市價；及 (iii) 本公司股份之面值（以最高者為準）。接受購股權要約或購股權時應支付人民幣1.00元的代價。



### 34. Share Option Schemes (continued)

#### Share Option Scheme (continued)

The Share Option Scheme became effective on 16 November 2010, unless otherwise cancelled or amended, will remain in force for 10 years from the date of adoption of the Share Option Scheme by shareholders by resolution at a general meeting.

Any exercise of an option granted under the Share Option Scheme is subject to conditions as may be specified in the offer letter in respect of the grant of options.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the Share Option Scheme during the year:

### 34. 購股權計劃 (續)

#### 購股權計劃 (續)

購股權計劃於二零一零年十一月十六日生效，除另行註銷或修訂外，將自股東於股東大會通過決議案採納購股權計劃日期起十年內持續有效。

行使根據購股權計劃授出的購股權以行使購股權的要約函件所列明之條件為準。

購股權並無賦予持有人任何權利，以享有股息或於股東大會上投票。

以下為年內購股權計劃項下的尚未行使購股權：

		2018 二零一八年		2017 二零一七年	
		Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份	Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
At 1 January	於一月一日	1.29	29,174	1.04	17,910
Granted during the year	年內授出	-	-	1.60	12,850
Exercised during the year	年內行使	0.90	(50)	0.95	(969)
Lapsed during the year	年內失效	0.90	(3,610)	-	-
Forfeited during the year	年內沒收	1.49	(2,150)	1.02	(617)
At 31 December	於十二月三十一日	1.33	23,364	1.29	29,174



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## 34. Share Option Schemes (continued)

## 34. 購股權計劃 (續)

### Share Option Scheme (continued)

### 購股權計劃 (續)

Movements in the Company's share options under the Share Option Scheme during the year are as follows:

年內本公司購股權計劃項下購股權之變動如下：

Name or category of participant	參與者姓名或類別	Number of share options 購股權數量				At 31 December 2018 於二零一八年 十二月三十一日	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使期	Exercise price of share options 購股權行使價 HK\$ per share 每股港元
		At 1 January 2018 於二零一八年 一月一日	Exercised during the year 年內行使	Lapsed during the year 年內失效	Forfeited during the year 年內沒收				
<b>Directors</b>	<b>董事</b>								
Mr. Cao Yixiong	曹亦雄先生	300,000	-	-	-	300,000	22 November 2016 二零一六年十一月二十二日	1 December 2017 to 21 November 2026 二零一七年十二月一日至 二零二六年十一月二十一日	1.020
Mr. Liu Yangsheng	劉陽生先生	300,000	-	-	-	300,000	22 November 2016 二零一六年十一月二十二日	1 December 2017 to 21 November 2026 二零一七年十二月一日至 二零二六年十一月二十一日	1.020
Mr. Lau Chi Kit	劉智傑先生	300,000	-	-	-	300,000	22 November 2016 二零一六年十一月二十二日	1 December 2017 to 21 November 2026 二零一七年十二月一日至 二零二六年十一月二十一日	1.020
Ms. Yin Haiyan	印海燕女士	150,000	-	-	-	150,000	22 November 2016 二零一六年十一月二十二日	1 December 2017 to 21 November 2026 二零一七年十二月一日至 二零二六年十一月二十一日	1.020
Ms. Yin Haiyan	印海燕女士	150,000	-	-	-	150,000	4 December 2017 二零一七年十二月四日	16 December 2018 to 3 December 2027 二零一八年十二月十六日至 二零二七年十二月三日	1.442
Ms. Zhao Huan	趙歡女士	300,000	-	-	(300,000)	-	4 December 2017 二零一七年十二月四日	16 December 2018 to 3 December 2027 二零一八年十二月十六日至 二零二七年十二月三日	1.442
		<b>1,500,000</b>	<b>-</b>	<b>-</b>	<b>(300,000)</b>	<b>1,200,000</b>			

34. Share Option Schemes  
(continued)

## 34. 購股權計劃 (續)

## Share Option Scheme (continued)

## 購股權計劃 (續)

Name or category of participant	參與者姓名或類別	Number of share options 購股權數量				At 31 December 2018 於二零一八年十二月三十一日	Date of grant of share options 購股權授出日期	Exercise period of share options 購股權行使期	Exercise price of share options 購股權行使價 HK\$ per share 每股港元
		At 1 January 2018 於二零一八年一月一日	Exercised during the year 年內行使	Lapsed during the year 年內失效	Forfeited during the year 年內沒收				
Other employees in aggregate	其他僱員合計	3,660,000	(50,000)	(3,610,000)	-	-	20 November 2013 二零一三年十一月二十日	1 December 2014 to 19 November 2018 二零一四年十二月一日至 二零一八年十一月十九日	0.900
		1,300,000	-	-	(600,000)	700,000	21 July 2014 二零一四年七月二十一日	20 August 2015 to 20 July 2019 二零一五年八月二十日至 二零一九年七月二十日	1.860
		2,254,000	-	-	-	2,254,000	1 April 2015 二零一五年四月一日	1 May 2016 to 31 March 2020 二零一六年五月一日至 二零二零年三月三十一日	1.018
		1,500,000	-	-	-	1,500,000	26 November 2015 二零一五年十一月二十六日	1 December 2016 to 25 November 2020 二零一六年十二月一日至 二零二零年十一月二十五日	0.810
		6,710,000	-	-	(250,000)	6,460,000	22 November 2016 二零一六年十一月二十二日	1 December 2017 to 21 November 2026 二零一七年十二月一日至 二零二六年十一月二十一日	1.020
		1,500,000	-	-	-	1,500,000	16 May 2017 二零一七年五月十六日	1 June 2018 to 15 May 2027 二零一八年六月一日至 二零二七年五月十五日	1.822
		4,500,000	-	-	(700,000)	3,800,000	25 May 2017 二零一七年五月二十五日	1 June 2018 to 24 May 2027 二零一八年六月一日至 二零二七年五月二十四日	1.760
		6,250,000	-	-	(300,000)	5,950,000	4 December 2017 二零一七年十二月四日	16 December 2018 to 3 December 2027 二零一八年十二月十六日至 二零二七年十二月三日	1.442
		27,674,000	(50,000)	(3,610,000)	(1,850,000)	22,164,000			
29,174,000	(50,000)	(3,610,000)	(2,150,000)	23,364,000					





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### 34. Share Option Schemes (continued)

#### Share Option Scheme (continued)

The exercise prices and exercise periods of the share options outstanding at 31 December 2018 are as follows:

### 34. 購股權計劃 (續)

#### 購股權計劃 (續)

於二零一八年十二月三十一日尚未行使的購股權的行使價及行使期如下：

Number of options 購股權數目	Exercise price per share 每股行使價	Exercise period 行使期
1,500,000	HK\$0.810 0.810港元	1 December 2016 to 25 November 2020 二零一六年十二月一日至二零二零年十一月二十五日
2,254,000	HK\$1.018 1.018港元	1 May 2016 to 31 March 2020 二零一六年五月一日至二零二零年三月三十一日
7,360,000	HK\$1.020 1.020港元	1 December 2017 to 21 November 2026 二零一七年十二月一日至二零二六年十一月二十一日
700,000	HK\$1.860 1.860港元	20 August 2015 to 20 July 2019 二零一五年八月二十日至二零一九年七月二十日
1,500,000	HK\$1.822 1.822港元	1 June 2018 to 15 May 2027 二零一八年六月一日至二零二七年五月十五日
3,800,000	HK\$1.760 1.760港元	1 June 2018 to 24 May 2027 二零一八年六月一日至二零二七年五月二十四日
6,250,000	HK\$1.442 1.442港元	16 December 2018 to 3 December 2027 二零一八年十二月十六日至二零二七年十二月三日
23,364,000		



## 34. Share Option Schemes (continued)

### Share Option Scheme (continued)

The 50,000 share options exercised during the year resulted in the issue of 50,000 ordinary shares of the Company and additional share capital of HK\$5,000 (equivalent to RMB4,000) and share premium of HK\$40,000 (equivalent to RMB33,000).

At the end of the reporting period, the Company had outstanding share options for the subscription of 23,364,000 shares under the Share Option Scheme, which represented approximately 1.7% of the issued share capital of the Company as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 23,364,000 additional ordinary shares of the Company and additional share capital of HK\$2,336,000 (equivalent to RMB2,047,000) and share premium of HK\$28,668,000 (equivalent to RMB25,119,000), before related issuance expenses.

At the date of approval of these financial statements, the Company had 22,414,000 share options outstanding under the Share Option Scheme, which represented approximately 1.7% of the Company's shares in issue as at that date.

## 34. 購股權計劃 (續)

### 購股權計劃 (續)

年內已行使50,000份購股權致使發行50,000股本公司普通股股份，及額外股本5,000港元（相當於人民幣4,000元）及股份溢價40,000港元（相當於人民幣33,000元）。

於報告期末，本公司擁有未行使購股權，可認購購股權計劃項下23,364,000股股份，相當於本公司於當日的已發行股本約1.7%。根據本公司的現有股本架構，全面行使未行使購股權會導致發行23,364,000股本公司額外普通股股份，以及額外股本2,336,000港元（相等於人民幣2,047,000元）及股份溢價28,668,000港元（相等於人民幣25,119,000元）（扣除相關發行開支前）。

於該等財務報表獲批日期，根據購股權計劃，本公司擁有22,414,000份未行使購股權，相當於本公司於當日已發行股本約1.7%。



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## 35. Reserves

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

### Merger reserve

The merger reserve of the Group represents the capital contributions by Mr. Dong Li, a director and controlling shareholder of the Company, to the subsidiaries directly held by Mr. Dong Li before the group reorganisation on 8 June 2010.

### Statutory reserve fund

In accordance with the PRC Company Law, the PRC subsidiaries of the Group are required to allocate 10% of their profit after tax to the reserve fund until this reserve reaches 50% of the registered capital of the PRC subsidiaries. Subject to certain restrictions set out in the Company Law of the PRC, part of the reserve fund may be converted to increase paid-up capital/issued capital of the PRC subsidiaries, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital. The reserve fund of the PRC subsidiaries amounted to RMB139,194,000 and RMB133,805,000 as at 31 December 2018 and 2017, respectively.

### Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of companies outside the PRC. The reserve is dealt with in accordance with the accounting policy set out in note 2.4.

### Share option reserve

Details of the Company's share option schemes and the share options issued under the schemes are included in note 34 to the financial statements.

## 35. 儲備

本集團本年度或過往年度的儲備金額及其變動情況在財務報表的綜合權益變動表中呈列。

### 合併儲備

本集團的合併儲備指本公司董事兼控股股東董李先生於二零一零年六月八日集團重組前向由其直接持有的附屬公司注資。

### 法定公積金

根據中國公司法，本集團的中國附屬公司須將其釐定的稅後溢利10%撥入法定公積金，直至該儲備達到註冊資本的50%為止。在中國公司法訂明的若干限制規限下，部分法定公積金可予以轉換以增加中國附屬公司繳足資本／已發行股本，惟於資本化後的剩餘結餘須不低於註冊資本的25%。中國附屬公司的公積金於二零一八年及二零一七年十二月三十一日分別為人民幣139,194,000元及人民幣133,805,000元。

### 匯兌波動儲備

匯兌波動儲備包括所有因換算中國以外公司財務報表而產生的匯兌差額。該儲備按載於附註2.4的會計政策處理。

### 購股權儲備

有關本公司的購股權計劃及按計劃發行的購股權詳情，載於財務報表附註34。



## 35. Reserves (continued)

### Fair value reserve

The fair value reserve comprises the fair value differences arising from the revaluation for the equity investments designated at fair value through other comprehensive income and debt investments designated at fair value through other comprehensive income.

### Available-for-sale investment revaluation reserve

The available-for-sale investment revaluation reserve as at 31 December 2017 comprises the fair value differences arising from the revaluation for the available-for-sale investments.

## 35. 儲備 (續)

### 公允價值儲備

公允價值儲備由來自重估指定按公允價值變動計入其他全面收益的權益性投資及指定按公允價值變動計入其他全面收益的債務投資的公允價值差額組成。

### 可供出售投資重估儲備

於二零一七年十二月三十一日可供出售投資重估儲備由來自重估可供出售投資的公允價值差額組成。

## 36. Acquisition of a Subsidiary

### DBSL

On 22 December 2017, Leoch International Holding, a wholly-owned subsidiary of the Company, entered into an agreement with an independent third party to incorporate a company called BS 003 Limited in the United Kingdom, the name of which was changed to LDBS on 24 January 2018. The independent third party transferred its 100% equity interest in DBS Energy Limited (the name of which was changed to DBSL on 18 January 2018) in exchange for a 40% equity interest in LDBS. Leoch International Holding subscribed for 60% of the equity interest in LDBS at a cash consideration of US\$847,000 (equivalent to RMB5,458,000) together with a waiver of trade receivables due from DBSL of US\$1,988,000 (equivalent to RMB12,805,000). DBSL is a trading company which imports and sells batteries under the Leoch brand name in the United Kingdom. As a result of the above transactions, Leoch International Holding obtained control over DBSL, which then became a subsidiary of the Company on 16 January 2018.

## 36. 收購附屬公司

### DBSL

於二零一七年十二月二十二日，本公司的全資附屬公司Leoch International Holding與獨立第三方訂立協議，以在英國註冊成立一間名為BS 003 Limited（該公司於二零一八年一月二十四日更名為LDBS）的公司。該獨立第三方轉讓其於DBS Energy Limited（該公司於二零一八年一月十八日更名為DBSL）的100%股權，以換取LDBS的40%股權。Leoch International Holding以現金代價847,000美元（相當於人民幣5,458,000元）及豁免應收DBSL貿易應收款項1,988,000美元（相當於人民幣12,805,000元）認購LDBS的60%股權。DBSL為一間在英國以Leoch品牌進口及銷售電池的貿易公司。由於進行上述交易，Leoch International Holding取得對DBSL的控制權，隨後於二零一八年一月十六日，DBSL成為本公司的附屬公司。



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### 36. Acquisition of a Subsidiary (continued)

#### DBSL (continued)

The Group has elected to measure the non-controlling interests in DBSL at the non-controlling interests' proportionate share of DBSL's identifiable net assets.

The fair values of the identifiable assets and liabilities of DBSL as at the date of acquisition were as follows:

### 36. 收購附屬公司 (續)

#### DBSL (續)

本集團已選擇以非控股權益按比例應佔的DBSL可識別淨資產來計量DBSL的非控股權益。

DBSL於收購日期之可識別資產及負債公允價值如下：

		Notes 附註	Fair value recognised on acquisition 於收購時確認 之公允價值 RMB\$'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	13	693
Customer relationship	客戶關係	18	16,246
Other intangible assets	其他無形資產	18	132
Inventories	存貨		4,549
Trade receivables	貿易應收款項		13,180
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產		722
Cash and cash equivalents	現金及現金等價物		171
Trade and bills payables	貿易應付款項及應付票據		(23,411)
Other payables and accruals	其他應付款項及應計費用		(249)
Deferred tax liabilities	遞延稅項負債	32	(3,087)
<b>Total identifiable net assets at fair value</b>	<b>按公允價值計量的可識別淨資產總值</b>		<b>8,946</b>
<b>Non-controlling interests</b>	<b>非控股權益</b>		<b>(3,578)</b>
<b>Goodwill on acquisition</b>	<b>收購時產生的商譽</b>	<b>17</b>	<b>5,368</b> <b>1,937</b>
			<b>7,305</b>
Satisfied by:	以下列方式支付：		
Fair value of 40% equity interest in LDBS	LDBS 40%股權的公允價值		7,305



### 36. Acquisition of a Subsidiary (continued)

#### DBSL (continued)

An analysis of the cash flows for the year ended 31 December 2018 in respect of the acquisition of a subsidiary is as follows:

		RMB\$'000 人民幣千元
Cash consideration	現金代價	—
Cash and bank balances acquired	已取得現金及銀行結餘	171
Net inflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量的現金及現金等價物流入淨額	171

Since the acquisition, DBSL contributed RMB65,219,000 to the Group's turnover and caused a net loss of RMB2,803,000 to the consolidated profit for the year ended 31 December 2018.

### 36. 收購附屬公司 (續)

#### DBSL (續)

截至二零一八年十二月三十一日止年度，有關收購附屬公司的現金流量分析如下：

自是次收購後，截至二零一八年十二月三十一日止年度，DBSL為本集團營業額貢獻人民幣65,219,000元及為綜合溢利貢獻淨虧損人民幣2,803,000元。



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### 37. Notes to the Consolidated Statement of Cash Flows

#### Changes in liabilities arising from financing activities

2018

### 37. 綜合現金流量表附註

#### 融資活動產生之負債變動

二零一八年

		Bank and other loans 銀行及其他貸款 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	<b>3,013,891</b>
Changes from financing cash flows	融資現金流量變動	<b>(211,099)</b>
Foreign exchange movement	外匯變動	<b>81,316</b>
At 31 December 2018	於二零一八年十二月三十一日	<b>2,884,108</b>

2017

二零一七年

		Bank and other loans 銀行及其他貸款 RMB'000 人民幣千元
At 1 January 2017	於二零一七年一月一日	1,763,477
Changes from financing cash flows	融資現金流量變動	1,286,584
Foreign exchange movement	外匯變動	(48,243)
Increase arising from acquisition of subsidiaries	收購附屬公司所得增加	12,073
At 31 December 2017	於二零一七年十二月三十一日	3,013,891



## 38. Pledge of Assets

## 38. 資產抵押

		Prepaid land lease payments 預付土地 租賃款項 RMB'000 人民幣千元 (note 16) (附註16)	Property, plant and equipment 物業·廠房 及設備 RMB'000 人民幣千元 (note 13) (附註13)	Pledged deposits 已抵押存款 RMB'000 人民幣千元 (note 28) (附註28)	Trade receivables 貿易應收 款項 RMB'000 人民幣千元 (note 22) (附註22)	Total 總計 RMB'000 人民幣千元
<b>31 December 2018</b>	<b>二零一八年 十二月三十一日</b>					
Interest-bearing bank borrowings (note 31)	計息銀行借貸 (附註31)	50,297	672,268	104,561	31,592	858,718
Bills payables (note 29)	應付票據 (附註29)	-	-	303,714	-	303,714
Issue of letters of credit	發出信用證	-	-	43,941	-	43,941
		<b>50,297</b>	<b>672,268</b>	<b>452,216</b>	<b>31,592</b>	<b>1,206,373</b>
<b>31 December 2017</b>	<b>二零一七年 十二月三十一日</b>					
Interest-bearing bank borrowings (note 31)	計息銀行借貸 (附註31)	50,094	747,778	179,899	61,467	1,039,238
Bills payables (note 29)	應付票據 (附註29)	-	-	260,099	-	260,099
Issue of letters of credit	發出信用證	-	-	100,118	-	100,118
		<b>50,094</b>	<b>747,778</b>	<b>540,116</b>	<b>61,467</b>	<b>1,399,455</b>





31 December 2018  
二零一八年十二月三十一日

### 39. Operating Lease Arrangements

#### (a) As lessor

The Group leases its staff quarters and office premises under operating lease arrangements, with leases negotiated for terms ranging from one to seventeen years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

As at 31 December 2018, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

### 39. 經營租賃安排

#### (a) 作為出租人

本集團根據經營租賃安排出租員工宿舍及辦公室物業，經磋商的租期介乎1年至17年。租約一般亦要求租戶支付保證金及訂明可根據當時市況定期對租金作出調整。

於二零一八年十二月三十一日，本集團根據與其租戶訂立的不可撤銷經營租賃於下列期間到期的未來最低租賃應收款項總額如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within one year	一年內	3,535	1,161
In the second to fifth years, inclusive	第二至第五年，包括首尾兩年	4,941	2,220
After five years	五年後	11,960	3,774
		<b>20,436</b>	<b>7,155</b>



### 39. Operating Lease Arrangements (continued)

#### (b) As lessee

The Group leases certain of its office properties from its related companies (note 41(c)) and independent third parties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years.

As at 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

### 39. 經營租賃安排 (續)

#### (b) 作為承租人

本集團根據經營租賃安排向其關連公司(附註41(c))及獨立第三方租用若干辦公室物業。物業租賃的經磋商租期介乎1至3年。

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃於下列期間到期的未來最低租賃付款總額如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Within one year	一年內	6,313	4,847
In the second to fifth years, inclusive	第二至第五年，包括首尾兩年	10,484	995
		<b>16,797</b>	5,842



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### 40. Commitments

In addition to the operating lease commitments detailed in note 39(b) above, the Group had the following capital commitments at the end of the reporting period:

### 40. 承諾

除上文附註39(b)詳述的經營租賃承諾外，於報告期結束時，本集團有以下資本承諾：

	Note 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Contracted, but not provided for:			
Land and buildings		1,340	17,727
Construction of a property	(i)	393,044	442,174
Plant and machinery		814	2,827
Capital contribution for investments in available-for-sale investments		–	39,034
Capital contribution for investments in equity investments designated at fair value through other comprehensive income		15,932	–
Acquisition of a subsidiary		–	18,524
		<b>411,130</b>	<b>520,286</b>



## 40. Commitments (continued)

Note:

- (i) On 26 July 2017, Shenzhen Leoch Battery Technology Co., Ltd., Leoch Battery Shenzhen Corp., and Shenzhen Lihang Battery Technology Co., Ltd., subsidiaries of the Company, collectively entered into a construction contract with Shenzhen Shekou Costal Realty Company Limited, a company in the PRC principally engaged in property development, in relation to the construction of a property at a consideration capped at RMB516,000,000. The property is located at the development site situated at Tower E, Taizhi Bay Commercial Plaza, Shekou Gangwan Road, Nanshan District, Shenzhen, the PRC, with an estimated floor area of approximately 6,141.30 square meters. The property will be for commercial use and, upon acquisition by the Group, is expected to be used as the principal office of the Group. Based on the currently estimated floor area of the property upon its completion, the consideration is RMB491,304,000. It was originally agreed that the property shall be delivered to the Group on or before 30 August 2018. However, due to delay in the construction of the property, completion did not take place as scheduled and the Group has withheld payment for the consideration. The parties have been negotiating for an alternative payment schedule while at the same time looking at various different options with regards to the property including but not limited to the possible disposal of the property to a third party. Up to the date hereof, no agreement has been reached by the parties. As at 31 December 2018, Shenzhen Leoch Battery had paid RMB98,260,000 of the consideration.

## 40. 承諾 (續)

附註：

- (i) 於二零一七年七月二十六日，深圳理士奧電源技術有限公司、深圳理士電池技術有限公司及深圳立航電源技術有限公司（本公司之附屬公司）共同與深圳市蛇口海濱置業有限公司（一間於中國主要從事物業開發之公司）訂立建造合約，內容有關建造一項物業，代價上限為人民幣516,000,000元。該物業位於中國深圳市南山區蛇口港灣大道太子灣商務廣場E座之發展地盤，估計樓面面積約為6,141.30平方米。該物業將用作商業用途，而預期於本集團收購後將用作為本集團之主要辦事處。根據現時估計之該物業於竣工後之樓面面積計算，代價為人民幣491,304,000元。按照之前協定，該物業將於二零一八年八月三十日或之前交付予本集團。然而，由於物業延遲建設，故未按期竣工及本集團已扣繳代價款項。訂約方已協商另外的付款安排，與此同時尋求有關物業的各項不同的選擇，包括但不限於可能向第三方出售物業。直至本公告日期，訂約方尚未達成任何協議。於二零一八年十二月三十一日，深圳理士奧電源已支付金額為人民幣98,260,000元之代價。



## Notes to the Financial Statements 財務報表附註

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### 41. Related Party Transactions

### 41. 關連人士交易

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

(a) 除於該等財務報表其他地方詳述的交易外，本集團與關連人士在年內有以下主要交易：

	Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Purchases of raw materials from related companies</b>			
向關連公司購買原材料			
Related companies wholly owned by Mr. Dong Li	(i)	8,356	30,591
<b>Purchases of facilities from related companies</b>			
向關連公司購買設施			
Related companies wholly owned by Mr. Dong Li	(i)	-	27,541
<b>Sales of products to related companies</b>			
向關連公司銷售產品			
Related companies wholly owned by Mr. Dong Li	(i)	101,687	84,261
<b>Leases of office premises from two related companies</b>			
自兩間關連公司租賃辦公室物業			
Related companies wholly owned by Mr. Dong Li	(i)	657	657
Related company wholly owned by Mr. Dong Li's spouse		2,389	2,542
		<b>3,046</b>	<b>3,199</b>

41. Related Party Transactions  
(continued)

## 41. 關連人士交易 (續)

(a) (continued)

(a) (續)

		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Leases of office premises to related companies</b>	向關連公司租賃辦公室物業	(i)		
Related companies wholly owned by Mr. Dong Li	董李先生全資擁有的關連公司		<b>1,029</b>	1,029
<b>Interest expense to related parties</b>	向關連人士支付利息開支	41(b)(ii)		
Non-controlling shareholders of a subsidiary	附屬公司之非控股股東		<b>1,740</b>	1,678

Note:

- (i) The purchases of raw materials, purchases of facilities, sales of products and lease of office premises with the related companies were made according to prices mutually agreed between the two parties on terms not less favourable to the Group than terms available to or from (as appropriate) independent third parties.

The related party transactions in respect of the purchases of raw materials, purchases of facilities, sales of products and lease of office premises above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

附註：

- (i) 與關連公司進行原材料購買、設施購買、產品銷售及辦公室物業租賃乃根據共同議定的價格按對本集團而言不遜於向獨立第三方提供或獲獨立第三方(如適合)提供的條款進行。

上述關於購買原材料、購買設施、銷售產品及租賃辦公室物業的關連人士交易亦構成上市規則第十四A章定義的關連交易或持續關連交易。



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### 41. Related Party Transactions (continued)

### 41. 關連人士交易 (續)

#### (b) Outstanding balances with related parties:

#### (b) 與關連人士的未償還結餘：

	Notes 附註	Due from related parties 應收關連人士款項		Due to related parties 應付關連人士款項	
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
<b>Current:</b>					
Non-controlling shareholders of a subsidiary	(i)	-	-	43,418	76,238
Related companies wholly owned by Mr. Dong Li	(ii)	55,117	29,210	13,915	15,708
		<b>55,117</b>	29,210	<b>57,333</b>	91,946

Notes:

- (i) As at 31 December 2018, a loan amounting to RMB40,000,000 from the non-controlling shareholders of a subsidiary was unsecured, bore interest rate at 4.35% per annum and had no fixed terms of repayment.
- (ii) As at 31 December 2018 and 2017, all balances with the related companies wholly owned by Mr. Dong Li were trade in nature, unsecured, interest-free and had no fixed terms of repayment.

附註：

- (i) 於二零一八年十二月三十一日，來自一間附屬公司之非控股股東之貸款人民幣40,000,000元為無抵押、按年利率4.35%計息及無固定還款期。
- (ii) 於二零一八年及二零一七年十二月三十一日，所有與董李先生全資擁有的關連公司的結餘皆為貿易性質、無抵押、免息及無固定還款期。



## 41. Related Party Transactions (continued)

### (c) Commitments with related companies

In September 2010, the Group entered into an agreement with a term ended on 31 August 2012 with Shenzhen Marshall Power Supply Co., Ltd., a company which is wholly owned by Mr. Dong Li, in relation to the leases of two office premises. The Group extended the term of this agreement to 23 December 2021. The lease expenses to be paid to Shenzhen Marshall Power Supply Co., Ltd. will be RMB897,000, RMB897,000 and RMB878,000 for the years of 2019, 2020 and 2021, respectively.

In August 2008, the Group entered into an agreement with a term ended on 31 December 2012 with Eastern International LLC, a company which is wholly owned by Mr. Dong Li's spouse, in relation to the leases of office premises. The Group extended the term of this agreement to 31 December 2021. The lease expenses to be paid to Eastern International LLC will be RMB4,110,000, RMB4,233,000 and RMB4,360,000 for the years of 2019, 2020 and 2021, respectively.

## 41. 關連人士交易 (續)

### (c) 與關連公司的承諾

於二零一零年九月，本集團與深圳市瑪西爾能源技術有限公司（由董李先生全資擁有的公司）就租賃兩間辦公室物業訂立租期至二零一二年八月三十一日為止的協議。本集團已將該協議延期至二零二一年十二月二十三日。二零一九年、二零二零年及二零二一年支付予深圳市瑪西爾能源技術有限公司的租賃開支將分別為人民幣897,000元、人民幣897,000元及人民幣878,000元。

於二零零八年八月，本集團與Eastern International LLC（由董李先生的配偶全資擁有的公司）就租賃辦公室物業訂立租期至二零一二年十二月三十一日為止的協議。本集團已將該協議租期延期至二零二一年十二月三十一日。於二零一九年、二零二零年及二零二一年，支付予Eastern International LLC的租賃開支將分別為人民幣4,110,000元、人民幣4,233,000元及人民幣4,360,000元。





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### 41. Related Party Transactions (continued)

### 41. 關連人士交易 (續)

#### (d) Compensation of key management personnel of the Group:

#### (d) 本集團主要管理人員的酬金：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Basic salaries and other benefits	基本薪金及其他福利	6,507	6,416
Equity-settled share option expenses	以權益結算的購股權開支	722	1,194
Pension scheme contributions	退休金計劃供款	119	119
		<b>7,348</b>	<b>7,729</b>

Further details of directors' emoluments are included in note 8 to the financial statements.

有關董事酬金之詳情載於財務報表附註8。



## 42. Financial Instruments By Category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2018

### Financial assets

## 42. 按類別分析的金融工具

各類別金融工具於報告期末的賬面值如下：

二零一八年

### 金融資產

		Financial assets at fair value through profit or loss		Financial assets at fair value through other comprehensive income		Financial assets at amortised cost	Total
		Held for trading	Debt investments	Equity investments			
		持作買賣	債務投資	權益性投資		按攤銷成本計量之金融資產	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
Equity investments designated at fair value through other comprehensive income	指定按公允價值變動計入損益的權益性投資	-	-	137,148	-	-	137,148
Debt investments at fair value through other comprehensive income	公允價值變動計入其他全面收益的債務投資	-	164,625	-	-	-	164,625
Trade receivables	貿易應收款項	-	-	-	-	2,424,654	2,424,654
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	-	-	-	-	42,655	42,655
Equity investments at fair value through profit or loss	公允價值變動計入損益的權益性投資	12,588	-	-	-	-	12,588
Structured bank deposits	結構性銀行存款	109,866	-	-	-	-	109,866
Pledged deposits	已抵押存款	-	-	-	-	452,216	452,216
Cash and cash equivalents	現金及現金等價物	-	-	-	-	425,311	425,311
		122,454	164,625	137,148		3,344,836	3,769,063



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### 42. Financial Instruments by Category (continued)

2018

#### Financial liabilities

### 42. 按類別分析的金融工具 (續)

二零一八年

#### 金融負債

		Financial liabilities at amortised cost 按攤銷成本計量的金融負債 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項及應付票據	2,001,708
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	86,728
Interest-bearing bank borrowings	計息銀行借貸	2,884,108
		<b>4,972,544</b>



## 42. Financial Instruments by Category (continued)

2017

## Financial assets

## 42. 按類別分析的金融工具 (續)

二零一七年

## 金融資產

		Financial assets at fair value through profit or loss 公允價值變動計入損益的金融資產 RMB'000 人民幣千元	Loans and receivables 貸款及應收款項 RMB'000 人民幣千元	Available-for-sale financial assets 可供出售金融資產 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Available-for-sale investments	可供出售投資	-	-	132,576	132,576
Trade receivables	貿易應收款項	-	2,313,438	-	2,313,438
Bills receivables	應收票據	-	213,159	-	213,159
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	-	40,170	-	40,170
Derivative financial instruments	衍生金融工具	4,418	-	-	4,418
Financial assets at fair value through profit or loss	公允價值變動計入損益的金融資產	12,545	-	-	12,545
Pledged deposits	已抵押存款	-	540,116	-	540,116
Cash and cash equivalents	現金及現金等價物	-	401,042	-	401,042
		16,963	3,507,925	132,576	3,657,464



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### 42. Financial Instruments by Category (continued)

2017

#### Financial liabilities

### 42. 按類別分析的金融工具 (續)

二零一七年

#### 金融負債

		Financial liabilities at amortised cost 按攤銷成本計量的金融負債 RMB'000 人民幣千元
Trade and bills payables	貿易應付款項及應付票據	1,665,247
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	113,771
Interest-bearing bank borrowings	計息銀行借貸	3,013,891
		4,792,909



### 43. Fair Value and Fair Value Hierarchy of Financial Instruments

The carrying amounts and fair values of the Group's financial instruments approximate to their fair values.

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, structured bank deposits, trade receivables, debt investments at fair value through other comprehensive income, trade and bills payables, financial assets included in prepayments, other receivables and other assets and financial liabilities included in other payables and accruals, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

### 43. 金融工具公允價值及公允價值層級

本集團金融工具的賬面值及公允價值與其公允價值相近。

管理層已評估現金及現金等價物、已抵押存款、結構性銀行存款、貿易應收款項、貿易應付款項、公允價值變動計入其他全面收益的債務投資、貿易應付款項及應付票據、計入預付款項、其他應收款項及其他資產的金融資產、以及計入其他應付款項及應計費用的金融負債的公允價值，與其賬面值相若，主要由於該等工具屬短期性質。

本集團由財務經理領導的融資部門負責制定金融工具公允價值計量的政策及程序。財務經理直接向首席財務官及審核委員會彙報。於各報告日期，財務部門分析金融工具價值的變動情況，並釐定估值所用的主要投入。該估值由首席財務官審閱及批准。審核委員會每年兩次就有關中期及年度財務報告的估值過程及結果進行討論。



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### 43. Fair Value and Fair Value Hierarchy of Financial Instruments *(continued)*

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair values of the non-current portion of interest-bearing bank borrowings approximate to their amortised costs which have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank borrowings as at 31 December 2018 was assessed to be insignificant.

### 43. 金融工具公允價值及公允價值層級 (續)

金融資產及負債的公允價值以該工具自願交易方(強迫或清盤出售除外)當前交易下可交易金額入賬。以下方法及假設均用來估算公允價值。

計息銀行借貸非即期部分之公允價值與其攤銷成本相若,其攤銷成本乃使用類似條款工具之現行利率、信貸風險及剩餘年期折現預期未來現金流計算。本集團於二零一八年十二月三十一日的計息銀行借貸自身不履約風險被評定為微不足道。





### 43. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted equity investments designated at fair value through other comprehensive income, which were previously classified as available-for-sale equity investments, have been estimated using the asset-based approach. The assets of the unlisted company include cash and cash equivalents, short-term principal-protected investment and investments in portfolio companies. Management has assessed that the fair values of cash and cash equivalents, the short-term principal-protected investment and the liabilities approximate to their carrying amounts with consideration of the nature and the short-term maturities of these instruments. The fair value of the investments in portfolio companies is estimated using different valuation methodologies according to the nature of individual investments, such as the trading price of listed shares, price of recent investments, market multiples and the discounted cash flow method.

The fair values of debt investments at fair value through other comprehensive income, which are bills receivables, have been estimated using a discounted cash flow valuation model based on the interest rate yield curve.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

### 43. 金融工具公允價值及公允價值層級 (續)

上市權益性投資的公允價值乃基於已報市場價格計算。指定按公允價值變動計入其他全面收益的非上市權益性投資（先前被分類為可供出售權益性投資）的公允價值使用基於市場的估值技術進行估算。非上市公司資產包括現金及現金等價物、短期保本投資及組合公司投資。管理層已評估現金及現金等價物、短期保本投資及負債的公允價值，約至該等工具性質代價及短期內到期的賬面值。於組合公司的投資的公允價值根據個別投資的性質採用不同的估值方法估值，包括上市股份的交易價格、近期投資的價格、市場倍數及現金流量折現法。

公允價值變動計入其他全面收益的債務投資（即應收票據）的公允價值使用基於利率收益率曲線的現金流量折現估值模式估算。

本集團投資非上市投資，即中國內地銀行發行的理財產品。本集團已採用基於具有類似條款及風險的工具的市場利率的現金流量折現估值模式估算該等非上市投資的公允價值。





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### 43. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

#### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

*Assets measured at fair value*

### 43. 金融工具公允價值及公允價值層級 (續)

#### 公允價值層級

下表載列本集團金融工具的公允價值計量層級：

*按公允價值計量的資產*

		Fair value measurement using 公允價值計量所用層級			Total
		Quoted prices in active markets (Level 1) 活躍市場報價 (第1層) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入數據 (第2層) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第3層) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>2018</b>	<b>二零一八年</b>				
Equity investments designated at fair value through other comprehensive income	指定按公允價值變動計入其他全面收益的權益性投資	-	-	137,148	137,148
Debt investments at fair value through other comprehensive income	公允價值變動計入其他全面收益的債務投資	-	164,625	-	164,625
Structured bank deposits	結構性銀行存款	-	109,866	-	109,866
Financial assets at fair value through profit or loss	公允價值變動計入損益之金融資產	12,588	-	-	12,588
		<b>12,588</b>	<b>274,491</b>	<b>137,148</b>	<b>424,227</b>
<b>2017</b>	<b>二零一七年</b>				
Available-for-sale investments	可供出售投資	-	-	122,828	122,828
Derivative financial instruments	衍生金融工具	-	4,418	-	4,418
Financial assets at fair value through profit or loss	公允價值變動計入損益之金融資產	12,545	-	-	12,545
		12,545	4,418	122,828	139,791



### 43. Fair Value and Fair Value Hierarchy of Financial Instruments (continued)

#### Fair value hierarchy (continued)

##### Assets measured at fair value (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income/ available-for-sale investments – unlisted:	指定按公允價值變動計入其他全面收益的權益性投資／可供出售投資 – 非上市：		
At 1 January	於一月一日	<b>122,828</b>	117,029
Effect of adoption of IFRS 9	採納國際財務報告準則第9號之影響	<b>9,748</b>	–
At 1 January (restated)	於一月一日（經重列）	<b>132,576</b>	117,029
Total (losses)/gains recognised in other comprehensive income	已於其他全面收益確認之（虧損）／收益總額	<b>(19,659)</b>	3,703
Additions	添置	<b>23,431</b>	2,500
Exchange realignment	匯兌調整	<b>800</b>	(404)
At 31 December	於十二月三十一日	<b>137,148</b>	122,828

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2017: Nil).

### 43. 金融工具公允價值及公允價值層級（續）

#### 公允價值層級（續）

##### 按公允價值計量的資產（續）

年內第3層公允價值計量變動如下：

年內，公允價值計量概無在第一層級和第二層級之間發生轉移，及金融資產及金融負債也沒有轉入或轉出第三層級（二零一七年：無）。



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## 44. Financial Risk Management Objectives and Policies

The Group's principal financial instruments, other than derivatives, comprise interest-bearing bank borrowings, and cash and pledged deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set out in note 2.4 to the financial statements.

### Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating rates.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in interest rate, with all other variables held constant, of the Group's profit before tax and the Group's equity.

## 44. 金融風險管理目的及政策

本集團的主要金融工具（衍生工具除外）為計息銀行借貸及現金及有抵押存款。該等金融工具的主要用途乃本集團的營運融資。本集團擁有各種其他金融資產及負債，例如貿易應收款項及貿易應付款項，乃由其經營直接產生。

本集團金融工具產生的主要風險為利率風險、外幣風險、信貸風險及流動資金風險。董事會已審閱並同意各項風險的管理政策，有關政策於下文概述。本集團有關衍生工具的會計政策載於財務報表附註2.4。

### 利率風險

本集團因市場利率變動而面對的風險主要與本集團以浮動利率計息的長期債務有關。

下表列示在所有變量維持不變情況下，利率合理可能變動對本集團稅前溢利及本集團權益於報告期末的敏感度。



#### 44. Financial Risk Management Objectives and Policies (continued)

#### 44. 金融風險管理目的及政策 (續)

##### Interest rate risk (continued)

##### 利率風險 (續)

		Increase/ (decrease) in basis points 基點增加/ (減少)	Increase/ (decrease) in profit before tax 稅前溢利 增加/(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity* 權益增加/ (減少)* RMB'000 人民幣千元
<b>2018</b>	<b>二零一八年</b>			
RMB	人民幣	50	(34)	-
RMB	人民幣	(50)	34	-
SG\$	新加坡元	50	(70)	-
SG\$	新加坡元	(50)	70	-
US\$	美元	50	(3,393)	-
US\$	美元	(50)	3,393	-
MYR	馬來西亞令吉	50	(67)	-
MYR	馬來西亞令吉	(50)	67	-
<b>2017</b>	<b>二零一七年</b>			
RMB	人民幣	50	(380)	-
RMB	人民幣	(50)	380	-
SG\$	新加坡元	50	(71)	-
SG\$	新加坡元	(50)	71	-
US\$	美元	50	-	-
US\$	美元	(50)	-	-
MYR	馬來西亞令吉	50	(96)	-
MYR	馬來西亞令吉	(50)	96	-

\* Excluding retained profits

\* 不包括保留溢利



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## 44. Financial Risk Management Objectives and Policies (continued)

### Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group operates in Hong Kong, the United States, Singapore, Malaysia and Mainland China. For companies in Mainland China, their principal activities are transacted in RMB. For other companies outside of Mainland China, their principal activities are transacted in currencies other than the units' functional currencies. Approximately 35% (2017: 33%) of the Group's sales were denominated in currencies other than the functional currencies of the operating units making the sales, whilst approximately 62% (2017: 69%) of costs were denominated in the units' functional currencies.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the exchange rates, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

## 44. 金融風險管理目的及政策 (續)

### 外幣風險

本集團承受交易貨幣風險。該等風險源自經營單位以單位功能貨幣以外的貨幣進行買賣。本集團於香港、美國、新加坡、馬來西亞及中國內地經營業務。就中國內地的公司而言，彼等的主要業務以人民幣進行交易。就中國內地境外的其他公司而言，彼等的主要業務以單位功能貨幣以外之貨幣進行交易。本集團約35%（二零一七年：33%）的銷售以經營單位功能貨幣以外的貨幣計值，但約62%（二零一七年：69%）的成本乃以經營單位功能貨幣列值。

下表列示在所有變量維持不變情況下，匯率合理可能變動對本集團稅前溢利（由於貨幣資產及負債的公允價值變動）及本集團權益於報告期末的敏感度。



#### 44. Financial Risk Management Objectives and Policies (continued)

##### Foreign currency risk (continued)

#### 44. 金融風險管理目的及政策 (續)

##### 外幣風險 (續)

		Increase/ (decrease) in exchange rate 匯率 上漲 / (下跌) %	Increase/ (decrease) in profit before tax 稅前溢利 增加 / (減少) RMB'000 人民幣千元
<b>2018</b>	<b>二零一八年</b>		
If RMB weakens against US\$	倘人民幣兌美元貶值	5	(39,742)
If RMB strengthens against US\$	倘人民幣兌美元升值	(5)	39,742
If RMB weakens against HK\$	倘人民幣兌港元貶值	5	(18,838)
If RMB strengthens against HK\$	倘人民幣兌港元升值	(5)	18,838
<b>2017</b>	<b>二零一七年</b>		
If RMB weakens against US\$	倘人民幣兌美元貶值	5	(79,850)
If RMB strengthens against US\$	倘人民幣兌美元升值	(5)	79,850
If RMB weakens against HK\$	倘人民幣兌港元貶值	5	(22,391)
If RMB strengthens against HK\$	倘人民幣兌港元升值	(5)	22,391

#### Credit risk

Management has made a detailed analysis of the credit risk of different customers and divided the customers into two classes, i.e., type A customers, which have good credit ratings or have coverage by letters of credit or other forms of credit insurance and type B customers, which are the other diversified customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis, and therefore, the Group's exposure to bad debts is not significant.

#### 信貸風險

管理層已對不同客戶的信貸風險進行詳細分析，並將客戶劃分為兩類，即A類客戶（信用評級良好或有信用證或其他信貸保險形式的保障）及B類客戶（其他多元化客戶）。按照本集團的政策，所有擬按信貸條款進行交易的客戶，必須先通過信貸核實程序。此外，本集團持續監察應收結餘的情況，因此本集團的壞賬風險並不重大。



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#### 44. Financial Risk Management Objectives and Policies (continued)

##### Credit risk (continued)

Maximum exposure and year-end staging as at 31 December 2018

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2018.

#### 44. 金融風險管理目的及政策 (續)

##### 信貸風險 (續)

於二零一八年十二月三十一日之最大風險敞口及年末階段分類

下表顯示於二零一八年十二月三十一日基於本集團信貸政策(主要基於過往既有資料,除非有毋須過多成本或精力即可獲取的其他資料可用)得出的信貸質素及最大信貸風險敞口及年末階段分類。

		12-month ECLs 12個月預期信貸虧損	Lifetime ECLs 全期預期信貸虧損			
		Stage 1 第1階段	Stage 2 第2階段	Stage 3 第3階段	Simplified approach 簡化方法	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Trade receivables*	貿易應收款項*	-	-	-	2,424,654	2,424,654
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	42,655	-	-	-	42,655
Pledged deposits	已抵押存款	452,216	-	-	-	452,216
Cash and cash equivalents	現金及現金等價物	425,311	-	-	-	425,311
		<b>920,182</b>	<b>-</b>	<b>-</b>	<b>2,424,654</b>	<b>3,344,836</b>

\* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 22.

\* 就本集團應用簡化方法進行減值評估的貿易應收款項而言,基於撥備矩陣的資料於附註22披露。



## 44. Financial Risk Management Objectives and Policies (continued)

### Credit risk (continued)

*Maximum exposure as at 31 December 2017*

The credit risk of the Group's other financial assets, which comprise cash and bank balances and pledged deposits, deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Concentration of credit risk exists when changes in economic, industry or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group had certain concentrations of credit risk as 15% and 20% of the Group's trade receivables were due from the Group's largest customer and five largest customers, respectively. Sales to the five largest customers accounted for 32% of the Group's total sales for the year ended 31 December 2017.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 22 to the financial statements.

## 44. 金融風險管理目的及政策 (續)

### 信貸風險 (續)

*於二零一七年十二月三十一日之最大風險敞口*

本集團其他金融資產(包括現金及銀行結餘, 以及已抵押存款、訂金及其他應收款項)的信貸風險源自交易對方的違約, 最大風險程度等於這些工具的賬面值。

若一組交易對手同時受類似經濟、行業或地區因素影響, 而該組別的信貸風險對本集團整體信貸風險影響重大, 即構成集中信貸風險。因本集團15%及20%的貿易應收款項分別來自本集團的最大客戶及五大客戶, 本集團須承擔若干集中信貸風險。截至二零一七年十二月三十一日止年度, 向五大客戶作出的銷售佔本集團銷售總額的32%。

本集團自貿易應收款項產生的信貸風險敞口的量化數據於財務報表附註22披露。





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#### 44. Financial Risk Management Objectives and Policies (continued)

##### Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. In addition, banking facilities have been put in place for contingency purposes.

The maturity profile of the Group's financial liabilities, based on the contractual undiscounted payments, is as follows:

#### 44. 金融風險管理目的及政策 (續)

##### 流動資金風險

本集團採用週期性流動資金計劃工具監控資金短缺的風險。此工具考慮其金融工具與金融資產(如貿易應收款項)的到期日以及來自業務的估計現金流量。

本集團的目的是以銀行借貸，維持本集團資金的延續性和靈活性的平衡。此外，本集團亦備有銀行融資以應付或有事件。

本集團的金融負債的到期狀況按合約未貼現付款分析如下：

		On demand 於要求時 RMB'000 人民幣千元	Less than 1 year 少於1年 RMB'000 人民幣千元	1 to 5 years 1至5年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>2018</b>	<b>二零一八年</b>				
Interest-bearing bank borrowings	計息銀行借貸	-	2,180,868	790,711	2,971,579
Trade and bills payables	貿易應付款項及應付票據	-	2,001,708	-	2,001,708
Other payables and accruals	其他應付款項及應計費用	-	86,728	-	86,728
		-	4,269,304	790,711	5,060,015



#### 44. Financial Risk Management Objectives and Policies (continued)

#### 44. 金融風險管理目的及政策 (續)

##### Liquidity risk (continued)

##### 流動資金風險 (續)

		On demand 於要求時 RMB'000 人民幣千元	Less than 1 year 少於1年 RMB'000 人民幣千元	1 to 5 years 1至5年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
2017	二零一七年				
Interest-bearing bank borrowings	計息銀行借貸	1,286,511	1,639,818	136,464	3,062,793
Trade and bills payables	貿易應付款項及應付票據	-	1,665,247	-	1,665,247
Other payables and accruals	其他應付款項及應計費用	-	113,771	-	113,771
		1,286,511	3,418,836	136,464	4,841,811

##### Capital management

The primary objectives of the Group's capital management are to ensure that it maintains a strong credit rating and a healthy capital ratio in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2018 and 2017.

##### 資本管理

本集團資本管理的主要目標為確保本集團維持強勁信貸評級以及維持健康的資本比率支持其業務，以及將股東的價值提升至最高。

本集團根據經濟狀況變動管理其資本架構及作出調整。本集團可通過支付予股東的股息、向股東發還資本或發行新股等方法，維持或調整資本架構。截至二零一八年及二零一七年十二月三十一日止年度內，管理資本的目標、政策或程序並無變動。



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## 44. Financial Risk Management Objectives and Policies (continued)

### Capital management (continued)

The Group monitors capital using a gearing ratio, which is interest-bearing bank borrowings divided by total assets. The gearing ratios as at the end of the reporting periods were as follows:

## 44. 金融風險管理目的及政策 (續)

### 資本管理 (續)

本集團以資產負債比率監控資本，該比率為計息銀行借貸除以總資產。報告期末的資產負債比率如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
Interest-bearing bank borrowings	計息銀行借貸	2,884,108	3,013,891
Total assets	資產總值	9,032,055	8,625,282
Gearing ratio	資本負債比率	32%	35%



## 45. Transfers of Financial Assets

### Transferred financial assets that are not derecognised in their entirety

As part of its normal business, the Group entered into a trade receivable factoring arrangement (the “**Factoring Arrangement**”) and transferred certain trade receivables to banks. The Group is exposed to default risks of the trade debtors after the transfer. Subsequent to the transfer, the Group did not retain any rights on the use of the trade receivables, including the sale, transfer or pledge of the trade receivables to any other third parties. The original carrying value of the trade receivables transferred under the Factoring Arrangement that have not been settled as at 31 December 2018 amounted to RMB31,592,000 (2017: RMB61,467,000). The carrying amount of the assets that the Group continued to recognise as at 31 December 2018 was RMB31,592,000 (2017: RMB61,467,000) and that of the associated liabilities as at 31 December 2018 was RMB20,759,000 (2017: RMB37,279,000), which were recognised as collateralised bank advances, secured (note 31).

### Financial assets that are derecognised in their entirety

During the years ended 31 December 2018 and 2017, the Group factored trade receivables to a bank on a non-recourse basis for cash. In the opinion of the Directors, the Group has transferred substantially all risks and rewards associated with the factored trade receivables. Accordingly, the Group derecognised the full carrying amount of the trade receivables factored. The carrying amount of the trade receivables derecognised as at 31 December 2018 was RMB35,048,000 (2017: RMB21,091,000).

## 45. 轉讓金融資產

### 未被全部終止確認的已轉讓金融資產

作為正常業務的一部分，本集團已訂立貿易應收款項保理安排（「**該保理安排**」），將若干貿易應收款項轉讓予銀行。本集團承受於轉讓後貿易債務人的違約風險。於進行轉讓後，本集團並無保留使用貿易應收款項（包括向任何其他第三方銷售、轉讓或質押貿易應收款項）的任何權利。於二零一八年十二月三十一日，根據該保理安排轉讓而尚未清償的貿易應收款項的原賬面值為人民幣31,592,000元（二零一七年：人民幣61,467,000元）。於二零一八年十二月三十一日，本集團繼續確認的資產的賬面值為人民幣31,592,000元（二零一七年：人民幣61,467,000元），而於二零一八年十二月三十一日的相關負債的賬面值為人民幣20,759,000元（二零一七年：人民幣37,279,000元），並確認為有抵押的抵押化的銀行墊款（附註31）。

### 已全部終止確認的金融資產

於截至二零一八年及二零一七年十二月三十一日止年度，本集團按非追索基準向一間銀行保理貿易應收款項以獲取資金。董事認為，本集團已將保理貿易應收款項的絕大部分風險及回報轉讓。因此，本集團終止確認保理貿易應收款項之全部賬面值。已終止確認的貿易應收款項於二零一八年十二月三十一日之賬面值為人民幣35,048,000元（二零一七年：人民幣21,091,000元）。



## Notes to the Financial Statements 財務報表附註

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### 46. Statement of Financial Position of the Company 46. 本公司之財務狀況表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

有關本公司於報告期末之財務狀況表之資料如下：

		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
NON-CURRENT ASSETS	<b>非流動資產</b>		
Investments in subsidiaries	於附屬公司之投資	<b>2,498,768</b>	2,802,633
CURRENT ASSETS	<b>流動資產</b>		
Cash and cash equivalents	現金及現金等價物	<b>396</b>	242
Equity investments at fair value through profit or loss	公允價值變動計入損益的權益性投資	<b>12,588</b>	12,545
Total current assets	流動資產總值	<b>12,984</b>	12,787
CURRENT LIABILITIES	<b>流動負債</b>		
Other payables and accruals	其他應付款項及應計費用	<b>2,541</b>	2,055
Interest-bearing bank borrowings	計息銀行借貸	<b>407,217</b>	1,315,768
Total current liabilities	流動負債總值	<b>409,758</b>	1,317,823
NET CURRENT LIABILITIES	<b>流動負債淨值</b>	<b>(396,774)</b>	(1,305,036)
TOTAL ASSETS LESS CURRENT LIABILITIES	<b>資產總值減流動負債</b>	<b>2,101,994</b>	1,497,597
NON-CURRENT LIABILITIES	<b>非流動負債</b>		
Interest-bearing bank borrowings	計息銀行借貸	<b>678,694</b>	-
Net assets	資產淨值	<b>1,423,300</b>	1,497,597
EQUITY	<b>權益</b>		
Issued capital	已發行股本	<b>116,213</b>	116,192
Reserves (note)	儲備(附註)	<b>1,307,087</b>	1,381,405
Total equity	權益總額	<b>1,423,300</b>	1,497,597

46. Statement of Financial Position  
of the Company (continued)

## 46. 本公司之財務狀況表 (續)

Note:

附註:

A summary of the Company's reserves is as follows:

本公司之儲備概要如下:

		Share premium account	Shareholders' contribution	Share option reserve	Exchange fluctuation reserve	Accumulated losses	Total
		股份溢價賬 RMB'000 人民幣千元	股東出資 RMB'000 人民幣千元	購股權儲備 RMB'000 人民幣千元	匯兌波動 儲備 RMB'000 人民幣千元	累計虧損 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2017	於二零一七年 一月一日	1,207,864	337,830	27,901	-	(26,719)	1,546,876
Loss and total comprehensive loss for the year	本年度虧損及 全面虧損總額	-	-	-	-	(108,197)	(108,197)
Exercise of share options	行使購股權	5,338	-	(2,652)	-	-	2,686
Final 2016 dividend paid	已付二零一六年 末期股息	(64,603)	-	-	-	-	(64,603)
Equity-settled share option arrangements	以權益結算的 購股權安排	-	-	4,643	-	-	4,643
At 31 December 2017 and 1 January 2018	於二零一七年 十二月三十一日 及二零一八年 一月一日	<b>1,148,599</b>	<b>337,830</b>	<b>29,892</b>	-	<b>(134,916)</b>	<b>1,381,405</b>
Loss and total comprehensive loss for the year	本年度虧損及 全面虧損總額	-	-	-	-	(130,766)	(130,766)
Exercise of share options	行使購股權	<b>310</b>	-	<b>(163)</b>	-	-	<b>147</b>
Exchange differences on translation of foreign operations	換算境外業務的 匯兌差額	-	-	-	<b>51,290</b>	-	<b>51,290</b>
Equity-settled share option arrangements	以權益結算的 購股權安排	-	-	<b>5,011</b>	-	-	<b>5,011</b>
At 31 December 2018	於二零一八年 十二月三十一日	<b>1,148,909</b>	<b>337,830</b>	<b>34,740</b>	<b>51,290</b>	<b>(265,682)</b>	<b>1,307,087</b>



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### 46. Statement of Financial Position of the Company (continued)

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.4 to the financial statements. The amount will either be transferred to share premium account when the related options are exercised, or be transferred to retained profits should the related options expire.

### 47. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 22 March 2019.

### 46. 本公司之財務狀況表 (續)

購股權儲備包括已授出而未行使的購股權的公允價值，有關詳情於財務報表附註2.4有關以股份為基礎的付款的會計政策中進一步解釋。該金額在有關購股權獲行使時會轉撥至股份溢價賬或在有關購股權屆滿時轉撥至保留溢利。

### 47. 批准財務報表

該等財務報表已於二零一九年三月二十二日獲董事會批准並授權刊發。



# Five Year Financial Summary

## 五年財務摘要



A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements is set out below:

摘錄自己刊印經審核財務報表的本集團於過往五個財政年度的業績及資產、負債及非控股權益概要載列如下：

		Year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
RESULTS	業績					
REVENUE	收益	<b>9,544,418</b>	9,465,444	6,262,870	4,330,893	4,248,351
Cost of sales	銷售成本	<b>(8,489,396)</b>	(8,302,904)	(5,237,286)	(3,561,184)	(3,531,691)
Gross profit	毛利	<b>1,055,022</b>	1,162,540	1,025,584	769,709	716,660
Other income and gains	其他收入及收益	<b>118,326</b>	94,031	65,752	70,567	75,644
Selling and distribution expenses	銷售及分銷開支	<b>(408,667)</b>	(367,199)	(296,682)	(216,466)	(202,255)
Administrative expenses	行政開支	<b>(269,719)</b>	(260,742)	(224,567)	(216,802)	(220,072)
Research and development costs	研發成本	<b>(111,025)</b>	(143,084)	(101,865)	(84,859)	(154,430)
Reversal of impairment losses due to suspension of Zhaoqing Leoch	由於肇慶理士停產而撥回的減值虧損	-	-	-	-	58,809
(Impairment losses)/reversal of impairment on financial assets	金融資產(減值虧損)/減值撥回	<b>(3,266)</b>	7,713	(21,910)	(1,247)	(1,625)
Other expenses	其他開支	<b>(35,329)</b>	(34,639)	(53,914)	(74,321)	(48,468)
Finance costs	財務成本	<b>(202,356)</b>	(151,788)	(108,931)	(104,673)	(108,505)
Share of profit and loss of a joint venture and an associate	應佔一間合營企業及聯營公司的溢利及虧損	-	-	(2,931)	(7,352)	(3,894)
PROFIT BEFORE TAX	稅前溢利	<b>142,986</b>	306,832	280,536	134,556	111,864
Income tax expense	所得稅開支	<b>(15,846)</b>	(35,352)	(48,749)	(28,251)	(30,073)
PROFIT FOR THE YEAR	本年度溢利	<b>127,140</b>	271,480	231,787	106,305	81,791
Profit for the year attributable to:	以下人士應佔本年度溢利:					
Owners of the parent	母公司擁有人	<b>106,418</b>	242,885	241,898	106,579	81,791
Non-controlling interests	非控股權益	<b>20,722</b>	28,595	(10,111)	(274)	-
		<b>127,140</b>	271,480	231,787	106,305	81,791





## Five Year Financial Summary 五年財務摘要

### Assets, Liabilities and Non-Controlling Interests

### 資產、負債及非控股權益

		As at 31 December 於十二月三十一日				
		2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元
TOTAL ASSETS	資產總值	<b>9,032,055</b>	8,625,282	6,873,302	5,733,508	5,260,686
TOTAL LIABILITIES	負債總額	<b>(5,858,151)</b>	(5,578,594)	(4,115,373)	(3,287,926)	(2,930,010)
NON-CONTROLLING INTERESTS	非控股權益	<b>(196,977)</b>	(170,078)	(60,041)	(5,994)	-
		<b>2,976,927</b>	2,876,610	2,697,888	2,439,588	2,330,676



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