



北京京城機電股份有限公司

Beijing Jingcheng Machinery Electric Company Limited

(a joint stock company incorporated in the People's Republic of China with limited liability)

(在中華人民共和國註冊成立之股份有限公司)

(H Share Stock Code H 股代號：0187；A Share Stock Code A 股代號：600860)



2018

ANNUAL REPORT
年度報告



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Important Notes

重要提示

- I. The Board, the Supervisory Committee and the Directors, Supervisors and senior management of the Company confirm that information contained in this annual report is true, accurate, and complete without any false and misleading statements or material omissions, and severally and jointly accept legal responsibility for the above.
- II. All directors of the Company have attended the meetings of the Board.
- III. ShineWing Certified Public Accountants LLP has issued a standard audited report without qualifying opinions for the Company.
- IV. Mr. Wang Jun, the person in charge of the Company, Ms. Jiang Chi, the Accounting Director and Mr. Wang Yandong, Accounting Manager (accountant in charge), have declared that they guarantee the trueness, accuracy and completeness of the financial statements contained in this annual report.
- V. Resolutions of profit distribution and capitalisation from capital reserves of the Company for the Reporting Period examined and reviewed by the Board.
- During the Reporting Period, as audited by the Shinewing Certified Public Accountants LLP, net profit attributable to shareholders of the Company was RMB-93,936,155.30 and undistributed profit at the end of the year was RMB-690,446,430.91. As the Company recorded negative undistributed profits at the end of the year, the Company proposed not to distribute any profit and not to capitalize from capital reserves for the year 2018. Such resolutions are required to be submitted at the AGM for consideration and approval.
- VI. Declaration on risk from forward-looking statements
- Applicable Not applicable
- The forward-looking statements involving future plans, development strategies in this annual report do not constitute substantial undertakings of the Company to investors who are advised to be cautious about investment risks.
- VII. Whether the controlling shareholders of the Company or its associates have misappropriated the Company's funds or not?
- No
- VIII. Whether any external guarantees are provided in violation of any specified decision-making procedures or not?
- No
- IX. IMPORTANT RISK WARNINGS
- On 20 December 2018, the Company disclosed the "Indicative Announcement on Planning Non-Public Issuance of A Shares". At present, there are still uncertainties in the Non-public Issuance of A Shares and the Company will strictly protect the confidentiality of information based on the progress of the relevant matters and perform the obligation of information disclosure in strict compliance with the requirements of relevant laws and regulations, and will publish an announcement on the progress of such matters in a timely manner.
- X. Others
- Applicable Not applicable
- 一、本公司董事會、監事會及董事、監事、高級管理人員保證年度報告內容的真實、準確、完整，不存在虛假記載、誤導性陳述或重大遺漏，並承擔個別和連帶的法律責任。
- 二、公司全體董事出席董事會會議。
- 三、信永中和會計師事務所(特殊普通合夥)為本公司出具了標準無保留意見的審計報告。
- 四、公司負責人王軍先生、主管會計工作負責人姜馳女士及會計機構負責人(會計主管人員)王艷東先生聲明：保證年度報告中財務報告的真實、準確、完整。
- 五、經董事會審議的報告期利潤分配預案或公積金轉增股本預案。
- 報告期，經信永中和會計師事務所(特殊普通合夥)審計，歸屬於上市公司股東的淨利潤為-93,936,155.30元，年末未分配利潤為-690,446,430.91元。由於公司年末未分配利潤為負，故2018年度不進行利潤分配，也不進行資本公積金轉增股本，該預案尚需提交股東大會審議。
- 六、前瞻性陳述的風險聲明
- 適用 不適用
- 本年度報告內容中涉及未來計劃等前瞻性陳述因存在不確定性，不構成公司對投資者的實質承諾，請投資者注意投資風險。
- 七、是否存在被控股股東及其關聯方非經營性佔用資金情況
- 否
- 八、是否存在違反規定決策程序對外提供擔保的情況？
- 否
- 九、重大風險提示
- 2018年12月20日，公司披露了《關於籌劃非公開發行A股股票事項的提示性公告》，目前，本次非公開發行A股股票事項尚存在不確定性，公司將根據相關事項進展情況，嚴格做好信息保密工作，並將嚴格按照相關法律法規的要求履行信息披露義務，及時對該事項的進展情況進行公告。
- 十、其他
- 適用 不適用

Section 1 Definition

第一節 釋義

1. Definitions

Unless otherwise stated in context, the following terms should have the following meanings in this report:

一、釋義

在本報告書中，除非文義另有所指，下列詞語具有如下含義：

		Definition of frequently used terms 常用詞語釋義
AGM 股東大會	means 指	the 2017 Annual General Meeting convened on 12 June 2018 於2018年6月12日召開的2017年年度股東大會
Beiren Holdings 北人股份	means 指	Beiren Printing Machinery Holdings Limited (the former name of the Company) 北人印刷機械股份有限公司（更名前本公司）
Beiren Group 北人集團	means 指	Beiren Group Corporation (北人集團公司), a company incorporated in the PRC and a subsidiary of Jingcheng Holding (the former controlling shareholder of the Company) 北人集團公司，一間於中國註冊成立之公司，京城控股之附屬子公司（原為本公司之控股股東）
Board 董事會	means 指	the board of directors of the Company 本公司董事會
Beijing SASAC 北京市國資委	means 指	State-owned Assets Supervision and Administration Commission of Beijing Municipal Government 北京市人民政府國有資產監督管理委員會
Beijing Securities Regulatory Bureau 北京證監局	means 指	Beijing Securities Regulatory Bureau under the CSRC 中國證券監督管理委員會北京監管局
Company 公司、本公司	means 指	Beijing Jingcheng Machinery Electric Company Limited (北京京城機電股份有限公司), a joint stock company incorporated in the PRC with limited liability and the shares of which are listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange 北京京城機電股份有限公司，一間於中國註冊成立之股份有限公司，其股份於聯交所主板及上交所上市
Connected Person 關聯人士	means 指	has the same meaning ascribed to it under the Listing Rules 具有上市規則賦予該詞之涵義
CSRC 中國證監會	means 指	China Securities Regulatory Commission 中國證券監督管理委員會
Controlling Shareholder(s) 控股股東	means 指	has the same meaning ascribed to it under the Listing Rules 具有上市規則賦予該詞之涵義
Cryogenic equipment base in Huo County 朔縣低溫生產基地	means 指	the base for production of liquefied natural gas cylinder for vehicles and cryogenic equipment (LNG industry) 車用液化天然氣瓶與低溫設備生產(LNG產業) 基地
CNG CNG	means 指	Abbreviation of compressed natural gas 壓縮天然氣(Compressed Natural Gas)的英文縮寫
Director(s) 董事	means 指	the director(s) of the Company 本公司董事
DOT DOT	means 指	Abbreviation of US Department of Transportation 美國交通部(US Department of Transportation)的英文縮寫
EGM 臨時股東大會	means 指	the 2018 First Extraordinary General Meeting convened on 19 October 2018 於2018年10月19日召開的2018年第一次臨時股東大會
Group 本集團	means 指	the Company and its subsidiaries 本公司及其附屬公司
HK\$ 港元	means 指	Hong Kong dollars, the lawful currency of Hong Kong 香港法定貨幣港元
Hong Kong Listing Rules 香港上市規則	means 指	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司證券上市規則
Industrial gas cylinder 工業氣瓶	means 指	Collective name for the cylinders that are filled with industrial gas 灌裝工業氣體的鋼瓶統稱

Section 1 Definition

第一節 釋義

1. Definitions (Continued)

一、釋義(續)

Definition of frequently used terms 常用詞語釋義

Jingcheng Machinery Electric or Jingcheng Holding (controlling shareholder and beneficial controller) 京城機電或京城控股(控股股東、實際控制人)	means 指	Beijing Jingcheng Machinery Electric Holding Co., Ltd. (北京京城機電控股有限責任公司), a company established in the PRC and the controlling shareholder of the Company, holding approximately 43.30% equity interest in the Company 北京京城機電控股有限責任公司, 一間於中國成立之公司, 為本公司之控股股東, 持有本公司約43.30%之股權
Jingcheng HK 京城香港	means 指	Jingcheng Holding (Hong Kong) Company Limited (京城控股(香港)有限公司), a subsidiary of the Company 京城控股(香港)有限公司(本公司之子公司)
Listing Rules 上市規則	means 指	the Rules Governing the Listing of Securities on the Shanghai Stock Exchange and the Rules Governing the Listing of Securities on the Stock Exchange 上海證券交易所上市規則和聯交所證券上市規則
LNG LNG	means 指	Abbreviation of liquefied natural gas 液化天然氣(liquefied natural gas)的英文縮寫
PRC Accounting Standards for Business Enterprises 中國企業會計準則	means 指	PRC Accounting Standards for Business Enterprises 中國企業會計準則
Reporting Period 報告期	means 指	the period from 1 January 2018 to 31 December 2018 2018年1月1日至2018年12月31日
RMB 人民幣	means 指	Renminbi, the lawful currency of the PRC 中國法定貨幣人民幣
Supervisory Committee 監事會	means 指	the supervisory committee of the Company 本公司監事會
Supervisor(s) 監事	means 指	the supervisor(s) of the Company 本公司監事
Shareholder(s) 股東	means 指	the holder(s) of shares 股份持有人
Share(s) 股份	means 指	Unless otherwise stated, share(s) of the Company, including A share(s) and H share(s) 本公司股份, 包括A股及H股, 另有所指除外
SSE 上交所	means 指	the Shanghai Stock Exchange 上海證券交易所
Stock Exchange 聯交所	means 指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
Station, filling station 加氣站	means 指	The station where automobiles are filled with LNG or CNG 將液化天然氣或壓縮天然氣給汽車加注的站
Tianhai Industrial or Beijing Tianhai 天海工業或北京天海	means 指	Beijing Tianhai Industry Co., Ltd. (北京天海工業有限公司), a subsidiary of the Company 北京天海工業有限公司(本公司之子公司)
USD 美元	means 指	United States dollars, the lawful currency of the United States of America 美利堅合眾國法定貨幣美元

Section 2 Company Profile and Key Financial Indicators

第二節 公司簡介和主要財務指標

I. Information of the Company

一、公司信息

Chinese name of the Company 公司的中文名稱	北京京城機電股份有限公司 北京京城機電股份有限公司
Chinese abbreviation 公司的中文簡稱	京城股份 京城股份
English name of the Company 公司的外文名稱	BEIJING JINGCHENG MACHINERY ELECTRIC COMPANY LIMITED BEIJING JINGCHENG MACHINERY ELECTRIC COMPANY LIMITED
English abbreviation 公司的外文名稱縮寫	JINGCHENG MAC JINGCHENG MAC
Company's legal representative 公司的法定代表人	Wang Jun 王軍

II. Contact Persons and Contact Methods

二、聯繫人和聯繫方式

	Secretary to the Board 董事會秘書	Representative in charge of securities affairs 證券事務代表
Name 姓名	Luan Jie 樂杰	Chen Jian 陳健
Contact address 聯繫地址	No. 2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing 北京市通州區漷縣鎮漷縣南三街2號	No. 2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing 北京市通州區漷縣鎮漷縣南三街2號
Telephone 電話	010-67365383/58761949	010-67365383/58761949
Facsimile 傳真	010-87392058/58766735	010-87392058/58766735
E-mail 電子信箱	jcgf@btic.com.cn jcgf@btic.com.cn	jcgf@btic.com.cn jcgf@btic.com.cn

III. Basic Information

三、基本情況簡介

Registered address of the Company 公司註冊地址	Room 901, No. 59 Mansion, Dongsanhuan Road Central, Chaoyang District, Beijing 北京市朝陽區東三環中路59號樓901室
Postal code of the registered address of the Company 公司註冊地址的郵政編碼	100022 100022
Office address of the Company 公司辦公地址	No. 2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing 北京市通州區漷縣鎮漷縣南三街2號
Postal code of the office address of the Company 公司辦公地址的郵政編碼	101109 101109
Company's website 公司網址	www.jingchenggf.com.cn www.jingchenggf.com.cn
E-mail 電子信箱	jcgf@btic.com.cn jcgf@btic.com.cn

IV. Dissemination of Company Information and the Place for Preparation and Reference

四、信息披露及備置地點

Name of media designated for information disclosure 公司選定的信息披露媒體名稱	Shanghai Securities News 《上海證券報》
Website designated by the CSRC for publishing annual report 登載年度報告的中國證監會指定網站的網址	www.sse.com.cn www.sse.com.cn
Place for inspection of the Company's Annual Report 公司年度報告備置地地點	Office of the Board of the Company 本公司董事會辦公室

Section 2 Company Profile and Key Financial Indicators 第二節 公司簡介和主要財務指標

V. Basic Information of the Company's Shares

五、公司股票簡況

Basic Information of the Company's Shares

Type of shares 股票種類	Place of listing of the shares 股票上市交易所	Securities abbreviation 股票簡稱	Stock code 股票代碼	Stock abbreviation before change 變更前股票簡稱
A shares A股	the Shanghai Stock Exchange 上海證券交易所	京城股份 京城股份	600860 600860	京城股份 京城股份
H Shares H股	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司	JINGCHENG MAC 京城機電股份	00187 00187	JINGCHENG MAC 京城機電股份

VI. Other Related Information

六、其他相關資料

Name of the accounting firm engaged by the Company (domestic) 公司聘請的會計師事務所(境內)	Name 名稱 Office address 辦公地址 Names of signing accountant 簽字會計師姓名	ShineWing Certified Public Accountants LLP (Special General Partnership) 信永中和會計師事務所(特殊普通合夥) 9/F, Block A, Fu Hua Mansion, No. 8 Chao Yang Men Bei Da Jie, Dong Cheng District, Beijing 北京市東城區朝陽門北大街8號富華大廈A座9層 Zhang Kun, Wang Xin 張昆、王欣
Name of the accounting firm engaged by the Company (domestic internal control reporting and audit) 公司聘請的會計師事務所(境內內控報告審計)	Name 名稱 Office address 辦公地址 Names of signing accountant 簽字會計師姓名	Da Hua Certified Public Accountants (Special General Partnership) 大華會計師事務所(特殊普通合夥) 8/F, Xihai International Center, Building 1, No.99 Courtyard, Beisanhuan West Road, Haidian District, Beijing City 北京市海澱區北三環西路99號院1號樓西海國際中心8層 Liu Guoqing, Bai Lihan 劉國清、白麗晗
Name of the domestic legal adviser engaged by the Company 公司聘請的境內法律顧問名稱 Office address of the domestic legal adviser engaged by the Company 公司聘請的境內法律顧問辦公地址 Name of the overseas legal adviser engaged by the Company 公司聘請的境外法律顧問名稱 Office address of the overseas legal adviser of the Company 公司聘請的境外法律顧問辦公地址 Other basic information of the Company 公司其他基本情況	Beijing Kang Da Law Firm 北京市康達律師事務所 No.19, Jianguomenwai Dajie, Chaoyang District, Beijing, the PRC 中國北京朝陽區建國門外大街19號 Woo Kwan Lee & Lo 胡關李羅律師行 26/F, Jardine House, Central, Hong Kong 香港中環怡和大廈26樓	Reception of shareholders' enquiries: 10th and 20th of each month (or on the following business day if it falls on a public holiday) (Closed on Saturdays and Sundays) 9:00 a.m. to 11:00 a.m. and 2:00 p.m. to 4:00 p.m. 股東接待日：每月10日及20日(節假日順延)(公司每星期六、星期日休息)上午9:00-11:00 下午2:00-4:00

Section 2 Company Profile and Key Financial Indicators

第二節 公司簡介和主要財務指標

VII. Major Accounting Figures and Financial Indicators for the Past Three Years

七、近三年主要會計數據和財務指標

(i) Major accounting figures

(一) 主要會計數據

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Major accounting figures		2018	2017	Changes over the same period of the preceding year (%) 本期比上年同期增減(%)	2016
主要會計數據		2018年	2017年	本期比上年同期增減(%)	2016年
Operating income	營業收入	1,121,564,249.15	1,203,496,955.02	-6.81	889,525,250.25
Net profit attributable to shareholders of listed company	歸屬於上市公司股東的淨利潤	-93,936,155.30	20,868,364.01	-550.14	-148,787,585.19
Net profit attributable to shareholders of listed company after extraordinary items	歸屬於上市公司股東的扣除非經常性損益的淨利潤	-109,732,045.40	-60,775,640.60	Not applicable 不適用	-164,874,525.62
Net cash flows generated from operating activities	經營活動產生的現金流量淨額	11,215,989.36	-226,658,464.95	Not applicable 不適用	-13,041,823.62

		At the end of 2018	At the end of 2017	Changes over the same period end of the preceding year (%) 本期末比上年同期末增減(%)	At the end of 2016
		2018年末	2017年末	本期末比上年同期末增減(%)	2016年末
Net assets attributable to shareholders of listed company	歸屬於上市公司股東的淨資產	466,876,306.94	588,375,286.55	-20.65	565,197,855.29
Total assets	總資產	1,775,485,766.32	1,925,062,021.12	-7.77	1,849,908,902.76

(ii) Key financial indicators

(二) 主要財務指標

Key financial indicators		2018	2017	Changes over the same period of the preceding year (%) 本期比上年同期增減(%)	2016
主要財務指標		2018年	2017年	本期比上年同期增減(%)	2016年
Basic earnings per share (RMB/share)	基本每股收益(元/股)	-0.22	0.05	-540.00	-0.35
Diluted earnings per share (RMB/share)	稀釋每股收益(元/股)	-0.22	0.05	-540.00	-0.35
Basic earnings per share after extraordinary items (RMB/share)	扣除非經常性損益後的基本每股收益(元/股)	-0.26	-0.14	Not applicable 不適用	-0.39
Returns on net assets on weighted average basis (%)	加權平均淨資產收益率(%)	-17.35	3.61	-20.96	-23.31
Return on net assets on weighted average basis after extraordinary items (%)	扣除非經常性損益後的加權平均淨資產收益率(%)	-20.27	-10.53	-9.74	-25.83

Explanation on the major accounting data and financial indicators of the company at the end of the Reporting Period for the past three years

報告期末公司前三年主要會計數據和財務指標的說明

Applicable Not applicable

適用 不適用

Section 2 Company Profile and Key Financial Indicators

第二節 公司簡介和主要財務指標

VIII. Accounting Data Differences Under Domestic and Foreign Accounting Standards

(i) **Difference in net profit and net assets attributable to shareholders of listed company in the financial statements disclosed simultaneously pursuant to the International Accounting Standards and the PRC Accounting Standards for Business Enterprises**

Applicable Not applicable

(ii) **Difference in net profit and net assets attributable to shareholders of listed company in the financial statements disclosed simultaneously pursuant to the Foreign Accounting Standards and the PRC Accounting Standards for Business Enterprises**

Applicable Not applicable

(iii) **Description of differences between PRC GAAP and foreign GAAP**

Applicable Not applicable

八、境內外會計準則下會計數據差異

(一) 同時按照國際會計準則與按中國會計準則披露的財務報告中淨利潤和歸屬於上市公司股東的淨資產差異情況

適用 不適用

(二) 同時按照境外會計準則與按中國會計準則披露的財務報告中淨利潤和歸屬於上市公司股東的淨資產差異情況

適用 不適用

(三) 境內外會計準則差異的說明：

適用 不適用

IX. Major Financial Data of 2018 By Quarter

九、2018年分季度主要財務數據

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

		First quarter (January to March) 第一季度 (1-3月份)	Second quarter (April to June) 第二季度 (4-6月份)	Third quarter (July to September) 第三季度 (7-9月份)	Fourth quarter (October to December) 第四季度 (10-12月份)
Operating income	營業收入	235,780,484.45	239,192,027.58	288,304,153.17	358,287,583.95
Net profit attributable to shareholders of listed company	歸屬於上市公司股東的淨利潤	-21,650,195.02	-7,032,255.31	-15,466,153.25	-49,787,551.72
Net profit attributable to shareholders of listed company, net of extraordinary items	歸屬於上市公司股東的扣除非經常性損益後的淨利潤	-21,696,484.22	-8,353,343.33	-28,544,122.85	-51,138,095.00
Net cash flows generated from operating activities	經營活動產生的現金流量淨額	19,620,001.89	7,785,509.97	32,271,238.54	-48,460,761.04

Description of differences between quarterly data and data in disclosed regular reports

季度數據與已披露定期報告數據差異說明

Applicable Not applicable

適用 不適用

Section 2 Company Profile and Key Financial Indicators

第二節 公司簡介和主要財務指標

X. Extraordinary Items and Amounts

√ Applicable □ Not applicable

十、非經常性損益項目和金額

√ 適用 □ 不適用

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Extraordinary items 非經常性損益項目	Amount of 2018 2018年金額	Note (where applicable) 附註(如適用)	Amount of 2017 2017年金額	Amount of 2016 2016年金額
Gain or loss on disposal of non-current assets Unauthorized or informal approval documents or oneoff tax returns and exemptions on tax	8,596,214.61	非流動資產處置損益 越權審批，或無正式批准文件，或偶發性的稅收返還、減免	59,103,357.51	-2,091,562.94
Government subsidies included in current profit or loss, other than on-going government subsidies which are closely related to the Company's normal operation, meet the requirements of government policies and are subject to certain limits and conditions	5,395,096.64	計入當期損益的政府補助，但與公司正常經營業務密切相關，符合國家政策規定、按照一定標準定額或定量持續享受的政府補助除外	18,578,401.03	7,623,764.63
Capital occupation fee received from non-financial entities included in current profit or loss		計入當期損益的對非金融企業收取的資金佔用費		
Gain from the excess of the fair value of the identifiable net assets of investee companies on acquisition of the investment over the cost of investment in the Company's subsidiaries, associates and joint ventures		企業取得子公司、聯營企業及合營企業的投資成本小於取得投資時應享有被投資單位可辨認淨資產公允價值產生的收益		
Gain or loss on exchange of non-monetary assets		非貨幣性資產交換損益		
Gain or loss on entrusted investments or asset under management		委託他人投資或管理資產的損益		
Provision for impairment on assets due to force majeure events, such as natural disasters		因不可抗力因素，如遭受自然災害而計提的各項資產減值準備		
Gain or loss on debt restructuring	8,063,997.38	債務重組損益	13,998,858.16	7,837,291.67
Corporate restructuring costs, such as employee relocation expenses and integration costs		企業重組費用，如安置職工的支出、整合費用等		
Gain or loss on transactions with obviously unfair transaction price for amount which exceeds fair value		交易價格顯失公允的交易產生的超過公允價值部分的損益		
Net gains or losses of subsidiaries for the current period from the beginning of the period to the date of combination arising from business combination under common control		同一控制下企業合併產生的子公司期初至合併日的當期淨損益		
Gain or loss on other contingencies which are not related to the Company's normal operations		與公司正常經營業務無關的或有事項產生的損益		
Gain or loss on changes in fair value and investment income from disposal of financial assets held for trading, financial liabilities held for trading and available-for-sale financial assets, except for effective hedging transactions that are closely related to the Company's normal operation	/	除同公司正常經營業務相關的有效套期保值業務外，持有交易性金融資產、交易性金融負債產生的公允價值變動損益，以及處置交易性金融資產、交易性金融負債和可供出售金融資產取得的投资收益		
Gain or loss on changes in fair value and investment income from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investment, except for effective hedging transactions that are closely related to the Company's normal operation	/	除同公司正常經營業務相關的有效套期保值業務外，持有交易性金融資產、衍生金融資產、交易性金融負債、衍生金融負債產生的公允價值變動損益，以及處置交易性金融資產、衍生金融資產、交易性金融負債、衍生金融負債和其他債權投資取得的投资收益	/	/
Reversal of the impairment provision for receivables which are tested individually for impairment	/	單獨進行減值測試的應收款項減值準備轉回		
Reversal of the impairment provision for receivables and contract assets which are tested individually for impairment		單獨進行減值測試的應收款項、合同資產減值準備轉回	/	/
Gain or loss on entrusted loans		對外委託貸款取得的損益		
Gain or loss arising from changes in fair value of investment properties under fair value model on subsequent measurement		採用公允價值模式進行後續計量的投資性房地產公允價值變動產生的損益		
Effect of one-time adjustment to current profit or loss according to the requirements of tax and accounting laws and regulations on current profit or loss		根據稅收、會計等法律、法規的要求對當期損益進行一次性調整對當期損益的影響		
Entrusted fee income from entrusted operations		受託經營取得的託管費收入		

Section 2 Company Profile and Key Financial Indicators

第二節 公司簡介和主要財務指標

X. Extraordinary Items and Amounts (Continued)

十、非經常性損益項目和金額(續)

Extraordinary items 非經常性損益項目		Amount of 2018 2018年金額	Note (where applicable) 附註(如適用)	Amount of 2017 2017年金額	Amount of 2016 2016年金額
Other non-operating income and expenses apart from the aforesaid items	除上述各項之外的其他營業外收入和支出	1,022,601.69		3,062,739.88	5,461,209.00
Other gain or loss items falling within the definition of extraordinary items	其他符合非經常性損益定義的損益項目				
Effect of minority interest	少數股東權益影響額	-3,274,474.68		-12,184,088.16	-2,750,149.76
Effect of income tax	所得稅影響額	-4,007,545.54		-915,263.81	6,387.83
Total	合計	15,795,890.10		81,644,004.61	16,086,940.43

XI. Items Measured at Fair Value

Applicable Not applicable

十一、採用公允價值計量的項目

適用 不適用

XII. Others

Applicable Not applicable

十二、其他

適用 不適用

Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period

1. Scope of business:

Licensed items of operation: general logistics; professional contracting.

General scope of operation: development, design, sales, installation, adjustment and trial, maintenance of cryogenic containers for storage and transportation, compressors (piston compressor, membrane compressor and membrane compressor of nuclear grading) and accessories; machinery equipment and electrical equipment; technical consultancy and technical services; import and export of commodities and technology and acting as an agency for import and export.

Main products and applications:

The Company's main products include: liquefied natural gas (LNG) cylinders for vehicles, compressed natural gas (CNG) cylinders for vehicles, seamless steel gas cylinders, steel welded gas cylinders, welded insulated cylinders, carbon fiber full-winding compound gas cylinders, plate-type asbestos-free acetylene cylinders, ISO tank containers, aluminum carbon fiber full-winding compound gas cylinders for fuel cells as well as cryogenic tanks and LNG filling station equipment.

Photos of major products:

一、報告期內公司所從事的主要業務、經營模式及行業情況說明

1、經營業務範圍：

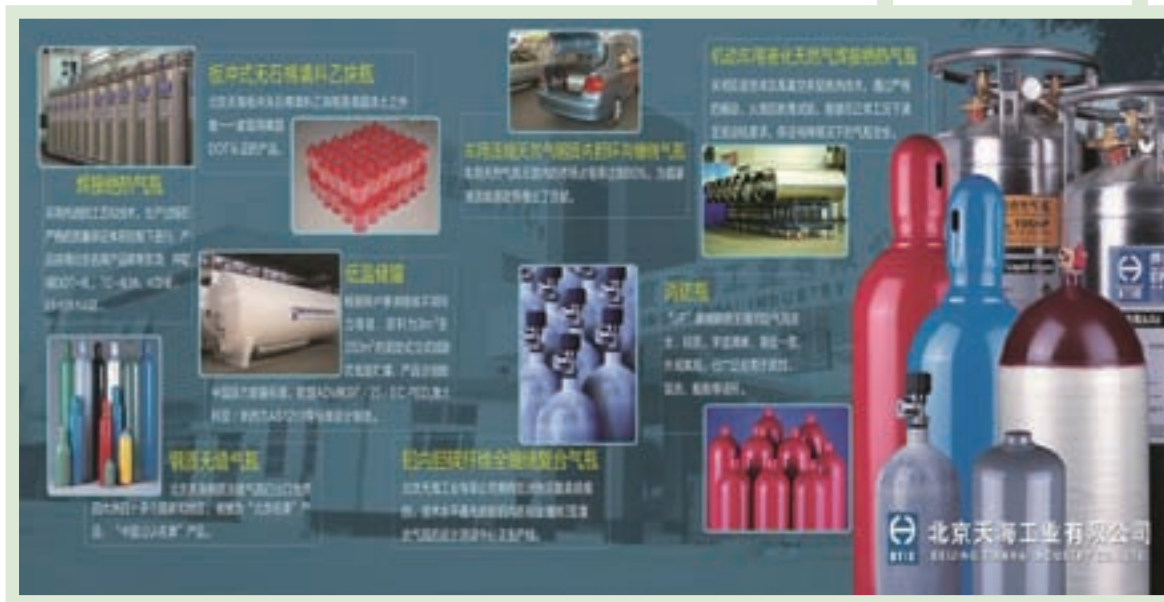
許可經營項目：普通貨運；專業承包。

一般經營項目：開發、設計、銷售、安裝、調試、修理低溫儲運容器、壓縮機(活塞式壓縮機、隔膜式壓縮機、核級膜壓縮機)及配件；機械設備、電氣設備；技術諮詢、技術服務；貨物進出口、技術進出口、代理進出口。

主要產品及應用：

公司主要產品有：車用液化天然氣(LNG)氣瓶，車用壓縮天然氣(CNG)氣瓶，鋼質無縫氣瓶，鋼質焊接氣瓶，焊接絕熱氣瓶，碳纖維全纏繞複合氣瓶，板沖式無石棉填料乙炔瓶ISO罐式集裝箱，氫燃料電池用鋁內膽碳纖維全纏繞複合氣瓶以及低溫儲罐、LNG加氣站設備等。

公司主要產品圖示：



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(1) LNG cylinders for vehicles

LNG cylinders for vehicles are low-pressure storage tanks that use spark plugs for ignition. Through comprehensive integration of technology for LNG filling stations, engines, automobile manufacturers and SI tanks, the Company is able to provide low-cost vehicle LNG solutions. We currently provide SI tanks to Beiqi Futian, Guiyang Bus, Haikou Bus, Dongfeng Automobile and Shaanxi Heavy Duty Automobile.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(1) 車用液化天然氣LNG氣瓶

車用液化天然氣LNG氣瓶是利用火花塞進行點火的低壓儲罐。通過對LNG加氣站、發動機、整車廠、SI儲罐多方位技術整合，公司能很好的提供低成本的車用LNG解決方案。目前我們已為北汽福田、貴陽公交、海口公交、東風汽車、陝西重汽等公司提供火花塞點火SI儲罐。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(2) CNG cylinders for vehicles

CNG cylinders for vehicles can be classified into: aluminum liner carbon fiber full-winding compound gas cylinders (Type III), steel liner ring wrapped cylinders (Type II) and compressed natural gas cylinders (Type I), for use in storage of natural gas fuel for vehicles.

The Group has obtained ISO9001:2015, ISO/TS16949:2009 international quality management system certification, ISO14001:2015 environmental management system and OHSAS18001:2007 occupational health and safety management system certifications for its CNG cylinders for vehicles and has become a designated cylinder supplier of automobile manufacturers including FAW-Volkswagen, Dongfeng Automobile and Shanghai Volkswagen. The Group's CNG cylinders has been exported to Europe, Brazil, Argentina, India, Pakistan, Thailand, etc..

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(2)、車用壓縮天然氣CNG氣瓶

車用壓縮天然氣CNG氣瓶可分為：鋁內膽碳纖維全纏繞複合氣瓶(III型)、鋼質內膽環向纏繞氣瓶(II型)、壓縮天然氣鋼瓶(I型)，用於車用天然氣燃料儲存。

車用壓縮天然氣CNG氣瓶已經取得ISO9001:2015、ISO/TS16949:2009國際質量管理體系認證和ISO14001:2015環境管理體系、OHSAS18001:2007職業健康安全管理体系等國際質量管理體系認證，成為中國一汽大眾、二汽東風、上海大眾等汽車公司指定氣瓶供應商，車用壓縮天然氣CNG氣瓶已出口歐洲、巴西、阿根廷、印度、巴基斯坦、泰國等國。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(3) Seamless steel gas cylinders

The Company adopts world-class processing equipment and advanced technology. It can produce high pressure seamless cylinders of various specifications with nominal working pressure of 8-35Mpa and nominal volume of 0.4-145 litres, which are widely used in chemical, fire-fighting, medical, energy, urban construction, food, machinery, electronics and other industries. Seamless steel gas cylinders under JP brand are safe and reliable, clearly-stamped and have consistent height and good-looking appearance. They have been exported to over 40 countries and regions in five continents around the world and are recognised as products under "Famous Beijing Brand" and "Famous China Brand".

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(3)、鋼質無縫氣瓶

公司採用國際一流的加工設備，先進的工藝流程，可生產公稱工作壓力為8-35Mpa、公稱容積0.4-145升的大、中、小型各種規格高壓無縫氣瓶，產品廣泛應用於化工、消防、醫療、能源、城建、食品、機械、電子等行業。「JP」牌鋼質無縫氣瓶安全可靠，鋼印清晰、高低一致、外觀美觀，已出口世界五大洲四十多個國家和地區，被譽為「北京名牌」產品、「中國公認名牌」產品。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(4) Carbon fiber full-winding compound gas cylinders

The Company has the largest design and testing centre and production line for aluminum liner and carbon fiber fullwinding compound gas cylinders with the most advanced technology in Asia. Such cylinders are featured by high pressure, light weight, good safety performance, good adaptability to environment and good heat resistance. They have been widely applied in scenarios requiring light cylinders such as respirators, medical oxygen, coal mine rescue and paintball guns.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(4)、碳纖維全纏繞複合氣瓶

公司擁有亞洲地區最具規模的、技術水平最先進的鋁內膽和碳纖維全纏繞複合氣瓶的設計測試中心及生產線。具有壓力高、重量輕、安全性能好、環境適應能力強和抗熱性好等特點。現已廣泛應用於呼吸器、醫用氧、煤礦救援、彩彈槍等需要輕質氣瓶的領域應用。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(5) Plate-type asbestos-free acetylene cylinders

Plate-type asbestos-free acetylene cylinders are products independently developed by the Company with worldleading standards. The bottle body adopts advanced stretching technology and is stretched from whole pieces of steel. They are characterised by Pollution-free, safe and good performance, light weight and good-looking appearance. They have passed the DOT-8AL certification in the United States, the TC-8WAM certification in Canada, and the BOC technical quality assessment in the United Kingdom. They have been sold and exported to Europe, the United States, Southeast Asia and other countries and regions.

Due to the special requirements of acetylene gas storage, the bottles must be filled with porous filler filled with acetone. Asbestos-free acetylene cylinders are designed for the storage and transportation of acetylene, and are widely used in scenarios requiring acetylene gas such as welding and industrial synthetic polymers.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(5)、板沖式無石棉填料乙炔瓶

板沖式無石棉填料乙炔瓶是我公司自主研發的具有國際先進水平的產品。其瓶體採用先進的拉伸工藝，由整塊鋼板經深拉伸而成，具有無公害、安全性能好、質量輕、外形美觀等特點。現已通過了美國DOT-8AL認證、加拿大TC-8WAM認證，並通過了英國BOC的技術質量評定。該產品已遠銷歐美、東南亞等國家和地區。

由於乙炔氣體存儲的特殊要求，瓶內必須填充浸滿丙酮的多孔填料，無石棉填料乙炔瓶專門為乙炔的存儲與運輸設計而成，被廣泛應用於如焊接、工業合成高分子等需要使用乙炔氣體的場合。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(6) Welded insulated cylinders

Welded insulated cylinders are high vacuum multi-layer insulation movable low-temperature liquid containers for use in the storage and transportation of liquefied air products (liquid oxygen, liquid argon, liquid nitrogen). High-pressure cylinders can be filled with liquid carbon dioxide and nitrous oxide media.

The Company adopts advanced process and technology and its production process is carried out in accordance with a strict quality control system, which has ensured the products' quality. Its products are safe, reliable and easy-to-use, which have a high loading rate and can be re-filled. The welded insulated cylinders developed by the Company have received awards including technology award and have obtained DOT-4L, TC-4LM, ASME and TPED certifications.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(6)、焊接絕熱氣瓶

焊接絕熱氣瓶用於貯存、運輸液化空氣產品(如液氧、液氫、液氮，其中高壓瓶還可以充裝液態二氧化碳和氧化亞氮介質)的高真空多層絕熱可移動式低溫液體容器。

公司採用先進的工藝和技術，且生產製造過程在嚴格的質量保證體系控制下進行，產品質量得到有效的保證，具有安全可靠、使用方便、裝載率高，可重複充裝等特點。我公司焊接絕熱氣瓶開發以來獲得技術含量獎等獎項，並取得了DOT-4L、TC-4LM、ASME及TPED認證。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(7) Cryogenic tanks

The Company provides fixed vertical or horizontal cryogenic tanks with volume of 3 cubic meters to 350 cubic meters for use in storage of low temperature liquid, such as liquid oxygen, liquid nitrogen, liquid argon, liquefied natural gas, and liquid carbon dioxide in accordance with customers' requirements, which are designed and manufactured in accordance with China pressure vessel; standard European Union's EN and 97/23/EC PED and Australia/New Zealand's AS1210 standards.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(7)、低溫儲罐

公司根據用戶要求提供不同壓力等級，容積為3立方米至350立方米的固定式立式或臥式低溫貯罐，用於儲存低溫液體，如：液氧、液氮、液氫、液化天然氣、和液體二氧化碳等，產品分別按中國壓力容器標準，歐盟EN和97/23/EC PED，澳大利亞/新西蘭AS1210等標準設計製造。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(8) ISO tank containers

The ISO tank containers produced by the Company are designed for the storage and transportation of low temperature liquid, such as liquid oxygen, liquid nitrogen, liquid argon, liquefied natural gas, and liquid carbon dioxide, which can be used as transport containers for global shipping, rail and road transport. They have product specifications of ISO40 feet and ISO20 feet and maximum allowable working pressure of 0.2 to 3.7MPa, and vacuum multi-layer winding insulation technology is adopted.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(8)、ISO罐式集裝箱

公司生產的ISO罐式集裝箱是專為運輸低溫液體，如：液氧、液氮、液氫、液化天然氣、和液體二氧化碳等設計的，適用於全球範圍的船運、鐵路和公路運輸的運輸容器，產品規格有ISO 40英尺和ISO20英尺，最高允許工作壓力為0.2至3.7MPa，採用真空多層纏繞絕熱技術。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(9) Complete sets of technology and equipment for LNG filling stations

LNG filling stations

LNG filling stations discharge LNG feed gas from LNG tankers to LNG tanks and feed LNG fuel to LNG vehicles using LNG filling machines after pressure adjustment. The main equipment includes LNG tank system, LNG cryogenic pump, unloading/tank booster, EAG heater, LNG filling machine, process piping, valve and station control system.

The LNG filling stations developed by the Company are featured by mature process, reliable system heat insulation, good adaptability to vehicle cylinder gas supply system, operation without vent loss, high degree of automation, and low site construction with integrated pump skid design.

LNG gasification stations

LNG gasification stations supply gas to urban residents, industrial furnaces and for emergency peaking by discharging LNG feed gas from LNG tankers to LNG tanks, which, following pressure boost, enter air temperature evaporators and become natural gas after heat exchange with air and temperature increase, and then are distributed to natural gas pipelines following pressure regulation, metering and adding odor. LNG gasification stations comprise LNG tanks, unloading/tank booster, air temperature main carburetor, EAG heater, odorization pressure regulating metering skid, valve and station control system.

The Company designs and produces small standard gasification skids for plants, community power generation and heating, and designs and installs large gasification stations in accordance with customers' requirements.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明(續)

1、經營業務範圍：(續)

(9)、LNG加氣站成套技術及設備

LNG加氣站

LNG加氣站是將LNG原料氣從LNG槽車卸放至LNG儲罐中，通過調壓後由LNG加氣機為LNG車輛加注LNG燃料。其主要設備為LNG儲罐系統、LNG低溫泵、卸車/儲罐增壓器、EAG加熱器、LNG加氣機、工藝管道、閥門及站控系統等。

公司開發的LNG加氣站設備具有工藝成熟、系統絕熱可靠、與車用瓶供氣系統匹配性能好、可實現無放空損耗運行、自動化程度高、泵橇集成設計現場施工量小等特點。

LNG氣化站

LNG氣化站是將LNG原料從LNG槽車泄放至LNG儲罐中，通過增壓後的LNG進入空溫式汽化器，與空氣換熱後轉化為氣態天然氣並升高溫度，最後經調壓、計量、加臭後送入天然氣管網，為城鎮居民、工業窯爐以及應急調峰供氣。由LNG儲罐、卸車/儲罐增壓器、空溫式主汽化器、EAG加熱器、調壓計量加臭橇、管道閥門及站控系統等組成。

公司專為工廠、小區發電和取暖設計生產小型標準氣化橇以及按用戶要求設計安裝各種氣化能力的大型氣化站。

Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(9) Complete sets of technology and equipment for LNG filling stations (Continued)

LNG skid-mounted stations

LNG skid-mounted stations incorporate LNG tank, cryogenic submersible pump, vacuum pump pool, carburetor, filling machine, vacuum pipe and valve into a skid, which have unloading, pressure regulation, filling and other functions.

The LNG skid-mounted stations produced by the Company are well manufactured with elaborate designs by making full use of its technology advantages. They incorporate the whole set of equipment into a container, which are easy to install. All valves are controlled by PLC and have the advantages of simultaneous unloading and filling, little heat leakage, and no frost for pump pool after long-term use.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(9)、LNG加氣站成套技術及設備(續)

LNG 橇裝加氣站

LNG 橇裝加氣站是將LNG儲罐、低溫潛液泵、真空泵池、氣化器、加氣機、真空管路及閥門等集成在一個橇體上，具有卸車、調壓、加氣等功能。

公司生產的LNG整體橇裝加氣站，充分利用集團的技術優勢，精心設計、精良製造，將全套設備集成在集裝箱內，安裝簡便。所有閥件採用PLC控制，具有卸車和加氣可同時進行、漏熱小、長時間使用泵池不結霜等優點。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

1. Scope of business: (Continued)

(10) Aluminum liner carbon fiber full-winding compound gas cylinders for fuel cells

The Company has the largest design and testing centre and production line for aluminum liner and carbon fiber fullwinding compound gas cylinders with the most advanced technology in Asia. Such products are independently designed, have a wide range of product specifications, and can be customised based on customers' needs. Due to their high pressure, light weight, good safety performance, good adaptability to environment and good heat resistance, the 35MPa high pressure aluminum liner carbon fiber fullwinding compound gas cylinders (cylinders for hydrogen storage) have been widely applied in hydrogen fuel cell vehicles, unmanned aerial vehicles and fuel cell backup power field.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

1、經營業務範圍：(續)

(10)、燃料電池用鋁內膽碳纖維全纏繞複合氣瓶

公司擁有亞洲地區最具規模的、技術水平最先進的鋁內膽碳纖維全纏繞複合氣瓶的設計測試中心及生產線，已具有自主知識產權，產品種類規格齊全，可依據客戶需求定制。由於其具有壓力高、重量輕、安全性能好、環境適應能力強和抗熱性好等特點，所生產的35MPa高壓鋁內膽碳纖維全纏繞複合氣瓶(儲氫氣瓶)已批量應用於氫燃料電池汽車、無人機及燃料電池備用電源領域。



Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

2. Business model

The Company's business model comprises links of product development, raw material procurement, production and processing, and sales, being:

- (1) Procurement model: The main raw material used in the Company's production is steel and its main product is steel cylinder. The procurement is conducted on a cash on delivery basis;
- (2) Production model: Due to the complex production process for steel cylinders of high temperature and high pressure, low temperature and negative pressure and strong continuity, its production must be kept stable for a long period of operation;
- (3) Sales model: Its products are mainly sold through direct sales and distribution models, whereby it strives to occupy the market through distributors with strong capability and extensive channels, while making direct sales to capable manufacturers and end customers in order to capture market share.

3. Industry overview

Many private capital, listed companies and upstream raw material manufacturers entered the gas storage and transportation industry in recent years. In particular, with frenzied investments in the natural gas market in the past few years, the competition landscape was deteriorating. China currently has 33 CNG cylinder manufactures with a total annual capacity of over 2 million units and more than 80 LNG cylinder manufactures with a total annual capacity of nearly 500,000 units. There has been fierce industry competition as the production capacity is much higher than the demand. However, the period of economic downturn is the key period for reshaping the industry landscape and for enterprises to take chance in attaining the leading position by improving competitiveness. The industrial gas industry remained depressed and the LNG industry continued its downward trend due to low oil price. However, the LNG industry still has a promising prospect as China faces pressure relating to the environment protection and the treatment of haze. China's determination on adjusting the energy structure is steadfast. As the plan for natural gas application is gradually implemented, there is sufficient supply of natural gas in the PRC. Non-piped natural gas will further develop, and many private enterprises in several provinces spontaneously invest in the LNG industry.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

2、經營模式

公司產品經營模式為產品研發、原料採購、生產加工、銷售幾個環節，即：

- (1) 採購模式：公司生產主要原料為鋼鐵，主要產品為鋼瓶。採取貨到付款的方式採購。
- (2) 生產模式：由於鋼瓶生產工藝複雜，生產過程多是高溫高壓、低溫負壓並連續性強，所以公司生產必須保持連續穩定長周期運行。
- (3) 銷售模式：公司產品銷售模式主要採取直銷和經銷模式。通過有實力並有一定渠道的經銷商佔領市場，同時向有條件的廠家和終端客戶直接銷售，獲取部份終端市場份額。

3、行業情況

近幾年，不斷有民營資本、上市公司、上游原材料廠家加入氣體儲運行業。特別是天然氣市場在歷經前幾年的瘋狂投資後，競爭態勢在不斷惡化。目前國內CNG氣瓶生產廠達33家，年產能超過200萬支，LNG氣瓶生產企業達80餘家，年產能接近50萬台，產能已遠遠大於需求，行業競爭激烈。但經濟下行時期，是行業格局重塑的關鍵時期，是各企業練好內功，搶佔先機的關鍵時期。工業氣體行業持續低迷，LNG行業受低油價影響繼續下行。但國家因環保霧霾治理壓力，LNG未來還是樂觀。國家能源結構調整的決心非常堅定，天然氣應用規劃正在不斷推進落實，國內供應能力充足。非管輸天然氣會進一步發展，民營企業自發介入LNG產業的現象已經在多省份抬頭。

Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

3. Industry overview (Continued)

(1) Industrial Gas Industry

The global industrial gas market has presented a steady growth momentum in recent years. The growth rate of the industrial gas industry is 2.0 to 2.5 times that of global GDP and in 2018, the growth rate of global industrial gas was approximately 8%, representing a steady expansion of the market scale. The structural adjustment of China's high-end manufacturing industry and the development of strategic emerging industries will greatly expand the application field of industrial gas, and the demand for industrial gas will grow continuously. In recent years, both domestic and international industrial gas industries have developed rapidly, and the market scale has been continuously expanding. However, the industrial gas industry also faces serious polarization problems with the world's top four manufacturers accounting for more than 50% of the market size. At present, the development of global gas industry is basically monopolized by several major companies from the United States, Germany, France, Japan, and other countries with a trend of continuously expanding to the developing countries. The seamless steel gas cylinder industry is now facing fierce competition as China now has an annual capacity of more than 5 million units, which is much higher than the annual demand of approximately 3.7 million units.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

3、行業情況(續)

(1) 工業氣體行業

全球工業氣體市場近年來呈現穩步增長態勢，工業氣體行業增速是全球GDP增速的2.0-2.5倍，2018年全球工業氣體增長率約為8%，市場規模穩步擴大。我國高端裝備製造產業結構調整和戰略性新興產業的發展將極大拓展工業氣體的應用領域，工業氣體需求將不斷增加。近年來工業氣體不管是國際還是國內均發展迅速，行業規模不斷得到擴大。但是工業氣體行業也存在兩極分化嚴重的問題，全球前四大廠家佔據了50%以上的市場規模。目前，世界氣體工業發展基本被美、德、法、日等國家的幾大公司壟斷，並有繼續向發展中國家擴張的趨勢。目前，我國鋼質無縫氣瓶行業年產能超過500萬隻，已遠遠大於全年約370萬隻的需求量，行業競爭激烈。

Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

3. Industry overview (Continued)

(2) Liquefied Natural Gas Industry

According to the Three-Year Action Plan on Defending the Blue Sky (《打贏藍天保衛戰三年行動計劃》) issued by the State Council, diesel vehicles will be gradually withdrawn from cities. The Opinions on Accelerating the Promotion of Natural Gas Utilization (《加快推進天然氣利用的意見》) issued by the state pointed out that: "The natural gas vehicles shall focus on the development of bus rental, long-distance heavy trucks, as well as sanitation, field and other operating vehicles, and the promotion of heavy-duty natural gas vehicles (LNG) to replace heavy-duty diesel vehicles shall be accelerated. The gasified vehicles are expected to reach approximately 10 million by 2020." The LNG vehicles will undoubtedly embrace new development opportunities, but the important thing is how to timely solve the LNG supply and gas price fluctuation problems.

With the continuous growth in the demand of domestic natural gas, the contradiction between supply and demand continues to increase. At present, the operation gas volume of gas storage in China is only 3% of the national natural gas consumption, which is significantly lower than the international average level of 12-15%. According to the Opinion on Expediting the Construction of Gas Storage Facilities and Improving the Market Mechanism of Auxiliary Services for Peak-load Shifting of Gas Storage (《關於加快儲氣設施建設和完善儲氣調峰輔助服務市場機制的意見》) issued by the state, the upstream gas supply enterprises, urban gas enterprises and the local government at or above the county level shall possess a gas storage capacity equivalent to at least 10% of its annual sales volume, a gas storage capacity 5% of its annual sales volume and a gas storage capacity of ensuring local 3-day demand by 2020, respectively. Thus, China's LNG tank construction market is expected to exceed RMB180 billion in the next three years and there will be a huge increase in demand for the relevant LNG tank equipment.

Approximately 40% of China's natural gas demand relies on import as the domestic production of natural gas lags behind the demand growth. In the future, with the increase in demand for imported natural gas, it will drive the development of LNG shipping business to provide opportunities for LNG tank container transportation market.

A series of national policies are favorable to the overall improvement of the development environment of natural gas, and the specific requirements for implementing such policies will promote the market demand for the main products of the Company such as LNG gas cylinder, LNG gasification station, LNG tank container and are beneficial to the recovery and growth of the Company's main business.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

3、行業情況(續)

(2) 天然氣行業

根據國務院《打贏藍天保衛戰三年行動計劃》，柴油車將逐步退出城市。國家《加快推進天然氣利用的意見》指出：「天然氣汽車重點發展公交出租、長途重卡，以及環衛、場區、等作業車輛，加快推廣重型天然氣(LNG)汽車代替重型柴油車。到2020年氣化各類車輛約1,000萬輛。」LNG汽車無疑將迎來新的發展機遇，關鍵就在於LNG供應及氣價波動問題能否及時解決。

隨著國內天然氣需求不斷增長，供需矛盾持續加大。當前我國儲氣庫工作氣量僅為全國天然氣消費量的3%，遠低於國際平均水平的12-15%。根據國家《關於加快儲氣設施建設和完善儲氣調峰輔助服務市場機制的意見》，到2020年，上游供氣企業、城鎮燃氣企業和縣級以上地方政府至少形成10%銷量、5%銷量、3天的儲氣能力。未來三年我國LNG儲罐建設市場規模就有望超過1,800億元，相關LNG儲氣設備將迎來巨大需求增長。

由於國內天然氣產量跟不上需求增長步伐，中國的天然氣需求有大約40%不得不依靠進口。未來隨著進口天然氣需求量的增加，將會促進LNG海上運輸需求的增加，帶動LNG海運業務的發展，從而為LNG罐式集裝箱運輸市場提供機遇。

國家出台的一系列政策有利於天然氣行業發展環境的整體改善，而政策落地的具體要求對公司主要產品LNG氣瓶、LNG點供氣站、罐式集裝箱的市場需求都有較好的促進作用，有利於公司主營業務的恢復和增長。

Section 3 Business Summary of the Company

第三節 公司業務概要

I. Principal Activities, Business Model and Industry Overview of the Company during the Reporting Period (Continued)

3. Industry overview (Continued)

(3) Hydrogen and Fuel Cell Industry

At present, the useful life of fuel cells for passenger vehicles has exceeded 5,000 hours, and the useful life of fuel cells for commercial vehicles has exceeded 10,000 hours in China, which basically meets the operation conditions of vehicles; the engine power density of hydrogen fuel cell vehicles has reached the same level with that of traditional internal combustion engines; based on 70MPa hydrogen storage technology, the driving range of hydrogen fuel cell vehicles has reached 750 kilometers; the lowest start-up temperature of the hydrogen fuel cells has reached -30°C , and the overall application range of such vehicles has basically reached the same level with that of the traditional vehicles. The hydrogen energy industry in China has initially possessed industrialization conditions. Local governments and enterprises have actively explored the development of hydrogen energy industry to initially form an integrated industrial chain covering preparation, storage, transportation and application, and have formed the Pearl River Delta, Yangtze River Delta, Beijing-Tianjin-Hebei and other major hydrogen energy industrial clusters centering on Guangzhou, Shanghai and Beijing, and gradually radiated to surrounding areas. By leveraging on the local road and railway network traffic advantages, the Pearl River Delta region in Guangdong has realized the export transportation of fuel cell vehicles which represented the application terminal of hydrogen energy. Currently, the Yunfu Hydrogen Energy Industrial Park has reached an annual production capacity of 5,000 fuel cell vehicles and 20,000 fuel cell stacks, and has basically completed the layout of industrial chain. Nanhai District in Foshan City has currently created "Fairy Lake & Hydrogen Valley with the effect of industrial cluster emerging. The Yangtze River Delta region, with Shanghai as the center, is currently promoting the construction of the "hydrogen economy demonstrative city" in Rugao, Jiangsu province and the "hydrogen energy town" in Taizhou, Zhejiang province. Liu'an city in Anhui province is committed to independent research and development in key technologies such as reactor design, production, system design, integration and control, which are close to the world's advanced level. Zhangjiakou in Hebei Province is, by taking the opportunity of serving the 2022 Winter Olympic Committee, in the process of building a hydrogen industry demonstrative base in northern China. The construction of domestic hydrogen energy infrastructure is also accelerating, and so far, 15 hydrogen refueling stations have been in operation and more than 20 hydrogen refueling stations are under construction. The Ministry of Industry and Information Technology has released the List of Recommended Models for Promotion and Application of New Energy Vehicles (《新能源汽車推廣應用推薦車型目錄》), which shows that more than 100 vehicle models are in the list of recommended models for hydrogen fuel cell vehicles in 2018 and the growth space of hydrogen fuel cell light trucks will be faster than that of hydrogen fuel cell buses.

一、報告期內公司所從事的主要業務、經營模式及行業情況說明 (續)

3、行業情況(續)

(3) 氫能及燃料電池行業

目前，我國乘用車燃料電池壽命超過5,000小時，商用車燃料電池壽命超過1萬小時，基本滿足車輛運行條件；氫燃料電池汽車發動機功率密度已達到傳統內燃機水平；基於70MPa儲氫技術，氫燃料電池汽車續駛里程達到750公里；氫燃料電池低溫啟動溫度達零下 30°C ，車輛整體適用範圍基本達到傳統汽車水平，我國氫能產業已經初步具備產業化條件。各地政府和企業積極探索氫能產業發展，初步形成包括製備、儲運、應用等環節的完整產業鏈，形成了以廣上北為中心的珠三角、長三角、京津冀等主要氫能產業集群，並逐漸輻射到周邊地區。廣東珠三角地區依託當地公路、鐵網交通優勢，實現氫能應用終端的燃料電池汽車外銷運輸，雲浮氫能產業園目前達到年產5,000輛燃料電池汽車和2萬台燃料電池電堆的產能，並基本完成產業鏈佈局，佛山南海打造「仙湖氫穀」，產業集群效應明顯。長三角地區以上海為中心，江蘇如皋的「氫經濟示範城市」、浙江台州的「氫能小鎮」建設項目正在推進，安徽六安正致力於在電堆設計、生產、系統設計、集成與控制等關鍵技術方面自主研發，相關技術已接近世界先進水平。河北張家口以服務2022年冬奧會為契機，正在打造我國北方氫能產業示範基地。國內氫能基礎設施建設也在加速進行，到目前已經運行的加氫站有15座，在建的有20多座。工信部發佈《新能源汽車推廣應用推薦車型目錄》顯示2018全年氫燃料電池汽車推薦車型目錄超過100個車型；氫燃料電池輕卡發展速度會快於氫燃料電池公交車的發展速度。

Section 3 Business Summary of the Company

第三節 公司業務概要

II. Description of material changes in major assets of the Company during the Reporting Period

√ Applicable □ Not applicable

1. On 11 May 2018, the Company disclosed the early dissolution and liquidation of Langfang Tianhai High Pressure Containers Co., Ltd. ("Langfang Tianhai") and the authorization to the board of directors of Langfang Tianhai to determine the subsequent matters of dissolution and liquidation in Announcement on the Resolutions Passed at the Fourth Extraordinary Meeting of the Ninth Session of the Board of Directors (announcement no.: Lin 2018-015). On 15 May 2018, the Company disclosed the Supplementary Announcement in relation to Early Dissolution and Liquidation of Langfang Tianhai (announcement no.: Lin 2018-019). As the transaction of the transfer of real estate assets by Langfang Tianhai has been completed (disclosed in announcements dated 21 July 2017 and 29 December 2017 respectively, announcements no.: Lin 2017-031 and Lin 2017-046), according to the Company's strategic deployment, the dissolution and liquidation of Langfang Tianhai was launched. On 25 October 2018, the Company disclosed the Announcement in relation to the Result of the Completion of Dissolution and Liquidation of Langfang Tianhai High Pressure Containers Co., Ltd. At this point, the liquidation procedure of Langfang Tianhai was completed and the "Notice of Cancellation Registration for Foreign-funded Enterprises" ((Lang) Foreign-funded Cancellation Approval (2018) No. 257) issued by Langfang Administration for Industry and Commerce which confirmed the approval of cancellation of industrial and commercial registration was obtained.
2. Beijing Tianhai Industry Co., Ltd. (北京天海工業有限公司) ("Beijing Tianhai"), a subsidiary of the Company proposes to cooperate with Beijing Nengtong Lease Company ("Beijing Nengtong") in establishing the Joint Venture at 9 Tianying North Road, Chaoyang District, Beijing for the purpose of jointly developing the existing Wufangqiao Plant of Beijing Tianhai into an integrated industrial park with garden-style high-end technical innovations, cultural innovations and business office as major functions. On 21 August 2018, after "the Resolution on the Establishment of Beijing Jingcheng Haitong Technology Culture Development Co., Ltd. (Tentative Name) By Beijing Tianhai Industry Co., Ltd., and the Jingcheng Haitong Technology Innovation Industrial Park Development Project" was considered and passed at the fifth extraordinary meeting of the ninth session of the Board of Directors, Beijing Tianhai and Beijing Nengtong entered into a joint venture agreement and established Beijing Jingcheng Haitong Technology Culture Development Co., Ltd. ("Jingcheng Haitong") with joint venture. The registered capital of Jingcheng Haitong was RMB80 million, which was contributed by the parties via cash. Beijing Tianhai contributed RMB39.2 million and holds 49% equity interest in the joint venture, and Beijing Nengtong contributed RMB40.8 million and holds 51% equity interest in the joint venture.

二、報告期內公司主要資產發生重大變化情況的說明

√適用 □不適用

- 1、2018年5月11日，公司在第九屆董事會第四次臨時會議決議公告(公告編號：臨2018-015)中披露了關於廊坊天海高壓容器有限公司(以下簡稱「廊坊天海」)提前解散並進行清算，並授權廊坊天海董事會釐定後續解散清算事宜的公告。2018年5月15日，公司披露關於廊坊天海提前解散並進行清算的補充公告(公告編號：臨2018-019)。由於廊坊天海轉讓房地產資產的交易已完成(分別於2017年7月21日和2017年12月29日披露，公告編號：臨2017-031和臨2017-046)，依據公司戰略部署，啟動廊坊天海解散清算程序。2018年10月25日，公司披露關於廊坊天海高壓容器有限公司解散清算完成的結果公告。至此，廊坊天海已完成清算程序，並取得廊坊市工商行政管理局簽發的《外商投資企業注銷登記通知書》[(廊)外資銷准字(2018)257號]，確認准予註銷工商登記。
- 2、公司子公司北京天海工業有限公司(以下簡稱「北京天海」)與北京能通租賃公司(以下簡稱「北京能通」)合作，在北京市朝陽區天盈北路9號設立合資公司，共同開發將北京天海原五方橋廠區打造為園林式高端科技創新、文化創意及商務辦公為主要功能的綜合性聚集產業園並進行運營。2018年8月21日，經公司第九屆董事會第五次臨時會議審議通過《關於北京天海工業有限公司投資設立北京京城海通科技文化發展有限公司(暫定名)暨京城海通科技創新產業園開發項目的議案》，北京天海與北京能通簽署合資協議，共同出資設立北京京城海通科技文化發展有限公司(以下簡稱「京城海通」)，京城海通註冊資本人民幣8,000萬元，雙方均以貨幣出資，其中北京天海出資人民幣3,920萬元、持有合資公司49%股權；北京能通出資人民幣4,080萬元，持有合資公司51%股權。

Section 3 Business Summary of the Company

第三節 公司業務概要

II. Description of material changes in major assets of the Company during the Reporting Period (Continued)

- On 29 August 2018, after “the Resolution on Proposed Acquisition of 10.91% Equity Interest in Beijing Bolken Energy Technology Inc. by External Investment in Cash by Beijing Tianhai Industry Co., Ltd., a Subsidiary of the Company” was considered and passed at the sixth extraordinary meeting of the ninth session of the Board of Directors, Beijing Tianhai and Aerospace Science and Technology entered into an equity transfer agreement in respect of the abovementioned equity transfer on 6 September 2018 and successfully obtained shareholding in Bolken Energy. On 22 February 2019, the industrial and commercial registration procedures for equity change was completed and the transfer of 10.91% equity interest in Bolken Energy Technology to Beijing Tianhai was completed. By becoming a shareholder of Bolken Energy Technology, the Company will further strengthen the deep cooperation with Bolken Energy Technology in the fields of natural gas and hydrogen energy, and will realize the synergy effects on basic business of Beijing Tianhai and Bolken Energy Technology to improve the basic business of Beijing Tianhai. The Company will make full use of the gas cylinder advantage of Beijing Tianhai and the research and development advantage of Bolken Energy Technology in the field of hydrogen energy, and learn from each other's strength to enter various industrial chain links in the field of hydrogen energy.

III. Analysis of core competitiveness during the Reporting Period

Applicable Not applicable

1. Scale and Brand Advantages

The Company is a group company consisted of 8 production bases manufacturing of professional gas storage and transportation equipment (including Beijing Tianhai, Minghui Tianhai, Tianhai Low Temperature, Tianjin Tianhai, Shanghai Tianhai, Kuancheng Tianhai, Shandong Tianhai and Jiangsu Tianhai), a vehicle chassis re-assembled base (Beijing Pioneer Up Lifter Co., Ltd.) and an American Company. With 20 years' operation development, the Company has established a corporate image of fine technology basis and product stability and reliability and the brand Tianhai has become one of the well-known brands.

二、報告期內公司主要資產發生重大變化情況的說明(續)

- 2018年8月29日，經公司第九屆董事會第六次臨時會議審議通過《關於公司子公司北京天海工業有限公司擬以現金對外投資收購北京伯肯節能科技股份有限公司10.91%股權項目的議案》。2018年9月6日，北京天海與航天科技就上述股權轉讓事宜簽訂了《產權交易合同》，成功參股伯肯節能。2019年2月22日辦理完成股權變更的工商登記手續，北京天海受讓伯肯節能10.91%股權交割完成。北京天海成為伯肯節能股東，進一步加強與伯肯節能在天然氣領域、氫能領域的深度合作，實現北京天海與伯肯節能的基礎業務協同效應，帶動北京天海的基礎業務提升，充分利用北京天海的氣瓶優勢以及伯肯節能在氫能領域的研發優勢，取長補短，進入氫能領域的多個產業鏈環節。

三、報告期內核心競爭力分析

適用 不適用

1、規模與品牌優勢

公司是一個擁有八個專業氣體儲運裝備生產基地(北京天海、明暉天海、天海低溫、天津天海、上海天海、寬城天海、山東天海、江蘇天海)，及一個汽車底盤改裝基地(北京攀尼高空作業設備有限公司)和一個美國公司的集團公司。經過二十多年的經營發展，公司在行業內樹立了技術基礎優良、產品穩定可靠的企業形象，天海品牌已成為行業內知名品牌之一。

Section 3 Business Summary of the Company

第三節 公司業務概要

III. Analysis of core competitiveness during the Reporting Period

三、報告期內核心競爭力分析(續)

2. Technology Advantages

Relied on continuously technology research and development, the Company has A1, A2, C2, and C3 level pressure vessel design qualifications and A1, A2, B1, B2, B3, C2, C3, D1 and D2 level pressure vessel manufacturing qualifications. It can produce over 800 types of seamless steel gas cylinders, winding gas cylinders, accumulator shells, asbestos-free acetylene cylinders, welded insulated cylinders, carbon fiber full-winding compound gas cylinders (including those for vehicles), cryogenic tanks and filling stations; the Company's products are widely applied in automotive, chemical, fire-fighting, medical, petroleum, energy, urban construction, food, metallurgy, machinery, electronics and other industries.

Meanwhile, with an accurate grasp of the clean energy market, the Company has combined technologies in respect of LNG cylinders for vehicles, CNG cylinders, cryogenic tanks and natural gas vehicle filling stations and is able to provide customers with LNG/CNG system solutions. The Company is also capable of manufacturing cryogenic tanks and IMO tank container products in accordance with China pressure vessel standards, EU ADM and 97/23/EC PED and Australia/New Zealand AS1210 standards.

3. Sales System Advantages

The Company has established a complete sales network equipped with over 30 distribution offices scattering across the country, realizing a full geographical coverage nationwide, and is capable of offering spare parts to largest-scaled automobile manufacturer of national automobile among the supply chain of spare parts for domestic mainstream automobile manufacturers. The Company has also set up eight overseas sales offices mainly located in the United States, Singapore, Korea, India, Australia and other countries. Its products have been accepted by seven out of the world's top eight gas companies. To build a bridge between the basic unit and the market, and to increase the vitality of the strategy execution unit and results of operation, the Company carried out transformation and upgrade of the internal management and control so that each of its subsidiaries could establish a business model of unifying research, production, supply and sales, so as to fully unleash the potential of the organization, make flexible and quick responses to the changes in the market and effectively enhance the results of operation.

Leveraging on advanced technology, outstanding management, reliable products and completed aftersales services system, the Company is keeping its pace of becoming a global leading manufacturing and service enterprise of energy gas storage devices.

4. Human Resource Advantage

The Company has established an internal organizational system and operational mechanism, performance appraisal mechanism and salary and welfare system meeting the requirements for market competition, in order to provide a career development platform for its management and employees to grow with the Company and share the fruits of development, to create a good corporate culture. It aimed to retain talents with our strong prospects, competitive remuneration and loyalty. It has established a team of talents with ability and integrity, core competence and professional quality in respect of research and development, sales, management, operation and production.

2、技術優勢

經過持續不斷的技術研發創新，目前公司已具有A1、A2、C2、C3級壓力容器設計資格和A1、A2、B1、B2、B3、C2、C3、D1、D2級壓力容器製造資格。現可生產800餘個品種規格的鋼質無縫氣瓶、纏繞氣瓶、蓄能器殼體、無石棉填料乙炔瓶、焊接絕熱氣瓶、碳纖維全纏繞複合氣瓶(含車用)、低溫罐箱及加氣站等系列產品；公司的產品廣泛應用於汽車、化工、消防、醫療、石油、能源、城建、食品、冶金、機械、電子等行業。

同時，憑藉對清潔能源市場的準確把握，公司通過對車用LNG氣瓶、CNG氣瓶、低溫貯罐、天然氣汽車加氣站等多方位的技術整合，可為客戶提供LNG/CNG系統解決方案。公司還可按中國壓力容器標準、歐盟ADM和97/23/EC PED、澳大利亞/新西蘭AS1210等標準設計製造不同容積和壓力等級的低溫貯罐、IMO罐式集裝箱產品。

3、銷售體系優勢

公司建立了完備的銷售網絡。在國內擁有30多個經銷網點，實現全國各個地區全覆蓋，在國內主流車廠的零部件供應鏈中，為國內汽車行業規模最大的汽車廠商等提供零部件；在境外建立了8個銷售網點，主要分布在美國、新加坡、韓國、印度、澳大利亞等國家，相關產品已被全球最具影響力的八大氣體公司中的7家接受；為了打通基層與市場的鏈接，提高戰略執行單元的活力和經營業績，公司對內部的管控模式進行了轉型升級，使各下屬公司建立起研產供銷為一體的事業部模式，充分釋放組織活力，能夠針對市場變化靈活快速的做出反應，切實提升經營業績。

公司憑藉先進的技術、優良的管理水平、可靠的產品質量和完善的售後服務體系，穩步向成為全球領先的能源氣體儲運裝備製造及服務企業邁進。

4、人力資源優勢

公司建立了符合市場競爭要求的內部組織體系和運行機制、績效考核機制和薪酬福利體系，為幹部員工提供個人與企業共同成長、共享發展成果的事業發展平台，創造良好的企業文化氛圍，實現事業留人、待遇留人、感情留人。在研發、銷售、管理、運營及生產一線等崗位，打造德才兼備、具有核心能力和職業素養的核心人才隊伍。

Section 4 Chairman's Statement

第四節 董事長報告

I. Review

In 2018, the Company thoroughly implemented the national guideline and policies, actively eased the non-capital functions and assisted in the construction of "high-end, precise and advanced" industrial structure. Focusing on the strategic positioning of "to build the world's leading industrial gas and the domestic leading energy gas storage and transportation equipment manufacturing and service enterprise", the Company has made great efforts in reform and adjustment, market expansion and research and development of new products and has achieved a number of breakthroughs.

1. Steadily develop the principal business

In 2018, the level of results of the Company slightly dropped yet we made certain achievements and also made breakthroughs in a number of major tasks. We recorded annual operating income of RMB112.1564 million, representing a year-on-year decrease of RMB81.9327 million. In the current year, under the joint efforts of all staff of the Company, the Company worked together to promote the healthy and steady development of the principal business in spite of facing with many uncertainties and unstable factors including the complicated external environment and the downward pressure on the economy.

2. Continuously deepen the management of cost and expense

In 2018, with China's increasing efforts in reviewing environmental control and environmental protection supervision, major steel mills have successively reduced production and ceased the operations, resulting in high price of the steel. The Company promoted the continuous reduction in the procurement cost of principal business by ways of actively sourcing suppliers, extensively conducting bidding price comparisons, improving supplier competition mechanism and providing commission discount for cash payment. The Company now is boosting the smooth operation of the procurement platform in an open, transparent and systematic manner, which has facilitated in strengthening the prevention and control of integrity risks and improving the level of procurement business.

一、回顧

2018年，公司全面深入貫徹國家方針政策，積極疏解非首都功能，協助構建「高精尖」產業結構。公司圍繞「打造全球領先的工業氣體和國內領先的能源氣體儲運裝備製造及服務企業」的戰略定位，在改革調整、市場開拓、新產品研發等方面進行了諸多工作，取得大量突破。

1、主營業務穩步發展

2018年度，公司業績水平有所下滑，但也取得一定的成績，多項重點工作取得突破，全年實現營業收入人民幣11,215.64萬元，同比減少人民幣8,193.27萬元。本年度，在全體員工的共同努力下，公司上下齊心協力，公司主營業務面對外部複雜嚴峻的環境、經濟下行壓力等眾多不確定、不穩定因素的同時，依然朝積極健康的方向穩步發展。

2、成本費用管理持續深化

2018年，隨著國家環保管控力度的加大及環保「回頭看」的巡視，各大鋼廠陸續減產和關停，鋼鐵價格價格在高位徘徊。公司通過積極開發供應商、廣泛開展招標比價、完善供方競爭機制、及付現降點等方式，推動主營業務採購成本持續降低。公司現階段大力推動的陽光採購平台運行順利，對加強廉潔風險防控、提升採購業務水平發揮積極的促進作用。

Section 4 Chairman's Statement

第四節 董事長報告

I. Review (Continued)

3. Deeply explore the potential of capital market and promote the research and development of new products

In 2018, the Company accelerated the optimization and reconstruction of product technology innovation procedures to comprehensively promote the industrial transformation and upgrading. During the Reporting Period, Beijing Tianhai, a wholly-owned subsidiary of the Company, has accelerated its entry into the hydrogen energy market, which has filled in the gap of hydrogen storage tank (hereinafter referred to as "Type IV cylinder") in domestic hydrogen fuel vehicle system, and the Type IV cylinder project has been launched after the Company's approval. The completion of research and development of hydrogen supply system for 35MPa commercial vehicles and 70 MPa passenger vehicles has provided the key vehicle manufactures with supporting services. Meanwhile, in order to further optimize the capital structure, seize market opportunities, enhance the ability to sustain profitability and resist risks, the Company is planning for the non-public issuance of A shares. The Company will strictly comply with the information confidentiality and will fulfill its information disclosure obligations in strict compliance with the requirements of relevant laws and regulations.

4. Deepen industrial cooperation and actively deploy hydrogen energy industry chain

In this year, the Company has accelerated its own industrial upgrading and transformation. With the goal of expanding industry chain, on 29 August 2018, the Company held the sixth extraordinary meeting of the ninth session of the Board, at which the "Resolution on Proposed Acquisition of 10.91% Equity Interest of Beijing Bolken Energy Technology Inc. by External Investment in Cash by Beijing Tianhai Industry Co., Ltd., a Subsidiary of the Company" was considered and passed. On 6 September 2018, Beijing Tianhai and Shaanxi Aerospace Science and Technology Group Co., Ltd. entered into the Equity Transfer Agreement in respect of the equity transfer. On 22 February 2019, the industrial and commercial registration procedures for equity change was completed and the transfer of 10.91% equity interest in Beijing Bolken Energy Technology Inc. ("Bolken Energy Technology") to Beijing Tianhai was completed.

By becoming a shareholder of Bolken Energy Technology, the Company will further strengthen the deep cooperation with Bolken Energy Technology in the fields of natural gas and hydrogen energy, and will realize the synergy effects on basic business of Beijing Tianhai and Bolken Energy Technology to improve the basic business of Beijing Tianhai. The Company will make full use of the cylinder advantage of Beijing Tianhai and the research and development advantage of Bolken Energy Technology in the field of hydrogen energy, and learn from each other's strength to enter various industrial chain links in the field of hydrogen energy.

5. Optimize corporate structure and accelerate strategic implementation

Firstly, the liquidation of Langfang Tianhai was completed and the "Announcement in relation to the Result of the Completion of Dissolution and Liquidation of Langfang Tianhai High Pressure Containers Co., Ltd." (Lin 2018-038) was disclosed on 24 October 2018. Secondly, the land resource of the Wufangqiao Plant was revitalized. Beijing Tianhai and Beijing Nengtong established Jingcheng Haitong at 9 Tianying North Road, Chaoyang District, Beijing for the purpose of jointly developing the existing Wufangqiao Plant into an integrated industrial park with garden-style high-end technical innovations, cultural innovations and business office as major functions.

一、回顧(續)

3、深挖資本市場潛力，推動新產品研發

2018年，公司加快產品技術創新與流程優化再造，全面推動產業轉型升級。報告期內，公司全資子公司北京天海加快進入氫能源市場領域，填補國內氫燃料汽車系統中儲氫罐（以下簡稱「四型瓶」）空白。完成35MPa商用車及70MPa乘用車供氫系統研發，已為重點整車廠客戶提供配套服務。同時，為進一步優化資本結構，抓住市場機遇，增強持續盈利能力 and 抵禦風險能力，公司正在籌劃非公開發行A股股票事項。公司會嚴格做好信息保密工作，並將嚴格按照相關法律法規的要求履行信息披露義務。

4、深化行業合作，積極佈局氫能產業鏈

本年度，公司加速自身產業升級轉型，以擴展產業鏈為目標，於2018年8月29日召開第九屆董事會第六次臨時會議，審議通過《關於公司子公司北京天海工業有限公司擬以現金對外投資收購北京伯肯節能科技股份有限公司10.91%股權項目的議案》。2018年9月6日，北京天海工業有限公司與陝西航天科技集團有限公司就股權轉讓事宜簽訂《產權交易合同》。2019年2月22日辦理完成股權變更的工商登記手續，北京天海受讓北京伯肯節能科技股份有限公司（以下簡稱「伯肯節能」）10.91%股權交割完成。

通過成為伯肯節能股東，進一步加強與伯肯節能在天然氣領域、氫能領域的深度合作，實現北京天海與伯肯節能的基礎業務協同效應，帶動北京天海的基礎業務提升，充分利用北京天海的氣瓶優勢以及伯肯節能在氫能領域的研發優勢，取長補短，進入氫能領域的多個產業鏈環節。

5、優化組織結構，加快戰略落地

一是廊坊天海高壓容器有限公司完成清算退出工作，並於2018年10月24日披露了《關於廊坊天海高壓容器有限公司解散清算完成的結果公告》（臨2018-038）；二是盤活五方橋廠區土地資源，北京天海與北京能通合作，在北京市朝陽區天盈北路9號設立京城海通公司，共同開發原五方橋廠區，將其打造為園林式高端科技創新、文化創意及商務辦公為主要功能的綜合性聚集產業園並進行運營。

Section 4 Chairman's Statement

第四節 董事長報告

II. Outlook

2019 is the 70th anniversary of the PRC and a key year for the "13th Five-Year Plan". The Company will continue to perform well in the four "critical missions", to resolve non-capital functions under coordination, promote the "high-end, precise and advanced" industrialization with concentrated resources, assist in serving the capital functions and deepen the reform and adjustment of various work. The specific objectives of the Company include the following:

1. Accelerate the "high-tech" industrialization and improve profitability

The Company will strengthen its support for Beijing Tianhai, a wholly-owned subsidiary of the Company. The Company will assist in the forecast analysis and trend research of the natural gas market and develop the corresponding measures in advance to mitigate the adverse impact of market volatility on business operations. With the utilization of the raised funds, the Company will complete the installation testing and product testing of the equipment of the first phase construction project of the type IV cylinder, so as to improve the Company's overall profitability and risk resistance ability.

2. Further improve the Company's asset quality and optimize the resources structure

In 2019, the Company will accelerate the integration of internal resources, continue to focus on the development strategy of the enterprise, move emphasis on the strengths over the weaknesses, adhere to advancement and retreat, concentrate high-quality resources to competitive industries, outstanding enterprises and excellent management teams and focus on the development of segments and products with high value-added and positive prospect. Meanwhile, all the decision-making levels will strengthen their communication to improve efficiency, and decisively liquidate inefficient assets and accelerate the pace of transformation. The Company will optimize its business structure on the basis of highlighting the main business, and concentrate resources to strengthen, improve and expand the core business.

3. Deeply analyze the cost and expenses to demand management efficiency

Through further improving its management and control systems, the Company will make such systems more suitable for the needs of the business development in the new era. Besides, the finance department will establish a scientific financial analysis model to make accurate judgment and control over the product price, cost structure, three types of expenses, gross profit margin and other elements, and monitor and regularly summarize and analyze the main financial indicators of each subsidiary/division. The Company will strengthen its cash flow management and take effective measures to ensure the smooth of financing channels, prevent capital risks, ensure the safety of corporate funds and reduce operational risks.

二、展望

2019年是新中國成立70周年，是「十三五」戰略的關鍵一年，公司將繼續配合打好四場「攻堅戰」，配合統籌做好疏解非首都功能、集中資源推進公司「高精尖」產業化、協助服務首都功能，以及深化改革調整各項工作。公司具體目標包括以下事項：

1、加速「高精尖」產業化，提高盈利能力

公司將加強對全資子公司北京天海的扶持，協助進行天然氣市場的預測分析和趨勢研判，提前制定應對措施，化解市場波動對企業經營的不利影響。利用募集資金完成四型瓶生產線一期建設項目設備安裝調試和產品測試。提高公司整體的盈利能力及抗風險能力。

2、進一步提高公司資產質量，優化資源結構

2019年，公司將加速推進內部資源整合，繼續圍繞企業發展戰略，謀長舍短，堅持有進有退，集中將優質資源向優勢產業、優秀企業和優秀管理團隊集中，重點開發和做大高附加值、具有產業未來前景的板塊及產品。同時，各級決策層加強溝通，提高效率，果斷清理低效資產，加速轉型步伐。在突出主業的基礎上優化業務結構，集中資源做強做優做大核心業務。

3、深挖成本費用，向管理要效益

通過進一步完善集團管控體系，使公司管控更加適應新時期業務發展的需要。同時，財務部門要建立科學的財務分析模型，對產品價格、成本結構、三項費用、毛利率等要素要有精準的判斷和把握，對各子公司／事業部的主要財務指標進行監控、定期匯總分析。要加強現金流管理，採取有效措施，確保融資渠道暢通，防範資金風險，保障企業資金安全，降低企業經營風險。

Section 4 Chairman's Statement

第四節 董事長報告

II. Outlook (Continued)

4. Improve the construction of the risk prevention and control system and comprehensively strengthen risk prevention ability

On one hand, the Company will establish risk prevention and control management system with the general legal counsel and legal function department as the focal points. Through attending decision-making meetings such as the Board meetings and the general manager's office meetings, engaging long-term legal counsel and other work mechanisms, the Company will conduct rigorous and professional review on the legal documents such as rules and regulations, contracts and agreements and significant decisions revised by relevant departments, and strive to achieve the goal of general legal counsel in place, legal functions in place, dedicated legal personnel in place and achieving 100% of the three parts of review, establish a risk control network covering major fields and key business processes, such as pre-compliance review, in-process realtime monitoring, post-joint inspection, and audit, so as to keep major risks under control to prevent the occurrence of major risks.

On the other hand, in order to further improve the internal control management level of the enterprise, the Company will strive to promote the establishment and improvement of internal control systems of its subsidiaries and sub-subsidiaries. The Company will establish and improve a series of legal systems, including legal affairs management, legal dispute management, contract management and other legal systems, by consolidating the problems found in audits, patrol, inspections and reviews of legal dispute cases; the Company will conduct internal control training for relevant personnel of the Company and its subsidiaries to improve awareness of internal control and risk prevention.

5. Strengthen the introduction and cultivation of talents and achieve the optimization and upgrading of human resources

The Company will actively recruit top-level talents, expand the channels for attracting top-level talents and explore through universities and social innovation platforms to replenish the shortage of high-level talents in the industry for the Company. The Company will step up its effort to introduce operation and management talents and technological innovation talents to support the development of the Company.

In addition to injecting new vitality, the Company will improve the comprehensive quality of the existing talents through the full promotion of the training system. By deepening and broadening the scope of training, the Company will gradually extend its experience in establishment of training system to the first-tier subsidiaries, actively explore the best talent management system and aiming to complete the establishment plan and framework.

In addition, the Company will put great effort to implement the establishment of the core talent team and expand the innovative enterprise incentive model, further promote the core talent team establishment in the principal operating entities and establish a sound selection system, cultivation system, incentive system and exit system for core talents.

二、展望(續)

4、完善風險防控體系建設，全面提升風險防範能力

一是建立以總法律顧問、法律職能部門為中心的風險防控管理體系。通過列席董事會、參加總經理辦公會等決策會議、聘請常年法律顧問等工作機制，對相關部門所修訂的規章制度、合同協議及重大決策等法律文件進行嚴謹、專業的審查，實現總法律顧問到位、法律職能機構到位、專職坐班法律人員到位及三項審核100%的目標，形成事前合規審查、事中實時監測、事後聯合巡查、審計等覆蓋重大領域、關鍵業務流程的風險管控網，使重點風險處於受控狀態，防止重大風險發生。

二是為進一步提升企業內控管理水平，公司全力推動建立健全子公司內部控制體系。結合審計、巡視、巡查、法律糾紛案件發現的問題，建立、完善一系列包括法律事務管理、法律糾紛管理、合同管理等法律制度對公司及各子公司相關人員開展內控培訓工作，提高內控風險防範意識。

5、加大人才引進與培育力度，實現人力資源優化升級

公司將以積極推進高端人才引進，拓展高端人才引進渠道，探索通過高校及社會創新平台引進公司高精尖產業緊缺人才。加大經營管理人才、科技創新人才引進力度，為企業發展提供人才支撐。

在注入新活力的同時，公司將通過全力推廣培訓體系建設帶動原有人才的綜合素質提升。通過擴大培訓深度與廣度，逐步將公司培訓體系建設的經驗推廣至一線子公司，積極探索最佳人才管理體系，最終完成建設方案與構架。

此外，大力度實施核心人才隊伍建設及拓展創新企業激勵模式，進一步推進主要運營企業核心人才隊伍建設，建立完善的核人才篩選機制、培養機制、激勵機制和退出機制。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

I. Management Discussion and Analysis

In 2018, the Company was exposed to many uncertainties and unstable factors including the complicated external environment and the downward pressure on the economy, under the joint efforts of all staff of the Company, the Company worked together to overcome difficulties and solidly push forward various tasks in an orderly manner. Although the main economic indicators were still far from expectation, we made certain achievements and also made breakthroughs in a number of major tasks.

During the Reporting Period, the Company had focused on the following work:

1. Strengthen the management of listed company and improve the governance level

In strict compliance with the requirements of the Company Law, Securities Law, listing rules in Shanghai and Hong Kong and other rules and regulations, the Company established a sound governance mechanism, and implemented a number of measures to improve corporate governance and ensure its compliance and sustainable development.

2. Domestic and foreign market expansion trends and measures

(1) Domestic market: With the fluctuation in domestic fuel prices in 2018, the modified markets of CNG winding cylinders and type III cylinders grew significantly; the LNG automobile market gradually recovered in terms of sale volume since the second half of the year; the marine tank market made a substantial breakthrough and the Company achieved the highest sales volume in the export of cryogenic tanks since its establishment.

(2) International market: North American market remained the largest export market for the Company, which achieved a better growth during the year. The LNG business in European market achieved a major breakthrough, which made us a qualified supplier of LNG heavy truck OEMs in Europe after passing stringent review, and we began to supply small quantities; in view of low-cost competition in the Asian market, the Company adjusted its product positioning to make the price closer to other competitors and successfully entered into the Indonesian market.

3. Take measures to strengthen cash flow management and guarantee fund security

In 2018, the Company continued to strengthen the overall budget management, focus on the analysis and accounting of operational indicators such as receivables, payables and inventories, so as to achieve accurate budget and reasonable expenditure, to optimize the allocation of production, supply and marketing resources, and to exert the best performance and improve quality of operations. Meanwhile, by leveraging the OA platform, we strived to optimize the audit process, assign responsibilities to individuals and achieve the whole-process dynamic management of cost and expense, and made efforts to reduce the risk relating to cash flow and ensure the safety of funds.

一、經營情況討論與分析

2018年，面對外部環境複雜嚴峻、經濟面臨下行壓力的眾多不確定、不穩定因素，在公司全體員工的共同努力下，公司上下齊心協力，攻堅克難、扎實推進各項工作有序開展。雖然主要經濟指標距離預算尚有不小的差距，但也取得一定的成績，多項重點工作取得突破。

報告期內，公司重點開展以下工作：

1、加強上市公司管理、提升治理水平

公司嚴格按照《公司法》、《證券法》及滬港兩地上市規則等規章制度要求，建立健全公司治理機制，並落實多項措施完善公司治理，確保公司合規、持續發展。

2、國內外市場開拓動態及舉措

(1) 國內市場：2018年隨著國內燃油價格的波動，CNG纏繞瓶、III型瓶改裝市場增長明顯；LNG汽車市場下半年起銷量逐步回暖；船用罐市場取得實質性突破；低溫儲罐出口方面實現了自公司成立以來最大銷售額。

(2) 國際市場：北美市場仍是公司出口第一大市場，全年銷售實現較好增長；歐洲市場LNG業務取得重大突破，通過重重審核，成為歐洲LNG重卡主機廠的合格供方，已開始小批量供貨；針對亞洲市場的低成本競爭，公司調整了產品定位，使價格更加接近於其他競爭對手，成功打開印尼市場銷路。

3、多措并举加強現金流管理、保障資金安全

2018年，公司持續加強全面預算管理，重點關注對應收、應付以及存貨等營運指標的分析、核算，做到預算精準、支出合理，優化產供銷資源配置，發揮最佳效能，提升經營質量。同時利用OA平台，優化審核流程，責任到人，實現成本費用全稱動態管理。努力降低現金流風險，保障資金安全。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

I. Management Discussion and Analysis (Continued)

4. Exert the refinancing function of the listed platform and facilitate the development of subsidiaries

On 20 December 2018, the Company officially launched the non-public issuance of A shares for developing the project of type IV cylinders and the research and development project of hydrogen energy products, replenishing working capital and repaying debts and other businesses, the purpose of which is mainly to improve the Company's capital and liability structure, consolidate the capital base of high-quality business development, and enhance the risk resistance and profitability.

5. Deepen reform and adjustment and serve the real economy

In 2018, the Company focused on the asset disposal, personnel placement, liquidation and cancellation work of Langfang Tianhai, and completed the industrial and commercial cancellation procedures in October 2018. The Company actively promoted the implementation of the Wufangqiao Science and Technology Innovation Industrial Park project, and through investigation and study of a number of cultural and creative parks, combined with the industrial characteristics of the factory, it has completed the environmental transformation of such park after several rounds of demonstration, and currently is in the process of attracting investment from customers. Given that the cultural and creative industry is an important support of the tertiary industry, it is of great significance to the profit growth, transformation and upgrading of the Company, the Company strictly controlled the investment projects, seized business opportunities, created a good investment environment for itself, which brought about economic benefits to the Company as early as possible.

一、經營情況討論與分析(續)

4、發揮上市平台再融資功能、助力子公司發展

公司於2018年12月20日正式啟動非公開發行A股股票項目，發展四型瓶項目、氫能產品研發項目、補充流動資金和償還債務等業務，意在改善公司資本負債結構，夯實優質業務發展的資本基礎，增強抗風險能力，並提高盈利能力。

5、深化改革調整、服務實體經濟

2018年，公司著力進行廊坊天海資產處置、人員安置、清算注銷等工作，並於2018年10月完成工商注銷手續。公司積極推進五方橋科技創新產業園項目實施，通過調研學習多家文創園區，結合廠區工業特點，經過多輪論證，現已完成園區環境改造工作，正在進行客戶招商。文化創意產業作為第三產業的重要支撐，對上市公司利潤增長、轉型升級具有重要的意義。因此公司嚴把招商項目關，搶抓商機，為公司營造良好的投資環境，儘早給公司帶來經濟效益。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period

As for the principal business of the Company during the Reporting Period, in accordance with the PRC Accounting Standards for Business Enterprises, the Company recorded operating income of RMB1,121,564,249.15, net profit attributable to shareholders of listed company of RMB-93,936,155.30, and earnings per share of RMB-0.22.

(i) Analysis of principal business

1. Table of movement analysis on the related items in income statement and cash flow statement

Item 科目		Current year 本期數	Corresponding period of last year 上年同期數	Change (%) 變動比例(%)
Operating income	營業收入	1,121,564,249.15	1,203,496,955.02	-6.81
Operating cost	營業成本	1,016,767,617.68	1,008,933,698.75	0.78
Selling expense	銷售費用	50,936,486.91	65,404,323.80	-22.12
Administrative expense	管理費用	112,348,840.47	108,674,504.08	3.38
R&D expenses	研發費用	11,827,458.65	10,640,445.25	11.16
Finance cost	財務費用	24,487,149.13	24,439,493.07	0.19
Net cash flows generated from operating activities	經營活動產生的現金流量淨額	11,215,989.36	-226,658,464.95	Not applicable 不適用
Net cash flows generated from investing activities	投資活動產生的現金流量淨額	-14,240,366.57	206,702,807.81	-106.89
Net cash flows generated from financing activities	籌資活動產生的現金流量淨額	-27,447,642.13	-3,780,038.99	Not applicable 不適用
Tax and surcharges	營業稅金及附加	10,902,884.81	16,443,274.58	-33.69
Assets impairment losses	資產減值損失	36,440,707.35	13,979,858.13	160.67
Credit impairment losses	信用減值損失	2,017,334.49	13,502,266.30	-85.06
Other earnings	其他收益	719,631.91	-	-
Income from disposal of assets	資產處置收益	8,596,214.61	66,140,181.07	-87.00
Non-operating income	營業外收入	13,014,749.97	48,430,029.67	-73.13
Non-operating expenses	營業外支出	445,593.90	19,826,854.16	-97.75
Other net comprehensive income after tax	其他綜合收益的稅後淨額	2,252,331.17	-2,424,859.82	Not applicable 不適用

2. Analysis of income and cost

√ Applicable □ Not applicable

During the Reporting Period, total profit of the Company decreased by RMB157,191,100 over the same period last year. Operating income decreased by RMB81,932,700 over the same period last year; operating cost increased by RMB7,833,900 over the same period last year; and operating profit decreased by RMB141,157,100 year-on-year.

The decrease in operating income and decrease in product profitability were mainly due to the LNG orders from automobile manufacturers decreased which led to the corresponding decrease in income of the Company. Fixed charges cannot be diluted as a result of the decreased production volume, which led to the increase in production unit costs. In addition, the increase in prices of raw materials caused the increase in production costs and decrease in gross profit margin. The operating profit decreased year-on-year.

二、報告期內主要經營情況

報告期內公司主營業務情況，按中國會計準則編製實現營業收入為人民幣1,121,564,249.15元，歸屬於上市公司股東的淨利潤為人民幣-93,936,155.30元，每股收益人民幣-0.22元。

(一) 主營業務分析

1. 利潤表及現金流量表相關科目變動分析表

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

2. 收入和成本分析

√ 適用 □ 不適用

報告期公司利潤總額比上年同期減少人民幣15,719.11萬元。營業收入比上年同期減少人民幣8,193.27萬元，營業成本比上年同期增加人民幣783.39萬元，營業利潤同比減少人民幣14,115.71萬元。

營業收入減少以及產品盈利能力降低，主要是由於整車廠LNG訂單減少，導致公司收入有所下降；產量減少，使得固定費用無法攤薄，單位產品成本上升，另外，原材料價格上漲，影響產品成本上升，毛利率降低，導致營業利潤同比下降。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

二、報告期內主要經營情況(續)

(i) Analysis of principal business (Continued)

(一) 主營業務分析(續)

2. Analysis of income and cost (Continued)

2. 收入和成本分析(續)

(1). Principal business by industry, by product and by region

(1). 主營業務分行業、分產品、分地區情況

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

		Principal business by industry 主營業務分行業情況					
By industry	分產品	Operating income 營業收入	Operating cost 營業成本	Gross profit margin (%) 毛利率(%)	Increase/ decrease in operating income over last year (%) 營業收入 比上年增減(%)	Increase/ decrease in operating cost over last year (%) 營業成本比 上年增減(%)	Increase/decrease in gross profit margin over last year 毛利率比 上年增減
Seamless steel gas cylinders	銅製無縫氣瓶	451,822,363.07	352,633,205.81	21.95	-7.39	-12.46	Increase of 4.53 percentage points 增加4.53個百分點
Winding cylinders	纏繞瓶	200,284,106.42	192,212,437.19	4.03	0.51	9.31	Decrease of 7.73 percentage points 減少7.73個百分點
Cryogenic gas cylinders	低溫瓶	116,136,013.97	121,243,981.48	-4.40	-13.34	1.95	Decrease of 15.65 percentage points 減少15.65個百分點
Cryogenic devices for storage and transportation	低溫儲運裝備	107,310,711.54	123,168,948.78	-14.78	-53.00	-29.52	Decrease of 38.24 percentage points 減少38.24個百分點
Others	其他	188,766,368.53	181,591,392.87	3.80	61.30	66.45	Decrease of 2.98 percentage points 減少2.98個百分點
Total	合計	1,064,319,563.53	970,849,966.13	8.78	-8.76	-1.08	Decrease of 7.08 percentage points 減少7.08個百分點

		Principal business by product 主營業務分地區情況					
By product	分地區	Operating income 營業收入	Operating cost 營業成本	Gross profit margin (%) 毛利率(%)	Increase/ decrease in operating income over last year (%) 營業收入比 上年增減(%)	Increase/ decrease in operating cost over last year (%) 營業成本比 上年增減(%)	Increase/decrease in gross profit margin over last year 毛利率比 上年增減(%)
Domestic	國內	648,135,555.43	618,197,096.83	4.62	-19.65	-6.27	Decrease of 13.61 percentage points 減少13.61個百分點
Overseas	國外	416,184,008.10	352,652,869.30	15.27	15.65	9.56	Increase of 4.71 percentage points 增加4.71個百分點
Total	合計	1,064,319,563.53	970,849,966.13	8.78	-8.76	-1.08	Decrease of 7.08 percentage points 減少7.08個百分點

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

(i) Analysis of principal business (Continued)

2. Analysis of income and cost (Continued)

(1). Principal business by industry, by product and by region (Continued)

Description of principal business by industry, by product and by region

Applicable Not applicable

The operating income of China decreased by 19.65% over the same period last year. Under the impact of the overall slowdown in LNG market demand, the number of orders, especially the significant drops for cylinders and tanks over the same period last year which led to excess production. In terms of international market, North American market remained the largest export market for the Company, which achieved a better growth during the year. The European market was affected by the increased tariffs of the US on European countries and under the impact of the economic downturn led by the frequent European political events, the performance slightly declined. The emerging markets of "One Belt, One Road" increased steadily.

(2). Analysis of production and sales volume

Applicable Not applicable

Principal product	Production volume	Sales volume	Inventory volume	Increase/	Increase/	Increase/	
				decrease in production volume over last year (%)	decrease in sales volume over last year (%)	decrease in inventory volume over last year (%)	
主要產品	生產量	銷售量	庫存量	生產量比上年增減(%)	銷售量比上年增減(%)	庫存量比上年增減(%)	
Seamless steel gas cylinders	鋼製無縫氣瓶	889,752	953,551	67,311	0.7%	13.3%	-39.8%
Winding cylinders	纏繞瓶	97,512.0	110,234	5,832	1.6%	16.8%	43.0%
Cryogenic tanks	低溫儲罐	370	306	112	-46.5%	-56.3%	239.4%
Cryogenic gas cylinders	低溫瓶	10,131	8,059	1,024	-26.7%	-29.8%	-6.5%
Type III cylinders	三型瓶	1,887	1,924	63	-10.0%	-7.6%	-55.3%
Filling stations	加氣站	44	57	4	-27.9%	-5.0%	300.0%
Carbon fiber full-winding compound gas cylinders	碳纖維全纏繞複合氣瓶	60,499	62,566	3,497	-1.5%	3.5%	-37.8%

Description of production and sales volume

The production volume in 2018 was 1.15 million, representing decrease of 10.3% over the same period last year. The sales volume in 2018 was 1.21 million, representing decrease of 5.14% over the same period last year. Decreases in both the production and sales volume were due the shortage of orders in the first three quarters. The sales capacity of our traditional industrial fire protection products needed an upgrade as soon as possible. The capacity of expanding customers base of the key natural gas products still needed to be improved. The marketing pattern of hydrogen products required further innovation.

二、報告期內主要經營情況(續)

(一) 主營業務分析(續)

2. 收入和成本分析(續)

(1). 主營業務分行業、分產品、分地區情況(續)

主營業務分行業、分產品、分地區情況的說明

適用 不適用

國內地區營業收入同比下降19.65%，受LNG市場需求總體放緩的影響，訂單數量尤其罐箱訂單數量同比大幅減少，產能發揮不足。國際市場方面，北美市場依舊是公司出口第一大市場，銷售收入實現較好增長；歐洲市場受到美國對歐洲各國增加關稅以及歐洲自身政治事件頻發經濟下滑的影響，業績有所下滑；「一帶一路」新興市場穩中有增。

(2). 產銷量情況分析表

適用 不適用

產銷量情況說明

2018年產量115萬支，同比減少10.3%。2018年銷量121萬支，同比減少5.14%。產銷量雙雙下降，主要還是前三個季度訂單嚴重不足。我們傳統工業消防產品的銷售能力還需儘快提升；重點發展的天然氣產品的客戶開拓能力尚待加強；氫能產品的營銷模式需要進一步創新。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

二、報告期內主要經營情況(續)

(i) Analysis of principal business (Continued)

(一) 主營業務分析(續)

(2). Analysis of income and cost (Continued)

2. 收入和成本分析(續)

(3). Cost analysis

(3). 成本分析表

Unit: Yuan
單位：元

By product	分產品	Component of cost	成本構成 項目	By product 分產品情況		Corresponding period of last year 上年 同期金額	Proportion over total cost for the corresponding period of last year (%) 上年同期佔 總成本比例(%)	Change in amount over last year (%) 本期金額較上年 同期變動比例(%)	Description 情況說明
				Current period 本期金額	Proportion over total cost for the current period (%) 本期佔總 成本比例(%)				
Seamless steel gas cylinders	鋼製無縫氣瓶	Materials	材料	218,193,574.95	61.88	226,665,178.84	56.27	-3.74	
		Labour cost	人工費	26,985,489.39	7.65	33,241,307.15	8.25	-18.82	
		Manufacturing cost	製造費	107,454,141.47	30.47	142,927,408.14	35.48	-24.82	
		Total	合計	352,633,205.81	100.00	402,833,894.13	100.00	-12.46	
Winding cylinders	纏繞瓶	Materials	材料	134,174,134.85	69.81	111,528,001.10	63.43	20.31	
		Labour cost	人工費	10,093,229.99	5.25	16,183,716.96	9.20	-37.63	
		Manufacturing cost	製造費	47,945,072.34	24.94	48,128,933.69	27.37	-0.38	
		Total	合計	192,212,437.19	100.00	175,840,651.75	100.00	9.31	
Cryogenic gas cylinders	低溫瓶	Materials	材料	96,467,202.86	79.56	89,217,812.58	75.02	8.13	
		Labour cost	人工費	10,018,898.40	8.26	10,113,057.49	8.50	-0.93	
		Manufacturing cost	製造費	14,757,880.23	12.17	19,597,799.69	16.48	-24.70	
		Total	合計	121,243,981.48	100.00	118,928,669.76	100.00	1.95	
Cryogenic devices for storage and transportation	低溫儲運裝備	Materials	材料	75,015,933.28	60.90	125,066,562.39	71.57	-40.02	
		Labour cost	人工費	14,467,676.15	11.75	20,239,499.79	11.58	-28.52	
		Manufacturing cost	製造費	33,685,339.35	27.35	29,440,582.42	16.85	14.42	
		Total	合計	123,168,948.78	100.00	174,746,644.61	100.00	-29.52	

Other information on cost analysis

√ Applicable □ Not applicable

- In 2018, under the situation of major steel manufacturers reducing production and closing down, the Company endeavoured to reduce procurement costs through various measures. The scope of the purchasing platform in an open, transparent and systematic manner was expanded. The procurement materials of 6 subsidiaries and 2 business departments were included in the scope of monitoring, which facilitated in strengthening the prevention and control of integrity risks and improving the level of procurement business.

成本分析其他情況說明

√ 適用 □ 不適用

- 2018年，在各大鋼廠陸續減產和關停情況下，公司通過多種措施，努力降低採購成本。同時擴大陽光採購平台錄入範圍，6家子公司和2個事業部的採購物資已經全部納入監控範圍，對加強廉潔風險防控、提升採購業務水平發揮了積極的促進作用。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

(i) Analysis of principal business (Continued)

2. Analysis of income and cost (Continued)

(4). Information on major customers and major suppliers

Applicable Not applicable

Sales to five largest customers amounted to RMB279.0433 million, representing 24.87% of total annual sales, of which sales to related parties were RMB0, representing 0% of total annual sales.

Procurement from five largest suppliers amounted to RMB322.2307 million, representing 43.01% of total annual procurement cost, of which procurement from related parties were RMB107.6728 million, representing 14.37% of total annual procurement cost.

3. Expenses

Applicable Not Applicable

Items	科目	Current year 本期數	Corresponding period of last year 上年同期數	Change 變動比例(%)
Selling expense	銷售費用	50,936,486.91	65,404,323.80	-22.12
Administrative expense	管理費用	112,348,840.47	108,674,504.08	3.38
Finance cost	財務費用	24,487,149.13	24,439,493.07	0.19

4. Research and development expenditure

Breakdown of research and development expenditure

Applicable Not Applicable

Research and development expenditure recorded in expenses during the period
 Research and development expenditure capitalised during the period
 Total research and development expenditure
 Percentage of total research and development expenditure over operating income (%)
 Number of research and development staff
 Number of research and development staff over total number of staff (%)
 Percentage of research and development expenditure capitalised (%)

二、報告期內主要經營情況(續)

(一) 主營業務分析(續)

2. 收入和成本分析(續)

(4). 主要銷售客戶及主要供應商情況

適用 不適用

前五名客戶銷售額人民幣27,904.33萬元，佔年度銷售總額24.87%；其中前五名客戶銷售額中關聯方銷售額人民幣0萬元，佔年度銷售總額0%。

前五名供應商採購額人民幣32,223.07萬元，佔年度採購總額43.01%；其中前五名供應商採購額中關聯方採購額人民幣10,767.28萬元，佔年度採購總額14.37%。

其他說明

3. 費用

適用 不適用

4. 研發投入

研發投入情況表

適用 不適用

Unit: Yuan Currency: RMB
 單位：元 幣種：人民幣

本期費用化研發投入	11,827,458.65
本期資本化研發投入	-
研發投入合計	11,827,458.65
研發投入總額佔營業收入比例(%)	1.05
公司研發人員的數量	68
研發人員數量佔公司總人數的比例(%)	4.32
研發投入資本化的比重(%)	-

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

(i) Analysis of principal business (Continued)

- 4. Research and development expenditure (Continued)**
Breakdown of research and development expenditure (Continued)
Description
 Applicable Not Applicable
 During the Reporting Period, the Company continued to devote to the development of Type III cylinders and combined with the Ministry of Science and Technology and the Beijing Municipal Science and Technology Commission to carry out a series of new product development including 70MPa series, 35MPa single-port large-volume series, 20MPa steel liner carbon fiber full-winding for vehicles and passenger vehicles. The development of certain specifications series products was progressing smoothly and the corresponding test and certification were gradually completed. In the field of natural gas applications, the Company will continue to develop lightweight CNG Type III cylinders for transportation vehicles and large-volume LNG welding insulated gas cylinders, LNG tank containers for transportation and storage and other products. More than 100 development and certification of various types of seamless steel gas cylinders, accumulator shells, SCBA respirator cylinders, cryogenic gas cylinders, cryogenic tanks and other conventional products were completed.

- 5. Cash flows**
 Applicable Not Applicable

Items	科目	Current year 本期數	Corresponding period of last year 上年同期數	Change 變動比例(%)
Cash inflows from operating activities	經營活動現金流入	875,446,604.95	806,053,274.10	8.61
Cash outflows from operating activities	經營活動現金流出	864,230,615.59	1,032,711,739.05	-16.31
Net cash flows generated from operating activities	經營活動產生的現金流量淨額	11,215,989.36	-226,658,464.95	Not applicable 不適用
Cash inflows from investing activities	投資活動現金流入	29,084,740.50	230,024,000.00	-87.36
Cash outflows from investing activities	投資活動現金流出	43,325,107.07	23,321,192.19	85.78
Net cash flows generated from investing activities	投資活動產生的現金流量淨額	-14,240,366.57	206,702,807.81	-106.89
Cash inflows from financing activities	籌資活動現金流入	510,775,808.30	384,878,320.00	32.71
Cash outflows from financing activities	籌資活動現金流出	538,223,450.43	388,658,358.99	38.48
Net cash flows generated from financing activities	籌資活動產生的現金流量淨額	-27,447,642.13	-3,780,038.99	Not applicable 不適用

Description:

- Net cash flows from operating activities increased by RMB237,874,500 as compared to the corresponding period of last year, mainly due to the increase in net cash flows from operating activities during the period, as the increase in cash inflows from operating activities was larger than the increase in cash outflows from operating activities during the period;
- Net cash flows generated from investing activities decreased by RMB220,943,200 as compared to the corresponding period of last year, mainly due to the disposal of properties of Langfang Tianhai, a subsidiary of Beijing Tianhai, during the previous period;
- Net cash flows generated from financing activities decreased by RMB23,667,600 as compared to the corresponding period of last year, mainly because the net repayment of borrowings made during the period was higher than that during the corresponding period of last year.

說明：

- 經營活動現金淨額同比增加 23,787.45 萬元，主要是本期經營活動現金流入增加幅度高於經營活動現金流出增加幅度，使本期經營活動現金流量淨額增加；
- 投資活動產生的現金流量淨額同比減少 22,094.32 萬元，主要是上期處置天津工業子公司廊坊天海物業所致；
- 籌資活動產生的現金流量淨額同比減少 2,366.76 萬元，主要是本期借款的淨償還額大於上年同期所致。

二、報告期內主要經營情況(續)

(一) 主營業務分析(續)

- 4. 研發投入(續)**
 研發投入情況表(續)

情況說明

適用 不適用
 報告期內，公司繼續加大三型瓶開發力度，結合國家科技部和北京市科委課題開展了公路客車和公交車用 70MPa 系列、35MPa 單口大容積系列、20MPa 鋼內膽破纖維全纏繞等一系列規格的新產品研發，部分規格系列產品開發進展順利，逐漸完成相應的型式試驗、認證；在天然氣應用領域繼續研發交通運輸車用輕量化 CNG 三型瓶和大容積 LNG 焊接絕熱氣瓶、LNG 運儲用罐式集裝箱等產品；同時完成各類鋼質無縫氣瓶、蓄能器殼體、SCBA 呼吸器瓶、低溫氣瓶、低溫儲罐等常規產品的開發和認證 100 多項。

- 5. 現金流**
 適用 不適用

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

(ii) Description of material change in profit due to non-principal business

Applicable Not Applicable

(iii) Analysis of assets and liabilities

Applicable Not Applicable

1. Assets and liabilities

二、報告期內主要經營情況(續)

(二) 非主營業務導致利潤重大變化的說明

適用 不適用

(三) 資產、負債情況分析

適用 不適用

1. 資產及負債狀況

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Name of Items	項目名稱	Balance at the end of the current period 本期期末數	Balance at the end of the current period over total assets (%) 本期期末數佔總資產的比例(%)	Balance at the end of the previous period 上期期末數	Balance at the end of the previous period over total assets (%) 上期期末數佔總資產的比例(%)	Change in amount over the previous period (%) 本期期末金額較上期期末變動比例(%)	Description	情況說明
Notes receivable and accounts receivable	應收票據及應收賬款	246,254,665.67	13.87	382,745,366.93	19.88	-35.66	Mainly due to the decrease in accounts receivable	主要是應收賬款減少所致
Accounts receivable	應收賬款	223,093,594.17	12.57	354,933,043.81	18.44	-37.14	Mainly due to the stronger control on accounts receivable by the Company and the recovery of long-term receivable	主要是公司加強應收賬款管理，追繳長期應收取得成效所致
Other receivables	其他應收款	20,470,775.75	1.15	12,891,300.46	0.67	58.8	Mainly due to the increase in the amount of export tax rebate	主要是出口退稅款等增加所致
Dividends receivable	應收股利	6,075,169.12	0.34	8,756,869.09	0.45	-30.62	Mainly due to the partial payment of dividend of joint ventures	主要是合營公司支付部分股利所致
Long-term equity investments	長期股權投資	124,898,949.39	7.03	71,694,482.47	3.72	74.21	Mainly due to the investments on the two associates, Jingcheng Haitong and Bolken Energy by Beijing Tianhai, a subsidiary of the Company during the period	主要是本期公司之子公司北京天海投資京城海通、伯肯節能兩家聯營公司
Investment properties	投資性房地產	28,723,902.58	1.62				Mainly due to the transfer of the Plant at North Road, Chaoyang District, Beijing to investment properties Energy by Beijing Tianhai, a subsidiary of the Company during the period	主要是本期公司之子公司北京天海將位於北京市朝陽區天盛北路廠房轉入投資性房地產所致
Construction in progress	在建工程	11,653,942.58	0.66	68,468,558.01	3.56	-82.98	Mainly due to the completion of construction in progress of Kuancheng Tianhai, a subsidiary of the Company during the period	主要是本公司之下屬公司寬城天海在建工程項目完工轉固所致
Goodwill	商譽			3,679,654.40	0.19	-100.00	Mainly due to the impairment test of goodwill and provided for impairment of goodwill by Beijing Tianhai, a subsidiary of the Company during the period	主要是本公司之子公司北京天海對商譽進行減值測試，計提商譽減值所致
Employee benefits payable	應付職工薪酬	22,929,823.79	1.29	36,862,542.56	1.91	-37.8	Mainly due to the decrease in employee pay payable at the end of the year	主要是年末應付未付職工薪酬減少所致
Interest payable	應付利息	72,000.00	0.00	446,534.71	0.02	-83.88	Mainly due to the decrease in interest payable at the end of the period	主要是期末計提應付利息減少
Non-current liabilities due within one year	一年內到期的非流動負債	18,000,000.00	1.01	11,000,000.00	0.57	63.64	Mainly due to the increase in long-term borrowings due within one year of Kuancheng Tianhai, a subsidiary of the Company	主要是本公司之下屬公司寬城天海壓力容器有限公司一年內到期的長期借款增加所致
Other current liabilities	其他流動負債	286,545.11	0.02	5,380,893.08	0.28	-94.67	Mainly due to the decrease in pending changeover VAT on sales	主要是待轉銷項稅額減少所致
Long-term borrowings	長期借款	11,000,000.00	0.62	5,060,000.00	0.26	117.39	Mainly due to the increase in long-term borrowings of Kuancheng Tianhai, a subsidiary of the Company	主要是本公司之下屬公司寬城天海壓力容器有限公司長期借款增加所致
Long-term payables	長期應付款	143,100,000.00	8.06	103,900,000.00	5.40	37.73	Mainly due to the consideration of the subscribed shares in Jingcheng Haitong of Beijing Tianhai, a subsidiary of the Company	主要是公司之子公司北京天海對京城海通承諾認購的股權認購出資款所致
Other comprehensive income	其他綜合收益	2,308,000.57	0.13	1,154,074.87	0.06	99.99	Mainly due to the impact of exchange rate changes	主要是匯率變化影響所致

Section 5 Management Discussion and Analysis 第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

二、報告期內主要經營情況(續)

(iii) Analysis of assets and liabilities (Continued)

(三) 資產、負債情況分析(續)

2. Major restricted assets at the end of the Reporting Period

2. 截至報告期末主要資產受限情況

Applicable Not Applicable

適用 不適用

Item	項目	Book Value at the end of year 年末賬面價值	Reasons for restriction 受限原因
Monetary funds	貨幣資金	14,500,000.00	Bill margin 票據保證金
Fixed assets	固定資產	250,944,555.51	Pledged to secure bank borrowings 為取得銀行借款抵押
Intangible assets	無形資產	68,854,443.19	Pledged to secure bank borrowings 為取得銀行借款抵押
Total	合計	334,298,998.70	-

3. Other descriptions

Applicable Not Applicable

3. 其他說明

適用 不適用

(iv) Analysis of industry operation

Applicable Not Applicable

(四) 行業經營性信息分析

適用 不適用

The principal business of the Company is the manufacturing of gas storage and transportation equipment. For specific industry-related information, please refer to the sections headed "Business Summary of the Company" and "Management Discussion and Analysis" in this year's annual report.

公司主營業務為氣體儲運裝備製造，行業相關的具體信息見本年度報告中「公司業務概要」及「經營情況討論與分析」章節內容。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

(v) Analysis of investments

1. General analysis of external equity investments

Applicable Not Applicable

(1) Material equity investments

Applicable Not Applicable

1. According to the strategic target of "Develop Wufangqiao land by way of cultural innovation or property development" in the 13th Five-Year Strategic Planning of Beijing Tianhai Industry Co., Ltd., Beijing Tianhai Industry Co., Ltd. and Beijing Nengtong Lease Company established a joint venture, Beijing Jingcheng Haitong Technology Culture Development Co., Ltd. on 30 August 2018 in Chaoyang District, Beijing. The registered capital was RMB80 million, which was contributed by the parties via cash. Beijing Tianhai Industry Co., Ltd. contributed RMB39.2 million and holds 49% equity interest in the joint venture, and Beijing Nengtong Lease Company contributed RMB40.80 million and holds 51% equity interest in the joint venture. Beijing Jingcheng Haitong Technology Culture Development Co., Ltd. leased the Wufangqiao Plant of Beijing Tianhai and developed it into an integrated industrial park with gardenstyle high-end technical innovations, cultural innovations and business office as major functions.
2. According to the strategic positioning of "Accelerate the planning of hydrogen industry, introduce core techniques, seize market opportunities" of Beijing Tianhai Industry Co., Ltd., Beijing Tianhai Industry Co., Ltd. completed the equity interest transfer procedures for the acquisition of 10.91% equity interest in Beijing Bolken Energy Technology Inc. held by Shaanxi Aerospace Science and Technology Group Co., Ltd. on 8 November 2018. By becoming a shareholder of Beijing Bolken Energy Technology Inc., the Company can further enhance its strategic partnership with Beijing Bolken Energy Technology Inc. and will carry out in depth cooperation with it in the natural gas sector and hydrogen sector.

二、報告期內主要經營情況(續)

(五) 投資狀況分析

1、對外股權投資總體分析

適用 不適用

(1) 重大的股權投資

適用 不適用

- 1、根據北京天海工業有限公司十三五戰略規劃「以文化創意或地產開發方式開發五方橋土地」的戰略目標，北京天海與北京能通租賃公司於2018年8月30日在北京市朝陽區合資設立北京京城海通科技文化發展有限公司，註冊資本人民幣8,000萬元，雙方均以現金出資，其中北京天海出資人民幣3,920萬元、持股49%；北京能通租賃公司出資人民幣4,080萬元，持股51%。由北京京城海通科技文化發展有限公司租賃北京天海工業有限公司五方橋廠區，打造成為園林式高端科技創新、文化創意及商務辦公為主要功能的綜合性聚集產業園並進行運營。
- 2、根據北京天海工業有限公司「加快佈局氫能產業，引入核心技術，搶佔市場先機」的戰略定位，2018年11月8日北京天海工業有限公司完成了收購陝西航天科技集團有限公司持有的北京伯肯節能股份有限公司10.91%股權的股權交割手續，通過成為北京伯肯節能股份有限公司股東，進一步加強與北京伯肯節能股份有限公司的戰略合作關係，在天然氣領域、氫能領域展開深度合作。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

(v) Analysis of investments (Continued)

1. General analysis of external equity investments (Continued)

(2) Material non-equity investments

Applicable Not Applicable

(3) Financial assets measured at fair value

Applicable Not Applicable

(vi) Material disposal of assets and equity interest

Applicable Not applicable

The transfer of 51% equity interest in Shandong Tianhai High Pressure Containers Co., Ltd. held by Beijing Tianha Industry Co., Ltd. through public tender.

On 25 December 2018, the Company disclosed the "Indicative Announcement on Pre-Listing of Transferring Equity Interest of a Subsidiary" (Lin 2018-047). On 16 January 2019, the Company disclosed the "Announcement of Disposal of the Equity Interests in subsidiary by public tender" (Lin 2019-003). On 21 February 2019, the Company disclosed the "Announcement in relation to the Approval on the Asset Valuation Report of Shandong Tianhai By Beijing SASAC" (Lin 2019-007). On 7 March 2019, 51% equity interests in Shandong Tianhai High Pressure Containers Co., Ltd. was transferred on China Beijing Equity Exchange Co., Ltd. by public tender. The base price of transfer consideration was RMB61,409,200. The Company will disclose the progress in strict compliance with the requirements of the Listing Rules.

(vii) Analysis of major subsidiaries and associates

Applicable Not Applicable

Company name 公司名稱	Business nature 業務性質	Principal products or services 主要產品或服務	Registered capital 註冊資本	Total assets 總資產	Net assets 淨資產	Net profit 淨利潤
Beijing Tianhai Industry Co. Ltd. 北京天海工業有限公司	Production 生產	Production and sale of gas cylinders accumulator shells, pressure vessels and auxiliary 生產、銷售氣瓶、蓄能器、壓力容器及配套設備等	US\$61,401,800			
			6,140.18萬美元	1,766,706,066.89	491,148,876.94	-138,132,761.35
Jingcheng Holding (Hong Kong) Company Limited 京城控股(香港)有限公司	Trading and investment 貿易投資	Import and export trade, investment holding and consultancy services, etc. 進出口貿易、投資控股及顧問服務等	HK\$1,000			
			1,000港元	164,038,489.15	158,850,841.90	250,801.34

二、報告期內主要經營情況(續)

(五) 投資狀況分析(續)

1、 對外股權投資總體分析(續)

(2) 重大的非股權投資

適用 不適用

(3) 以公允價值計量的金融資產

適用 不適用

(六) 重大資產和股權出售

適用 不適用

北京天海工業有限公司掛牌轉讓其所持有的山東天海高壓容器有限公司51%股權。

2018年12月25日，公司披露了《關於轉讓子公司股權預掛牌的提示性公告》(臨2018-047)，2019年1月16日，公司披露了《關於掛牌出售子公司股權的公告》(臨2019-003)，2019年2月21日，公司披露了《關於山東天海資產評估報告獲北京市國資委核准的公告》(臨2019-007)。2019年3月7日，山東天海高壓容器有限公司51%股權在北京產權交易所公開掛牌轉讓。轉讓底價為人民幣6,140.92萬元。公司將嚴格按照上市規則要求披露進展情況。

(七) 主要控股參股公司分析

適用 不適用

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

II. Principal Operation during the Reporting Period (Continued)

(viii) Structured entities under the control of the Company

Applicable Not Applicable

III. Discussion and Analysis of the Company Concerning the Future Development of the Company

(i) Industry structure and trends

Applicable Not Applicable

1. For details, please refer to Part 1 of Section 3.

2. Development trend

(1) Cylinder products

As it is unlikely to change the competitive landscape of standardised industrial gas cylinder, the demand for highly pure cylinders will gradually increase. In 2019, global demand for industrial gas cylinders will not be much higher than 2018, and domestic industrial gas cylinders will still be unable to escape from the situation of excessive production capacity and competition in low prices. With the adjustment in the national industrial structure, energy saving and environmental protection, electronic information and renewable energy industries experienced rapid development, leading to the significant increase in the demand for special gas and also in the demand for homemade highly pure gas cylinders.

The market demand for vehicle cylinders will hopefully increase. With the rally in international oil price, the economic performance of vehicle LNG was demonstrated once again. According to national policies on the requirements of vehicle weight reduction and along with the state's natural gas development policies consecutively taking effect, these factors may help to revitalize the natural gas vehicle industry. We will increase our efforts on maintaining and expanding OEM customers and establish a comprehensive service chain combining sales, technology with quality control to meet the increasing market demand for service. However, there are more liquidity problems for automobile manufacturers, so the market needs to be developed moderately.

二、報告期內主要經營情況(續)

(八) 公司控制的結構化主體情況

適用 不適用

三、公司關於公司未來發展的討論與分析

(一) 行業格局和趨勢

適用 不適用

1、詳見第三節第一項。

2、發展趨勢

(1) 瓶類產品

常規工業氣瓶競爭態勢難以改觀，高純氣瓶需求不斷增加。2019年全球工業氣瓶市場需求與2018年比不會有較大提高，國內工業氣瓶依然不能擺脫產能過剩、低價競爭的局面。隨著國家產業結構的調整，節能環保、電子信息和新能源等產業得到快速發展，對特種氣體需求明顯增加，國產高純氣瓶的需求也會不斷增加。

車用瓶市場需求有望提高。隨著國際油價回升，車用LNG的經濟性再次顯現。國家政策對車輛減重的要求以及國家天然氣發展政策的相繼出台，多重因素或將重振天然氣汽車行業。未來要加強主機廠客戶的維護及開拓，建立由銷售、技術、質量管理共同組成的全方位服務鏈，以滿足不斷提高的市場服務需求。但整車廠佔壓資金較高，該市場要保持適度發展。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(i) Industry structure and trends (Continued)

2. Development trend (Continued)

(2) Cryogenic products

China's industrial restructuring and changes in methods of industrial gas transportation and storage to low-temperature liquids will bring continuous increase in market demand for cryogenic cylinders and cryogenic tanks. In the long term, the trend of implementing environmental control globally, China's energy-saving and emission reduction and increasing the percentage of clean energy consumption remains unchanged. In the future, natural gas as a clean energy will still be applied in transportation sector such as LNG heavy trucks and vessels. Cryogenic tanks industry is exposed to favorable market opportunities. Large cryogenic tanks are required for receiving stations, peak regulation stations, vessels, gas refueling stations and the construction of factory buildings. Meanwhile, along with the adjustment of internal mechanism of major domestic energy companies, projects previously suspended are gradually initiated. The market will gradually recover in the future. The continuous increase in the demand for peak regulating infrastructures will also stimulate the increase of demand for large LNG storage tanks.

(3) Station-related products

With a slowdown in economic growth and the shift from rapid growth to high quality, filling station enterprises are cautious about investment and slow down the market development. In addition, the cost recovery period of LNG filling stations currently continue to extend, obviously reducing the investment and slowing down the development of LNG filling stations. It will stick to implementing policies of accelerating popularization of natural gas, seize the opportunities of smog treating and promoting the "coal to gas" policy to strengthen the corporation among gas companies in all regions as well as develop bottle and integrated gasification stations to capture market share by LNG gasification skids, keeping the proper development of filling stations business.

三、公司關於公司未來發展的討論與分析(續)

(一) 行業格局和趨勢(續)

2、發展趨勢(續)

(2) 低溫產品

隨著國家產業結構的調整，工業氣體的運輸、貯存的方式逐步向低溫液體化轉變，將帶動低溫瓶和低溫儲罐的市場需求持續增加。從長期來看，全球推進環境治理、我國政府節能減排、逐步提高清潔能源消費比重的趨勢不會改變，天然氣作為清潔能源在交通運輸領域(LNG重卡車、船)的運用仍是未來的趨勢。低溫儲罐也面臨較好的市場機遇，接收站、調峰站、船舶、加氣站以及新建廠房等都需要大型低溫罐，同時隨著國內幾大能源公司內部機制的調整，被擱置的項目逐漸啟動，未來市場形勢將逐步好轉，各地LNG調峰基礎設施需求會持續增長，也將刺激大型LNG貯槽的需求增長。

(3) 站類產品

由於國家經濟增速下滑，由追求發展速度轉變為高質量的發展，加氣站企業投資謹慎，市場開拓速度放緩，加之目前LNG加氣站成本回收周期不斷拉長，投資關注度明顯降低，LNG加氣站增速持續放緩。而政策支持加快推進天然氣利用仍將持續發展，未來要抓住治理霧霾、推廣煤改氣的政策契機，加強與各區域燃氣公司合作，開發瓶組式及集成式氣化站，繼續通過LNG氣化撬產品搶佔市場，保持加氣站業務的適度發展。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(i) Industry structure and trends (Continued)

2. Development trend (Continued)

(4) Tank container products

Undoubtedly the potential for the development of tank container industry is huge in the coming years. Its flexible transportation methods can satisfy the large demand of LNG imports market, help the upgrade of global LNG delivery methods and provide a new approach to quickly allocate LNG resources, and therefore a broad market prospect. To actively develop long-term corporation with customers is the main focus in the future.

(5) Hydrogen energy products

China has been paying high attention to the development of hydrogen power industry in recent years. National policies including the 13th Five-Year National Science and Technology Innovation Plan (“13th Five-Year National Science and Technology Innovation Plan”, “Made in China 2025” initiative (中國製造2025) and the “13th Five-Year Plan for Projects of Science and Technology Innovation for the Transportation” (“13th Five-Year Plan for Projects of Science and Technology Innovation for the Transportation” classified the hydrogen energy and fuel cell technology as a priority and list the fuel cell vehicles as a supporting focus, which expressly specified that the demonstration use of 5,000 public buses in certain areas is achieved and 100 hydrogen stations have been set up in 2020. By 2025, there will be 5 million buses in use and 300 hydrogen stations constructed. By 2030, there will be millions of fuel cell cars in commercial operation and the number of hydrogen stations reaches to 1,000. Currently, there are five hydrogen energy demonstration cities, including Beijing and Shanghai, and nine hydrogen stations in China. Some automobile manufacturers such as SAIC (上汽), YuTong (宇通), Foton (福田) and DongFeng (東風) have obtained fuel cell vehicles models that has obtained announcements. Several provinces have proposed hydrogen energy demonstration projects. In Guangdong, the hydrogen filling stations jointly established by PetroChina and Sinopec has commenced construction. It's expected that the hydrogen power industry shall make breakthroughs in the next three to five years, namely around 2020. By virtue of its advantage in producing gas storage and transportation equipment accumulated over years, we will seize the opportunities to develop Type III and IV cylinders and systems of hydrogen supply and to gain dominance in the area of hydrogen equipment manufacturing.

三、公司關於公司未來發展的討論與分析(續)

(一) 行業格局和趨勢(續)

2、發展趨勢(續)

(4) 罐式集裝箱產品

LNG罐式集裝箱行業未來幾年的發展無疑是巨大的，其靈活多樣的運輸方式可以滿足中國大量LNG進口市場的需求，將助力升級全球LNG物流模式，為實現LNG資源快速分撥提供新途徑，市場前景非常廣闊。要積極尋求與客戶建立長期合作機制，是未來的重點發展方向。

(5) 氫能產品

近年來我國高度重視氫能產業發展，《「十三五」國家科技創新規劃》、《中國製造2025》、《「十三五」交通領域科技創新專項規劃》等國家政策文件紛紛將發展氫能和燃料電池技術列為重點任務，將燃料電池汽車列為重點支持領域，並明確提出：2020年實現5,000輛規模在特定地區公共服務用車領域的示範應用，建成100座加氫站；2025年實現五萬輛規模的應用，建成300座加氫站；2030年實現百萬輛燃料電池汽車的商業化應用，建成1,000座加氫站。目前，我國已有北京、上海等五個氫能示範城市，9個加氫站。上汽、宇通、福田、東風等汽車生產廠商已經具有取得公告的燃料電池車型，多個省市建立了氫能經濟示範應用項目。在廣東，中石油與中石化共同參與的加氫加油合建站也已正式開建。預計在未來的三到五年時間內，氫能產業會進入一個爆發期。我們要抓住機會，依託多年的氣體儲運裝備製造優勢，發展三、四型瓶及供氫系統、打造公司在氫能裝備領域的領先地位。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(ii) Development strategies of the Company

Applicable Not Applicable

Strategic positioning: To build the world's leading industrial gas and the domestic leading energy gas storage and transportation equipment manufacturing and service enterprise.

Overall strategy:

1. Traditional energy equipment (industrial gas): Strengthening the leading position of traditional product market such as industrial gas cylinders, maintaining proper scale and enhancing profitability to ensure profitability;
2. Clean energy equipment (natural gas): Focusing on the development of the leading natural gas storage and transportation equipment and enhancing the market shares of tank products and LNG cylinders;
3. New energy equipment (hydrogen): Accelerating the planning of hydrogen industry, introducing core techniques and seizing market opportunities as well as the launch of Type IV cylinders.

(iii) Operating plan

Applicable Not Applicable

2019 represents a critical year for implementing the Company's "13th Five-Year" strategy. Under the current socio-economic environment clouded by both international and domestic problems, the Company must understand the precise trend of socio-economic development, enhance the awareness to risks and grasp and make use of the important strategic opportunities of China's development. Based on various requirements of the full and rigorous exercise of Party self-governance, the Company will focus its effort on turning loss into profit with strong determination and steady progress. By targeting the two issues of innovation and market and accomplish different key mission with continuous effort and high quality, a solid foundation of fully completing the target missions in 2019 and implementing the "13th Five-Year" strategy was laid. The Company will adopt the adjusted strategy as guidance and actively implementing different strategic initiatives. By enhancing the precision marketing of major customers, accelerating the completion of research and development of strategic new products, improving the corporate management capabilities and avoiding corporate operational risks, the achievement of all strategic objectives can be ensured.

三、公司關於公司未來發展的討論與分析(續)

(二) 公司發展戰略

適用 不適用

戰略定位：打造全球領先的工業氣體和國內領先的能源氣體儲運裝備製造及服務企業。

總體戰略思路：

- 1、傳統能源裝備(工業氣體)：鞏固工業氣瓶等傳統產品市場的領先地位，保持適度規模，提高盈利能力，確保盈利；
- 2、清潔能源裝備(天然氣)：重點發展國內領先的天然氣儲運裝備，提高罐類產品、LNG瓶市場佔有率；
- 3、新能源裝備(氫能)：加快佈局氫能產業，引入核心技術，搶佔市場先機，加快四型瓶落地。

(三) 經營計劃

適用 不適用

2019年是實現公司「十三五」戰略的攻堅之年，面對當前國際國內問題疊加共振的經濟社會環境，必須精準把握經濟社會發展形勢，增強憂患意識，抓住並用好我國發展的重要戰略機遇，緊緊圍繞全面從嚴治黨各項要求，堅定信心、穩扎穩打，要以扭虧為盈為中心工作，抓住創新和市場兩個方面，以釘釘子精神高質量完成各項重點工作，為全面完成2019年任務目標、實現「十三五」戰略奠定堅實的基礎。要以調整後的戰略為指引，積極落實各項戰略舉措，加強大客戶精準營銷，加快戰略新產品研發落地，提高企業管理能力，規避企業經營風險，確保各項戰略目標得以實現。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(iv) Potential risks

Applicable Not Applicable

(1) Risks from the constant expansion of production capacity in the industry to the operating results

After a decade with rapid growth in the market scale of the domestic industrial gas industry, the growth rate slowed down and entered into a steady growth period. The market demand for cylinder will experience a slower growth along with the growth trend of industrial gas. Currently, the domestic annual production capacity of seamless steel gas cylinder industry exceeds 5 million units, which is way more than the demand of 3.70 million units. The manufacturers of natural gas storage and transportation equipment continued to expand the production scale which created serious excess production capacity. There are over 60 enterprises with LNG cylinder production qualifications in the PRC with total annual capacity of nearly 400,000 units which resulted in a fierce competition in the industry. As such, the Company will face strong pressure in its operation.

(2) Shrink of future LNG passenger vehicles market due to increase in gas price and the development in pure electricity and fuel cell technology

Due to the decrease in fuel oil price and the significant increase in natural gas price in the PRC, the economic advantages of natural gas vehicles are no longer obvious, enabling customers losing confidence in using natural gas vehicles. In addition, as China's economy enters the new normal and its economic growth slows down, so does the growth of the automobile industry, resulting in the decrease in the demand for operating vehicles. Affected by the electrical and hydrogen energy vehicles, the passenger vehicles is a "sunset industry". With the advancement of technology and the government's development and investment in fuel cell energy vehicles, short-haul vehicles such as buses and other passenger vehicles will mainly use pure electricity and fuel cell energy in the future, which will cause the demand for LNG in the passenger vehicles sector to shrink in the future.

The gas price is the key whether the NGV industry to prosper or languish. The seasonal gas shortage caused large fluctuations in gas prices which is one of the main challenges the NGV industry facing.

三、公司關於公司未來發展的討論與分析(續)

(四) 可能面對的風險

適用 不適用

(1) 行業產能持續擴大給經營成果帶來的風險

我國工業氣體行業市場規模經過了十年的快速增長期後，增速放緩，進入平穩增長期，氣瓶市場需求隨著工業氣體增長趨勢，未來增勢趨緩。目前，我國鋼質無縫氣瓶行業年產能超過500萬隻，已遠遠大於370萬隻的需求量；天然氣儲運裝備生產廠家也不斷擴大生產規模，使行業產能嚴重過剩，國內有LNG氣瓶生產資質的企業達60餘家，年產能接近40萬台，行業競爭日趨激烈。公司經營面臨較大壓力。

(2) 氣價上漲及純電和燃料電池技術的發展導致未來LNG客運市場的萎縮

受國內燃油價格下跌、天然氣價大幅度上漲，天然氣汽車經濟優勢已經不再明顯。另外，國家經濟進入新常態、經濟發展減速，汽車增速減緩，營運車輛的需求減少。受電車及氫能源車影響，客車市場已處於「夕陽產業」，隨著技術進步和國家對燃料電池能源車輛發展和投入，公交客車等短運距汽車將來主要使用純電和燃料電池能源，這將導致LNG在客車領域需求在未來時期萎縮。

氣價決定NGV產業的興衰；季節性「氣荒」導致氣源價格大幅波動，也成為NGV產業面臨的主要挑戰之一。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(v) Others

Applicable Not Applicable

Analysis of financial position and operating results of the Company during the Reporting Period

1 Analysis of operating results

During the Reporting Period, total profit of the Company decreased by RMB157,191,100 over the same period last year. Operating income decreased by RMB81,932,700 over the same period last year; operating cost increased by RMB7,833,900 over the same period last year; and operating profit decreased by RMB141,157,100 year-on-year.

The decrease in operating income and increase in product profitability were mainly due to the orders from automobile manufacturers decreased which led to the corresponding decrease in income of the Company. Fixed charges cannot be diluted as a result of the decreased production volume, which led to the increase in production unit costs. In addition, the prices of raw materials increase caused the increase in production costs and decrease gross profit margin. The operating profit decreased year-on-year.

During the Reporting Period, expenses decreased by RMB9,558,800 over the same period last year, of which, selling expenses decreased by RMB14,467,800, mainly due to the adoption of acceptance and pick up of products in the plants by certain major customers for procurement of products, meanwhile, the Company and logistics companies chose to charter vehicles to deduce waste of transporting capacity and effectively reduced the transportation costs. The after-sales service fees are reduced due to product quality improvement. The administrative expense increased by RMB3,674,300, mainly due to the intermediary fee paid for the dissolution and liquidation of Langfang Tianhai, a subsidiary of the Company and the increase in legal fee paid by BTIC America Corporation. The R&D expenses increased by RMB1,187,000, mainly due to the increase in development fee, material fee and inspection fee for new types of gas cylinders. The finance cost remained stable.

During the Reporting Period, impairment loss on assets increased by RMB22,460,800 over the same period last year. 1. Provision for inventory impairment loss increased: The gas refueling stations project stagnated due to the strong specificity of its products and is affected by business transformation. The net realizable value of certain raw materials and inventories decreased. 2. Provision for impairment of fixed assets: During the year, fixed assets were not impaired after tests. 3. During the year, goodwill was impaired for RMB3,679,700 after tests. The goodwill of BTIC America Corporation was tested. Based on the assessment on the calculation of the discount rate and cash flow forecasting method, the provision for impairment of goodwill was RMB3,679,700. The investment income during the Reporting Period increased by RMB1,310,600, mainly due to the increase in profits of associates.

三、公司關於公司未來發展的討論與分析(續)

(五) 其他

適用 不適用

報告期內公司財務狀況經營成果分析

1 經營成果分析

本報告期公司利潤總額比上年同期減少人民幣15,719.11萬元。營業收入比上年同期減少人民幣8,193.27萬元，營業成本比上年同期增加人民幣783.39萬元，營業利潤同比減少人民幣14,115.71萬元。

營業收入減少以及產品盈利能力降低，主要是由於整車廠LNG訂單減少，導致公司收入有所下降；產量減少，使得固定費用無法攤薄，單位產品成本上升，另外，原材料價格上漲，影響產品成本上升，毛利率降低，導致營業利潤同比下降。

本報告期期間費用較上年同期減少人民幣955.88萬元。其中：銷售費用減少人民幣1,446.78萬元，主要是本年度部分大客戶採用廠內驗收並自提的方式採購產品，同時公司與物流公司採用包車的方式解決了運力浪費的情況，有效降低了運輸成本；由於產品質量提升售後服務費降低。管理費用增加人民幣367.43萬元，主要是子公司廊坊天海辦理註銷清算事項支付的中介機構費用以及美洲天海支付律師費增加所致。研發費用增加人民幣118.70萬元，主要是新型氣瓶開發費材料費、檢測費增加。財務費用基本持平。

本報告期資產減值損失較上年同期增加人民幣2,246.08萬元，1、存貨跌價損失計提增加：加氣站項目停滯其產品專用性強，以及受業務轉型影響，部分原材料、庫存商品可變現淨值下降所致；2、固定資產減值準備：經測試本年固定資產未發生減值。3、經測試本報告期商譽發生減值人民幣367.97萬元，對美洲天海長投進行了減值測試，基於折現率、現金流量預測方法計算等評估對商譽計提減值準備人民幣367.97萬元。本報告期投資收益增加人民幣131.06萬元，主要是聯營公司利潤增加所致。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(v) Others (Continued)

Analysis of financial position and operating results of the Company during the Reporting Period (Continued)

1 *Analysis of operating results (Continued)*

The credit impairment losses decreased by RMB11,484,900 during the Reporting Period, mainly due to the decrease in long-term receivables.

Gains from disposal of assets decreased by RMB57,544,000 during the Reporting Period, mainly due to the income from the disposal of properties of Langfang Tianhai, a subsidiary of the Company, during the same period last year.

Non-operating income decreased by RMB35,415,300 during the Reporting Period. In particular, the debt restructuring gain resulted from the debt restructuring agreement with the suppliers decreased by RMB5,934,900 as compared to the previous year. Government subsidies decreased by RMB13,183,300 year-on-year, mainly due to the receipt of state-owned enterprises' remission and remediation incentive subsidies of RMB15,839,200 and Langfang Tianhai received a refund of RMB14,285,700 during the same period last year.

During the Reporting Period, the non-operating expenses decreased by RMB19,381,300, mainly due to the inclusion of personnel placement expenses of Langfang Tianhai during the same period last year.

2 *Analysis of assets, liabilities and shareholders' equity*

As at the end of the Reporting Period, total assets decreased from the beginning of the year while total liabilities increased from the beginning of the year.

As at the end of the Reporting Period, total assets were RMB1,775,485,800, representing an decrease of 7.77% as compared with the beginning of the year, of which: monetary funds decreased by 21.95%, accounts receivable decreased by 37.14%, notes receivable decreased by 16.72%, and inventories decreased by 16.32%.

Total liabilities were RMB912,216,900, representing an increase of 1.28% as compared with the beginning of the year, of which long-term borrowings increased by RMB12,940,000, or 255.73% and long-term payables increased by RMB39,200,000, or 37.73%.

Total shareholders' equity amounted to RMB863,268,900, representing an decrease of RMB161,073,400 or 15.72% as compared with the beginning of the year, mainly due to the decrease in net profit for the year.

三、公司關於公司未來發展的討論與分析(續)

(五) 其他(續)

報告期內公司財務狀況經營成果分析(續)

1 *經營成果分析(續)*

本報告期信用減值損失減少人民幣1,148.49萬元，主要是長賬齡應收款項減少所致。

本報告期資產處置收益減少人民幣5,754.40萬元，主要是上年同期下屬子公司廊坊天海處置物業的收益所致。

本報告期營業外收入減少人民幣3,541.53萬元，其中：與供應商簽訂債務重組協議產生債務重組利得較上年減少人民幣593.49萬元；政府補助同比減少人民幣1,318.33萬元，主要是上年同期收到國有企業疏解整治獎勵補助人民幣1,583.92萬元；上年同期廊坊天海收到騰退補償款人民幣1,428.57萬元等影響。

本報告期營業外支出減少人民幣1,938.13萬元，主要是上年同期包含廊坊人員安置費用等所致。

2 *資產、負債及股東權益分析*

本報告期末總資產較年初有所減少、總負債較年初有所增加。

本報告期末資產總額人民幣177,548.58萬元，比年初減少7.77%，其中：貨幣資金減少21.95%、應收賬款減少37.14%、應收票據減少16.72%、存貨減少16.32%。

負債總額人民幣91,221.69萬元，比年初增加1.28%，其中長期借款增加人民幣1,294萬元，增長255.73%，長期應付款增加人民幣3,920.00萬元，增長37.73%。

股東權益總額人民幣86,326.89萬元，比年初減少人民幣16,107.34萬元，降低15.72%，主要是本年淨利潤減少所致。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(v) Others (Continued)

Analysis of financial position and operating results of the Company during the Reporting Period (Continued)

3 Analysis of financial position

By implementing its prudent financial policies, the Company established a strict risk control system for investment, financing and cash management to maintain a sound capital structure and solid financing channels. The Company kept its loan scale under strict control such that it can satisfy the capital need of operating activities while minimizing its finance cost and preventing against financial risks in a timely manner by fully utilizing financial instruments, for purposes of achieving sustainable development of the Company and maximizing its shareholders' value.

Liquidity and capital structure

(1) Gearing ratio	(1) 資產負債率
(2) Quick ratio	(2) 速動比率
(3) Current ratio	(3) 流動比率

4 Bank loans

The Company prudently implemented its annual capital budget plan in accordance with the market conditions and requirement of customers to control the bank loan scale strictly. The Company fully utilized financial tools to timely reduce finance cost and prevent financial risks. In so doing, the Company improved the profit of the Company and shareholders while satisfying the capital need of operating activities. As at the end of the Reporting Period, the Company had short-term loan amounting to RMB277,998,000, representing an decrease of 2.46% as compared with the beginning of the year. Long-term loan amounted to RMB18,000,000.

5 Foreign exchange risk management

Foreign exchange risks assumed by the Company are mainly related to US dollars. Apart from BTIC AMERICA CORPORATION and Jingcheng Holding (Hong Kong) Co., Ltd., the subsidiaries of the Company that purchase and sell in US dollars, other prime business activities of the Group were priced and settled in RMB. Therefore, the Company was exposed to the foreign exchange risk arising from the fluctuation of exchange rate between RMB and US dollars. The Company actively adopted such measures to reduce the foreign exchange risk.

三、公司關於公司未來發展的討論與分析(續)

(五) 其他(續)

報告期內公司財務狀況經營成果分析(續)

3 財務狀況分析

公司實施謹慎的財務政策，對投資、融資及現金管理等建立了嚴格的風險控制體系，一貫保持穩健的資本結構和良好的融資渠道，公司嚴格控制貸款規模，在滿足公司經營活動資金需求的同时，充分利用金融工具及時努力減少財務費用和防範財務風險，以實現公司持續發展和股東價值的最大化。

流動性和資本結構

2018 2018年	2017 2017年
51.38%	46.79%
60.14%	77.08%
104.87%	128.8%

4 銀行借款

公司認真執行年度資金收支預算並依據市場環境變化和客戶要求，嚴格控制銀行貸款規模。在滿足公司經營活動資金需求的同时充分利用金融工具及時努力減少財務費用和防範財務風險，提高公司及股東收益。報告期末公司短期借款人民幣27,799.80萬元，比年初減少2.46%。長期借款人民幣1,800萬元。

5 外匯風險管理

本公司承受外匯風險主要與美元有關，除本公司的下屬子公司天海美洲公司、京城控股(香港)有限公司以美元進行採購和銷售外，本集團的其他主要業務活動以人民幣計價結算。因此可能面臨美元與人民幣匯率變動引起的外匯風險，公司積極採取措施，降低外匯風險。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(v) Others (Continued)

Principal Sources of Fund and Its Use

1 Cash flows from operating activities

Cash inflows from operating activities during the Reporting Period were mainly derived from the income of product sales. Cash outflow was mainly related to the production and operating activities. The Company's cash inflows from operating activities during the Reporting Period amounted to RMB875,446,600, while cash outflow amounted to RMB864,230,600. Net cash flow during the Reporting Period from operating activities amounted to RMB11,216,000.

2 Cash flows from investment activities

Cash inflows from investment activities during the Reporting Period amounted to RMB29,084,700 while cash outflows from investment activities amounted to RMB43,325,100 which was mainly used for capital expense on the purchase of fixed assets and equity investments. Net cash flows from investment activities during the Reporting Period amounted to RMB-14,240,400.

3 Cash flows from financing activities

Cash inflows from financing activities during the Reporting Period amounted to RMB510,775,800, which was mainly derived from bank loans and loans from Jingcheng Holding. Cash outflows from financing activities during the Reporting Period amounted to RMB538,223,500, which was mainly due to the repayment of bank loans and borrowings from banks and Jingcheng Holding and interest. Net cash flow from financing activities for the Reporting Period amounted to RMB-27,477,600.

In 2018, net cash flows from operating activities increased by RMB237,874,500 as compared to the corresponding period of last year, mainly due to the increase in net cash flows from operating activities during the period, as the cash inflows from operating activities increased, while the cash outflows from operating activities decreased during the period. Net cash flows generated from investing activities decreased by RMB220,943,200 as compared to the corresponding period of last year, mainly due to the disposal of properties of Langfang Tianhai, a subsidiary of Beijing Tianhai, during the previous period. Net cash flows generated from financing activities decreased by RMB23,667,600 as compared to the corresponding period of last year, mainly because the net repayment of borrowings made during the year was higher than that during the corresponding period of last year.

During the Reporting Period, the Company mainly financed its operations through cash inflows from operating activities, borrowings from controlling shareholder and bank loans.

三、公司關於公司未來發展的討論與分析(續)

(五) 其他(續)

資金主要來源和運用

1 經營活動現金流量

報告期公司經營活動產生的現金流入主要來源於銷售商品業務收入，現金流出主要用於生產經營活動有關的支出。報告期經營活動產生的現金流入人民幣87,544.66萬元，現金流出人民幣86,423.06萬元，報告期經營活動產生的現金流量淨額人民幣1,121.60萬元。

2 投資活動現金流量

報告期公司投資活動產生的現金流入人民幣2,908.47萬元，投資活動支出的現金人民幣4,332.51萬元，主要用於購建固定資產、股權投資資金支出。報告期投資活動產生的現金流量淨額為人民幣-1,424.04萬元。

3 籌資活動現金流量

報告期籌資活動現金流入人民幣51,077.58萬元，主要來源於銀行借款、京城控股借款，報告期籌資活動現金流出人民幣53,822.35萬元，主要是用於歸還銀行、京城控股借款及借款利息的支付，報告期籌資活動現金流量淨額一人民幣-2,744.76萬元。

2018年經營活動現金淨額同比增加人民幣23,787.45萬元，主要是本期經營活動現金流入增加，經營活動現金流出減少，使本期經營活動現金流量淨額增加；投資活動產生的現金流量淨額同比減少人民幣22,094.32萬元，主要是上期處置天海工業子公司廊坊天海物業所致；籌資活動產生的現金流量淨額同比減少人民幣2,366.76萬元，主要是本期借款的淨償還額大於上年同期所致。

報告期內，本公司主要通過經營活動產生的現金流、控股股東借款、銀行貸款等籌集營運所需資金。

Section 5 Management Discussion and Analysis

第五節 經營情況討論與分析

III. Discussion and Analysis of the Company Concerning the Future Development of the Company (Continued)

(v) Others (Continued)

Capital Structure

The Company's capital structure consists of shareholders' equity and liabilities during the Reporting Period. Shareholders' equity amounted to RMB863,268,900, of which minority interests amounted to RMB396,392,600, and total liabilities amounted to RMB912,216,900. Total assets amounted to RMB1,775,485,800. As at the end of the year, the Company's gearing ratio was 51.38%.

Capital structure by liquidity

Total current liabilities 流動負債合計	RMB752,644,300 人民幣72,814.02萬元	Percentage of assets 佔資產比重	
Total shareholders' equity 股東權益合計	RMB1,024,342,300 人民幣86,326.89萬元	Percentage of assets 佔資產比重	41.01%
Of which: minority interest 其中：少數股東權益	RMB435,967,000 人民幣39,639.26萬元	Percentage of assets 佔資產比重	48.62%
			22.33%

Contingent Liabilities

As at the end of the Reporting Period, the Company did not have any significant contingent liabilities.

Details of the Group's charge on assets

Item 項目	Closing book value 年末賬面價值	Reasons for restriction 受限原因
Monetary funds 貨幣資金	14,500,000.00	Bill margin 票據保證金
Fixed assets 固定資產	250,944,555.51	Pledged to secure bank borrowings 為取得銀行借款抵押
Intangible assets 無形資產	68,854,443.19	Pledged to secure bank borrowings 為取得銀行借款抵押
Total 合計	334,298,998.70	-

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

按流動性劃分資本結構

(五) 其他(續)

資本結構

報告期公司資本結構由股東權益和債務構成。股東權益人民幣86,326.89萬元，其中，少數股東權益人民幣39,639.26萬元；負債總額人民幣91,221.69萬元。資產總額人民幣177,548.58萬元，期末資產負債率51.38%。

或有負債

報告期末公司無需要披露的重大或有事項。

集團資產押記詳情

IV. Description of and explanations for disclosure not in compliance with standards due to standards not applicable or special reasons including state or business secrets

Applicable Not Applicable

四、公司因不適用準則規定或國家秘密、商業秘密等特殊原因，未按準則披露的情況和原因說明

適用 不適用

Section 6 Report of the Directors

第六節 董事會報告

The Board is pleased to present the annual report and audited consolidated financial statements of the Group for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The Company's business scope: General freight; development, design, sales, installation, debugging and repair of cryogenic storage transport vessel, compressor (piston compressor, membrane compressor and nuclear membrane compressor) and accessories, machinery equipment and electrical equipment; technical consulting; technical service; economic trade consulting; goods import and export; technical import and export; and agency for import and export.

BUSINESS REVIEW

A review of the business of the Company during the year and a discussion on the Company's future business development are provided in the section headed "Business Summary of the Company" of this annual report. Description of possible risks and uncertainties that the Company may be facing can be found in the section headed "Management Discussion and Analysis". An analysis of the Company's performance during the year using financial key performance indicators is provided in the section headed "Company Profile and Key Financial Indicators" of this annual report. Please refer to Part XII and Part XXI of Section 6 for discussions on the Company's environmental policies and performance, key relationships with its employees, customers, suppliers. The Company's compliance with relevant laws and regulations which have a significant impact on the Company is contained in the section headed "Corporate Governance Report" of this annual report.

DIRECTORS AND SUPERVISORS

The directors and supervisors in office during the year and up to the date of this report are as follows:

董事會欣然提呈本集團截至2018年12月31日止年度的年報及經審核合併財務報表。

主要業務

本公司經營範圍：普通貨運；開發、設計、銷售、安裝、調試、修理低溫儲運容器、壓縮機(活塞式壓縮機、隔膜式壓縮機、核級膜壓縮機)及配件、機械設備、電氣設備；技術諮詢；技術服務；經濟貿易諮詢；貨物進出口；技術進出口；代理進出口。

業務回顧

有關本公司本年度業務的回顧及本公司未來業務發展的討論載於本年報「公司業務概要」一節。有關本公司可能面臨的潛在風險及不確定因素載於「管理層討論與分析」一節。本公司採用主要財務表現指標對其本年度表現的分析載於本年報「公司簡介和主要財務指標」一節。另外，有關本公司環境政策及表現、與其僱員、客戶及供應商主要關係的討論詳見第六節第十二項及第二十一項。本公司遵守對其有重大影響的相關法律法規的情況載於本年報「企業管治報告」一節。

董事及監事

於本年度內及截至本報告日期在任董事及監事如下：

		Date of appointment 獲委任的日期
Executive Directors	執行董事	
Wang Jun	王軍	26 June 2017 2017年6月26日
Li Junjie	李俊杰	26 June 2017 2017年6月26日
Zhang Jiheng	張繼恒	26 June 2017 2017年6月26日
Non-executive Directors	非執行董事	
Jin Chunyu	金春玉	26 June 2017 2017年6月26日
Du Yuexi	杜躍熙	26 June 2017 2017年6月26日
Xia Zhonghua	夏中華	26 June 2017 2017年6月26日
Li Chunzhi	李春枝	26 June 2017 2017年6月26日
Independent non-executive Directors	獨立非執行董事	
Wu Yan	吳燕	26 June 2017 2017年6月26日
Liu Ning	劉寧	26 June 2017 2017年6月26日
Yang Xiaohui	楊曉輝	26 June 2017 2017年6月26日
Fan Yong	樊勇	26 June 2017 2017年6月26日
Supervisors	監事	
Li Gejun	李革軍	26 June 2017 2017年6月26日
Li Zhe	李哲	26 June 2017 2017年6月26日
Liu Guangling	劉廣嶺	26 June 2017 2017年6月26日

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第六節 董事會報告

During the Reporting Period, a total of 11 board meetings were convened and the details of the meetings and resolutions were as follows:

- (1) The 3rd meeting of the ninth board of directors was held on 26 March 2018 for the consideration and approval of the following resolutions: 1. the 2017 Annual Report of the Company and its summary and the H Shares results announcement; 2. the 2017 Annual Work Report of the Board; 3. the 2017 audited financial report of the Company; 4. the 2017 Assessment Report on the Company's internal control; 5. the 2017 Audit Report on Internal Control over Financial Reporting of the Company; 6. the 2017 Social Responsibility Report of the Company; 7. the resolution on the Corporate Governance Report (draft) required to be disclosed for H Shares and authorising the secretary to the Board to be responsible for subsequent review and amendment of the Corporate Governance Report; 8. the resolution on the 2017 Environmental, Social and Governance Report (draft) of the Company and authorising the secretary to the Board to be responsible for subsequent review and amendment of the 2017 Environmental, Social and Governance Report; 9. the resolution on the report of the independent non-executive directors of the Company for the year 2017; 10. the resolution on the performance of functions by the Audit Committee of the Company for the year 2017; 11. the resolution on the payment for the audit fee for 2017 to Shinewing Certified Public Accountants LLP; 12. the resolution on the payment for the audit fee for 2017 to Da Hua Certified Public Accountants (Special General Partnership); 13. the resolution on the re-appointment of the auditor for 2018 financial reports; 14. the resolution on the re-appointment of the auditor for 2018 internal control report; 15. the proposal of the Company not to distribute profit for 2017; 16. the resolution on provision for impairment of the Company for the year 2017; 17. the 2018 Audit Plan of the Company; 18. the 2018 Assessment Plan of the Company's internal control; 19. the 2018 Business Plan of the Company; 20. the 2018 Research and Development Plan of the Company; 21. the resolution on 2018 Financial Budget of the Company; 22. the 2018 Financing Guarantee Plan of the Company; 23. the resolution of the changes in accounting policy; 24. the resolution on the formulation of the Measures for the Administration of Remuneration and Performance Assessment for the Senior Management of the Company; 25. the resolution on the result of remuneration and performance assessment for the senior management of the Company in 2017; 26. the resolution on continuing to purchase directors, supervisors and senior management liability insurance; 27. the resolution on the Company's application for cancellation of the delisting risk warning to the Shanghai Stock Exchange; 28. the resolution to be submitted to the 2017 annual general meeting for approving the authorisation of the Board to issue new H Shares not exceeding 20% of the total issued H Shares; 29. the resolution regarding the convening of the 2017 annual general meeting of the Company on 12 June 2018.
- (2) The 4th meeting of the ninth board of directors was held on 26 April 2018 for the consideration and approval of the following resolutions: 1. the 2018 First Quarterly Report of the Company; 2. Amendment to the Articles of Association of the Company; 3. Amendments to the Rules of Procedures for each of the committee of the Board; 4. the resolution in relation to the provision of bridging loan of RMB45 million (Renminbi Forty five million) to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company.

報告期公司董事會共召開 11 次會議，會議情況及決議內容如下：

- (一) 第九屆董事會第三次會議於 2018 年 3 月 26 日召開，審議通過如下議案：1、公司 2017 年年度報告全文及摘要、H 股業績公告；2、公司 2017 年度董事會工作報告；3、公司 2017 年度經審計的財務報告；4、公司 2017 年度內部控制評價報告；5、公司 2017 年度財務報告內部控制審計報告；6、公司 2017 年度社會責任報告；7、公司 H 股需披露的《企業管治報告》(草案)，並授權董事會秘書負責後續審核修改《企業管治報告》的議案；8、公司 2017 年《環境、社會及管治報告》(草案)，並授權董事會秘書負責後續審核修改 2017 年《環境、社會及管治報告》的議案；9、公司獨立非執行董事 2017 年度述職報告的議案；10、董事會審計委員會 2017 年年度履職情況的議案；11、支付信永中和會計師事務所(特殊普通合伙) 2017 年度審計費用的議案；12、支付大華會計師事務所(特殊普通合伙) 2017 年度審計費用的議案；13、續聘 2018 年度財務報告審計機構的議案；14、續聘 2018 年度內部控制報告審計機構的議案；15、公司 2017 年度不進行利潤分配的預案；16、公司 2017 年度計提減值準備的議案；17、公司 2018 年度審計計劃；18、公司 2018 年度內部控制評價方案；19、公司 2018 年度經營計劃；20、公司 2018 年研發計劃；21、公司 2018 年度預算的議案；22、公司 2018 年度融資擔保計劃；23、公司關於會計政策變更的議案；24、制定公司《高級管理人員薪酬與績效考核管理辦法》的議案；25、公司 2017 年度高級管理人員薪酬與績效考核結果的議案；26、關於繼續投保董監事及高級管理人員責任保險的議案；27、關於公司向上海證券交易所申請撤銷股票退市風險警示的議案；28、提交公司 2017 年度股東周年大會批准授權董事會在已發行 H 股本總面值的 20% 發行 H 股新股的議案；29、公司將於 2018 年 6 月 12 日召開 2017 年度股東周年大會的議案。
- (二) 第九屆董事會第四次會議於 2018 年 4 月 26 日召開，審議通過如下議案：1、公司 2018 年第一季度報告；2、關於修訂公司章程的議案；3、關於修訂公司董事會各委員會議事規則的議案；4、控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供過橋貸款人民幣 4,500 萬元(肆仟伍佰萬元整)的議案。

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- (3) The 4th extraordinary meeting of the ninth board of directors was held on 11 May 2018 for the consideration and approval of the following resolutions: 1. the resolution in relation to the provision of bridging loan of not exceeding RMB45 million (Renminbi Forty five million) to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company; 2. the resolution in relation to the early dissolution and liquidation of Langfang Tianhai High Pressure Containers Co., Ltd. ("Langfang Tianhai") and the authorization to the board of directors of Langfang Tianhai to determine the subsequent matters of dissolution and liquidation.
- (4) The 5th meeting of the ninth board of directors was held on 9 August 2018 for the consideration and approval of the following resolutions: 1. the 2018 A Shares Interim Report of the Company and its summary and the H Shares results announcement; 2. the resolution on the provision for impairment of the Company for the half year of 2018; 3. the resolution on the changes of the accounting policies of the Company; 4. Amendments to the relevant management system of the Company; 5. the consideration on the 2018 Performance Assessment Contract for the Senior Management of the Company.
- (5) The 5th extraordinary meeting of the ninth board of directors was held on 21 August 2018 for the consideration and approval of the following resolution: the resolution on the establishment of Beijing Jingcheng Haitong Technology Culture Development Co., Ltd. (tentative name) by Beijing Tianhai Industry Co., Ltd. and the Jingcheng Haitong technology innovation industrial park development project.
- (6) The 6th extraordinary meeting of the ninth board of directors was held on 29 August 2018 for the consideration and approval of the following resolution: the resolution on the proposed acquisition of 10.91% equity interest in Beijing Bolken Energy Technology Inc. by external investment in cash by Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company.
- (7) The 7th extraordinary meeting of the ninth board of directors was held on 31 August 2018 for the consideration and approval of the following resolution: the resolution in relation to the provision of loan of RMB20 million to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company.
- (8) The 8th extraordinary meeting of the ninth board of directors was held on 4 September 2018 for the consideration and approval of the following resolution: the resolution on the proposed lease of a parcel of land and the plant erected thereon at 9 Tianying North Road, Chaoyang District by Beijing Tianhai Industry Co., Ltd.
- (9) The 6th meeting of the ninth board of directors was held on 29 October 2018 for the consideration and approval of the following resolutions: 1. the 2018 Third Quarterly Report of the Company; 2. the resolution in relation to the provision of loan of RMB25 million to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company; 3. the resolution in relation to loan secured by properties and land of Tianjin Tianhai High Pressure Co., Ltd., an indirect subsidiary of the Company; 4. the resolution in relation to the provision of security guarantee by Beijing Minghui Tianhai Gas Storage and Transportation Equipment Sales Co., Ltd., a subsidiary of the Company, with its housing and land resources in favor of Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, in its application for credit line from Bank of Beijing; 5. the resolution in relation to the "Assets Disposal Management System" of the Company; 6. the resolution in relation to the "Strategic Management System" of the Company; 7. the resolution in relation to the "Investment Management System" of the Company.
- (三) 第九屆董事會第四次臨時會議於2018年5月11日召開，審議通過如下議案：1、控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供過橋貸款不超過人民幣4,500萬元(肆仟伍佰萬元整)的議案；2、關於廊坊天海高壓容器有限公司(以下簡稱「廊坊天海」)提前解散並進行清算，並授權廊坊天海董事會釐定後續解散清算事宜的議案。
- (四) 第九屆董事會第五次會議於2018年8月9日召開，審議通過如下議案：1、公司2018年A股半年報報告全文及摘要、H股業績公告；2、公司2018年半年度計提減值準備的議案；3、關於公司會計政策變更的議案；4、修訂公司相關管理制度的議案；5、審議公司2018年《高級管理人員績效考核業績合同》。
- (五) 第九屆董事會第五次臨時會議於2018年8月21日召開，審議通過如下議案：關於北京天海工業有限公司投資設立北京京城海通科技文化發展有限公司(暫定名)暨京城海通科技創新產業園開發項目的議案。
- (六) 第九屆董事會第六次臨時會議於2018年8月29日召開，審議通過如下議案：關於公司子公司北京天海工業有限公司擬以現金對外投資收購北京伯肯節能科技股份有限公司10.91%股權項目的議案。
- (七) 第九屆董事會第七次臨時會議於2018年8月31日召開，審議通過如下議案：關於控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供貸款人民幣2,000萬元的議案。
- (八) 第九屆董事會第八次臨時會議於2018年9月4日召開，審議通過如下議案：關於北京天海工業有限公司擬整體出租朝陽區天盈北路9號場地及廠房的議案。
- (九) 第九屆董事會第六次會議於2018年10月29日召開，審議通過如下議案：1、公司2018年第三季度報告；2、關於控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供貸款人民幣2,500萬元的議案；3、公司孫公司天津天海高壓容器有限責任公司抵押房產及土地辦理貸款的議案；4、關於公司附屬公司北京明暉天海氣體儲運裝備銷售有限公司以房屋及土地資源為公司子公司北京天海工業有限公司向北京銀行申請授信額度提供抵押擔保的議案；5、關於公司《資產處置管理制度》的議案；6、關於公司《戰略管理制度》的議案；7、關於公司《投資管理制度》的議案。

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第六節 董事會報告

(10) The 9th extraordinary meeting of the ninth board of directors was held on 31 October 2018 for the consideration and approval of the following resolution: the resolution in relation to the provision of loan of RMB70 million to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company.

(11) The 10th extraordinary meeting of the ninth board of directors was held on 25 December 2018 for the consideration and approval of the following resolution: the resolution relating to the pre-listing of transferring 51% equity interests in Shandong Tianhai High Pressure Containers Co., Ltd. held by the Company through its subsidiary Beijing Tianhai Industry Co., Ltd.

(十) 第九屆董事會第九次臨時會議於2018年10月31日召開，審議通過如下議案：關於控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供貸款人民幣7,000萬元的議案。

(十一) 第九屆董事會第十次臨時會議於2018年12月25日召開，審議通過如下議案：公司子公司北京天海工業有限公司轉讓持有山東天海高壓容器有限公司51%股權預掛牌事宜的議案。

I. Discussion and analysis of the Board concerning the principal operation during the Reporting Period

For details, please refer to Part II of Section 5.

II. Discussion and analysis of the Board concerning the future development of the Company

1. Competition and development trend within the industry

For details, please refer to Part III of Section 5.

2. Development strategies of the Company

For details, please refer to Part III of Section 5.

3. Operating plans

For details, please refer to Part III of Section 5.

4. Fund requirement for maintaining existing business and establishing a project company in progress

The Company has no newly added large amount investment projects under construction in 2018. The outstanding project payment (for Minghui Tianhai) can be basically settled with privately-owned funds.

5. Potential risks

For details, please refer to Part III of Section 5.

III. Explanation of the Board on "Non-Standard Auditors' Report" issued by the auditors

For details, please refer to Part IV of Section 7.

IV. Profit distribution proposal or plan to convert surplus reserves into share capital

For details, please refer to Section 7.

一、董事會關於報告期內主要經營情況的討論與分析

詳見第五節第二項。

二、董事會關於公司未來發展的討論與分析

1、行業競爭格局和發展趨勢

詳見第五節第三項。

2、公司發展戰略

詳見第五節第三項。

3、經營計劃

詳見第五節第三項。

4、因維持當前業務並完成在建投資項目公司所需的資金需求

本公司在2018年度無大額新增在建投資項目，尚未支付的工程款項(明暉天海)基本可以使用自有資金予以解決。

5、可能面對的風險

詳見第五節第三項。

三、董事會對會計師事務所「非標準審計報告」的說明

詳見第七節第四項。

四、利潤分配或資本公積金轉增預案

詳見第七節。

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第六節 董事會報告

V. Financial information

1. Fixed Assets

Movements in fixed assets for the year are set out in the notes to the financial statements prepared according to the PRC Accounting Standards.

2. Construction in Progress

Particulars and movements in construction-in-progress for the year are set out in the notes to the financial statements prepared according to the PRC Accounting Standards.

3. Investments in Subsidiaries

Particulars of the subsidiaries are set out in the notes to the financial statements prepared according to the PRC Accounting Standards.

4. Interest in Associated Company

Particulars of the associated companies are set out in the notes to the financial statements prepared according to the PRC Accounting Standards.

5. Other Assets

Particulars of other assets are set out in the notes to the financial statements prepared according to the PRC Accounting Standards.

6. Reserves

Movements in reserves for the year are set out in the notes to the financial statements prepared according to the PRC Accounting Standards.

7. Bank Loan

Details of bank loans as at 31 December 2018 are set out in the notes to the financial statements prepared according to the PRC Accounting Standards.

8. Tax Relief

The Company is not aware of any relief from taxation available to shareholders by reason of their holdings in the Shares.

VI. The Company's pension scheme

In accordance with the relevant regulations of the "State Council's Decisions Regarding Reform of Employee Retirement Insurance Scheme", the Company is required to pay the PRC government an amount equivalent to 20% of the total amount of salary as the basic contribution to the Employee Retirement Insurance Scheme. In 2018, a total of RMB14.04 million was contributed to the Employee Retirement Insurance Scheme. Apart from the said contribution, the Company has no other commitments or liabilities related to pensions.

Beijing Tianhai has established enterprise annuities for its employees for the period from January 2011 to August 2014. The company bore the barber and bath fees and housing allowances for employees who retired before December 2010 at the rates of RMB50 and RMB70 to RMB90 per month respectively, totaling RMB0.84 million incurred in first half of 2018.

五、財務信息

1、固定資產

本年度內固定資產之變動情況載列於根據中國會計準則編製之會計報表附註。

2、在建工程

本年度內在建工程之資料及變動情況載列於根據中國會計準則編製之會計報表附註。

3、附屬公司投資

有關附屬公司之資料載列於根據中國會計準則編製之會計報表附註。

4、聯營公司權益

有關聯營公司之資料載列於根據中國會計準則編製之會計報表附註。

5、其他資產

有關其他資產之資料載列於根據中國會計準則編製之會計報表附註。

6、儲備

本年度內儲備之變動情況載列於根據中國會計準則編製之會計報表附註。

7、銀行貸款

於2018年12月31日之銀行貸款情況載列於根據中國會計準則編製之會計報表附註。

8、稅項減免

本公司並不知悉有任何因股東持有股份而使其獲得之稅項減免。

六、公司退休金計劃

本公司按照《國務院關於企業職工養老保險制度改革之決定》的有關規定，需繳付中國政府相等於工資總額的20%的費用，作為員工基本養老保險金。2018年基本養老保險金總支出人民幣1,404萬元。除上述費用外，本公司並無其他有關退休金的承擔或責任。

北京天海公司自2011年1月—2014年8月為員工建立了企業年金。公司為2010年12月以前退休人員負擔每月50元洗理費和70-90元住房補貼，2018年上半年支出人民幣84萬元。

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第六節 董事會報告

VII. Connected transactions

- (1) Please refer to the notes to the financial statements prepared according to the PRC Accounting Standards for the particulars of the connected transactions during the year.
- (2) Each independent non-executive director confirmed that all connected transactions were entered on the normal commercial terms in the ordinary and usual course of business of the relevant members of the Company. All the terms were either normal business terms or not less favorable than the preferential treatments offered to the third parties, and were fair and reasonable as far as the Company's shareholders were concerned.

VIII. Staff quarters

The Company did not sell any public housing flats to staff in 2018. In accordance with State policies, the Company contributed to the public housing fund on the basis for 12% of the average monthly salary of the existing employees for the previous year, which did not pose any significant impact on the Company's business performance. In accordance with the spirit of the "(2000) Jing Fang Gai Ban, Zi Document No. 080", Notice in relation to issues of the Increase in Beijing's Public Housing Rentals and Allowances, issued by the Housing Reform Office of Beijing Municipal Government, the Beijing Financial Bureau, the Beijing State Land Resources Bureau and the Housing Administration Bureau, and the Commodity Price Bureau of Beijing, as well as integrating with the Company's actual situation, the Company provided a housing allowance of RMB70 to RMB90 per month to its staff since 1 April 2000.

Beijing Tianhai established special housing subsidies for its youth and middle-aged core technical members at RMB200 to RMB2,000 per month in November 2000 and issued subsidies for housing rent to non-local employees of RMB130 to RMB300 per month.

The student's apartment was canceled and the subsidy of RMB1,000 per month was issued in May 2015.

IX. Employees' basic medical insurance

Since October 2001, the Company has been implementing the "Provision regarding Basic Medical Insurance in Beijing", and implementing employees' basic medical insurance system in accordance with the provisions. The Company is required to pay the basic medical insurance calculated as 9% of employees' total wages, and the large medical expenses mutual fund calculated as 1% of employees' total wages out of the staff welfare fund. The provision of supplementary medical insurance shall be prepared on the basis for 4% of employees' total wages for medical expenses in accordance with supplementary qualifications on reimbursement of medical insurance set out in Provision regarding Basic Medical Insurance in Beijing. The employee welfare is expensed according to actual situation with the amount in total not exceeding 14% of the total payroll of employees.

X. Annual general meeting

The Board of Directors proposed that the Annual General Meeting for 2018 to be held on Friday, 21 June 2019, for details of which please refer to the Notice of 2018 Annual General Meeting.

XI. Report on performance of social responsibility and environmental policy by the Company

For details, please refer to Part XVII of section 7

七、關聯交易

- (1) 本年度之關聯交易詳情載列於根據中國會計準則編製之會計報表附註。
- (2) 各獨立非執行董事確認所有關聯交易是按一般商業條款在本公司有關成員公司之日常及一般業務中進行，有關條款均為正常商業條款或不差於提供予第三者之優惠條款，並對本公司股東而言乃屬公平及合理。

八、員工住房

本公司2018年度未出售公有住房給予員工。公司按照國家規定為現有員工按上年月平均工資總額的12%繳納住房公積金，對公司的業績並無重大影響。根據北京市人民政府房改辦公室、北京市財政局、北京市國土資源和房屋管理局、北京市物價局(2000)京房改辦字第080號《關於北京市提高公有住房租金，增發補貼有關問題的通知》的精神，本公司結合實際情況，對公司員工自2000年4月1日發放每月70-90元住房租金補貼。

北京天海公司自2000年11月為中青年專業技術骨幹建立了特殊住房補貼，補貼標準為200-2,000元/月，向外埠員工每月發放130-300元租房補貼。

2015年5月取消大學生公寓，給予公寓人員1,000元/月補貼。

九、關於員工基本醫療保險

本公司於2001年10月起執行《北京市基本醫療保險規定》，並依此「規定」實施員工基本醫療保險。公司按照全部員工繳費工資基數之和的9%繳納基本醫療保險費；按照全部員工繳費工資基數之和的1%繳納大額醫療費用互助資金，按照員工工資總額4%從成本費用中提取補充醫療保險留在企業，用於符合《北京市基本醫療保險規定》中關於補充醫療保險報銷條件的醫療費用的支出。

十、股東周年大會

董事會擬定2019年6月21日(星期五)召開2018年年度股東大會，具體召開時間詳見2018年年度股東大會通知。

十一、積極履行社會責任的及環境政策工作情況

詳見第七節第十七項

Section 6 Report of the Directors

第六節 董事會報告

XII. Important relationships with employees, suppliers and customers

The Company looks for a long term strategic cooperation with customers and suppliers and aims to achieve good quality. The Company puts emphasis on quality and supply of goods management. It has strengthened the construction of mechanism and tightened the control over product quality and goods supply cycle. Through holding seminars with suppliers, site assessment, training and annual evaluation, the Company has innovated demanding-supplying mode and continuously improved product quality to ensure that the products meet the demand of the company and market.

XIII. Legal compliance with laws and regulations

During the Reporting Period, the Company operated strictly in compliance with laws, regulations, Articles of Association and other relevant regulatory requirements with lawful decision making procedures and discipline operation.

XIV. Management contracts

During the Reporting Period, no contract concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed.

XV. Permitted indemnity provision

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

XVI. Equity-linked agreement

Saved as disclosed above/in this annual report, no equity-linked agreement was made during the year or subsisted at the end of the year.

XVII. Distributable reserves

As at 31 December 2018, the distributable reserves of the Company which could be distributed to the shareholders of the Company amounted to RMB0.

XVIII. Donations

During the Reporting Period, the Group made donations for charitable purposes and other purposes amounting to RMB0.

XIX. Directors' rights to acquire shares or debentures

At no time during the Reporting Period was the Company, its parent company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any body corporate.

XX. Directors' interests in transactions, arrangements or contracts of significance

The Company has not entered into any transactions, arrangements or contracts of significance in which any of its directors had a material interest, whether directly or indirectly, at any time during the year.

Save for contracts amongst group companies, no other transactions, arrangements or contracts of significance to which the Company or its subsidiaries, fellow subsidiaries or its parent company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time of the year.

十二、公司與其僱員、顧客及供應商的重要關係

公司立足於與客戶及供應商之長期戰略合作，實現品質雙贏。重點圍繞質量和供貨管理，加強機制建設，加大了產品質量和供貨周期的管控力度，通過與供應商座談、現場評審、培訓和年度評價，創新供需模式，持續改進產品質量，確保產品滿足公司及市場需求。

十三、遵守法律及規例

在報告期內公司嚴格按照法律、法規、《公司章程》及其他監管規定的要求開展各項工作，決策程序合法、運作規範。

十四、管理合約

報告期內，本公司並無訂立或存在任何與本公司全部或任何重大部份業務的管理及行政有關的合約。

十五、獲准許的彌償條文

本公司已就其董事及高級管理人員可能面對因企業活動產生之法律訴訟，為董事及行政人員之職責作適當之投保安排。

十六、權益掛鈎協議

除上文／本年報所披露者外，概無權益掛鈎協議於年內訂立或於年末仍然生效。

十七、可供分派儲備

於2018年12月31日，本公司有可供分派儲備約人民幣0元，可供分派予本公司股東。

十八、捐款

報告期內，本集團作出的慈善及其他捐款之金額為人民幣0元。

十九、董事購買股份或債權證之權利

於報告期內，本公司、其母公司或其任何附屬公司或同系附屬公司均無訂立任何安排，使董事可透過收購本公司或任何企業股份或債權證而取得利益。

二十、董事於重大交易、安排或合約的權益

本公司於年內任何時間無訂立與本公司董事直接及間接擁有重大權益的重要交易、安排或合約。

除集團公司間訂立的合約外，於年末或年內任何時間概無存在本公司或其子公司、同系子公司或其母公司參與訂立且本公司董事直接或間接於其中擁有重大權益的其他重要交易、安排或合約。

Section 6 Report of the Directors

第六節 董事會報告

XXI. Environmental policies and performance

The Group is subject to certain laws, rule and regulations concerning environmental protection in the PRC including those in relation to the discharge of gaseous waste, liquid waste and solid waste, the disposal of hazardous substances and noise pollution during production.

The Group emphasizes on complying with relevant environmental laws and regulations and requires its own staff and contractors to comply with the relevant laws and regulations relating to the operation and quality of construction including environmental, labour, social and safety regulations, as well as its own standards.

The Directors believe that the Group is compliance in all material respects with applicable environmental laws and regulations in the PRC. The Group recognises environmental protection is of vital importance to the long term development of the Group. In order to minimise the environmental impact, the Group will continue to review and improve the effectiveness of its management practices from time to time.

二十一、環保政策及表現

本集團遵守部分關於中國環境保護法律、法規及法例，包括生產期間有關廢氣、液體廢物及固體廢物的排放、有害物質的處理及噪音污染。

本集團著力遵守相關環境保護法律法規，並要求員工及合約方遵守相關法律法規，例如環境保護、勞工保護、社會及安全規定以及自定義的標準。

董事會相信，本集團於各重大方面已遵守所有目前中國生效的適用環境保護法律及法規。本集團瞭解環境保護對本集團的長期發展至關重要。為盡量減輕對環境的影響，本集團將繼續不時檢討及改善管理常規的成效。

Section 7 Important Matters

第七節 重要事項

I. Profit Distribution Plan or Plan to Convert Surplus Reserves into Share Capital

(i) Formulation, implementation or adjustment of cash dividend policy

Applicable Not applicable

(ii) Dividends distribution plan or pre-arranged plan or plan or pre-arranged plan to convert surplus reserves into share capital in the previous three years (inclusive of the Reporting Period)

Year of distribution		Number of shares to be distributed for every ten shares (share)	Amount to be distributed for every ten shares (RMB) (tax inclusive)	Number of shares to be converted into share capital for every ten shares (share)	Amount of cash dividend (inclusive of tax)	Net profit attributable to ordinary shareholders of listed company in the consolidated financial statement during the year of distribution	Percentage of the net profit attributable to ordinary shareholders of the listed companies in the consolidated financial statement (%)
分紅年度		每10股送紅股數(股)	每10股派息數(元)(含稅)	每10股轉增數(股)	現金分紅的數額(含稅)	分紅年度合併報表中歸屬於上市公司普通股股東的淨利潤	佔合併報表中歸屬於上市公司普通股股東的淨利潤的比率(%)
2018	2018年	0	0	0	0	-93,936,155.30	0
2017	2017年	0	0	0	0	20,868,364.01	0
2016	2016年	0	0	0	0	-148,787,585.19	0

(iii) Repurchase of shares under cash offer included in cash dividend

Applicable Not applicable

(iv) If the Company records profits and the parent company records a positive undistributed profit during the Reporting Period but there is no resolution for cash dividend, the Company shall disclose the reasons and the usage of the undistributed profits and the usage plan in detail

Applicable Not applicable

一、普通股利潤分配或資本公積金轉增預案

(一) 現金分紅政策的制定、執行或調整情況

適用 不適用

(二) 公司近三年(含報告期)的普通股股利分配方案或預案、資本公積金轉增股本方案或預案

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

(三) 以現金方式要約回購股份計入現金分紅的情況

適用 不適用

(四) 報告期內盈利且母公司可供普通股股東分配利潤為正，但未提出普通股現金利潤分配方案預案的，公司應當詳細披露原因以及未分配利潤的用途和使用計劃

適用 不適用

Section 7 Important Matters

第七節 重要事項

II. Fulfillment of Undertakings

(i) Undertakings made by the beneficial controller, shareholders, connected persons, buyers and the relevant parties of the Company during or up to the Reporting Period

√ Applicable □ Not applicable

二、承諾事項履行情況

(一) 公司實際控制人、股東、關聯方、收購人以及公司等承諾相關方在報告期內或持續到報告期內的承諾事項

√適用 □不適用

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
承諾背景	承諾類型	承諾方	承諾內容	承諾時間及期限	是否有履行期限	是否及時嚴格履行	如未能及時履行應說明未完成履行的具體原因	如未能及時履行應說明下一步計劃
Undertaking relating to the material asset reorganisation	Settlement of connected transactions	Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder	Jingcheng Holding undertakes: "As for the connected transactions for us and the companies under our control with the Listed Company and the companies under its control that cannot be avoided or have reasonable grounds, these connected transactions will be conducted in the principles of openness, fairness and justice for market transactions at fair and reasonable prices by us and the companies under our control, and the decision-making procedures for and information disclosure obligations in respect of connected transactions will be performed in accordance the requirements of laws, regulations and regulatory documents. We warrant that we and the companies under our control will not obtain any improper benefits or subject the Listed Company or any of the companies under its control to any improper obligations by way of any connected transactions with the Listed Company or any of the companies under its control. We will indemnify the Listed Company and any of the companies under its control against any losses incurred by them as a result of any transaction with them in violation of the undertakings above."	Long term	Yes	Yes		
與重大資產重組相關的承諾	解決關聯交易	大股東北京京城機電控股有限責任公司	京城控股承諾：「就本公司及本公司控制的其他企業與上市公司及其控制的企業之間將來無法避免或有合理原因而發生的關聯交易事項，本公司及本公司控制的其他企業將遵循市場交易的公開、公平、公正的原則，按照公允、合理的市場價格進行交易，並依據有關法律、法規及規範性文件的規定履行關聯交易決策程序，依法履行信息披露義務。本公司保證本公司及本公司控制的其他企業將不通過與上市公司及其控制的企業的關聯交易取得任何不正當的利益或使上市公司及其控制的企業承擔任何不正當的義務。如違反上述承諾與上市公司及其控制的企業進行交易，而給上市公司及其控制的企業造成損失，由本公司承擔賠償責任。」	長期	是	是		

Section 7 Important Matters

第七節 重要事項

II. Fulfillment of Undertakings (Continued)

(i) Undertakings made by the beneficial controller, shareholders, connected persons, buyers and the relevant parties of the Company during or up to the Reporting Period (Continued)

二、承諾事項履行情況(續)

(一) 公司實際控制人、股東、關聯方、收購人以及公司等承諾相關方在報告期內或持續到報告期內的承諾事項(續)

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
承諾背景	承諾類型	承諾方	承諾內容	承諾時間及期限	是否有履行期限	是否及時嚴格履行	如未能及時履行應說明未完成的具體原因	如未能及時履行應說明下一步計劃
Solving the issues concerning competition in the same industry	解決同業競爭	Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder	Jingcheng Holding undertakes: "In relation to the businesses or business opportunities similar to those of the Listed Company including that we and other companies under our control anticipate or substantially in place to conduct, and assets and businesses of such businesses or business opportunities that may constitute potential competition.	Long term	Yes	Yes		
		大股東北京京城機電控股有限責任公司	京城控股承諾：「針對本公司以及本公司控制的其他企業未來擬從事或實質性獲得上市公司同類業務或商業機會，且該等業務或商業機會所形成的資產和業務與上市公司可能構成潛在同業競爭的情況。	長期	是	是		
Others		Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder	Jingcheng Holding undertakes that after the completion of this Material Asset Reorganisation, it will warrant the independence of the personnel, assets, finances, organizations, businesses of the Listed Company. Jingcheng Holding makes concrete undertaking in the areas of personnel independence, asset independence, financial independence, organizational independence, business independence. That undertaking continues to be valid, cannot be altered and is irrevocable during the period in which Jingcheng Holding is the controlling shareholder (or beneficial controller) of the Listed Company. If Jingcheng Holding is in violation of the above undertaking and causes economic losses to the Listed Company, Jingcheng Holding will compensate the Listed Company.	Long term	Yes	Yes		
	其他	大股東北京京城機電控股有限責任公司	京城控股承諾，本次重大資產重組完成後，將保證上市公司在人員、資產、財務、機構、業務等方面的獨立性。京城控股分別就人員獨立、資產獨立、財務獨立、機構獨立、業務獨立等方面作出具體的承諾。該承諾在京城控股作為上市公司的控股股東(或實際控制人)期間內持續有效且不可變更或撤銷。如違反上述承諾，並因此給上市公司造成經濟損失，京城控股將向上市公司進行賠償。	長期	是	是		

Section 7 Important Matters

第七節 重要事項

II. Fulfillment of Undertakings (Continued)

(i) Undertakings made by the beneficial controller, shareholders, connected persons, buyers and the relevant parties of the Company during or up to the Reporting Period (Continued)

二、承諾事項履行情況(續)

(一) 公司實際控制人、股東、關聯方、收購人以及公司等承諾相關方在報告期內或持續到報告期內的承諾事項(續)

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
承諾背景	承諾類型	承諾方	承諾內容	承諾時間及期限	是否有履行期限	是否及時嚴格履行	如未能及時履行應說明未完成的具體原因	如未能及時履行應說明下一步計劃
	Others	Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder	Jingcheng Holding undertakes: "1. Within 30 days from the receipt of a notice on this matter of Material Asset Reorganisation of Beiren Holdings by the creditors of Beiren Holdings, within 45 days from the date of the first announcement on this matter of Material Asset Reorganisation of Beiren Holdings in case of no receipt of the notice, if they demand Beiren Holdings to make early repayment of liabilities or provide security, and Beiren Holdings has not repaid the liabilities or provided the security, the Company undertakes that it will bear the responsibilities of making early repayment of liabilities or providing security; 2. If Beiren Holdings cannot reach the creditors, and for those creditors who have not expressed clear opinion after the receipt of the notice or the expiry of the notice period, if they have expressed clearly disagreement opinion before the completion of this Material Asset Reorganisation, and Beiren Holdings has not repaid the liabilities nor provided security upon their demand, the Company undertakes that it will bear the responsibilities of making early repayment of liabilities or providing security; 3. For those creditors that Beiren Holdings really cannot reach, and those creditors who have not yet expressed clear opinion after the receipt of the notice or the expiry of the notice period, if after the completion of this Material Asset Reorganisation, the recipient of the Outgoing Assets cannot repay its liabilities, the Company is in charge of the repayment. After the Company has been liable for guarantee responsibility and repayment responsibility, it has the right to seek repayment from the recipient of the Outgoing Assets."	Long term	Yes	Yes	As of the date of disclosure, Jingcheng Holding has urged Beiren Group to repay the liabilities and has undertaken that if Beiren Group cannot repay liabilities in time, Jingcheng Holding will be responsible for the repayment and provide guarantee. The Company has not suffered from any loss arising from claims. Jingcheng Holding has not performed any act in violation of the undertaking.	
	其他	大股東北京京城機電控股有限責任公司	京城控股承諾：「1、北人股份的債權人自接到北人股份有關本次重大資產重組事宜的通知書之日起三十日內，未接到通知書的自北人股份就其本次重大資產重組事宜首次公告之日起四十五日內，如果要求北人股份提前清償債務或提供擔保，而北人股份未清償債務或提供擔保的，本公司承諾將承擔對該等債務提前清償或提供擔保的責任；2、對於北人股份無法聯繫到的債權人，以及接到通知或公告期滿後仍未發表明確意見的債權人，如其在本次重大資產重組完成前又明確發表不同意見，而北人股份未按其要求清償債務或提供擔保的，本公司承諾將承擔對該等債務提前清償或提供擔保的責任；3、對於北人股份確實無法聯繫到的債權人，以及接到通知或公告期滿後仍未發表明確意見的債權人，如本次重大資產重組完成後，置出資產的承接主體無法清償其債務的，由本公司負責清償。本公司承擔擔保責任或清償責任後，有權對置出資產的承接主體進行追償。」	長期	是	是	截至本披露日，京城控股已督促北人集團償還債務並承諾如果北人集團沒有及時清償，京城控股將負責清償及提供擔保。本公司目前沒有因被追索而遭受損失，京城控股未出現違背承諾的行為。	

Section 7 Important Matters

第七節 重要事項

II. Fulfillment of Undertakings (Continued)

(i) Undertakings made by the beneficial controller, shareholders, connected persons, buyers and the relevant parties of the Company during or up to the Reporting Period (Continued)

二、承諾事項履行情況(續)

(一) 公司實際控制人、股東、關聯方、收購人以及公司等承諾相關方在報告期內或持續到報告期內的承諾事項(續)

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
承諾背景	承諾類型	承諾方	承諾內容	承諾時間及期限	是否有履行期限	是否及時嚴格履行	如未能及時履行應說明未完成的具體原因	如未能及時履行應說明下一步計劃
	Others	Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder	Jingcheng Holding undertakes: "If, in the future, the production workshops of Tianhai Industry in Mulin Town is needed to be relocated due to real estate problems in defects of the lease, the Company will fully compensate in cash the Listed Company after the completion of this transaction for all the losses of Tianhai Industry caused by the relocating process."	Long term	Yes	Yes		
	其他	大股東北京京城機電控股有限責任公司	京城控股承諾：「若未來天海工業木林鎮生產車間因租賃瑕疵房產的問題而導致搬遷，本公司將向本次交易完成後的上市公司全額現金賠償天海工業在搬遷過程中導致的全部損失。」	長期	是	是		
	Others	Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder	Jingcheng Holding undertakes: "The Company is fully aware of the existence of the above problems of the Outgoing Assets, and undertakes that when this reorganisation is implemented and the relevant shareholders of some of the above subsidiaries of Beiren Holdings exercise the pre-emptive right, then the Company will agree to accept the equivalent cash assets converted from the long term equity investment in the above Outgoing Assets, and will not demand to terminate or alter the Material Asset Reorganisation Agreement previously signed by all parties due to the changes in the form of the Outgoing Assets, or demand Beiren Holdings to compensate for any losses or bear any legal liabilities."	Long term	Yes	Yes		
	其他	大股東北京京城機電控股有限責任公司	京城控股承諾：「本公司已充分知悉置出資產目前存在的上述問題，並承諾若本次重組實施時北人股份上述部分下屬公司相關股東行使優先購買權，則本公司同意接受上述置出資產中的長期股權投資變更為相等價值的現金資產，不會因置出資產形式的變化要求終止或變更各方之前已簽署的重大資產置換協議或要求北人股份賠償任何損失或承擔法律責任。」	長期	是	是		

Section 7 Important Matters

第七節 重要事項

II. Fulfillment of Undertakings (Continued)

(i) Undertakings made by the beneficial controller, shareholders, connected persons, buyers and the relevant parties of the Company during or up to the Reporting Period (Continued)

二、承諾事項履行情況(續)

(一) 公司實際控制人、股東、關聯方、收購人以及公司等承諾相關方在報告期內或持續到報告期內的承諾事項(續)

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
承諾背景	承諾類型	承諾方	承諾內容	承諾時間及期限	是否有履行期限	是否及時嚴格履行	如未能及時履行應說明未完成的具體原因	如未能及時履行應說明下一步計劃
	Others	Beijing Jingcheng Machinery Electric Holding Co., Ltd., a substantial shareholder	<p>Jingcheng Holding undertakes: "The Company is fully aware of the existing defects of the Outgoing Assets, and the Company will bear any losses or legal liabilities caused by the defects of the Outgoing Assets, and will not demand Beiren Holdings to bear any losses or legal liabilities due to the defects of the Outgoing Assets, and will not unilaterally refuse to sign or request cessation, termination or change of the "Framework Agreement in relation to the Material Asset Reorganisation of Beiren Printing Machinery Holdings Limited with Beijing Jingcheng Machinery Electric Holding Co., Ltd.", the "Material Asset Reorganisation Agreement of Beiren Printing Machinery Holdings Limited with Beijing Jingcheng Machinery Electric Holding Co., Ltd. and Beiren Group Corporation" and relevant agreements due to the defects of the Outgoing Assets.</p> <p>If the consent for liabilities transfer of the creditors in respect of the relevant liabilities involved in the Outgoing Assets (including the liabilities newly arose from the benchmark date to the delivery date) was not obtained, Beiren Group Corporation shall bear all relevant obligations, responsibilities and expenses if such creditors declare rights to Beiren Holdings; Beiren Group Corporation shall make full compensation to Beiren Holdings if Beiren Holdings bear any liabilities or incurred any losses due to such liabilities recourse. The Company undertakes: the Company will be jointly liable for the compensation obligations of Beiren Group Corporation.</p>	Long term	Yes	Yes	As of the date of disclosure, Jingcheng Holding has urged Beiren Group to repay the liabilities and has undertaken that if Beiren Group cannot repay liabilities in time, Jingcheng Holding will be responsible for the repayment and provide guarantee. The Company has not suffered from any loss arising from claims. Jingcheng Holding has not performed any act in violation of the undertaking.	
	其他	大股東北京京城機電控股有限責任公司	<p>京城控股承諾：「本公司充分知悉擬置出資產目前存在的瑕疵，本公司將承擔因擬置出資產瑕疵而產生的任何損失或法律責任，不會因擬置出資產瑕疵要求北人股份承擔任何損失或法律責任，亦不會因擬置出資產瑕疵單方面拒絕簽署或要求終止、解除、變更《北人印刷機械股份有限公司與北京京城機電控股有限責任公司關於重大資產置換的框架協議》、《北人印刷機械股份有限公司與北京京城機電控股有限責任公司及北人集團公司之重大資產置換協議》及相關協議。</p> <p>如果擬置出資產中所涉及的相關負債(包括自基準日到交割日間新產生的負債)，未取得債權人對債務轉移的同意，該等債權人向北人股份主張權利的，由北人集團公司承擔與此相關的一切義務、責任及費用；如果北人股份因該等債權追索承擔了任何責任或遭受了任何損失的，由北人集團公司向北人股份作出全額補償。本公司承諾：本公司將對北人集團公司的該等補償責任承擔連帶責任。」</p>	長期	是	是	截至本披露日，京城控股已督促北人集團償還債務並承諾如果北人集團沒有及時清償，京城控股將負責清償及提供擔保。本公司目前沒有因被追索而遭受損失，京城控股未出現違背該承諾的行為。	

Section 7 Important Matters

第七節 重要事項

II. Fulfillment of Undertakings (Continued)

(i) Undertakings made by the beneficial controller, shareholders, connected persons, buyers and the relevant parties of the Company during or up to the Reporting Period (Continued)

二、承諾事項履行情況(續)

(一) 公司實際控制人、股東、關聯方、收購人以及公司等承諾相關方在報告期內或持續到報告期內的承諾事項(續)

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
承諾背景	承諾類型	承諾方	承諾內容	承諾時間及期限	是否有履行期限	是否及時嚴格履行	如未能及時履行應說明未完成履行的具體原因	如未能及時履行應說明下一步計劃
	Others	Recipient of the Outgoing Assets (Beiren Group)	<p>Beiren Group undertakes: "The Company is fully aware of the existing defects of the Outgoing Assets, and the Company will bear any losses or legal liabilities caused by the defects of the Outgoing Assets, and will not demand Beiren Holdings to bear any losses or legal liabilities due to the defects of the Outgoing Assets.</p> <p>If the consent for liabilities transfer of the creditors in respect of the relevant liabilities involved in the Outgoing Assets (including the liabilities newly arose from the benchmark date to the delivery date) was not obtained, Company shall bear all relevant obligations, responsibilities and expenses if such creditors declare rights to Beiren Holdings; the Company shall make full compensation to Beiren Holdings if Beiren Holdings bear any liabilities or incurred any losses due to such liabilities recourse."</p>	Long term	Yes	Yes	As of the date of disclosure, Jingcheng Holding has urged Beiren Group to repay the liabilities and has undertaken that if Beiren Group cannot repay liabilities in time, Jingcheng Holding will be responsible for the repayment and provide guarantee. The Company has not suffered from any loss arising from claims. Jingcheng Holding has not performed any act in violation of the undertaking.	
	其他	置出資產承接主體(北人集團)	<p>北人集團承諾：「本公司充分知悉擬置出資產目前存在的瑕疵，本公司將承擔因擬置出資產瑕疵而產生的任何損失或法律責任，不會因擬置出資產瑕疵要求北人股份承擔任何損失或法律責任。</p> <p>如果擬置出資產中所涉及的相關負債(包括自基準日到交割日間新產生的負債)，未取得債權人對債務轉移的同意，該等債權人向北人股份主張權利的，由本公司承擔與此相關的一切義務、責任及費用；如果北人股份因該等債權追索承擔了任何責任或遭受了任何損失的，由本公司向北人股份作出全額補償。」</p>	長期	是	是	截至本披露日，京城控股已督促北人集團償還債務並承諾如果北人集團沒有及時清償，京城控股將負責清償及提供擔保。本公司目前沒有因被追索而遭受損失，京城控股未出現違背該承諾的行為。	

Section 7 Important Matters

第七節 重要事項

II. Fulfillment of Undertakings (Continued)

(i) Undertakings made by the beneficial controller, shareholders, connected persons, buyers and the relevant parties of the Company during or up to the Reporting Period (Continued)

二、承諾事項履行情況(續)

(一) 公司實際控制人、股東、關聯方、收購人以及公司等承諾相關方在報告期內或持續到報告期內的承諾事項(續)

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
承諾背景	承諾類型	承諾方	承諾內容	承諾時間及期限	是否有履行期限	是否及時嚴格履行	如未能及時履行應說明未完成的具體原因	如未能及時履行應說明下一步計劃
	Others	Recipient of the Outgoing Assets (Beiren Group)	Beiren Group undertakes: "The Company is fully aware of the existence of the above problems of the Outgoing Assets, and undertakes that when this reorganisation is implemented and the relevant shareholders of some of the above subsidiaries of Beiren Holdings exercise the pre-emptive right, then the Company will agree to accept the equivalent cash assets converted from the long term equity investment in the above Outgoing Assets, and will not demand to terminate or alter the Material Asset Reorganisation Agreement previously signed by all parties due to the changes in the form of the Outgoing Assets, or demand Beiren Holdings to compensate for any losses or bear any legal liabilities."	Long term	Yes	Yes		
	其他	置出資產承接主體(北人集團)	北人集團承諾：「本公司已充分知悉置出資產目前存在的上述問題，並承諾若本次重組實施時北人股份上述部分下屬公司相關股東行使優先購買權，則本公司同意接受上述置出資產中的長期股權投資變更為相等價值的現金資產，不會因置出資產形式的變化要求終止或變更各方之前已簽署的重大資產置換協議或要求北人股份賠償任何損失或承擔法律責任。」	長期	是	是		

Section 7 Important Matters

第七節 重要事項

II. Fulfillment of Undertakings (Continued)

(ii) There have been profit forecast for the assets or projects of the Company and the Reporting Period is still in the period of profit forecast, explanations as to whether the profit forecast has been met and its reasons

Yes No Not applicable

(iii) Completion of results undertakings and the impact on goodwill impairment testing

Applicable Not Applicable

III. Embezzlement of funds and repayment of debt during the Reporting Period

Applicable Not applicable

IV. Explanation of the Company on “Non-Standard Auditors’ Report” issued by the auditors

Applicable Not applicable

V. Analysis and explanation of the Company on the reasons and impact of the change in accounting policy, accounting estimates or correction of significant accounting errors

(i) Analysis and explanation of the Company on the reasons and impact of the change in accounting policy and accounting estimates

Applicable Not applicable

(1) Changes in significant accounting policies

In accordance with the Notice on Revising and Issuing the Format of Financial Statements of General Enterprises for the year 2018 (Cai Kuai [2018] No.15) promulgated by the Ministry of Finance, which revised the presentation format of financial statements of general enterprises in respect of the implementation of the new financial standards or new income standards by stages since 1 January 2018. The Group has implemented the Notice as required and adjusted the comparative financial statements in accordance with the convergence requirements of the Notice.

二、承諾事項履行情況(續)

(二) 公司資產或項目存在盈利預測，且報告期仍處在盈利預測期間，公司就資產或項目是否達到原盈利預測及其原因作出說明

已達到 未達到 不適用

(三) 業績承諾的完成情況及其對商譽減值測試的影響

適用 不適用

三、報告期內資金被佔用情況及清欠進展情況

適用 不適用

四、公司對會計師事務所「非標準意見審計報告」的說明

適用 不適用

五、公司對會計政策、會計估計變更或重大會計差錯更正原因和影響的分析說明

(一) 公司對會計政策、會計估計變更原因及影響的分析說明

適用 不適用

(1) 重要會計政策變更

根據財政部《關於修訂印發2018年度一般企業財務報表格式的通知》(財會[2018]15號)，針對2018年1月1日起分階段實施新金融準則或新收入準則的有關情況，對一般企業財務報表格式進行了修訂。本集團已按要求執行該通知，並按照通知的銜接規定對比較財務報表進行調整。

Section 7 Important Matters

第七節 重要事項

V. Analysis and explanation of the Company on the reasons and impact of the change in accounting policy, accounting estimates or correction of significant accounting errors (Continued)

(i) Analysis and explanation of the Company on the reasons and impact of the change in accounting policy and accounting estimates (Continued)

(2) The initial implementation of new financial instruments standards or the initial implementation of new revenue standards adjustment to the relevant items of the opening financial statements of the current year

The Ministry of Finance revised and issued Accounting Standard for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement (Cai Kuai [2017] No. 7), Accounting Standard for Business Enterprises No. 23-Transfer of Financial Assets (Cai Kuai [2017] No. 8), Accounting Standard for Business Enterprises No. 37-Presentation of Financial Instruments (Cai Kuai [2017] No. 14) and Accounting Standard for Business Enterprises No. 24 – Hedging (Cai Kuai [2017] No. 9) in 2017, and was effective from 1 January 2018. The Ministry of Finance revised Accounting Standard for Business Enterprises No. 14 – Revenue (Cai Kuai [2017] No. 22) in July 2017. The Group is listed on both the domestic and overseas markets, and has adopted the relevant accounting standards and adjusted the comparative financial statements in accordance with the relevant convergence requirements

The description of initial implementation of new financial instruments standards and the initial implementation of new revenue standards adjustment to the relevant items of the opening financial statements of the current year are as follows:

五、公司對會計政策、會計估計變更或重大會計差錯更正原因和影響的分析說明(續)

(一) 公司對會計政策、會計估計變更原因及影響的分析說明(續)

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年年初財務報表相關項目情況

財政部於2017年陸續修訂印發了《企業會計準則第22號—金融工具確認和計量》(財會[2017]7號)、《企業會計準則第23號—金融資產轉移》(財會[2017]8號)、《企業會計準則第37號—金融工具列報》(財會[2017]14號)和《企業會計準則第24號—套期會計》(財會[2017]9號)，自2018年1月1日起施行。財政部於2017年7月修訂印發了《企業會計準則第14號—收入》(財會[2017]22號)，本集團屬於在境內外同時上市的企業，在編製2018年度財務報表時，執行了相關會計準則，並按照有關的銜接規定進行了處理。

首次執行新金融工具準則、新收入準則調整首次執行當年年初財務報表相關項目說明如下：

Item	項目	31 December 2017 2017年12月31日	1 January 2018 2018年1月1日	Adjustment 調整數
Current assets:	流動資產：			
Cash at bank and on hand	貨幣資金	78,367,503.16	78,367,503.16	0.00
Settlement reserve	結算備付金			
Loans to banks and other financial institutions	拆出資金			
Financial assets held for trading	交易性金融資產	Not applicable 不適用		
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產		Not applicable 不適用	
Derivative financial assets	衍生金融資產			
Notes receivable and accounts receivable	應收票據及應收賬款	382,745,366.93	366,466,332.94	-16,279,033.99
Including: Notes receivable	其中：應收票據	27,812,323.12	27,812,323.12	0.00
Accounts receivable	應收賬款	354,933,043.81	338,654,009.82	-16,279,033.99
Advances to suppliers	預付款項	49,912,905.26	49,912,905.26	0.00
Premiums receivable	應收保費			
Reinsurance premium receivable	應收分保賬款			
Reinsurance contract reserves receivable	應收分保合同準備金			
Other receivables	其他應收款	12,891,300.46	12,982,849.89	91,549.43
Including: Interests receivable	其中：應收利息	0.00	0.00	0.00
Dividends receivable	應收股利	8,756,869.09	8,756,869.09	0.00
Financial assets purchased under agreements to resell	買入返售金融資產			
Inventories	存貨	389,219,002.78	389,219,002.78	0.00
Contractual assets	合同資產	Not applicable 不適用		

Section 7 Important Matters

第七節 重要事項

V. Analysis and explanation of the Company on the reasons and impact of the change in accounting policy, accounting estimates or correction of significant accounting errors (Continued)

五、公司對會計政策、會計估計變更或重大會計差錯更正原因和影響的分析說明(續)

(i) Analysis and explanation of the Company on the reasons and impact of the change in accounting policy and accounting estimates (Continued)

(一) 公司對會計政策、會計估計變更原因及影響的分析說明(續)

(2) The initial implementation of new financial instruments standards or the initial implementation of new revenue standards adjustment to the relevant items of the opening financial statements of the current year (Continued)

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年年初財務報表相關項目情況(續)

Item	項目	31 December 2017 2017年12月31日	1 January 2018 2018年1月1日	Adjustment 調整數
Assets held for sale	持有待售資產			
Non-current assets due within one year	一年內到期的非流動資產			
Other current assets	其他流動資產	56,240,621.78	56,240,621.78	0.00
Total current assets	流動資產合計	969,376,700.37	953,189,215.81	-16,187,484.56
Non-current assets:	非流動資產：			
Loans and advances	發放貸款和墊款			
Debt investments	債權投資	Not applicable		
		不適用		
Available-for-sale financial assets	可供出售金融資產		Not applicable	
			不適用	
Other debt investments	其他債權投資	Not applicable		
		不適用		
Held-to-maturity investments	持有至到期投資		Not applicable	
			不適用	
Long-term receivables	長期應收款			
Long-term equity investments	長期股權投資	71,694,482.47	71,694,482.47	0.00
Other equity instruments investments	其他權益工具投資	Not applicable		
		不適用		
Other non-current financial investments	其他非流動金融資產	Not applicable		
		不適用		
Investment properties	投資性房地產			
Fixed assets	固定資產	657,289,324.75	657,289,324.75	0.00
Construction in progress	在建工程	68,468,558.01	68,468,558.01	0.00
Bearer biological assets	生產性生物資產			
Oil and gas assets	油氣資產			
Intangible assets	無形資產	139,749,967.30	139,749,967.30	0.00
Development expenditures	開發支出			
Goodwill	商譽	3,679,654.40	3,679,654.40	0.00
Long-term deferred expenses	長期待攤費用	14,514,756.50	14,514,756.50	0.00
Deferred income tax assets	遞延所得稅資產	288,577.32	288,189.68	-387.64
Other non-current assets	其他非流動資產			
Total non-current assets	非流動資產合計	955,685,320.75	955,684,933.11	-387.64
Total assets	資產總計	1,925,062,021.12	1,908,874,148.92	-16,187,872.20
Current liabilities:	流動負債：			
Short-term borrowings	短期借款	285,000,000.00	285,000,000.00	0.00
Borrowings from the central bank	向中央銀行借款			
Deposits and placements from other financial institutions	吸收存款及同業存放			
Placements from banks and other financial institutions	拆入資金			
Financial liabilities held for trading	交易性金融負債	Not applicable		
		不適用		
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債		Not applicable	
			不適用	
Derivative financial liabilities	衍生金融負債			
Notes payable and accounts payable	應付票據及應付帳款	260,850,663.86	260,850,663.86	0.00
Advances from customers	預收款項	45,878,250.70	0.00	-45,878,250.70

Section 7 Important Matters

第七節 重要事項

V. Analysis and explanation of the Company on the reasons and impact of the change in accounting policy, accounting estimates or correction of significant accounting errors (Continued)

五、公司對會計政策、會計估計變更或重大會計差錯更正原因和影響的分析說明(續)

(i) Analysis and explanation of the Company on the reasons and impact of the change in accounting policy and accounting estimates (Continued)

(一) 公司對會計政策、會計估計變更原因及影響的分析說明(續)

(2) The initial implementation of new financial instruments standards or the initial implementation of new revenue standards adjustment to the relevant items of the opening financial statements of the current year (Continued)

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年初財務報表相關項目情況(續)

Item	項目	31 December 2017 2017年12月31日	1 January 2018 2018年1月1日	Adjustment 調整數
Contractual liabilities	合同負債	不適用	45,878,250.70	45,878,250.70
Financial assets sold under agreements to repurchase	賣出回購金融資產款			
Fees and commissions payable	應付手續費及佣金			
Employee benefits payable	應付職工薪酬	36,862,542.56	36,862,542.56	0.00
Taxes payable	應交稅費	16,683,209.97	16,683,209.97	0.00
Other payables	其他應付款	90,988,717.35	90,988,717.35	0.00
Including: Interest payable	其中：應付利息	446,534.71	446,534.71	0.00
Dividends payable	應付股利	0.00	0.00	0.00
Reinsurance amounts payable	應付分保賬款			
Securities brokering	代理買賣證券款			
Securities underwriting	代理承銷證券款			
Liabilities held for sale	持有待售負債			
Non-current liabilities due within one year	一年內到期的非流動負債	11,000,000.00	11,000,000.00	0.00
Other current liabilities	其他流動負債	5,380,893.08	5,380,893.08	0.00
Total current liabilities	流動負債合計	752,644,277.52	752,644,277.52	0.00
Non-current liabilities:	非流動負債：			
Reserve of Insurance Contract	保險合同準備金			
Long-term borrowings	長期借款	5,060,000.00	5,060,000.00	0.00
Bonds payable	應付債券			
Including: Preferred shares	其中：優先股			
Perpetual bond	永續債			
Long-term payables	長期應付款	103,900,000.00	103,900,000.00	0.00
Long-term employee benefits payable	長期應付職工薪酬	32,871,892.94	32,871,892.94	0.00
Provisions	預計負債	4,243,554.25	4,243,554.25	0.00
Deferred incomes	遞延收益	2,000,000.00	2,000,000.00	0.00
Deferred income tax liabilities	遞延所得稅負債			
Other non-current liabilities	其他非流動負債			
Total non-current liabilities	非流動負債合計	148,075,447.19	148,075,447.19	0.00
Total liabilities	負債合計	900,719,724.71	900,719,724.71	0.00
Owners' equity:	所有者權益：			
Capital stock	股本	422,000,000.00	422,000,000.00	0.00
Other equity instruments	其他權益工具			
Including: Preferred shares	其中：優先股			
Perpetual bond	永續債			
Capital reserves	資本公積	687,349,089.60	687,349,089.60	0.00
Less: treasury stocks	減：庫存股			
Other comprehensive incomes	其他綜合收益	1,154,074.87	1,154,074.87	0.00
Special reserves	專項儲備			
Surplus reserves	盈餘公積	45,665,647.68	45,665,647.68	0.00
Provisions for general risk	一般風險準備			
Undistributed profit	未分配利潤	-567,793,525.60	-584,245,058.29	-16,451,532.69
Total shareholders' equity attributable to parent company	歸屬於母公司所有者權益合計	588,375,286.55	571,923,753.86	-16,451,532.69
Non-controlling interest	少數股東權益	435,967,009.86	436,230,670.35	263,660.49
Total owners' equity	所有者權益合計	1,024,342,296.41	1,008,154,424.21	-16,187,872.20
Total liabilities and owners' equity	負債和所有者權益總計	1,925,062,021.12	1,908,874,148.92	-16,187,872.20

Section 7 Important Matters

第七節 重要事項

V. Analysis and explanation of the Company on the reasons and impact of the change in accounting policy, accounting estimates or correction of significant accounting errors (Continued)

(i) Analysis and explanation of the Company on the reasons and impact of the change in accounting policy and accounting estimates (Continued)

(2) The initial implementation of new financial instruments standards or the initial implementation of new revenue standards adjustment to the relevant items of the opening financial statements of the current year (Continued)

Note 1: The adjustments to the consolidated balance sheet of the Group adjusted the impact of impairment provision for receivables and deferred income tax assets accordingly to the losses provisions of receivables (including bills receivable, accounts receivable, interest receivable, dividends receivable, other receivables) measured in accordance to the expected credit loss model due to the implementation of the new financial instrument standards.

Note 2: Due to the implementation of the new revenue standards, the Group will adjust the amount received before the transfer of the promised goods transferred from "Advances from customers" to "Contractual liabilities" after the date of the contract entered between the Group and the customers.

(ii) Analysis and explanation of the Company on the reasons and impact of the correction of significant accounting errors

Applicable Not applicable

(iii) Communication with previous accounting firm

Applicable Not applicable

(iv) Other descriptions

Applicable Not applicable

五、公司對會計政策、會計估計變更或重大會計差錯更正原因和影響的分析說明(續)

(一) 公司對會計政策、會計估計變更原因及影響的分析說明(續)

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年初財務報表相關項目情況(續)

註1：本集團合併資產負債表調整系因執行新金融工具準則，按照預期信用損失模型計量應收款項(包括應收票據、應收賬款、應收利息、應收股利、其他應收款)的損失準備，相應調整應收款項減值準備和遞延所得稅資產的影響。

註2：本集團因執行新收入準則，在本集團與客戶訂立的合同開始日後，將在轉讓承諾的商品之前已收取的款項從「預收賬款」調整至「合同負債」核算。

(二) 公司對重大會計差錯更正原因及影響的分析說明

適用 不適用

(三) 與前任會計師事務所進行的溝通情況

適用 不適用

(四) 其他說明

適用 不適用

Section 7 Important Matters

第七節 重要事項

VI. Appointment and dismissal of accounting firms 六、聘任、解聘會計師事務所情況

Unit: Ten Thousand Yuan Currency: RMB
單位：元 幣種：人民幣

Currently appointed 現聘任	
Name of domestic accounting firm 境內會計師事務所名稱	ShineWing Certified Public Accountants LLP 信永中和會計師事務所(特殊普通合夥)
Compensation of domestic accounting firm 境內會計師事務所報酬	0.90 million 90萬
Number of years of audit by domestic accounting firm 境內會計師事務所審計年限	12 12

	Name 名稱	Compensation 報酬
Accounting firm for internal control audit 內部控制審計會計師事務所	Da Hua Certified Public Accountants (Special General Partnership) 大華會計師事務所(特殊普通合夥)	0.308 million 30.8萬

Description of appointment and dismissal of accounting firms

Applicable Not applicable

There has been no change to ShineWing Certified Public Accountants LLP for audit of domestic financial reports and Da Hua Certified Public Accountants (Special General Partnership) for audit of internal control reports engaged by the Company.

聘任、解聘會計師事務所的情況說明

適用 不適用

公司聘任的負責境內財務報告審計的信永中和會計師事務所(特殊普通合夥)和負責內控報告審計的大華會計師事務所(特殊普通合夥)均未發生變更。

Description of change of accounting firms during the audit period

Applicable Not applicable

審計期間改聘會計師事務所的情況說明

適用 不適用

VII. Risk for suspended listing

(i) Risk for possible suspending listing

Applicable Not Applicable

(ii) Countermeasures to be adopted by the Company

Applicable Not Applicable

七、面臨暫停上市風險的情況

(一) 導致暫停上市的原因

適用 不適用

(二) 公司擬採取的應對措施

適用 不適用

VIII. Possible termination of listing and reason thereof

Applicable Not applicable

八、面臨終止上市的情況和原因

適用 不適用

IX. Matters relating to bankruptcy and reorganization

Applicable Not applicable

九、破產重整相關事項

適用 不適用

X. Material litigations and arbitrations

The Company has material litigations and arbitrations during the year
 The Company has no material litigations or arbitrations during the year

十、重大訴訟、仲裁事項

本年度公司有重大訴訟、仲裁事項
 本年度公司無重大訴訟、仲裁事項

Section 7 Important Matters

第七節 重要事項

XI. Punishment and Rectification against Listed Company and its Directors, Supervisors, Senior Management, Controlling Shareholders, Beneficial Controller and Buyer

Applicable Not applicable

十一、上市公司及其董事、監事、高級管理人員、控股股東、實際控制人、收購人處罰及整改情況

適用 不適用

XII. Description of the reputation of the Company and its controlling shareholders, beneficial controller during the Reporting Period

Applicable Not applicable

During the Reporting Period, the Company and the controlling shareholders had good reputation.

十二、報告期內公司及其控股股東、實際控制人誠信狀況的說明

適用 不適用

報告期內，公司及控股股東誠信狀況良好。

XIII. Share incentive scheme, employee share scheme or other incentive measures for employees and their impacts

(i) Incentives disclosed in extraordinary announcements without progress or change in the follow-up implementation

Applicable Not applicable

十三、公司股權激勵計劃、員工持股計劃或其他員工激勵措施的情況及其影響

(一) 相關激勵事項已在臨時公告披露且後續實施無進展或變化的

適用 不適用

(ii) Incentives not disclosed in extraordinary announcements or with progress in the follow-up implementation

Share incentive

Applicable Not applicable

Other descriptions

Applicable Not applicable

Employee share scheme

Applicable Not applicable

Other incentive measures

Applicable Not applicable

(二) 臨時公告未披露或有後續進展的激勵情況

股權激勵情況

適用 不適用

其他說明

適用 不適用

員工持股計劃情況

適用 不適用

其他激勵措施

適用 不適用

XIV. Material connected transactions

(i) Connected transactions related to daily operation

1. Matters disclosed in extraordinary announcements without progress or change in the follow-up implementation

Applicable Not applicable

2. Matters disclosed in extraordinary announcements with progress or change in the follow-up implementation

Applicable Not applicable

3. Matters which were not disclosed in extraordinary announcements

Applicable Not applicable

十四、重大關連交易

(一) 與日常經營相關的關聯交易

1、已在臨時公告披露且後續實施無進展或變化的事項

適用 不適用

2、已在臨時公告披露，但有後續實施的進展或變化的事項

適用 不適用

3、臨時公告未披露的事項

適用 不適用

Section 7 Important Matters

第七節 重要事項

XIV. Material connected transactions (Continued)

(ii) Connected transactions in relation to the acquisition or disposal of assets or equity interests

1. **Matters disclosed in extraordinary announcements without progress or change in the follow-up implementation**
 Applicable Not applicable
2. **Matters disclosed in extraordinary announcements with progress or change in the follow-up implementation**
 Applicable Not applicable
3. **Matters which were not disclosed in extraordinary announcements**
 Applicable Not applicable
4. **Results which are relating to result agreements and shall be disclosed for the Reporting Period**
 Applicable Not applicable

(iii) Material connected transactions relating to common external investments

1. **Matters disclosed in extraordinary announcements without progress or change in the follow-up implementation**
 Applicable Not applicable
2. **Matters disclosed in extraordinary announcements with progress or change in the follow-up implementation**
 Applicable Not applicable
3. **Matters which were not disclosed in extraordinary announcements**
 Applicable Not applicable

十四、重大關連交易(續)

(二) 資產或股權收購、出售發生的關聯交易

- 1、已在臨時公告披露且後續實施無進展或變化的事項
 適用 不適用
- 2、已在臨時公告披露，但有後續實施的進展或變化的事項
 適用 不適用
- 3、臨時公告未披露的事項
 適用 不適用
- 4、涉及業績約定的，應當披露報告期內的業績實現情況
 適用 不適用

(三) 共同對外投資的重大關聯交易

- 1、已在臨時公告披露且後續實施無進展或變化的事項
 適用 不適用
- 2、已在臨時公告披露，但有後續實施的進展或變化的事項
 適用 不適用
- 3、臨時公告未披露的事項
 適用 不適用

Section 7 Important Matters

第七節 重要事項

XIV. Material connected transactions (Continued)

(iv) Related creditor's right and debt transactions

- Matters disclosed in extraordinary announcements without progress or change in the follow-up implementation**
 Applicable Not applicable
- Matters disclosed in extraordinary announcements with progress or change in the follow-up implementation**
 Applicable Not applicable
- Matters which were not disclosed in extraordinary announcements**
 Applicable Not applicable

十四、重大關連交易(續)

(四) 關聯債權債務往來

- 已在臨時公告披露且後續實施無進展或變化的事項
 適用 不適用
- 已在臨時公告披露，但有後續實施的進展或變化的事項
 適用 不適用
- 臨時公告未披露的事項
 適用 不適用

Unit: Yuan Currency: RMB
 單位：元 幣種：人民幣

Related party 關聯方	Relationship 關聯關係	Provision of funding to related party 向關聯方提供資金			Provision of funding by related party to listed company 關聯方向上市公司提供資金		
		Beginning balance 期初餘額	Amount occurred 發生額	Ending balance 期末餘額	Beginning balance 期初餘額	Amount occurred 發生額	Ending balance 期末餘額
Shandong Tianhai High Pressure Containers Co., Ltd. 山東天海高壓容器有限公司	Joint venture 合營公司	10,625,105.09	-2,049,383.55	8,575,721.54	1,580,792.28	-1,580,792.28	
Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	Associate 聯營公司	13,664,365.94	-7,657,044.03	6,007,321.91	5,191,239.08	-4,365,921.80	825,317.28
Beijing Jingcheng Industrial Logistics Co., Ltd. 北京京城工業物流有限公司	Wholly-owned subsidiary of parent company 母公司的控股子公司				1,202,227.27	-300,000.00	902,227.27
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城控股有限責任公司	Controlling Shareholder(s) 控股股東				164,900,000.00	2,233,297.95	167,133,297.95
Beijing No. 1 Machine Tool 北京第一機床廠	Wholly-owned subsidiary of parent company 母公司的全資子公司				395,000.00	92,359.09	487,359.09
Beijing Jingcheng Haitong Technology Culture Development Co., Ltd. 北京京城海通科技文化發展有限公司	Associate 聯營公司		5,402,186.13	5,402,186.13		39,200,000.00	39,200,000.00
Tianjin Steel Pipe and Steel Trade Co., Ltd. 天津鋼管鋼鐵貿易有限公司	Other related party 其他關聯人		7,711,724.37	7,711,724.37	4,060,722.44	-4,060,722.44	
Tianjin Seamless Investment Co. Ltd. 天津大無縫投資有限責任公司	Other related party 其他關聯人				1,745,879.83	2,548,489.59	4,294,369.42
Total 合計		24,289,471.03	3,407,482.92	27,696,953.95	179,075,860.90	33,766,710.11	212,842,571.01

Reasons for occurrence of related creditor's right and debt transactions 關聯債權債務形成原因	Under normal operation 正常經營
Effects of related creditors' rights and debts on the Company 關聯債權債務對公司的影響	None 無

Section 7 Important Matters

第七節 重要事項

XIV. Material connected transactions (Continued)

(v) Others

Applicable Not applicable

As at 31 December 2018, the Group has entered into connected transactions with the following entities which was regarded as the connected persons of the Company according to the Hong Kong Listing Rules:

- (1) Beijing Kerui Nike Science Trading Co., Ltd. ("Kerui Nike") is a substantial shareholder of Tianhai Cryogenic, holding 25% interest in Tianhai Cryogenic. Tianhai Cryogenic is an indirect non wholly-owned subsidiary of the Company. As such, Kerui Nike is a connected person of the Company.
- (2) Tianhai Seamless is a controlling shareholder of Tianjin Tianhai holding 45% interest in Tianjin Tianhai. Both Tianhai Seamless and Tianjin Pipe are the wholly-owned subsidiaries of Tianjin Pipe Group. Therefore, Tianjin Pipe is an associate of Tianjin Seamless and also a connected person of the Company.

The details of the connected transaction and the continuing connected transaction for the year ended 31 December 2018 were set out below:

Connected transactions

- (1) On 15 January 2015, Tianhai Cryogenic, an indirect non wholly-owned subsidiary of the Company, as the transferee and Kerui Nike as the transferor entered into the Technology Transfer Agreement pursuant to which Tianhai Cryogenic will purchase from Kerui Nike the special technology ownership in design, manufacturing technology and patent application rights for the cryogenic tank equipment with volume over 100m³. This transaction is made for the purpose of the steady development of Tianhai Cryogenic, upgrading the product and increasing the core competitiveness. The total consideration for the Technology Transfer Agreement is RMB20,000,000. The material terms of the Technology Transfer Agreement are that Kerui Nike will sell the design and manufacturing technology for the cryogenic tank equipment with volume over 100m³ to Tianhai Cryogenic. Kerui Nike guaranteed that the transfer of Cryogenic Tank Technology will be completed before 31 December 2019. After the technical information in relation to the cryogenic tank equipment with volume over 100m³ are delivered to the project inspection team of Tianhai Cryogenic, Tianhai Cryogenic will pay the consideration to Kerui Nike under the Technology Transfer Agreement in five years by yearly installments of RMB4,000,000 each.

十四、重大關連交易(續)

(五) 其他

適用 不適用

截至2018年12月31日，本集團已與下列根據上市規則被視為本公司關連人士的實體訂立關連交易。

- (1) 北京柯瑞尼克科貿有限公司(以下簡稱「科瑞尼克」)為天海低溫的主要股東，擁有天海低溫的25%權益。天海低溫為本公司的間接非全資附屬公司，因此科瑞尼克為本公司關連人士。
- (2) 天津大無縫為天津天海的控股股東，持有天津天海45%權益。天津大無縫及天津鋼管均為天津鋼管集團的全資附屬公司。因此，天津鋼管為天津大無縫的聯繫人及本公司關連人士。

截至2018年12月31日止年度的關連交易及持續關連交易詳情載列如下：

關連交易

- (1) 2015年1月15日，本公司間接非全資附屬公司天海低溫(作為承讓人)與科瑞尼克(作為轉讓人)訂立技術轉讓合同，據此，天海低溫將向科瑞尼克購買100立方米以上低溫儲罐設備的設計及製造技術的特別技術擁有權及專利申請權。本次交易的目的是為了天海低溫穩步發展，提升產品檔次，增強核心競爭力。技術轉讓合同的總代價為人民幣20,000,000元。轉讓的主要條款，科瑞尼克向天海低溫出售100立方米以上的低溫儲罐設備的設計及製造技術。科瑞尼克保證，低溫技術於2019年12月31日前完成轉讓。有關100立方米以上的低溫儲罐設備的技術資料交付天海低溫的項目驗收小組後，天海低溫將根據技術轉讓合同向科瑞尼克支付代價，於五年內每年支付人民幣4,000,000元。

Section 7 Important Matters

第七節 重要事項

XIV. Material connected transactions (Continued)

(v) Others (Continued)

Continuing connected transactions

On 28 April 2017, Tianjin Tianhai and Kuancheng Tianhai, both wholly-owned subsidiaries of the Company, entered into the Gas Cylinder Pipe Sale and Purchase Framework Agreements with Tianjin Pipe, pursuant to which the caps of Tianjin Tianhai and Kuancheng Tianhai for procurement of gas cylinder pipes from Tianjin Pipe for a term of 3 years commencing from 1 January 2017 to 31 December 2019 are RMB300 million and RMB200 million respectively. Supplementary agreements shall be entered by the parties for the amount exceeded the caps. The supplementary agreements shall have the same effect of the Agreements. On 26 June 2017, the resolution on the entering into the Gas Cylinder Pipe Sale and Purchase Framework Agreements and the continuing connected transactions between Tianjin Tianhai High Pressure Containers Co., Ltd. and Tianjin Pipe Steel Trade Co., Ltd. and between Kuancheng Tianhai Pressure Containers Co., Ltd. and Tianjin Pipe Steel Trade Co., Ltd. was considered and approved at the annual general meeting.

During the Reporting Period, the above continuing connected transactions were carried out in accordance with the above agreements. The independent non-executive directors have reviewed each continuing connected transaction and confirmed that:

- (1) it was entered into by the Group in the ordinary and usual course of business;
- (2) it was entered into on normal commercial terms;
- (3) it was carried out in accordance with the terms of the relevant transaction agreement, which were fair and reasonable and in the interests of the Company's shareholders as a whole.

The auditors have issued letters without reservation in relation to the disclosed continuing connected transactions of the Group during the Reporting Period in accordance with Rule 14A.56 of the Hong Kong Listing Rules, which contain their findings and conclusions.

Such transactions were entered into in the ordinary and usual course of business of the Group, which were necessary for and continued during the operation of the Company. Also, such connected transactions would in no way affect the independence of the Company and harm the interests of the Company and shareholders, and in particular, the medium-sized shareholders and the minority shareholders.

Save as disclosed above, the Directors consider that those related transactions disclosed in Note X to the financial statements did not fall under the definition of "connected transactions" or "continuing connected transactions" in Chapter 14A of the Hong Kong Listing Rules.

十四、重大關連交易(續)

(五) 其他(續)

持續關連交易

2017年4月28日，本公司的附屬公司天津天海、寬城天海分別與天津鋼管訂立氣瓶管購銷框架合同，據此自2017年1月1日至2019年12月31日止三年期內，天津天海向天津鋼管採購氣瓶管的金額上限為3億元人民幣，寬城天海向天津鋼管採購氣瓶管的金額上限為2億元人民幣，超過上限的部分，雙方應當簽訂補充協議，補充協議與本合同有同等效力。2017年6月26日，股東周年大會審議通過關於天津天海高壓容器有限責任公司、寬城天海壓力容器有限公司分別與天津鋼管鋼鐵貿易有限公司簽訂《氣瓶管購銷框架合同》暨關連交易的議案。

報告期內，上述持續關連交易遵守上述合同的約定執行。本公司獨立非執行董事已審核本公司各項持續關連交易，並確認該交易：

- (1) 乃由本集團在日常及正常業務過程中訂立；
- (2) 乃按正常商業條款進行；
- (3) 是根據有關交易的協議條款進行，而交易條款公平合理並符合本公司股東的整體利益。

根據香港上市規則第14A.56條，審計師已就報告期內本集團披露的持續關聯交易，發出無保留意見的函件，並載有其發現和結論。

該等交易在本公司日常業務過程中進行，在本公司業務運營中有必要性和持續性。該等關連交易不會影響本公司獨立性。該等關連交易不存在損害本公司及其股東，特別是中小股東利益情形。

除上文所披露外，董事認為財務報表附註十所披露的關聯交易並非香港上市規則第14A章下界定的「關連交易」或「持續關連交易」。

Section 7 Important Matters

第七節 重要事項

XV. Contracts of significance and their execution

(i) Trust, contracting and lease matters

1. **Trust**
 Applicable Not applicable
2. **Contracting**
 Applicable Not applicable
3. **Lease**
 Applicable Not applicable

(ii) Guarantee

- Applicable Not applicable

(iii) Cash assets entrusted to be managed by others

1. **Entrusted wealth management**
 - (1) **Overview of entrusted wealth management**
 Applicable Not applicable
Others
 Applicable Not applicable
 - (2) **Single entrusted wealth management**
 Applicable Not applicable
Others
 Applicable Not applicable
 - (3) **Impairment provision for entrusted wealth management**
 Applicable Not applicable
2. **Entrusted loans**
 - (1) **Overview of entrusted loans**
 Applicable Not applicable
Others
 Applicable Not applicable
 - (2) **Single entrusted loan**
 Applicable Not applicable
Others
 Applicable Not applicable
 - (3) **Impairment provision for entrusted loans**
 Applicable Not applicable
3. **Others**
 Applicable Not applicable

(iv) Other contracts of significance

- Applicable Not applicable

十五、重大合同及其履行情况

(一) 托管、承包、租賃事項

- 1、**托管情況**
 適用 不適用
- 2、**承包情況**
 適用 不適用
- 3、**租賃情況**
 適用 不適用

(二) 擔保情況

- 適用 不適用

(三) 委託他人進行現金資產管理的情況

1. **委託理財情況**
 - (1) **委託理財總體情況**
 適用 不適用
其他情況
 適用 不適用
 - (2) **單項委託理財情況**
 適用 不適用
其他情況
 適用 不適用
 - (3) **委託理財減值準備**
 適用 不適用
2. **委託貸款情況**
 - (1) **委託貸款總體情況**
 適用 不適用
其他情況
 適用 不適用
 - (2) **單項委託貸款情況**
 適用 不適用
其他情況
 適用 不適用
 - (3) **委託貸款減值準備**
 適用 不適用
3. **其他情況**
 適用 不適用

(四) 其他重大合同

- 適用 不適用

Section 7 Important Matters

第七節 重要事項

XVI. Explanation on other important matters

√ Applicable □ Not applicable

1. Receipt of government subsidies

Item 項目	Amount for the year 本年金額	Source 來源和依據
Incentive grant by Beijing Municipal Commission of Commerce 北京市商委會獎勵資金	941,177.00	Appropriation from Beijing Municipal Commission of Commerce 來自北京市商務委員會的撥款
Energy Saving Target Assessment funds by Development and Reform Commission of Chaoyang District of Beijing Municipal 北京市朝陽區發改委節能目標考核資金	200,000.00	"Management of Fund for Energy Saving Development in Chaoyang District"
Technical standard funds of Science and Technology Committee of Chaoyang of Beijing 北京朝陽科學技術委員會技術標準資助	22,500.00	《朝陽區節能發展引導資金管理辦法》 "Notice on Evaluation Results of Funding Projects under the 2018 Technical standard of Chaoyang District by the Quality and Technology Supervision Bureau and Intellectual Property Administration of Chaoyang District of Beijing Municipal" 《北京市朝陽區質量技術監督局知識產權局關於公布2018年朝陽區技術標準制(修)訂資助項目評審結果的通知》
Patent award of Science and Technology Committee of Chaoyang District of Beijing Municipal 北京市朝陽區科學技術委員會專利獎勵	4,880.00	"Implementation of Patents subsidy and award of Chaoyang District" (Chao Zhi Wen [2016] No. 7) 朝知文[2016]7號：《朝陽區專利資助及獎勵辦法實施細則》
Incentive grant from steam 蒸汽獎補	54,000.00	Notice on Receiving the subsidy for steam in the second half of 2017 (Tianjin Free Trade Zone) 關於領取2017年下半年蒸汽補貼的通知(天津港保稅區發改區)
Self-dependent innovative project funds of Beijing Zhongguancun 北京中關村自主創新專項資金	682,000.00	"Management on Fund for technical innovative construction projects in Zhongguancun National Self-dependent Innovation Demonstrative Area" "Notice on payment of the fund for the 2017 Zhongguancun technical innovative construction projects (technical standard sector)" 《中關村國家自主創新示範區技術創新能力建設專項資金管理辦法》《關於撥付2017年度中關村技術創新能力建設專項資金(技術標準部分)的通知》
Patent subsidy of Intellectual Property Administration of Beijing Municipal 北京市知識產權局專利資助金	3,000.00	"Notice on application for 2018 Beijing Municipal Patent Subsidy" "Notice on Evaluation Results of 2018 Beijing Municipal Patent Subsidy" 《關於申報2018年北京市專利資助金的通知》《2018年北京專利資助金審核結果公示》
Energy Saving Assessment Incentive of Science and Technology Committee of Chaoyang District of Beijing Municipal 北京市朝陽區科學技術委員會節能考評獎勵金	200,000.00	"Notice on the Commencement of Assessment on Energy Saving Target Responsibility of 2017 by the Energy Saving Leading Team of Beijing Municipal" 《北京市朝陽區節能工作領導小組辦公室關於開展2017年度節能項目標責任考評工作的通知》
Fund in way of incentive instead of subsidy for low nitrogen transformation of gas boilers 燃氣鍋爐低氮改造以獎代補資金	327,000.00	Summary Table of low nitrogen transformation of gas (oil) boilers 燃氣(油)鍋爐低氮改造項目概況表
Appropriation of Funding for science project of Science and Technology Committee of Tongzhou District of Beijing Municipal 北京市通州區科學技術委員會科技項目撥款單	400,000.00	Science and Technology Committee of Tongzhou District of Beijing Municipal
Subsidies for addressing overcapacity of steel enterprises and providing positions for their employees 化解鋼鐵過剩產能企業人員安置補貼	648,000.00	北京市通州區科學技術委員會 "Notice on efforts of addressing over-capacity of steel enterprises and providing positions for their employees" by Municipal Human Resources and Social Security Bureau and Ministry of Finance 市人社局財政局關於做好化解鋼鐵過剩產能企業人員安置的工作的通知
2018 Provincial Industrial transformation and upgrade projects 2018年省級工業轉型升級項目	2,000,000.00	"Notice on Fund Delivery of 2018 Provincial Industrial transformation and upgrade (technical) projects" by Ministry of Finance of Chengde City 承德市財政局《關於下達2018年省級工業轉型升級(技改)專項資金的通知》
Total 合計	5,482,557.00	—

十六、其他重大事項的說明

√適用 □不適用

1、獲得政府補助情況

Unit: Yuan Currency RMB
單位：元 幣種：人民幣

Section 7 Important Matters

第七節 重要事項

XVI. Explanation on other important matters

2. Changes of the subsidiaries that included in the consolidation scope during the Reporting Period

Langfang Tianhai High Pressure Containers Co., Ltd., the subsidiary of the Company was dissolved and liquidated on 9 October 2018.

3. During the Reporting Period, the Company was subject to an applicable enterprise income tax rate of 25%.

4. Review of financial statements for the Reporting Period by the Audit Committee

The Audit Committee of the Board of the Company has reviewed and confirmed the financial report for 2018.

5. Corporate Governance Code

The Company has always complied with the Listing Rules of Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited during the Reporting Period.

The Company has adopted the Corporate Governance Code contained in Appendix 14 (the "CG Code") to the Hong Kong Listing Rules as its own corporate governance code. The Board considered that the Company has complied with all the applicable code provisions set out in the CG Code throughout the year.

6. Model Code for Securities Transactions by Directors and Supervisors

During the Reporting Period, the Company has adopted the model code of conduct regarding securities transactions by directors and supervisors on terms no less exacting than the required standards set in the Model Code in Appendix 10 of the Hong Kong Listing Rules. After making specific enquiries to all directors and supervisors, the Company confirmed that, each of directors and supervisors has complied with the required standards on securities transactions by directors and supervisors as set in the Model Code for the 12 months ended 31 December 2018.

7. Share capital

- (1) During the Reporting Period, there was no change in the total number of shares and shareholding structure of the Company.
- (2) During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

十六、其他重大事項的說明(續)

2、報告期子公司納入合併範圍變更情況

本年本公司之下屬公司廊坊天海高壓容器有限公司於2018年10月9日清算註銷。

3、報告期公司企業所得稅的適用稅率為25%。

4、審計委員會審閱報告期財務報告情況

公司董事會之審計委員會已審閱並確認2018年財務報告。

5、企業管治常規守則

公司於報告期內一直遵守上海證券交易所、香港聯合交易所有限公司證券上市規則。

本公司已採納香港上市規則附錄十四所載的企業管治守則及企業管治報告(「企業管治守則」)作為本身之企業管治守則。董事會認為，本公司於本年度一直遵守企業管治守則的所有適用守則條文。

6、董事及監事進行證券交易的標準守則

於本報告期內，本公司就董事及監事的證券交易，已採納一套不低於香港上市規則附錄十所載的《標準守則》所規定的標準行為守則。經特別與全部董事及監事作出查詢後，本公司確認，在截止2018年12月31日之12個月，各董事及監事已遵守該標準守則所規定有關董事進行證券交易的標準。

7、股本

- (1) 報告期內，本公司股份總數及股本結構未發生變化。
- (2) 報告期內，本公司及附屬公司均沒有購買、出售、或贖回任何本公司之股票。

Section 7 Important Matters

第七節 重要事項

XVII. Report on Performance of Social Responsibility by the Company

(i) Poverty alleviation measures of the listed company

Applicable Not applicable

(ii) Social responsibility work

Applicable Not applicable

In 2018, the Company strictly complied with the related requirements of CSRC to perform its corporate responsibilities and protect the interests of its shareholders and creditors. The Company strictly complied with the Labor Laws and the Articles of Association of the Company and protected the legal interests of its staff in accordance with the relevant laws. The Company has established a healthy and effective quality control system and focused on the enhancement of product quality. In the meantime, the Company, together with the party, organized various caring activities to listen to the thoughts of staff and do practical things for staff. The Company actively participated in the community welfare activities, such as planting trees, protecting green plants (植綠護綠活動) and making donations to charity, in order to make a positive contribution to the construction of a harmonious society.

1. Environment Protection

In 2018, the Company stayed focused on safety and environmental protection, earnestly implemented the safety policy of "First on Safety, Focus on Prevention, comprehensive management", and vigorously implemented safety production management which laid a solid foundation for the commencement of various tasks and completion of economic indicators. In 2018, measures such as investigation of hidden dangers, safety inspections and accident warning education were strengthened. 1,253 hidden dangers were found in the whole Group, rectifications for all of which were completed and announced in the OA system. The investigation and treatment for the old electrical appliances were completed and a total of 48 hidden dangers of old electrical appliances were controlled. The forecasting and warning system of the safety implementation information system have been operating well since the beginning of the year. Safety work has achieved satisfactory results, yet environmental protection work is not optimistic.

十七、積極履行社會責任的工作情況

(一) 上市公司扶貧工作情況

適用 不適用

(二) 社會責任工作情況

適用 不適用

2018年，公司嚴格按照中國證監會相關要求，認真履行企業職責，較好地保護了股東和債權人權益；嚴格遵守《勞動法》和公司章程，依法保護職工合法權益；建立健全有效的質量管理體系，注重產品質量提升；黨群系統廣泛開展各類關愛活動，傾聽職工心聲，切實為職工辦實事。積極參與社會公益活動、植綠護綠活動、愛心捐款等活動，為和諧社會建設做出積極貢獻。

1、環境保護

2018年，公司始終把安全環保工作作為重點，認真貫徹執行「安全第一，預防為主，綜合治理」的安全工作方針，狠抓落實安全生產管理工作，為各項工作的開展和經濟指標的完成打下了堅實基礎。2018年加強隱患排查、安全大檢查、事故警示教育等措施，全集團發現安全隱患1,253項，全部整改完成並在OA系統中進行了公布。完成老舊電器專項方案排查、治理工作，共治理老舊電器隱患48項。安全管理信息系統預測預警體系自年初以來運行情況良好。安全工作取得了良好的成績，但環保工作不容樂觀。

Section 7 Important Matters

第七節 重要事項

XVII. Report on Performance of Social Responsibility by the Company (Continued)

(ii) Social responsibility work (Continued)

1. Environment Protection (Continued)

Next year will be the 70th anniversary of the establishment of the PRC. The Company will highly value the importance of safety and environmental protection as well as complaints and proposal and maintenance of stability, and continue to strengthen the implementation of safety production responsibilities. It is necessary to strengthen key safety areas, safety management of hazardous chemicals, strengthen the identification and monitoring of hazard sources of different positions, and conduct safety inspections and investigation and management of hidden dangers. The Company will operate three systems of environmental, occupational health and safety standardization. The Company will strengthen the safety management of outsourced labour, strengthen the emergency management of safety production, maintain the safety of employees and ensure the Company's harmony and stability. The Company will strictly comply with the environmental protection requirements and perform environmental protection work in accordance to laws and regulations. The Company will implement the three simultaneous works. The environmental protection facilities of the new construction, reconstruction and expansion projects must be designed, constructed and commenced operation with the main project simultaneously. For the production stages that caused pollutions of water, gas, sound, waste and other pollution must be strictly controlled and discharged in accordance with the concentration and total volume requirements to meet the standards. The production process involving "smell", "foam", "smoke" and "dust" must equipped with processing facilities and normal operation of the treatment facilities must be ensured. In response to the issues raised by the competent environmental protection authorities at all levels, the Company must attach great importance to it, improve priorities and resolutely implement rectifications.

2. Protection of employees' interests

In accordance with laws, regulations and rules, the Company participates in pension and social insurances such as medical, unemployment, work injuries and maternity insurances and housing provident fund plan. The Company pays the social insurance fees on time, fulfils the fees payments obligations on behalf of the employees, discloses the payment of social insurance fees every month and accepts the supervision of the employees.

In the implementation of corporate transformation and upgrading, reform and democratic management of, the labour union of the Company will firmly implement various regulations on plants affairs disclosure, strengthen the participation at all levels, adhere to and improve the system of employee representative assembly, and play a good role in the democratic management of employees and the participation in policy-making. In 2018, multiple employee representative assemblies were organized. The economic operation situation of the Company was reported. The fifth employee representative assembly was re-elected successfully in accordance with relevant democratic procedures. The "Collective Agreement of Beijing Tianhai Industrial Co., Ltd." and the "Measures for the Protection of Rights and Interests of Female Employees" of 2018 were passed. The consensus and overall synergy for all members to unite and commit were formed and a favorable condition for the achievement of the Company's annual goals and tasks was created.

十七、積極履行社會責任的工作情況 (續)

(二) 社會責任工作情況 (續)

1、環境保護 (續)

明年將迎來70周年國慶，要高度重視安全環保和信訪維穩工作，繼續強化安全生產責任的落實。要加強重點要害部位、危險化學品安全管理，加強崗位危險源辨識和監控，開展好安全檢查和隱患排查治理。做好環境、職業健康和安全標準化，三個體系運行管理。強化外委勞務人員安全管理，強化安全生產應急管理，維護職工生命安全，保證公司和諧穩定。要嚴格按照環境保護要求，依法依規做好環境保護工作。要扎實做好三同時工作，新、改、擴建項目環保設施要與主體工程同時設計、同時施工、同時投入使用。對於水、氣、聲、渣等產污環節必須嚴格控制，按照濃度和總量要求達標排放。生產環節中涉及有「味」、「沫」、「煙」、「塵」的必須有處理設施，並保證處理設施正常運行。針對各級環保主管部門提出的問題要引起高度重視，提高政治站位，堅決落實整改。

2、職工權益保護情況

公司依照法律、法規和規章的規定，參加養老、醫療、失業、工傷、生育等社會保險以及住房公積金，按時足額繳納社會保險費，依法履行代扣代繳的義務，每月公布繳納社會保險費的情況，並接受職工的監督。

公司工會在公司轉型升級、改革調整和民主管理的實踐中，認真貫徹執行廠務公開方面的各項規定，強化源頭參與，堅持和完善員工代表大會制度，發揮好員工民主管理和參政議政的作用。2018年組織召開了多次員工代表大會，聽取公司經濟運營情況報告；按相關民主程序順利完成了第五屆員工代表大會換屆工作；通過了2018年《北京天海工業有限公司集體合同》和《女工權益保護辦法》，形成了全員團結拼搏、攻堅克難的共識和整體合力，為全面完成公司年度目標任務創造了有利條件。

Section 7 Important Matters

第七節 重要事項

XVII. Report on Performance of Social Responsibility by the Company (Continued)

(ii) Social responsibility work (Continued)

2. Protection of employees' interests (Continued)

It will procure enterprise construction in harmony with the society and achieve the evacuation. We implemented a dual selection approach to settle-down employees by respecting their wishes, doing our best to allocate jobs to those who accept the allocation, guarantee those who agree to retire and compensate those who are willing to negotiate. Cope with the interests between the company and employees and properly conclude the settle-down of employees. That employees leave in an orderly manner will lay a solid foundation for the transformation and upgrading of an enterprise.

The Company has intensified labor protection to safeguard the safety and health of its employees. Under the guideline of "safety first, precaution crucial", the Company has established and improved the life safety-focused safe production responsibility system and material technology support system to protect the interest of the employees. The Labour Union actively organized "Ankang Cup" (安康杯) competition and carried out production safety standardized groups activities (安全生產標兵班組活動). It also increased efforts on the heatstroke prevention and cooling in summer and the inspection on safety production, the safe use of electricity and fire safety, and therefore enhanced the awareness of safety production and labor protection and further fulfilled the safety responsibility.

Under the conditions of insufficient office space, the labour union established "Nursing Rooms" equipped with refrigerators and disinfection cabinets for nursing employees by coordinating between various parties, relieving their concerns. In addition, there are special physical examinations for female diseases and the regular check was upgraded to malignant tumor screening, maximizing the rights of female employees.

The Company has been doing well in the work related to the employees' wellbeing mutual help insurance. This year, the labour union contributed to the renewal of staff major illnesses, hospitalization medical, hospitalization allowance and special illnesses of female employees mutual insurance and increased the mutual guarantee, and therefore relieved their concerns. There were 28 claims for the employees' wellbeing mutual help insurance during the year, with the total claimed amount of RMB32,770.

十七、積極履行社會責任的工作情況

(續)

(二) 社會責任工作情況(續)

2、職工權益保護情況(續)

促進企業和諧建設，妥善完成人員疏解。員工安置充分尊重了員工意願，實行雙向選擇，努力做到服從分配有崗位，內部退養有保障，協商解除有補償，正確處理企業和員工的利益關係，妥善完成了安置工作。員工的穩定有序退出，為下一步企業的轉型升級打下了堅實的基礎。

加強勞動保護，保障職工安全健康。公司貫徹「安全第一，預防為主」的方針，建立健全以生命安全為核心的安全生產責任體系和物質技術保障體系，切實維護職工權益。工會積極組織員工開展了「安康杯」競賽和創建安全生產標兵班組活動，同時加強了夏季防暑降溫、安全生產大檢查、安全用電、消防安全等方面的巡查力度，增強了員工安全生產和勞動保護意識，促進了安全責任的進一步落實。

公司工會在辦公用房緊張的條件下，多方協調，為哺乳期女職工籌建了「媽咪屋」並配備了冰箱、消毒櫃等設施，解除了女職工的后顧之憂；還為全體女職工進行了女性疾病的專項體檢，將常規檢查升級為惡性腫瘤篩查，切實使女工的權益得到了最大的保障。

做好職工安康互助保險相關工作。今年工會出資完成在職員工重大疾病、住院醫療、住院津貼、女工特殊等互助保險續保工作，加強互助保障，解除職工後顧之憂。全年辦理職工互助保險賠付28人次，賠付金額人民幣32,770元。

Section 7 Important Matters

第七節 重要事項

XVII. Report on Performance of Social Responsibility by the Company (Continued)

(ii) Social responsibility work (Continued)

3. Enriching employee's spare time

The Company will set up a position innovative activities platform for employees, focus on the construction of employee innovative workshops, guide the innovative workshops to carry out technical research activities on the hot spots and problems of corporate production, effectively promote the promotion and transformation of technological innovation achievements and select the new demonstrative employee innovative workshops. In 2018, the "Welding Workshops for Welded Insulated Gas Cylinders" of Minghui Tianhai was honored as the "2017 Beijing Municipal-level Employee Innovative Workshops". Meanwhile, the "R&D and Application of Large Volume LNG Cylinders for Automobiles" of such workshop has won the 3rd prize of 2017 Capital Employees' Self-Innovation. In the position innovative activities platform for employees of Jingcheng Machinery Electric System, the "Quality Enhancement and Cost Reduction for Vacuum of Welded Insulated Gas Cylinders" project of Minghui Tianhai was honored as the "2017 Beijing Jingcheng Machinery Electric Employees Innovative Workshops Excellent Project", while the innovative results of "Integrated Tooling for Liner and Tanks Winding" project of Tianhai Low Temperature and the innovative results of "Large diameter 995L Gas Cylinders Processing Line Transformation" of Minghui Tianhai were honored as the "2017 Beijing Jingcheng Machinery Electric First-line Technical Workers Position Innovative Achievements".

4. Public welfare and caring

The labour union has focused on the employee culture cultivation. Through organizing various employee culture and sports activities and events, gather all kinds of talents of Tianhai Company, the employees can enjoy the applause from the Tianhai team while devoting themselves. It can better satisfy the growing spiritual and cultural needs of the employees, create a positive atmosphere and play an active role in boosting morale and cohesion and uplifting spirit when facing difficulties and challenges. In 2018, the Company won the championship in the "Jingcheng Cup (精誠杯)" Basketball Game of Jingcheng Machinery Electric Holding Co., Ltd. which achieved a historic breakthrough.

十七、積極履行社會責任的工作情況 (續)

(二) 社會責任工作情況 (續)

3、豐富員工業餘文化生活

搭建好職工崗位創新活動平台，抓好職工創新工作室建設，引導創新工作室圍繞企業生產熱點、難點問題開展技術攻關活動，有力推動技術創新成果的推廣和轉化，選樹新一期職工創新工作室示範典型。2018年，明暉天海《焊接絕熱氣瓶焊接工作室》被評為2017年度《北京市級職工創新工作室》。同時，該創新工作室《汽車用大容積液化天然氣氣瓶的研發及應用》榮獲2017年度首都職工自主創新三等獎。在京城機電系統的職工崗位創新活動中，明暉天海《焊接絕熱氣瓶抽真空提質降本》項目榮獲「2017年度京城機電職工創新工作室優秀項目」；天海低溫「內膽罐體纏繞一體化工裝」創新成果和明暉天海「大直徑995L氣瓶加工流水線改造」創新成果榮獲「2017年度京城機電一線技術工人崗位創新成果」。

4、公益事業和關愛情況

工會抓好職工文化建設，通過開展豐富多彩的員工文化體育活動和賽事，集聚天海公司各類人才，員工們在辛勤付出的同時，也享受著天海團隊帶給他們的掌聲和喝彩，更好地滿足了廣大員工日益增長的精神文化需求，營造了蓬勃向上的良好氛圍，面對困難和挑戰，起到了鼓舞士氣、凝聚力量，振奮精神的積極作用。2018年，在京城機電控股公司「精誠杯」籃球賽中取得了冠軍，實現了歷史性突破。

Section 7 Important Matters

第七節 重要事項

XVII. Report on Performance of Social Responsibility by the Company (Continued)

(ii) Social responsibility work (Continued)

5. Public welfare and caring

In 2018, in the activity of “Communist party members show love” and through the wide propaganda and organization of various levels of the party organizations, the communist party members, activists and other people made 262 donations which raised RMB12,495.

The Company takes care of staff life and creates a harmonious atmosphere. The Company continued on “heart-warming” activities, personally visited model workers, persons having made contributions to the united work, retired executives and employees with difficulties or serious illness. In 2018, the labour union expressed condolence totaling 92 to key production and technical staff and employees having difficulties, visited labour models, employees having special difficulties and long-term diseases and injuries. The Company organized “Jingcheng learning-assistance”(京城助學) activity under the call of the government, and released RMB10,000 to each of the 11 employees who have children admitted into university and provided school supplies to 11 employees who have children attending primary school, showing our encouragement to children’s education and eased their actual difficulties.

The labour union of the Company always considered the life issues of employees is of utmost importance. The union is always deeply involved and will always listen to employees’ needs. By understanding the life of employees, the actual problems would be solved with active administrative coordination. In 2018, the labour union actively coordinated the administration. The employees’ bathing facilities were repaired, the tea stoves were cleaned regularly, the seats of shuttle buses were repaired, the lighting at the staircases and the express cabinets were installed to meet the employees’ needs.

十七、積極履行社會責任的工作情況 (續)

(二) 社會責任工作情況(續)

5、公益事業和關愛情況

2018年，在「共產黨員獻愛心」捐獻活動中，在各級黨組織的廣泛宣傳和組織下，公司共產黨員、積極分子及群眾共262人次捐款人民幣12,495元。

關心員工生活，營造和諧氛圍。公司繼續開展「送溫暖」活動，對勞動模範、統戰對象、退離休老幹部、家庭困難及身患重病的職工進行了重點家訪。2018年，慰問生產技術骨幹和困難職工、走訪勞模、部分特困、長期病休員工等共計92人次。積極響應上級號召，開展了「京城助學」活動，對11名子女升入大學的職工發放了「京城助學」補助金人民幣10,000元，對11名子女入小學的職工發放了學生用品，表達了對職工子女教育的鼓勵，也緩解了這些職工的一些實際困難。

公司工會始終牢記，群眾利益無小事，把解決好員工生活問題作為大事來抓，深入員工之中，傾聽員工呼聲，瞭解職工生活，積極協調行政解決實際問題。2018年工會積極協調行政，修繕員工澡堂設施，茶水爐定期清洗、班車座椅修復、樓梯間照明、安裝快遞櫃等事情，滿足員工需求。

Section 7 Important Matters

第七節 重要事項

XVII. Report on Performance of Social Responsibility by the Company (Continued)

(iii) Environmental information

- Description on the environment protection of the Company and its major subsidiaries falling under key sewage emission entities announced by the environment protection authorities of the PRC**
 Applicable Not applicable
- Description on the environment protection of the Companies other than those falling under key sewage emission entities**
 Applicable Not applicable
- Reasons for the Companies other than those falling under key sewage emission entities not disclosing environment information**
 Applicable Not applicable
- Subsequent progress or changes during the Reporting Period after disclosure of environment information**
 Applicable Not applicable

(iv) Other descriptions

Applicable Not applicable

XVIII. Convertible bonds of the Company

(i) Issue of convertible bonds

Applicable Not applicable

(ii) Holders of convertible bonds and guarantors during the Reporting Period

Applicable Not applicable

(iii) Changes in convertible bonds during the Reporting Period

Applicable Not applicable

Conversion into shares from convertible bonds during the Reporting Period

Applicable Not applicable

(iv) Adjustments to conversion price of convertible bonds

Applicable Not applicable

(v) Liabilities, change in credit rating and cash arrangement for repayment of the Company in the next year

Applicable Not applicable

(vi) Other information on convertible bonds

Applicable Not applicable

十七、積極履行社會責任的工作情況 (續)

(三) 環境信息情況

- 屬於環境保護部門公布的重點排污單位的公司及其重要子公司的環保情況說明
 適用 不適用
- 重點排污單位之外的公司的環保情況說明
 適用 不適用
- 重點排污單位之外的公司未披露環境信息的原因說明
 適用 不適用
- 報告期內披露環境信息內容的後續進展或變化情況的說明
 適用 不適用

(四) 其他說明

適用 不適用

十八、可轉換公司債券情況

(一) 轉債發行情況

適用 不適用

(二) 報告期轉債持有人及擔保人情況

適用 不適用

(三) 報告期轉債變動情況

適用 不適用

報告期轉債累計轉股情況

適用 不適用

(四) 轉股價格歷次調整情況

適用 不適用

(五) 公司的負債情況、資信變化情況及在未來年度還債的現金安排

適用 不適用

(六) 轉債其他情況說明

適用 不適用

Section 8 Changes in Ordinary Shares and Information of Shareholders 第八節 普通股股份變動及股東情況

I. Changes in ordinary shares

(i) Statement of changes in ordinary shares

- 1. Statement of changes in ordinary shares**
There was no change in the total number of ordinary shares and structure of share capital of the Company during the Reporting Period.
- 2. Explanation on the changes in ordinary shares**
 Applicable Not applicable
- 3. Effect of changes in ordinary shares on financial indicators such as earnings per share and net assets per share for the most recent year and most recent period (if any)**
 Applicable Not applicable
- 4. Other disclosure deemed necessary by the Company or required by securities regulatory authorities**
 Applicable Not applicable

(ii) Changes in trade-restricted shares

Applicable Not applicable

II. Issuance and listing of securities

(i) Issuance of securities during the Reporting Period

Applicable Not applicable

Description of securities issued during the Reporting Period (please specify the bonds with different interest rates during their duration):

Applicable Not applicable

(ii) Changes in the total number of ordinary shares of the Company and shareholders' structure and changes in the asset and liability structure of the Company

Applicable Not applicable

(iii) Existing internal employee shares

Applicable Not applicable

一、普通股股本變動情況

(一) 普通股股份變動情況表

- 1、普通股股份變動情況表**
報告期內，公司普通股股份總數及股本結構未發生變化。
- 2、普通股股份變動情況說明**
 適用 不適用
- 3、普通股股份變動對最近一年和最近一期每股收益、每股淨資產等財務指標的影響（如有）**
 適用 不適用
- 4、公司認為必要或證券監管機構要求披露的其他內容**
 適用 不適用

(二) 限售股份變動情況

適用 不適用

二、證券發行與上市情況

(一) 截至報告期內證券發行情況

適用 不適用

截至報告期內證券發行情況的說明（存續期內利率不同的債券，請分別說明）：

適用 不適用

(二) 公司普通股股份總數及股東結構變動及公司資產和負債結構的變動情況

適用 不適用

(三) 現存的內部職工股情況

適用 不適用

Section 8 Changes in Ordinary Shares and Information of Shareholders

第八節 普通股股份變動及股東情況

III. Shareholders and beneficial controllers

三、股東和實際控制人情況

(i) Total numbers of shareholders

(一) 股東總數

Total number of ordinary shareholders as at the end of the Reporting Period 截止報告期末普通股股東總數(戶)	15,648
Total number of ordinary shareholders as at the end of the month preceding the date of publication of annual report 年度報告披露日前上一月末的普通股股東總數(戶)	15,189
Total number of shareholders of preference shares with restored voting right as at the end of the Reporting Period 截止報告期末表決權恢復的優先股股東總數(戶)	0
Total number of shareholders of preference shares with restored voting right as at the end of the month preceding the date of publication of annual report 年度報告披露日前上一月末表決權恢復的優先股股東總數(戶)	0

(ii) Shareholding of top ten shareholders, top ten shareholders of circulating shares (or holders of shares not subject to trading moratorium) as at end of the Reporting Period

(二) 截止報告期末前十名股東、前十名流通股股東(或無限售條件股東)持股情況表

Unit: share
單位: 股

Shareholding of top ten shareholders 前十名股東持股情況

Name of shareholder (full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the period	Percentage (%)	Number of shares held subject to selling restrictions	Pledged or frozen 質押或凍結情況	Share status	Number	Shareholder(s) Nature
股東名稱(全稱)	報告期內增減	期末持股數量	比例(%)	持有有限售 條件股份數量	股份狀態	數量	股東性質	
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	0	182,735,052	43.30	0	Nil 無	0	State-owned legal-person 國有法人	
HKSCC NOMINEES LIMITED HKSCC NOMINEES LIMITED	12,000	99,243,200	23.52	0	Unknown 未知	-	Unknown 未知	
Tsinghua Unigroup Co., Ltd. 紫光集團有限公司	-583,899	3,738,095	0.89	0	Unknown 未知	-	Unknown 未知	
Cheng Hao 成浩	3,334,000	3,334,000	0.79	0	Unknown 未知	-	Unknown 未知	
Hu Suhua 胡素華	3,186,800	3,186,800	0.76	0	Unknown 未知	-	Unknown 未知	
Qiao Xiyun 喬喜雲	2,664,700	2,664,700	0.63	0	Unknown 未知	-	Unknown 未知	
Liao Lunwan 廖倫萬	1,366,274	2,506,274	0.59	0	Unknown 未知	-	Unknown 未知	
He Yong 何勇	-301,300	1,881,600	0.45	0	Unknown 未知	-	Unknown 未知	
Feng Liancheng 馮聯成	1,317,500	1,735,000	0.41	0	Unknown 未知	-	Unknown 未知	
Xu Zihua 徐子華	1,708,100	1,708,100	0.40	0	Unknown 未知	-	Unknown 未知	

Section 8 Changes in Ordinary Shares and Information of Shareholders 第八節 普通股股份變動及股東情況

III. Shareholders and beneficial controllers (Continued)

三、股東和實際控制人情況(續)

(ii) Shareholding of top ten shareholders, top ten shareholders of circulating shares (or holders of shares not subject to trading moratorium) as at end of the Reporting Period (Continued)

(二) 截止報告期末前十名股東、前十名流通股股東(或無限售條件股東)持股情況表(續)

Particulars of top ten holders of shares not subject to trading moratorium

前十名無限售條件股東持股情況

Name of shareholder 股東名稱		Number of tradable shares held not subject to selling restrictions 持有無限售條件 流通股的數量	Type 種類	Class and number of shares 股份種類及數量	Number 數量
Beijing Jingcheng Machinery Electric Holding Co., Ltd.	北京京城機電控股有限責任公司	182,735,052	Ordinary shares denominated in RMB 人民幣普通股		182,735,052
HKSCC NOMINEES LIMITED	HKSCC NOMINEES LIMITED	99,243,200	Overseas listed foreign shares 境外上市外資股		99,243,200
Tsinghua Unigroup Co., Ltd.	紫光集團有限公司	3,738,095	Ordinary shares denominated in RMB 人民幣普通股		3,738,095
Cheng Hao	成浩	3,334,000	Ordinary shares denominated in RMB 人民幣普通股		3,334,000
Hu Suhua	胡素華	3,186,800	Ordinary shares denominated in RMB 人民幣普通股		3,186,800
Qiao Xiyun	喬喜雲	2,664,700	Ordinary shares denominated in RMB 人民幣普通股		2,664,700
Liao Lunwan	廖倫萬	2,506,274	Ordinary shares denominated in RMB 人民幣普通股		2,506,274
He Yong	何勇	1,881,600	Ordinary shares denominated in RMB 人民幣普通股		1,881,600
Feng Liancheng	馮聯成	1,735,000	Ordinary shares denominated in RMB 人民幣普通股		1,735,000
Xu Zihua	徐子華	1,708,100	Ordinary shares denominated in RMB 人民幣普通股		1,708,100
Explanation on the relationship or acting in concert among the aforesaid shareholders			As of the Reporting Period, shares subject to trading moratorium held by the Company were all listed for circulation in the market. The Company is not aware of any connected relationship among the aforesaid shareholders, nor is the Company aware of any parties acting in concert as defined in Measures for Management on Information Disclosure of Changes in Shareholdings of Listed Company's Shareholders.		
上述股東關聯關係或一致行動的說明			截止本報告期，本公司所有有限售條件股份全部上市流通。本公司未知上述股東之間有無關聯關係，也未知其是否屬於《上市公司股東持股變動信息披露管理辦法》規定的一致行動人。		
Explanation on shareholders of preference shares with restoration of voting rights and their shareholding			Not applicable		
表決權恢復的優先股股東及持股數量的說明			不適用		

Section 8 Changes in Ordinary Shares and Information of Shareholders

第八節 普通股股份變動及股東情況

III. Shareholders and beneficial controllers (Continued)

(ii) Shareholding of top ten shareholders, top ten shareholders of circulating shares (or holders of shares not subject to trading moratorium) as at end of the Reporting Period (Continued)

Description:

- (1) Among the top ten shareholders of the Company, Beijing Jingcheng Machinery Electric Holding Co., Ltd. is the controlling shareholder of the Company.
- (2) HKSCC Nominees Limited held H Shares on behalf of its clients and the Company has not received notification from HKSCC Nominees Limited that any of the single clients has held more than 5% of the total share capital of the Company.

Top ten holders of shares subject to selling restriction and conditions

Applicable Not applicable

(iii) Strategic investors or general legal persons who have become one of the top ten shareholders as a result of the placing of new shares

Applicable Not applicable

三、股東和實際控制人情況(續)

(二) 截止報告期末前十名股東、前十名流通股股東(或無限售條件股東)持股情況表(續)

說明:

(1) 公司前十名股東中北京京城機電控股有限責任公司為本公司控股股東。

(2) HKSCC NOMINEES LIMITED為香港中央結算(代理人)有限公司所持股份是代理客戶持股,本公司未接獲香港中央結算(代理人)有限公司通知本公司任何單一H股股東持股數量有超過本公司總股本5%情況。

前十名有限售條件股東持股數量及限售條件

適用 不適用

(三) 戰略投資者或一般法人因配售新股成為前十名股東

適用 不適用

Section 8 Changes in Ordinary Shares and Information of Shareholders 第八節 普通股股份變動及股東情況

IV. Controlling shareholders and beneficial controller

四、控股股東及實際控制人情況

(i) Controlling shareholder

(一) 控股股東情況

1. Legal person

1 法人

Applicable Not applicable

適用 不適用

Name
名稱

Beijing Jingcheng Machinery Electric Holding Co., Ltd.
北京京城機電控股有限責任公司

The person in charge of the unit or legal representative
單位負責人或法定代表人

Ren Yaguang
任亞光

Date of establishment
成立日期

8 September 1997
1997年9月8日

Principal businesses
主要經營業務

Within the scope of authorization, management of state-owned assets; management of equities; external fundraising and investment. The Company has six major business sectors including numerical control machine, engineering machine, storage and transportation of gas, environment protection industry, new energy and thermal power generation. It has six business units including logistics industry, hydraulic industry, switch industry, printing machine, electrical machine industry and electric wires and cables. It combines engineering design, product development, manufacture of equipment and technical service together, provides high quality professional integrated mechanics and electrics equipment and services to industrial fields such as electricity, metallurgy, shipping, transportation, engineering construction, manufacture of machines and aerospace.

授權內的國有資產經營管理；產權（股權）經營；對外融資、投資。旗下擁有數控機床、工程機械、氣體儲運、環保產業、新能源、火力發電等六大業務板塊，物流產業、液壓產業、開關產業、印刷機械、電機產業、電線電纜等六大業務單元，及工程設計、產品開發、設備製造和技術服務為一體，為電力、冶金、船舶、交通、工程建設、機械製造、航空航天等多個工業領域提供高質量的專業機電一體化設備與服務。

Shareholdings in other domestic and overseas listed companies of which it has holding rights and joint-stocks during the Reporting Period
報告期內控股和參股的其他境內外上市公司的股權情況

None
無

Other matters
其他情況說明

None
無

2. Natural person

2 自然人

Applicable Not applicable

適用 不適用

3. Special description concerning no controlling shareholder of the Company

3 公司不存在控股股東情況的特別說明

Applicable Not applicable

適用 不適用

4. Index and date of changes of controlling shareholder of the Company during the Reporting Period

4 報告期內控股股東變更情況索引及日期

Applicable Not applicable

適用 不適用

Section 8 Changes in Ordinary Shares and Information of Shareholders

第八節 普通股股份變動及股東情況

IV. Controlling shareholders and beneficial controller (Continued)

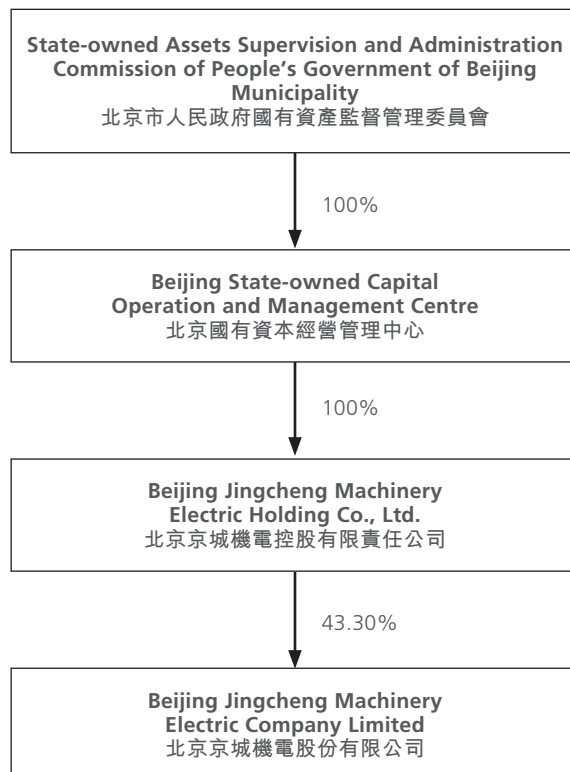
(i) Controlling shareholder (Continued)

5. Ownership and controlling relationship between the Company and controlling shareholder
 Applicable Not applicable

四、控股股東及實際控制人情況(續)

(一) 控股股東情況(續)

- 5 公司與控股股東之間的產權及控制關係的方框圖
 適用 不適用



Section 8 Changes in Ordinary Shares and Information of Shareholders 第八節 普通股股份變動及股東情況

IV. Controlling shareholders and beneficial controller (Continued)

(ii) Information on beneficial controller

1. **Legal person**
 Applicable Not applicable
2. **Natural person**
 Applicable Not applicable
3. **Special description concerning no beneficial controller of the Company**
 Applicable Not applicable
4. **Index and date of changes of beneficial controller of the Company during the Reporting Period**
 Applicable Not applicable
5. **Ownership and controlling relationship between the Company and beneficial controller**
 Applicable Not applicable
6. **Beneficial controller exercises control over the Company through trust or other asset management plan**
 Applicable Not applicable

(iii) Other information on controlling shareholder and beneficial controller

Applicable Not applicable

V. Other legal person shareholders with 10% or more shareholding

Applicable Not applicable

VI. Description of restrictions in reduction of shareholding

Applicable Not applicable

四、控股股東及實際控制人情況(續)

(二) 實際控制人情況

1. **法人**
 適用 不適用
2. **自然人**
 適用 不適用
3. **公司不存在實際控制人情況的特別說明**
 適用 不適用
4. **報告期內實際控制人變更情況索引及日期**
 適用 不適用
5. **公司與實際控制人之間的產權及控制關係的方框圖**
 適用 不適用
6. **實際控制人通過信託或其他資產管理方式控制公司**
 適用 不適用

(三) 控股股東及實際控制人其他情況介紹

適用 不適用

五、其他持股在百分之十以上的法人股東

適用 不適用

六、股份限制減持情況說明

適用 不適用



Section 9 Information about Preference Shares

第九節 優先股相關情況

Applicable Not applicable

適用 不適用

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

(i) Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period

√ Applicable □ Not applicable

一、持股變動情況及報酬情況

(一) 現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況

√適用 □不適用

Unit: share
單位：股

Name	Position (note)	Gender	Age	Date of appointment	Date of expiry of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Change in the number of shares held in the year	Reason for change	Total remuneration before tax received from the Company during the Reporting Period (RMB0'000)	Total remuneration receivable from the Shareholders during the Reporting Period (RMB0'000)	Whether receiving compensation from related parties of the Company or not
姓名	職務(註)	性別	年齡	任期起始日期	任期終止日期	年初持股數	年末持股數	年度內股份增減變動量	增減變動原因	報告期內從公司獲得的稅前報酬總額(萬元)	報告期在該股東單位領薪情況(萬元)	是否在公司關聯方獲取報酬
Wang Jun 王軍	Chairman 董事長	Male 男	47	2015-12-11	2020-06-25	0	0	0	-	0	35.46	Yes 是
Li Junjie 李俊杰	Executive Director 執行董事	Male 男	41	2014-06-26	2020-06-25	0	0	0	-	51.23	0	No 否
Zhang Jiheng 張繼恒	Executive Director 執行董事	Male 男	43	2017-06-26	2020-06-25	0	0	0	-	51.23	0	No 否
Jin Chunyu 金春玉	Non-executive Director 非執行董事	Female 女	47	2015-06-09	2020-06-25	0	0	0	-	0	31.47	Yes 是
Du Yuexi 杜躍熙	Non-executive Director 非執行董事	Male 男	59	2015-12-11	2020-06-25	0	0	0	-	0	65.72	Yes 是
Xia Zhonghua 夏中華	Non-executive Director 非執行董事	Male 男	54	2014-06-26	2020-06-25	0	0	0	-	0	45.65	Yes 是
Li Chunzhi 李春枝	Non-executive Director 非執行董事	Female 女	41	2015-06-09	2020-06-25	0	0	0	-	0	31.89	Yes 是
Wu Yan 吳燕	Independent non-executive Director 獨立非執行董事	Female 女	71	2014-06-26	2020-06-25	43,001	43,001	0	-	6	0	No 否
Liu Ning 劉寧	Independent non-executive Director 獨立非執行董事	Male 男	60	2014-06-26	2020-06-25	0	0	0	-	6	0	No 否
Yang Xiaohui 楊曉輝	Independent non-executive Director 獨立非執行董事	Male 男	51	2014-06-26	2020-06-25	0	0	0	-	6	0	No 否
Fan Yong 樊勇	Independent non-executive Director 獨立非執行董事	Male 男	46	2014-06-26	2020-06-25	0	0	0	-	6	0	No 否
Li Gejun 李革軍	Chairman of Supervisory Committee 監事長	Male 男	56	2017-06-26	2020-06-25	0	0	0	-	0	36.05	Yes 是
Li Zhe 李哲	Supervisor 監事	Male 男	52	2017-06-26	2020-06-25	0	0	0	-	42.92	0	No 否
Liu Guangling 劉廣嶺	Supervisor 監事	Male 男	55	2017-06-26	2020-06-25	0	0	0	-	32.14	0	No 否
Liu Zhe 劉哲	Deputy general manger 副總經理	Female 女	40	2017.06.27	2020.06.26	0	0	0	-	40.72	0	No 否
Jiang Chi 姜馳	Chief accountant 總會計師	Female 女	43	2014.06.26	2020.06.26	0	0	0	-	39.92	0	No 否
Shi Fengwen 石鳳文	Chief engineer 總工程師	Male 男	48	2015.10.23	2020.06.26	0	0	0	-	40.40	0	No 否
Ma Tianying 馬天穎	General counsel 總法律顧問	Female 女	54	2017.04.06	2020.06.26	0	0	0	-	32.38	0	No 否
Luan Jie 樂杰	Secretary to the Board 董事會秘書	Male 男	37	2016.11.18	2020.06.26	0	0	0	-	51.00	0	No 否
Total 合計	/	/	/	/	/	43,001	43,001	0	/	405.94	246.24	/

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

一、持股變動情況及報酬情況(續)

(Continued)

(i) Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period (Continued)

(一) 現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況(續)

Note:

備註：

- (1) The remuneration of Directors, Supervisors and chief executives is the aggregate amount for 12 months.
- (2) During the Reporting Period, no Directors, Supervisors and chief executives were granted any incentive shares by the Company.

- (1) 董事、監事、高級管理人員薪酬為12個月的合計數。
- (2) 報告期公司董事、監事、高級管理人員未有被本公司授予股權激勵的情況。

Name 姓名	Main work experiences 主要工作經歷
Wang Jun	Chinese, male, aged 47. He is an economist with a bachelor's degree and MBA. Mr. Wang was a sales clerk, director of export department, director of international business department and deputy general manager of Beijing Tianhai Industry Co., Ltd., party secretary, chairman of the Board of Beijing Beikai Electric Co., Ltd., head of the office, head of the office of the Board of Directors, director of the legal affairs department, secretary to the Board of Directors, member of the party of Beijing Jingcheng Machinery Electric Holding Co., Ltd. He served as an executive Director of the eighth session of the Board of the Company from 10 December 2015 to 26 June 2017, and chairman of the eighth session of the Board of the Company from 11 December 2015 to 26 June 2017. Currently, he is a standing committee member of party committee, deputy general manager and general counsel of Beijing Jingcheng Machinery Electric Holding Co., Ltd., and an executive Director and chairman of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
王軍	中國國籍，男，47歲，大學本科、工商管理碩士，經濟師。王先生曾任北京天海工業有限公司銷售部業務員、出口處處長、國際業務部部長、副總經理，北京北開電氣股份有限公司黨委書記、董事長，北京京城機電控股有限責任公司辦公室主任、董事會辦公室主任、法律事務部部長、董事會秘書、黨委委員。2015年12月10日起至2017年6月26日任本公司第八屆董事會執行董事，2015年12月11日起至2017年6月26日任本公司第八屆董事會董事長。現任北京京城機電控股有限責任公司黨委常委、副總經理、總法律顧問，北京京城機電股份有限公司第九屆董事會執行董事、董事長。
Li Junjie	Chinese, male, aged 41. He obtained a bachelor degree in economics from Taiyuan Heavy Machinery Institute and an EMBA degree from Guanghua School of Management of Peking University. He was an accountant of finance department, salesman of marketing department, deputy manager of human resources department, deputy general manager, deputy party secretary and general manager in Beijing Tianhai Industry Co., Ltd. He served as an executive director of the eighth session of the Board of the Company from 16 December 2013 to 26 June 2017, and served as the general manager of the Company from 26 June 2014 to 10 December 2015 and from 25 April 2017 to 26 June 2017. He is currently the party secretary and chairman of Beijing Tianhai Industry Co., Ltd. He is an executive Director and general manager of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
李俊杰	中國國籍，男，41歲，太原重型機械學院經濟學學士，北京大學光華管理學院EMBA；李先生曾任北京天海工業有限公司財務部會計、市場部業務員、人力資源部副部長、副總經理、黨委副書記、總經理。2013年12月16日起至2017年6月26日任本公司第八屆董事會執行董事，2014年6月26日至2015年12月10日任本公司總經理。2017年4月25日至2017年6月26日任本公司總經理。現任北京天海工業有限公司黨委書記、董事長。北京京城機電股份有限公司第九屆董事會執行董事、總經理。

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

(Continued)

(i) Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period (Continued)

一、持股變動情況及報酬情況(續)

(一) 現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況(續)

Name 姓名	Main work experiences 主要工作經歷
Zhang Jiheng	Chinese, male, aged 43. He is the holder of a bachelor's degree and a senior engineer. Mr. Zhang served as the head of the first production division, deputy minister of the production department, assistant of general manager and deputy manager of Beijing Tianhai Industry Co., Ltd., the general manager of Langfang Tianhai High Pressure Container Co., Ltd. and the general manager of Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd.. He is currently the general manager of Beijing Tianhai Industry Co., Ltd. and an executive Director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
張繼恒	中國國籍，男，43歲，大學本科，高級工程師。張先生曾任北京天海工業有限公司生產一處處長、生產部副部長、總經理助理、副總經理。廊坊天海高壓容器有限公司總經理。北京明暉天海氣體儲運裝備銷售有限公司總經理。現任北京天海工業有限公司總經理，北京京城機電股份有限公司第九屆董事會執行董事。
Jin Chunyu	Chinese, female, aged 47. She obtained a bachelor's degree in engineering and a master's degree in business administration, and is a senior accountant. Ms. Jin previously served as clerical officer in the Finance Department and vice director of Beijing Electric Motor General Corporation, deputy director of assets, finance and audit department of Beijing Jingcheng Machinery Electric Holding Co., Ltd., director and chief accountant (of the Chinese partner) of Babcock & Wilcox Beijing Company Ltd., and convener of Supervisory Committee of Beijing B.J. Electric Motor Co., Ltd. She served as a non-executive director of the eighth session of the Board of the Company from 9 June 2015 to 26 June 2017. Currently, she is the assistant of the general manager and the department head of planning and finance department of Beijing Jingcheng Machinery Electric Holding Co., Ltd and a non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
金春玉	中國國籍，女，47歲，管理學學士、工商管理碩士，高級會計師。金女士曾任北京市電機總廠財務處科員、副處長，北京京城機電控股有限責任公司資產財務審計部副部長，北京巴布科克·威爾科克斯有限公司董事、總會計師（中方），北京畢捷電機股份有限公司監事會召集人。2015年6月9日起至2017年6月26日任本公司第八屆董事會非執行董事。現任北京京城機電控股有限責任公司總經理助理，計劃財務部部長，北京京城機電股份有限公司第九屆董事會非執行董事。
Du Yuexi	Chinese, male, aged 59. He is a senior policy advisor with a MBA. Mr. Du was a cadre of Beijing Tong County Maizhuang Community, vice factory director of Beijing Construction Machinery Factory, general manager of Huaxin Metal Structure Company, a Sino-Japanese joint venture, deputy general manager of Beijing Xihai Company, general manager of Chinese Party and secretary of Beijing Modern Jingcheng Construction Machinery Co., Ltd., deputy general manager and secretary of Beijing Jingcheng Heavy Industry Co., Ltd.. He served as an executive director of the eighth session of the Board of the Company from 10 December 2015 to 26 June 2017. Currently, he is the designated supervisor of the directors and supervisors office of Beijing Jingcheng Machinery Electric Holding Co., Ltd. and a non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
杜躍熙	中國國籍，男，59歲，工商管理碩士，政工師。杜先生曾任北京通縣麥莊公社團幹部，北京建築機械廠副廠長，中日合資華新金屬結構公司總經理，北京西海公司常務副總經理，北京現代京城工程機械有限公司中方總經理、書記，北京京城重工機械有限責任公司常務副總經理、書記。2015年12月10日起至2017年6月26日任本公司第八屆董事會執行董事。現任北京京城機電控股有限責任公司監事辦公室專職監事，北京京城機電股份有限公司第九屆董事會非執行董事。

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

一、持股變動情況及報酬情況(續)

(Continued)

(i) Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period (Continued)

(一) 現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況(續)

Name 姓名	Main work experiences 主要工作經歷
Xia Zhonghua 夏中華	Chinese, male, aged 54. He obtained a bachelor's degree in Engineering from Hefei University of Technology. He is a senior engineer. Mr. Xia was designer of construction of Beijing Metal Structure Factory (new factory) of Beijing Machinery Industrial Engineering Contract Corporation (北京機械工業建設工程承發包公司) and its technical director, project assistant manager and project manager, director in basic construction of Beijing Jingcheng Machinery Electric Holding Co. Ltd. ("Jingcheng Holding"), director of the construction project planning department of Beijing Jianji Real Estate Co., Ltd. (北京建機房地產公司) (Part-time), head of Resource Allocation and Restructuring and head of project investment of Jingcheng Holding, vice-president of Party School of Beijing Machinery Industry Administrative Bureau (北京機械工業管理局黨校), deputy minister of the asset management department and the head of the securities and reform department of Jingcheng Holding, director of Beijing Xihai Industrial and Trading Company and Beijing Jingcheng Mechanical & Electrical Asset Management Co., Ltd. He served as a non-executive director of the eighth session of the Board of the Company from 26 June 2014 to 26 June 2017. He is currently the head of the property resource department of Beijing Jingcheng Machinery Electric Holding Co., Ltd. and a non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
夏中華	中國國籍，男，54歲，合肥工業大學工學學士，高級工程師。夏先生曾任北京機械工業建設工程承發包公司北京金屬結構廠新廠建設設計員、技術主管、項目副經理、項目經理，北京京城機電控股有限責任公司(以下簡稱「京城控股」)基本建設主管，北京建機房地產公司工程規劃建設部部長(兼)，京城控股資源配置與體改主管、投資項目主管，北京機械工業管理局黨校副校長，京城控股資產管理部副部長、證券與改革部部長，北京西海工貿公司董事，北京京城機電資產管理有限責任公司董事。2014年6月26日起至2017年6月26日任本公司第八屆董事會非執行董事。現任北京京城機電控股有限責任公司房地產資源部部長，北京京城機電股份有限公司第九屆董事會非執行董事。
Li Chunzhi 李春枝	Chinese, female, aged 41. She is the holder of a MBA degree and a middle-grade economist. Ms. Li served as the manager of translation and project of Beijing Mechanical Industry Automation Research Institute, product manager of product service department of Beijing Century Yinghua Information Technology Co., Ltd. (北京世紀盈華資訊技術有限公司) and investment management manager and vice department head of the strategic and investment department of Beijing Jingcheng Machinery Electric Holding Co., Ltd.. She is currently the vice general manager of Beijing Jingcheng Machinery Electric Industrial Investment Co., Ltd. (北京京城機電產業投資有限公司) and a non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
李春枝	中國國籍，女，41歲，工商管理碩士，中級經濟師。李女士曾任北京機械工業自動化研究所翻譯、項目經理。北京世紀盈華信息技術有限公司產品服務部產品經理。北京京城機電控股有限責任公司戰略與投資部投資管理主管，副部長。現任北京京城機電產業投資有限公司副總經理。北京京城機電股份有限公司第九屆董事會非執行董事。
Wu Yan 吳燕	Chinese, female, aged 71. She graduated from Xi'an Jiaotong University majoring in boiler design and manufacturing. Ms. Wu was the technician of the First Research & Design Institute of Nuclear Industry (核工業第一設計研究院), technician of Tianjin Bureau of Labor, deputy director and director in the Boiler and Pressure Vessel Detection & Research Center under the Ministry of Labour, director and assistant inspector of Boiler and Pressure Vessel Safety Supervision Bureau under the State Bureau of Quality Technical Supervision, assistant inspector of Special Equipment Safety Supervision Bureau under the State Administration for Quality Supervision and Inspection and Quarantine. She served as an independent non-executive director of the eighth session of the Board of the Company from 26 June 2014 to 26 June 2017. He is a deputy secretary general and secretary general of China Gas Cylinders Standardization Technical Committee, and currently serves as the consultant of the committee. She is an independent non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
吳燕	中國國籍，女，71歲，西安交通大學鍋爐設計與製造專業畢業。吳女士曾任核工業第一設計研究院技術員；天津市勞動局技術員；勞動部鍋爐壓力容器檢測研究中心副處長、處長；國家質量技術監督局鍋爐壓力容器安全監察局處長、助理巡視員；國家質量監督檢驗檢疫總局特種設備安全監察局助理巡視員；2014年6月26日起至2017年6月26日任本公司第八屆董事會獨立非執行董事。全國氣瓶標準化技術委員會副秘書長、秘書長、現任該委員會顧問。北京京城機電股份有限公司第九屆董事會獨立非執行董事。

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

(Continued)

(i) Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period (Continued)

一、持股變動情況及報酬情況(續)

(一) 現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況(續)

Name 姓名	Main work experiences 主要工作經歷
Liu Ning	Chinese, male, aged 60. He obtained a bachelor of laws from China University of Political Science and Law. He was the postgraduate in international economic law of Institute for International Economics of Nankai University and a lawyer. Mr. Liu obtained his qualification of lawyer in 1984 and have been practicing as a lawyer for over twenty years, during which he had dealt with various representative cases and legal affairs, and participated in legislation and other work. Mr. Liu served as director of Tianjin Dongfang Law Office and Beijing New Era Law Firm. He served as an independent non-executive director of the eighth session of the Board of the Company from 26 June 2014 to 26 June 2017. He is currently the director and senior partner of B.J.H & New Era Law Firm (北京市公元博景泓律師事務所), member of the Economics Committee of All-China Lawyers Association, member of the Legislative Committee of the Central Committee of China Democratic League, researcher of Food and Drug Industry Development and Regulatory Research Center of Chinese Academy of Social Sciences, legislative consultant of Beijing Municipal People's Congress, member of the Eighth Committee of Chinese People's Political Consultative Conference of Haidian District of Beijing, member of Beijing Municipal Committee of China Democratic League, deputy director of the Social and Legal Affairs Committee of Beijing Municipal Committee of China Democratic League and executive member of Beijing Federation of Industry & Commerce and an independent non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
劉寧	中國國籍，男，60歲，中國政法大學法學學士，南開大學國際經濟研究所國際經濟法專業碩士研究生，律師。劉先生自1984年取得律師資格並開始從事律師執業二十餘年來，曾辦理諸多有代表性的案件和法律事務，並參與立法及其他工作。劉先生曾任天津東方律師事務所主任、北京市公元律師事務所主任。2014年6月26日起至2017年6月26日任本公司第八屆董事會獨立非執行董事。現任北京市公元博景泓律師事務所主任，高級合夥人；中華全國律師協會經濟專業委員會委員；民盟中央法制委員會委員；中國社會科學院食品藥品產業發展與監管研究中心研究員；北京市人大常委會立法諮詢專家；政協北京市海澱區第八屆委員會委員；民盟北京市委委員；民盟北京市委社會與法制委員會副主任；北京市工商聯執委。北京京城機電股份有限公司第九屆董事會獨立非執行董事。
Yang Xiaohui	Chinese, male, aged 51. He has a bachelor's degree and is a certified public accountant, certified tax agent, certified public valuer (non-practicing member) and senior accountant in China. Mr. Yang was a teacher of North China University of Technology, department manager, deputy general manager and partner of Zhonghengxin, China Rightson Certified Public Accountants and RSM China Certified Public Accountants, and also served as the member of the technical committee of Beijing Institute of Certified Public Accountants. He served as an independent non-executive director of the eighth session of the Board of the Company from 26 June 2014 to 26 June 2017. He is currently the senior partner of Ruihua Certified Public Accountants and an independent non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited.
楊曉輝	中國國籍，男，51歲，本科，中國註冊會計師、中國註冊稅務師、註冊資產評估師(非執業會員)、高級會計師。楊先生曾任北方工業大學教師，中恒信、中瑞華恒信、中瑞岳華會計師事務所部門經理、副總經理及合夥人，並曾兼任北京註冊會計師協會技術委員會委員；2014年6月26日起至2017年6月26日任本公司第八屆董事會獨立非執行董事。現任瑞華會計師事務所高級合夥人。北京京城機電股份有限公司第九屆董事會獨立非執行董事。

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

一、持股變動情況及報酬情況(續)

(Continued)

(i) Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period (Continued)

(一) 現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況(續)

Name 姓名	Main work experiences 主要工作經歷
Fan Yong 樊勇	Chinese, male, aged 46. He obtained a master degree from Tsinghua University. Mr. Fan worked as the head of Investment Banking Division in Qinghai Securities, deputy director of general office of Shengli Oil Field Dynamic Group Co., Ltd. (Dynamic), deputy general manager of Felsted (Beijing) Investment Co., Ltd. (佛爾斯特(北京)投資有限責任公司), general manager of Capital Investment Department of Rising Securities Co., Ltd., business director of Investment Bank Headquarters of Qilu Securities Co., Ltd., director of Investment Banking of Zhong De Securities Co., Ltd. He served as an independent non-executive director of the eighth session of the Board of the Company from 26 June 2014 to 26 June 2017. He is currently a founding partner of Beijing Yi Hui Jin Tong Asset Management Co., Ltd. (北京易匯金通資產管理有限公司), chairman of Shenzhen Houshi Network Technology Company Limited and an independent director of Shenzhen Fountain Corp., a listed company, and an independent non-executive director of the ninth session of the Board of Beijing Jingcheng Machinery Electric Company Limited. 中國國籍，男，46歲，清華大學碩士研究生。樊先生曾就職於青海證券投資銀行部主管；勝利油田大明集團股份有限公司辦公室副主任；佛爾斯特(北京)投資有限責任公司副總經理；日信證券有限責任公司資本投資部總經理；齊魯證券有限公司投資銀行總部業務總監；中德證券有限公司投資銀行部董事；2014年6月26日起至2017年6月26日任本公司第八屆董事會獨立非執行董事。現任北京易匯金通資產管理有限公司創始合夥人，深圳市厚石網絡科技有限公司董事長，上市公司世紀星源獨立董事，北京京城機電股份有限公司第九屆董事會獨立非執行董事。
Li Gejun	Chinese, male, aged 56. He is a senior engineer. He had served as a technician, deputy director, deputy plant manager and plant manager in Beijing Hydraulic Parts Factory (北京液壓件廠). He was also the assistant of the general manager, deputy general manager, secretary of discipline inspection commission and chairman of labour union of Beijing Huade Hydraulics Industrial Group Co., Ltd., the supervisor of discharged supervisor office of Beijing Jingcheng Machinery Electric Holding Co., Ltd., the vice general manager of Beijing Jingcheng Industrial Logistics Co., Ltd. and the chairman of Supervisory Committee of the ninth session of the Supervisory Committee of Beijing Jingcheng Machinery Electric Company Limited which he resigned on 4 March 2019 due to change of jobs. He is currently the general manager of Beijing Jingcheng Industrial Logistics Co., Ltd..
李革軍	中國國籍，男，56歲，高級工程師。李先生曾任北京液壓件廠技術員、副科長、副廠長、廠長；北京華德液壓工業集團公司總經理助理、副總經理、紀委書記、工會主席；北京京城機電控股有限責任公司外派監事辦公室監事；北京京城工業物流有限公司副總經理；北京京城機電股份有限公司第九屆監事會監事長，已於2019年3月4日因工作變動辭任。現任北京京城工業物流有限公司總經理。
Li Zhe 李哲	Chinese, male, aged 52, university graduate with a bachelor's degree, an engineer. He had served as the head of the first production division, deputy director and director of production division, assistant of general manager and deputy general manager of Beijing Tianhai Industry Co., Ltd.. He is currently the deputy party secretary, secretary of discipline inspection commission and chairman of labour union of Beijing Tianhai Industry Co., Ltd. and a supervisor of Supervisory Committee of the ninth session of the Supervisory Committee of Beijing Jingcheng Machinery Electric Company Limited. 中國國籍，男，52歲，大學本科、工程師。李先生曾任北京天海工業有限公司生產一處處長、生產部副部長、部長、總經理助理、副總經理，北京明暉天海氣體儲運裝備銷售有限公司總經理、董事長。現任北京天海工業有限公司黨委副書記、紀委書記、工會主席，北京京城機電股份有限公司第九屆監事會監事。

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

(Continued)

(i) Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period (Continued)

一、持股變動情況及報酬情況(續)

(一) 現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況(續)

Name 姓名	Main work experiences 主要工作經歷
Liu Guangling 劉廣嶺	Chinese, male, aged 55, is a university graduate and an engineer. Mr. Liu served as deputy manager of Beijing Tianhai Metal Construction Materials' branch company; the head of the production department, the head of the quality control department, the manager representative, an assistant to general manager and the head of human resources department of Beijing Tianhai Industrial Co., Ltd.; the director of the production management department, the deputy manager and the chairman of Tianjin Tianhai High Pressure Cylinder Co., Ltd.. Mr. Liu possesses work experience in various aspects, including human resources management. Mr. Liu is currently and the head of organization department and promotion department of Party Committee of Beijing Tianhai Industry Co., Ltd. and a supervisor of Supervisory Committee of the ninth session of the Supervisory Committee of Beijing Jingcheng Machinery Electric Company Limited. 中國國籍，男，55歲，大學畢業，工程師。劉先生曾任北京天海金屬建材分公司副經理；北京天海工業有限公司生產一處長、質管處處長、管理者代表、總經理助理、人力資源部部長；天津天海高壓容器有限責任公司生產管理處處長、副總經理、董事長。劉先生具有人力資源管理等方面的工作經歷和經驗。劉先生現任北京天海工業有限公司黨委組織部部長、黨委宣傳部部長，北京京城機電股份有限公司第九屆監事會監事。
Liu Zhe 劉哲	Chinese, female, aged 40. She is a senior policy advisor with a bachelor's degree in engineering and a master degree in business administration. Ms. Liu was a teacher, group leader in teaching and research, branch secretary of student party of Light Industry Branch of Beijing Industry and Trade Technicians College, Youth League secretary and director of publicity department of the party/company of Beijing Jingcheng Machinery Electric Holding Co., Ltd., Party secretary of Beijing Jingcheng Compressor Co., Ltd., deputy party secretary, secretary of discipline inspection commission and chairman of labour union of Beijing Tianhai Industry Co., Ltd.. She served as chairman of the Supervisory Committee of the Company from 16 December 2013 to 8 June 2015, executive Director of the Company from 9 June 2015 to 23 October 2015 and a Supervisor of the Company from 10 December 2015 to 26 June 2017. She is currently deputy general manager of Beijing Tianhai Industry Co., Ltd and deputy general manager of Beijing Jingcheng Machinery Electric Company Limited. 中國國籍，女，40歲，工學學士，工商管理碩士，高級政工師。劉女士曾任北京市工貿技師學院輕工分院教師、教研組長、團委書記，北京京城機電控股有限責任公司團委書記、黨委/公司宣傳部部長，北京京城壓縮機有限公司黨委書記，北京天海工業有限公司黨委副書記、紀委書記、工會主席。2013年12月16日至2015年6月8日任本公司監事長，2015年6月9日至2015年10月23日任本公司執行董事，2015年12月10日至2017年6月26日任本公司監事。現任北京天海工業有限公司副總經理，北京京城機電股份有限公司副總經理。
Jiang Chi 姜馳	Chinese, female, aged 43, chief accountant. She graduated from Beijing Technology and Business University with a degree in Economics and is a senior accountant. She worked in Beijing DoubleCrane Pharmaceutical Co., Ltd. as the accountant, Century Industry Investment Co., Ltd. as financial officer, China National Pharmaceutical Group Corporation as assistant to financial manager, Huayi Pharmaceutical Co. Ltd. as financial manager, Beijing Jingcheng Mechanical & Electrical Holding Co., Ltd. as budget financial officer and deputy head of Financial Planning Department. Ms. Jiang has served Beiren Printing Machinery Holdings Limited (currently renamed as Beijing Jingcheng Machinery Electric Company Limited) as chief accountant since October 2011. She served as an executive Director of the Company from 29 May 2012 to 23 October 2015, served as the secretary to the Board from 26 June 2014 to 18 November 2016, and served as the chief accountant of the Company from 26 June 2014 to 26 June 2017. At present, Ms. Jiang is director and chief accountant of Beijing Tianhai Industry Co. Ltd. and director and financial controller of Jingcheng Holding (Hong Kong) Company Limited and the chief accountant of Beijing Jingcheng Machinery Electric Company Limited. 中國國籍，女，43歲，總會計師。畢業於北京工商大學，經濟學學士，高級會計師。姜女士曾任北京雙鶴藥業股份有限公司會計，世紀興業投資有限公司財務主管，中國藥材集團公司財務經理助理，華頤藥業有限公司財務經理，北京京城機電控股有限責任公司預算財務主管，北京京城機電控股有限責任公司計劃財務部副部長，2011年10月姜女士開始為北人印刷機械股份有限公司(現更名為北京京城機電股份有限公司)服務，任總會計師至今。2012年5月29日至2015年10月23日任本公司執行董事，2014年6月26日至2016年11月18日任本公司董事會秘書。2014年6月26日至2017年6月26日任公司總會計師。現任北京天海工業有限公司董事、總會計師，京城控股(香港)有限公司董事、財務總監，北京京城機電股份有限公司總會計師。

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

一、持股變動情況及報酬情況(續)

(Continued)

(i) Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period (Continued)

(一) 現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況(續)

Name 姓名	Main work experiences 主要工作經歷
Shi Fengwen 石鳳文	Chinese, male, aged 48. He is a senior engineer with a bachelor's degree. Mr. Shi was an assistant engineer, engineer, vice-chief and chief of technical department, vice-chief engineer and vice director of technology and quality department, vice-chief engineer and director of technology department of Beijing Tianhai Industry Co. Ltd.. He served as the Chief Engineer of the Company from 23 October 2015 to 26 June 2017. Currently, he is the chief engineer and director of technology department of the board of Beijing Tianhai Industry Co., Ltd. and the Chief Engineer of Beijing Jingcheng Machinery Electric Company Limited. 中國國籍，男，48歲，大學本科，高級工程師。石先生曾任北京天海工業有限公司技術處助理工程師、工程師、技術處副處長、技術處處長、副總工程師兼技術質量部副部長、副總工程師兼技術部部長。2015年10月23日至2017年6月26日任本公司總工程師。現任北京天海工業有限公司總工程師兼技術質量管理部部长、北京京城機電股份有限公司總工程師。
Ma Tianying 馬天穎	Chinese, female, aged 54, was a doctoral student and is a senior engineer. Ms. Ma was vice director of quality inspection division, science and technology quality department, director of strategic planning department, vice director of securities department of Jincheng Holding; vice factory director of Beijing No. 2 Machine Tool Factory, head of enterprise planning department and technical vice director of Beijing No. 1 Machine Tool Factory; head of enterprise planning department, human resources department, director of the office of the board of directors and head of strategic planning of Beijing Beiyi Machine Tool Co., Ltd. She was general counsel of the Company from 6 April 2017 to 26 June 2017. Currently, she is general counsel of Beijing Tianhai Industry Co., Ltd and general counsel of Beijing Jingcheng Machinery Electric Company Limited. 中國國籍，女，54歲，博士研究生，高級工程師。馬女士曾任京城控股科技質量部質量監督處處長、戰略規劃部部長、證券部副部長；北京第二機床廠副廠長；北京第一機床廠企業規劃部部長、技術副廠長；北京北一機床股份有限公司企業規劃部部長、人力資源部、董事會辦公室主任、戰略規劃部部長。2017年4月6日至2017年6月26日任本公司總法律顧問。現任北京天海工業有限公司總法律顧問，北京京城機電股份有限公司總法律顧問。
Luan Jie 樂杰	Chinese, male, aged 37. He has a bachelor's degree in law. Mr. Luan previously worked as the chief legal officer of Golden Harvest (Beijing) Cinema Management Consultancy Company Limited (北京嘉禾影城管理諮詢有限公司), manager in the securities and legal department and board secretary of Beijing Jingkelong Company Limited, legal practitioner in Beijing Jingdu Law Firm (北京市京都律師事務所) and staff in the legal department of Beijing Chaopi Trading Co., Ltd. (Jingkelong) (北京朝批商貿股份有限公司(京客隆)). He was the secretary to the Board of the Company from 18 November 2016 to 26 June 2017. He is currently the secretary to the Board of Beijing Jingcheng Machinery Electric Company Limited. 中國國籍，男，37歲，法學學士。樂先生曾任北京嘉禾影城管理諮詢有限公司法務總監，北京京客隆商業集團股份有限公司證券法務部主任、董事會秘書，北京市京都律師事務所律師，北京朝批商貿股份有限公司法務部職員。2016年11月18日至2017年6月26日任本公司董事會秘書。現任北京京城機電股份有限公司董事會秘書。

Other information

Applicable Not applicable

其他情況說明

適用 不適用

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

I. Change of shareholding and remuneration

(Continued)

(ii) Information on incentive share option granted to directors and senior management during the Reporting Period

Applicable Not applicable

一、持股變動情況及報酬情況(續)

(二) 董事、高級管理人員報告期內被授予的股權激勵情況

適用 不適用

II. Positions of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period

(i) Positions in Shareholder Entities

二、現任及報告期內離任董事、監事和高級管理人員的任職情況

(一) 在股東單位任職情況

Name 任職人員姓名	Name of shareholder entity 股東單位名稱	Position(s) held at Shareholder Entities 在股東單位擔任的職務	Date of appointment 任期起始日期	Date of expiry of office 任期終止日期
Wang Jun 王軍	Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Standing committee member of party committee, deputy general manager and general counsel 黨委常委、副總經理、總法律顧問	19 September 2011 2011年9月19日	
Jin Chunyu 金春玉	Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Assistant of the general manager, head of planning and finance department 總經理助理、計劃財務部部長	11 May 2016 2016年5月11日	
Du Yuexi 杜躍熙	Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Designated supervisor of the directors and supervisors office 董監事辦公室專職監事	25 December 2018 2018年12月25日	
Xia Zhonghua 夏中華	Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Head of the property resource department 房地資源部部長	28 April 2015 2015年4月28日	
Li Gejun 李革軍	Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Designated supervisor of the directors and supervisors office 董監事辦公室專職監事	22 March 2017 2017年3月22日	12 September 2018 2018年9月12日
Description of Positions in Shareholder Entities 在股東單位任職情況的說明	Not applicable 不適用			

(ii) Position(s) in Other Entities

Applicable Not applicable

(二) 在其他單位任職情況

適用 不適用

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

III. Remunerations of Directors, Supervisors and Senior Management Officers

Applicable Not applicable

Decision making process of remuneration of Directors, Supervisors and Senior Management

董事、監事、高級管理人員報酬的決策程序

Basis for determination of remuneration of Directors, Supervisors and Senior Management

董事、監事、高級管理人員報酬確定依據

Actual payment for the remuneration of Directors, Supervisors and Senior Management Officers

董事、監事和高級管理人員報酬的實際支付情況

Total actual remuneration of all Directors, Supervisors and Senior Management Officers at the end of the Reporting Period

報告期末全體董事、監事和高級管理人員實際獲得的報酬合計

三、董事、監事、高級管理人員報酬情況

適用 不適用

Resolution on the remuneration of directors and senior management officers is prepared by remuneration and monitoring committee of the Board. The remuneration of senior management officers is to be considered and approved by the Board while the remuneration of directors and supervisors are to be considered and approved by the Board and reported to the general meeting through the Board for consideration and approval.

公司董事、高級管理人員報酬由董事會薪酬與考核委員會擬定方案，高級管理人員的報酬由董事會審議批准，董事的報酬由董事會審議通過報請股東大會批准，監事的報酬由監事會審議通過報請股東大會批准。

The remuneration of directors, supervisors and senior management officers is determined in accordance with the remuneration standard of directors, supervisors and senior management officers formulated by the Company, as well as the annual assessment indicators.

按照公司制定的董事、監事及高級管理人員薪酬標準，結合年度考核指標，確定董事、監事及高級管理人員報酬。

Please refer to the above table headed "Change in shareholding and remuneration of current and the resigned Directors, Supervisors and Senior Management Officers during the Reporting Period".

見上述「現任及報告期內離任董事、監事和高級管理人員持股變動及報酬情況(表)」

RMB4.0594 million

人民幣405.94萬元

IV. Changes in Directors, Supervisors and Senior Management

Applicable Not applicable

四、公司董事、監事、高級管理人員變動情況

適用 不適用

V. Description of penalties imposed by securities regulatory bodies in the past three years

Applicable Not applicable

五、近三年受證券監管機構處罰的情況說明

適用 不適用

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

VI. Details of staff of the Parent Company and major subsidiaries

(i) Details of staff

六、母公司和主要子公司的員工情況

(一) 員工情況

Number of existing employees of the Parent Company 母公司在職員工的數量	27
Number of existing employees of major subsidiaries 主要子公司在職員工的數量	1575
Total number of existing employees 在職員工的數量合計	1575
Number of retired staff who incurred expenses of the Parent Company and major subsidiaries 母公司及主要子公司需承擔費用的離退休職工人數	425

Type of professions

專業構成

Professions 專業構成類別		Number of persons 專業構成人數
Production staff 生產人員		981
Sales staff 銷售人員		112
Technical staff 技術人員		135
Financial staff 財務人員		30
Administrative staff 行政人員		168
Others 其他		149
Total 合計		<u>1,575</u>

Educational Background

教育程度

Education level 教育程度類別		Number of persons 數量(人)
University graduates or above 大學本科及以上		295
Associate degree 大專		147
Secondary technical graduates 中專		267
Senior high school graduates and below 高中及以下		866
Total 合計		<u>1,575</u>

Section 10 Directors, Supervisors, Senior Management Officers and Employees

第十節 董事、監事、高級管理人員和員工情況

VI. Details of staff of the Parent Company and major subsidiaries (Continued)

(ii) Remuneration Policies

Applicable Not applicable

The Company implemented diversified salaries system based on the performance of positions as the main remuneration system. On the basis for performance-based salary standards of positions, the salary level of each position is determined by job evaluation with reference to labour market for confirming the relative value of the post, so as to ensure the internal and external equality of salaries level. On this basis, the remuneration policy is to be implemented subject to different personnel and nature of work to undertake a diversified salaries system such as the implementation of broadband compensation and technological innovation incentives for technical staff; the sales commission approach for marketing staff; piecework wage system for production workers and annual salary system for the senior management. In June 2015, the wages contracting program was implemented to improve the salary management system of the Company and the remuneration management system to truly reflect the hard work and stimulate the enthusiasm of staff.

(iii) Training Plan

Applicable Not applicable

Throughout 2018, a total training hours of 31,235 hours involving 8,630 persons were organized according to the 2018 annual training program, and the number of training hours per staff reached 19.8 hours. The Company organized the trainings on product and technique knowledge, continue education for financial and statisticians, internal control, construction of the Party's working style and its clean and honest administration, position qualifications, team leading, safety production, emergency plan and fire safety, etc..

(iv) Labour outsourcing

Applicable Not applicable

Total working hours for labour outsourcing
勞務外包的工時總數
Total remuneration paid for labour outsourcing
勞務外包支付的報酬總額

VII. Others

Applicable Not applicable

六、母公司和主要子公司的員工情況(續)

(二) 薪酬政策

適用 不適用

公司實施以崗位績效工資為主體的多元化薪酬制度，崗位績效工資按照在定崗定編的基礎上，通過崗位評價確定崗位相對價值並參考勞動力市場價位確定工資水平，以保證薪酬的內外部公平性。在此基礎上，對技術人員實施技術等級評聘和技術創新獎勵辦法，對營銷人員實施銷售業績提成辦法，對基本生產工人實施計件工資制度，對高級管理人員實施年薪制，按照不同人員不同工作性質，採取分層分類的多元化的薪酬政策。2015年6月開始實施部門工資包幹方案，完善公司薪酬管理制度，真正體現多勞多得，激發員工的工作積極性。

(三) 培訓計劃

適用 不適用

2018年根據《2018年度培訓計劃》已經完成培訓總學時31,235小時，共涉及8,630培訓人次，人均培訓課時達19.8小時。根據公司年度培訓計劃內容，公司組織了產品及工藝知識、財務及統計人員繼續教育、內部控制培訓、黨風廉政建設培訓、崗位資格培訓、班組長、安全生產培訓、應急預案培訓、消防安全培訓等等。

(四) 勞務外包情況

適用 不適用

29,232 hours
29,232 小時
RMB524,400
人民幣524,400元

七、其他

適用 不適用

Section 11 Corporate Governance

第十一節 公司治理

I. Information on Corporate Governance

Applicable Not applicable

During the Reporting Period, the general meeting, the Board, the supervisory committee and managers of the Company well defined power and responsibilities, allowing them to maintain checks and balances and coordinate with each other. The Board of the Company and its strategic committee, the audit committee, the remuneration and monitoring committee and the nomination committee and the supervisory committee carried out their work according to their responsibilities. The information of the Company was disclosed on a true, accurate, complete and timely basis. The actual situation of the Company's governance complied with the Company Law and the requirements of China Securities Regulatory Commission.

During the Reporting Period, the major aspects of corporate governance are as follows:

1. Shareholders and general meetings The Company was able to treat all Shareholders equally with due respect and to safeguard their interests. In particular, medium-sized and minority Shareholders were entitled to their status and to fully exercise their rights with their legal interests being protected. The Company ensured that shareholders were entitled to their right of access to information and right to participate in decision-making in respect of material events of the Company as required by laws and administrative rules and regulations. In accordance with the relevant requirements set out in the Rules of Procedure for the General Meeting, it could be ensured that general meetings were convened and held in a legal, regulated and orderly manner and, in respect of voting for connected transactions, the relevant persons were arranged to abstain from voting pursuant to the relevant requirements in such manner that connected transactions are open, equal and fair.
2. Directors and the Board The Board of Directors of the Company comprised 11 directors, of whom 4 were independent non-executive directors. The Board set up the strategic committee, the Audit Committee, the Remuneration and Monitoring Committee and the Nomination Committee. During the Reporting Period, all directors were able to strictly perform their duties of good faith and due diligence. The Board exercised its power and authority in strict compliance with the requirements of laws and regulations and the Articles of Association to ensure the regulated operation of the Company. Resolutions put forward at the Board meetings were sufficiently discussed and resolved in a scientific, prompt and cautious manner. Directors of the Company were selected and appointed in strict compliance with the required procedures set out in the Articles of Association. According to the requirements of the Standard of Corporate Governance for PRC Listed Companies, the Company gave full play to the functions of the Special Committees of the Board and the four independent non-executive directors pursuant to the relevant requirements of the Rules of Procedure for the Board of Directors, Detailed Implementation Rules for the Special Committees of the Board of Directors and Working System for Independent Directors.

一、公司治理相關情況說明

適用 不適用

報告期內，公司股東大會、董事會、監事會及經理層之間權責明確、各司其職、運營合規。公司董事會及下設戰略委員會、審計委員會、薪酬與考核委員會及提名委員會和監事會按各自職責開展工作。公司信息披露真實、準確、完整、及時。公司治理的實際狀況符合《公司法》和中國證監會相關規定的要求。

報告期內公司治理的主要方面如下：

- 1、關於股東與股東大會公司能夠平等對待所有股東，充分尊重和維護股東利益，特別是中小股東享有的地位和充分行使自己的權利，保護其合法權益。確保股東對法律、行政法規所規定的公司重大事項享有知情權和參與決策權。按照《股東大會議事規則》的有關規定，能夠保證股東大會召集、召開合法、規範、有序，對關聯交易的表決，按照有關規定採取相關人員回避，做到關聯交易能夠公開、公平、公正。
- 2、關於董事與董事會公司董事會由11名董事組成，其中獨立非執行董事4名，董事會下設戰略委員會、審計委員會、薪酬與考核委員會、提名委員會。報告期內各位董事能夠嚴格履行誠信與勤勉的義務；董事會嚴格按照法律、法規和《公司章程》的規定行使職權，確保公司規範運營；董事會議案能夠充分討論，科學、迅速和謹慎地作出決策；嚴格按照《公司章程》的規定程序選聘公司董事；根據《上市公司治理準則》的要求，公司按照《董事會議事規則》、《董事會專業委員會實施細則》和《獨立董事工作制度》的有關規定，充分發揮董事會專業委員會和四位獨立非執行董事的作用。

Section 11 Corporate Governance

第十一節 公司治理

I. Information on Corporate Governance (Continued)

- Supervisors and the Supervisory Committee The Supervisory Committee of the Company comprised three supervisors, of whom two were supervisors for shareholder representatives and one was supervisor for staff representative. The supervisory committee appointed one secretary for the supervisory committee. The supervisory committee of the Company was committed to being accountable to all shareholders. Taking the financial controller as the core, the supervisory committee supervised the Directors, general managers and senior management officers of the Company to protect the safety of the assets of the Company, reduced financial risks and safeguarded the legal interests of the Company and the shareholders. The supervisory committee had the capacity to carry out extensive communication with shareholders, staff and other stakeholders so as to ensure the launch of the supervisory work. The Rules of Procedure for the supervisory committee formulated by the Company facilitated the exercising of power of all supervisors. The supervisory committee convened regular meetings and extraordinary meetings in strict compliance with the rules and procedures.
- Stakeholders The Company can fully respect and protect the legal interests of stakeholders so as to achieve a coordinated balance among the interests of various parties including shareholders, staff and the community for purposes of jointly facilitating the continuous and healthy development of the Company.
- Information disclosure and investor relations The secretary to the Board of Directors was designated by the Company for being responsible for handling information disclosure, and receiving shareholders' visits and enquiries. The Company disclosed the relevant information in a true, accurate, complete and timely manner in accordance with the Listing Rules of the Shanghai Stock Exchange and the Hong Kong Stock Exchange to practicably ensure that investors will be able to obtain the relevant information equally.

Whether there is any significant difference between the corporate governance and the requirements by China Securities Regulatory Commission; if so, indicate the reasons for such differences

Applicable Not applicable

II. Introduction to the General Meetings

Meeting 會議屆次	Date of holding 召開日期	Index for details on websites designated for publishing resolutions 決議刊登的指定網站的查詢索引	Date of disclosure of the resolutions 決議刊登的披露日期
2017 Annual General Meeting 2017年年度股東周年大會	12 June 2018 2018.6.12	http://www.sse.com.cn	13 June 2018 2018.6.13
2018 First Extraordinary General Meeting 2018年第一次臨時股東大會	19 October 2018 2018.10.19	http://www.sse.com.cn	20 October 2018 2018.10.20

General meetings

Applicable Not applicable

一、公司治理相關情況說明(續)

- 關於監事和監事會公司監事會由3名監事組成，其中2名股東代表監事和1名職工代表監事。監事會聘任監事會秘書1名。公司監事會堅持對全體股東負責，以財務監督為核心，對公司董事、總經理及高級管理人員進行監督，保護公司資產安全，降低財務風險，維護公司和股東的合法權益；具有與股東、職工和其他利益相關者進行廣泛交流的能力，保證了監督工作的開展。公司制訂的《監事會議事規則》，更有利於各位監事行使職權。監事會嚴格按規則和程序召開定期會議和臨時會議。
- 關於相關利益者公司能夠充分尊重和維護相關利益者的合法權益，實現股東、員工、社會等各方利益的協調平衡，共同推動公司持續、健康發展。
- 關於信息披露和投資者關係公司指定董事會秘書負責信息披露工作，接待股東來訪和諮詢。公司按照上海證券交易所和香港聯合交易所《上市規則》的規定，真實、準確、完整、及時地披露有關信息，切實保證投資者能平等地獲得有關信息。

公司治理與中國證監會相關規定的要求是否存在重大差異；如有重大差異，應當說明原因

適用 不適用

二、股東大會情況簡介

股東大會情況說明

適用 不適用

Section 11 Corporate Governance

第十一節 公司治理

III. Performance of Duties by Directors

(i) Attendance of directors at the Board meetings and the general meetings

三、董事履行職責情況

(一) 董事參加董事會和股東大會的情況

Name of Director(s) 董事姓名	Independent or not 是否獨立董事	Required attendance during the year 本年應參加董事會次數	Attendance at Board meetings 參加董事會情況				Number of absence 缺席次數	Attendance at general meetings 參加股東大會情況	
			Attendance in person 親自出席次數	Attendance by communication equipment 以通訊方式參加次數	Attendance by proxy 委託出席次數	Absence from two consecutive meetings or not 是否連續兩次未親自參加會議		Attendance at general meetings 出席股東大會的次數	
Wang Jun 王軍	No 否	11	7	4	0	0	No 否	2	
Li Junjie 李俊杰	No 否	11	7	4	0	0	No 否	2	
Zhang Jiheng 張繼恒	No 否	11	7	4	0	0	No 否	1	
Du Yuexi 杜躍熙	No 否	11	6	4	1	0	No 否	2	
Xia Zhonghua 夏中華	No 否	11	7	4	0	0	No 否	2	
Jin Chunyu 金春玉	No 否	11	7	4	0	0	No 否	2	
Li Chunzhi 李春枝	No 否	11	7	4	0	0	No 否	2	
Chen Changge 陳長革	No 否	11	7	4	0	0	No 否	2	
Fu Hongquan 付宏泉	No 否	11	7	4	0	0	No 否	2	
Wu Yan 吳燕	Yes 是	11	7	4	0	0	No 否	2	
Liu Ning 劉寧	Yes 是	11	7	4	0	0	No 否	1	
Yang Xiaohui 楊曉輝	Yes 是	11	7	4	0	0	No 否	2	
Fan Yong 樊勇	Yes 是	11	7	4	0	0	No 否	1	

Description of absence from two consecutive Board meetings in person

Applicable Not applicable

Number of Board meetings during the year 11

年內召開董事會會議次數

Of which: number of meetings convened on-site 7

其中：現場會議次數

Number of meetings convened by communication equipment 4

通訊方式召開會議次數

Number of meetings both on-site and by communication equipment 0

現場結合通訊方式召開會議次數

連續兩次未親自出席董事會會議的說明

適用 不適用

(ii) Objection of Independent Non-executive Directors to the Relevant Matters of the Company

Applicable Not applicable

(二) 獨立董事對公司有關事項提出異議的情況

適用 不適用

(iii) Others

Applicable Not applicable

(三) 其他

適用 不適用

Section 11 Corporate Governance

第十一節 公司治理

IV. Major comments and suggestions proposed by the committees under the Board of Directors when performing their duties during the Reporting Period. Details of any objections shall be disclosed

Applicable Not applicable

V. Supervisory Committee's description on risks identified in the Company

Applicable Not applicable

VI. Statements of the Company on inability to maintain the independence or the ability of independent operations between the Company and the controlling shareholders with respect to business, personnel, assets, organization and finance

Applicable Not applicable

Corresponding solutions, working progress and subsequent working plans of the Company in case of horizontal competition attributable to shareholding reform, industry features, national policies, merger and acquisition

Applicable Not applicable

VII. Establishment and implementation of appraisal and incentive mechanism for senior management officers during the Reporting Period

Applicable Not applicable

During the Reporting Period, the Board of the Company and the senior management officers entered into and executed the Performance Assessment Contract for Senior Management Officers. The Board assessed the performance of the senior management officers every year. After the remuneration and monitoring committee of the Board has completed the appraisal of the senior management officers based on the said contract for confirmation, such appraisal may be submitted to the Board for its examination and approval.

四、董事會下設專門委員會在報告期內履行職責時所提出的重要意見和建議，存在異議事項的，應當披露具體情況

適用 不適用

五、監事會發現公司存在風險的說明

適用 不適用

六、公司就其與控股股東在業務、人員、資產、機構、財務等方面存在的不能保證獨立性、不能保持自主經營能力的情況說明

適用 不適用

存在同業競爭的，公司相應的解決措施、工作進度及後續工作計劃

適用 不適用

七、報告期內對高級管理人員的考評機制，以及激勵機制的建立、實施情況

適用 不適用

報告期內，公司董事會與高級管理人員簽訂《高級管理人員績效考核業績合同》，董事會每年對其進行考核，董事會薪酬與考核委員會根據高級管理人員《業績合同》完成情況評估認可後，報董事會審批。

Section 11 Corporate Governance

第十一節 公司治理

VIII. Whether internal control self-assessment report is disclosed

Applicable Not applicable

For details, please refer to the internal control assessment report published by the Company on the website of the Shanghai Stock Exchange (www.sse.com.cn) on the same day.

Description of material defects of internal control during the Reporting Period

Applicable Not applicable

IX. Description of matters regarding the Internal Control Audit Report

Applicable Not applicable

For details, please refer to the Internal Control Audit Report published on the same day.

Whether the Internal Control Audit Report is disclosed: Yes

X. Others

Applicable Not applicable

Corporate Governance Report

The Directors of the Company believe that corporate governance is crucial to the success of the Company. Therefore, the Company adopts various measures to maintain corporate governance of high standard.

The documents related to corporate governance of the Company include the Articles of Association, Rules of Procedure for the General Meeting, and Rules of Procedure for the Board of Directors, Rules of Procedure for the Supervisory Committee, Implementation Rules of the Special Committees of the Board of Directors, Code of Practice of General Managers and Code of Practice of the Secretary to the Board of Directors. To achieve the highest level of corporate governance, the Board of the Company has set up four special committees, namely, the strategic development committee, the audit committee, the remuneration and monitoring committee and the nomination committee.

八、是否披露內部控制自我評價報告

適用 不適用

詳見公司同日披露在上海證券交易所網站(www.sse.com.cn)上的《內部控制評價報告》。

報告期內部控制存在重大缺陷情況的說明

適用 不適用

九、內部控制審計報告的相關情況說明

適用 不適用

詳見同日披露的《內部控制審計報告》。

是否披露內部控制審計報告：是

十、其他

適用 不適用

企業管治報告

本公司董事相信企業管治對本公司之成功非常重要，故本公司在採納不同措施，確保維持高標準企業管治。

本公司有關公司治理的文件包括《公司章程》、《股東大會議事規則》、《董事會議事規則》、《監事會議事規則》、《董事會專業委員會實施細則》、《總經理工作細則》、《董事會秘書工作細則》等。力求達到最高企業管治水平，本公司董事會設立了四個專門委員會分別是：戰略委員會、審計委員會、薪酬與考核委員會及提名委員會。

Section 11 Corporate Governance 第十一節 公司治理

X. Others (Continued)

Attendance of directors at the Board meetings and the general meetings:

十、其他(續)

董事參加董事會和股東大會的情況：

Name of Director(s) 董事姓名		Independent or not 是否獨立董事	Attendance at Board meetings 參加董事會情況					Absence from two consecutive meetings or not 是否連續兩次未親自參加會議	Attendance at general meetings 出席股東大會的次數
			Required attendance during the year 本年度參加董事會次數	Attendance in person 親自出席次數	Attendance by communication equipment 以通訊方式參加次數	Attendance by proxy 委託出席次數	Number of absence 缺席次數		
Wang Jun	王軍	No 否	11	7	4	0	0	No 否	2
Li Junjie	李俊杰	No 否	11	7	4	0	0	No 否	2
Zhang Jiheng	張繼恒	No 否	11	7	4	0	0	No 否	1
Du Yuexi	杜躍熙	No 否	11	6	4	1	0	No 否	2
Xia Zhonghua	夏中華	No 否	11	7	4	0	0	No 否	2
Jin Chunyu	金春玉	No 否	11	7	4	0	0	No 否	2
Li Chunzhi	李春枝	No 否	11	7	4	0	0	No 否	2
Chen Changge	陳長革	No 否	11	7	4	0	0	No 否	2
Fu Hongquan	付宏泉	No 否	11	7	4	0	0	No 否	2
Wu Yan	吳燕	Yes 是	11	7	4	0	0	No 否	2
Liu Ning	劉寧	Yes 是	11	7	4	0	0	No 否	1
Yang Xiaohui	楊曉輝	Yes 是	11	7	4	0	0	No 否	2
Fan Yong	樊勇	Yes 是	11	7	4	0	0	No 否	1
Number of Board meetings during the year 年內召開董事會會議次數									11
Of which: number of meetings convened on-site 其中：現場會議次數									7
Number of meetings convened by communication equipment 通訊方式召開會議次數									4
Number of meetings both on-site and by communication equipment 現場結合通訊方式召開會議次數									0

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

Performance of duties by the Strategic Committee under the Board of Directors:

The main duties of the Strategic Committee are to formulate the strategic rules of the Company, to supervise the implementation of strategies and to timely adjust the strategies and the governance structure of the Company.

1. The main duties and authorities of the Strategy Committee include:
 - (1) to define and review the Company's development strategies and mid-and long-term plans, and make relevant recommendations to the Board;
 - (2) to review and advise on projects that must be approved by the Board as required by the Articles of Association, such as major external investments and financing, M&As, infrastructure, key technical transformations and breakthroughs, strategic R&D projects;
 - (3) to review mergers, demergers, increase or decrease in funding, dissolving and liquidation and other key matters that may affect corporate development, and make relevant recommendations to the Board;
 - (4) to review and advise on other key matters that may affect corporate development;
 - (5) to inspect the implementation of the items above;
 - (6) other matters as authorized by the Board.
2. The Strategic Committee comprises five directors. During the Reporting Period, the Strategic Committee convened four meetings. Details of such meeting are as follows:
 - (1) the Amendments to the Rules of Procedures for the Strategic Committee of the Board of Beijing Jingcheng Machinery Electric Co., Ltd. was considered and approved.
 - (2) the resolution in relation to the early dissolution and liquidation of Langfang Tianhai High Pressure Containers Co., Ltd. was considered and approved.
 - (3) the resolution on the establishment of Beijing Jingcheng Haitong Technology Culture Development Co., Ltd. (tentative name) by Beijing Tianhai Industry Co., Ltd. and the Jingcheng Haitong technology innovation industrial park development project was considered and approved.
 - (4) the resolution on the proposed lease of a parcel of land and the plant erected thereon at 9 Tianying North Road, Chaoyang District by Beijing Tianhai Industry Co., Ltd. was considered and approved.

十、其他(續)

企業管治報告(續)

董事會下設的戰略委員會履職情況：

戰略委員會的主要職責是制訂本公司戰略規則，監控戰略的執行，以及適時調整本公司戰略和管治架構。

- 1、 戰略委員會的主要職責權限：
 - (1) 組織研究擬定公司發展戰略、中長期規劃，對公司發展戰略、中長期規劃進行評估，並向董事會提出參考建議；
 - (2) 對《公司章程》規定須經董事會批准的重大對外投融資、併購和重組、基本建設、重大技改、重大技術攻關、戰略性產品研發等項目進行研究並提出建議；
 - (3) 對公司合併、分立、增減資、解散清算，以及其他影響公司發展的重大事項進行研究，並向董事會提出參考建議；
 - (4) 對其他影響公司發展的重大事項進行研究並提出建議；
 - (5) 對以上事項的實施進行檢查；
 - (6) 董事會授權的其他事宜。
- 2、 戰略委員會由五名董事組成，戰略委員會於報告期內共計召開4次會議，審議通過事項如下：
 - (1) 審議通過關於修訂《北京京城機電股份有限公司董事會戰略委員會實施細則》的議案。
 - (2) 審議通過關於廊坊天海高壓容器有限公司提前解散並進行清算的議案。
 - (3) 審議通過關於北京天海工業有限公司投資設立北京京城海通科技文化發展有限公司(暫定名)暨京城海通科技創新產業園開發項目的議案。
 - (4) 審議通過關於北京天海工業有限公司擬整體出租朝陽區天盈北路9號場地及廠房的議案。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued) Corporate Governance Report (Continued)

Performance of duties by the Strategic Committee under the Board of Directors: (Continued)

The members of the Strategic Committee and their attendance at the meetings are as follows:

Name 姓名	Description 說明	Required attendance in 2018 2018年應出席 會議次數	Actual attendance 實際出席 會議次數
Wang Jun (Chairman) 董事長王軍	Chairman of the committee 委員會主席	4	4
Wu Yan (independent non-executive Director) 獨立非執行董事吳燕	Member of the committee 委員會委員	4	4
Li Junjie (executive Director) 執行董事李俊杰	Member of the committee 委員會委員	4	4
Xia Zhonghua (non-executive Director) 非執行董事夏中華	Member of the committee 委員會委員	4	4
Zhang Jiheng (executive Director) 執行董事張繼恒	Member of the committee 委員會委員	4	4

Performance of duties by the Audit Committee under the Board of Directors:

The authority and power of the Audit Committee was formulated in accordance with advice provided in "A Guide for Effective Audit Committees" issued by Hong Kong Institute of Certified Public Accountants, the "Code on Corporate Governance Practices" of Appendix 14 of the Hong Kong Listing Rules and the "Code of Corporate Governance for Listed Companies in China" issued by the CSRC. Its major duties include: to review and monitor the quality and procedure of the financial reporting of the Group, to review the completeness and effectiveness of the internal control system of the Company, to appoint independent auditors, to coordinate their work and review the quality and efficiency of their work, and, lastly, to review all written reports issued by internal auditors and the management's feedback on such reports.

The Audit Committee of the Board of the Company comprises three directors. During the Reporting Period, the Audit Committee convened nine meetings. Details of such meetings are as follows:

1. On 20 March 2018, the Audit Committee convened an on-site meeting, at which the Audit Committee reviewed the consolidated financial statements of the Company and the financial statements of the parent company and subsidiaries for the year 2017.
2. On 26 March 2018, the Audit Committee convened an on-site meeting, at which the Audit Committee considered and approved the following resolutions:
 - (1) the 2017 Annual Report of the Company and its summary and the H Shares results announcement was considered and approved;
 - (2) the 2017 audited financial report of the Company was considered and approved;

十、其他(續) 企業管治報告(續)

董事會下設的戰略委員會履職情況：(續)

戰略委員會成員名單及會議出席情況：

Name 姓名	Description 說明	Required attendance in 2018 2018年應出席 會議次數	Actual attendance 實際出席 會議次數
Wang Jun (Chairman) 董事長王軍	Chairman of the committee 委員會主席	4	4
Wu Yan (independent non-executive Director) 獨立非執行董事吳燕	Member of the committee 委員會委員	4	4
Li Junjie (executive Director) 執行董事李俊杰	Member of the committee 委員會委員	4	4
Xia Zhonghua (non-executive Director) 非執行董事夏中華	Member of the committee 委員會委員	4	4
Zhang Jiheng (executive Director) 執行董事張繼恒	Member of the committee 委員會委員	4	4

董事會下設的審計委員會履職情況：

審計委員會的職權範圍是依據香港會計師公會頒佈的《審核委員會有效運作指引》中所提出的建議、香港上市規則附錄十四《企業管治常規守則》以及中國證監會頒佈的《中國上市公司治理準則》而制訂的。其主要職責包括：檢討及監察集團的財務彙報質量和程序，檢討本公司內部監控制度的健全性與有效性，負責獨立審計師的聘任、工作協調及對其工作效率和工作質量進行檢討，審閱內部審計人員發出的一切書面報告並檢討經理層對這些報告的反饋意見。

公司董事會審計委員會由三名董事組成，報告期內，審計委員會共計召開了9次會議，具體情況如下：

- 1、2018年3月20日，審計委員會召開現場會議，審計委員會審閱2017年公司合併財務報表、母公司及所屬子公司的財務報表。
- 2、2018年3月26日，審計委員會召開現場會議，審計委員會審議通過如下議案：
 - (1) 審議通過公司2017年年度報告全文及摘要、H股業績公告；
 - (2) 審議通過公司2017年度經審計的財務報告；

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

Performance of duties by the Strategic Committee under the Board of Directors: (Continued)

- (3) the 2017 Audit Report on the financial report of the Company was considered and approved;
- (4) the 2017 Audit Report on Internal Control over Financial Reporting of the Company was considered and approved;
- (5) the proposal of the profit distribution of the Company for the year 2017 was considered and approved;
- (6) the resolution on provision for assets impairment of the Company for the year 2017 was considered and approved;
- (7) the resolution on the payment for the audit fee for 2017 to Shinewing Certified Public Accountants LLP was considered and approved;
- (8) the resolution on the payment for the audit fee for 2017 to Da Hua Certified Public Accountants (Special General Partnership) was considered and approved;
- (9) the resolution on the re-appointment of Shinewing Certified Public Accountants LLP as the auditor for the Company's 2018 financial reports was considered and approved;
- (10) the resolution on the re-appointment of Da Hua Certified Public Accountants (Special General Partnership) as the auditor for the Company's 2018 internal control report was considered and approved;
- (11) the resolution on the performance of functions by the Audit Committee of the Company for the year 2017 was considered and approved;
- (12) the 2017 Assessment Report on the Company's internal control was considered and approved;
- (13) the 2018 Audit Plan of the Company was considered and approved;
- (14) the 2018 Assessment Plan of the Company's internal control was considered and approved;
- (15) the resolution on 2018 Financial Budget of the Company was considered and approved;
- (16) the 2018 Financing Guarantee Plan of the Company was considered and approved;
- (17) the resolution of the changes in accounting policy was considered and approved.

十、其他(續)

企業管治報告(續)

董事會下設的審計委員會履職情況：(續)

- (3) 審議通過公司2017年度財務報表審計報告；
- (4) 審議通過公司2017年度財務報告內部控制審計報告的議案；
- (5) 審議通過公司2017年度利潤分配預案的議案；
- (6) 審議通過公司2017年度計提資產減值準備的議案；
- (7) 審議通過支付信永中和會計師事務所(特殊普通合夥)2017年度審計費用的議案；
- (8) 審議支付大華會計師事務所(特殊普通合夥)2017年度審計費用的議案；
- (9) 審議續聘信永中和會計師事務所(特殊普通合夥)為公司2018年度財務報告審計機構的議案；
- (10) 審議續聘大華會計師事務所(特殊普通合夥)為公司2018年度內部控制審計機構的議案；
- (11) 審議通過公司審計委員會2017年度履職情況的議案；
- (12) 審議通過公司2017年度內部控制評價報告的議案；
- (13) 審議通過公司2018年度審計計劃的議案；
- (14) 審議通過公司2018年度內部控制評價工作方案的議案；
- (15) 審議通過公司2018年度預算報告的議案；
- (16) 審議通過公司2018年度融資擔保計劃的議案；
- (17) 審議通過公司會計政策變更的議案。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

Performance of duties by the Strategic Committee under the Board of Directors: (Continued)

3. On 23 April 2018, the Audit Committee convened an on-site meeting, at which the Audit Committee considered and approved the following resolutions:
 - (1) the 2018 First Quarterly Report of the Company was considered and approved and has been submitted to the Board for consideration and approval;
 - (2) the Amendments to the Rules of Procedures for the Audit Committee of the Board of the Company was considered and approved and has been submitted to the Board for consideration and approval;
 - (3) the resolution in relation to the provision of bridging loan of RMB45 million (Renminbi Forty five million) to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company was considered and approved.
4. On 11 May 2018, the Audit Committee convened a telephone conference, at which the Audit Committee considered and approved the resolution in relation to the provision of bridging loan of not exceeding RMB45 million (Renminbi Forty five million) to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company.
5. On 9 August 2018, the Audit Committee convened an on-site meeting, at which the Audit Committee considered and approved the following resolutions:
 - (1) the 2018 A Shares Interim Report of the Company and its summary and the H Shares results announcement was considered and approved;
 - (2) the resolution on the provision for impairment of the Company for the half year of 2018 was considered and approved;
 - (3) the resolution on the changes of the accounting policies of the Company was considered and approved;
 - (4) the Amendments to the Internal Audit System of the Company was considered and approved.
6. On 31 June 2018, the Audit Committee convened a telephone conference, at which the Audit Committee considered and approved the resolution in relation to the provision of loan of RMB20 million to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company.
7. On 17 September 2018, the Audit Committee convened a telephone conference, at which the Audit Committee communicated with the audit organization of internal control, Da Hua Certified Public Accountants (Special General Partnership) in respect of the internal control audit work planning for 2018 and communicated with the audit organization of financial statements, Shinewing Certified Public Accountants LLP in respect of the annual report audit work planning for 2018.

十、其他(續)

企業管治報告(續)

董事會下設的審計委員會履職情況：(續)

3. 2018年4月23日，審計委員會召開現場會議，審計委員會審議通過如下議案：
 - (1) 審議通過公司2018年第一季度報告，並提交董事會審議；
 - (2) 審議通過關於修訂公司董事會審計委員會議事規則的議案，並提交董事會審議；
 - (3) 審議通過控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供過橋貸款人民幣4,500萬元(肆仟伍佰萬元整)的議案。
4. 2018年5月11日，審計委員會召開電話會議，審計委員會審議通過控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供過橋貸款不超過人民幣4,500萬元(肆仟伍佰萬元整)的議案。
5. 2018年8月9日，審計委員會召開現場會議，審計委員會審議通過如下議案：
 - (1) 審議通過公司2018年A股半年報報告全文及摘要、H股業績公告；
 - (2) 審議通過公司2018年半年度計提減值準備的議案；
 - (3) 審議通過關於公司會計政策變更的議案；
 - (4) 審議通過修訂公司《內部審計制度》的議案。
6. 2018年8月31日，審計委員會召開電話會議，審計委員會審議通過關於控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供貸款2000萬元(貳仟萬元整)的議案。
7. 2018年9月17日，審計委員會召開電話會議，審計委員會與內部控制審計機構大華會計師事務所(特殊普通合夥)就2018年度內部控制審計工作計劃進行溝通；與財務報表審計機構信永中和會計師事務所(特殊普通合夥)就2018年度年報審計工作計劃進行溝通。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

Performance of duties by the Strategic Committee under the Board of Directors: (Continued)

8. On 29 October 2018, the Audit Committee convened an on-site meeting, at which the Audit Committee considered and approved the following resolutions:
- (1) the 2018 Third Quarterly Report of the Company was considered and approved;
 - (2) the resolution in relation to the provision of loan of RMB25 million (Renminbi Twenty five million) to Beijing Tianhai Industry Co., Ltd., a subsidiary of the Company, by Beijing Jingcheng Machinery Electric Holding Co., Ltd., the controlling shareholder of the Company.
9. On 25 December 2018, the Audit Committee convened an on-site meeting, at which the Audit Committee communicated with the audit organization of financial report in respect of the audit work arrangement for 2018; the Audit Committee communicated with the audit organization of internal control of financial report in respect of the preliminary internal audit for 2018; the head of the Secretariat of the Audit Committee reported the first-stage work of internal control assessment to the Audit Committee.

The members of the Audit Committee and their attendance at the meetings are as follows:

Name 姓名	Description 說明	Required attendance in 2018 2018年應出席 會議次數	Actual attendance 實際出席 會議次數
Yang Xiaohui (independent non-executive Director) 獨立非執行董事楊曉輝	Chairman of the committee 委員會主席	9	9
Fan Yong (independent non-executive Director) 獨立非執行董事樊勇	Member of the committee 委員會委員	9	9
Jin Chunyu (non-executive Director) 非執行董事金春玉	Member of the committee 委員會委員	9	9

十、其他(續)

企業管治報告(續)

董事會下設的審計委員會履職情況：(續)

- 8、2018年10月29日，審計委員會召開現場會議，審計委員會審議通過如下議案：
- (1) 審議通過公司2018年第三季度報告；
 - (2) 審議通過關於控股股東北京京城機電控股有限責任公司向公司子公司北京天海工業有限公司提供貸款人民幣2500萬元(貳仟伍佰萬元整)的議案。
- 9、2018年12月25日，審計委員會召開現場會議，審計委員會與財務報告審計機構就2018年審計工作安排情況進行溝通；與財務報告內部控制審計機構就2018年內控審計預審情況進行溝通；審計委員會秘書處主任向審計委員會彙報內部控制評價第一階段工作情況。

審計委員會成員名單及會議出席情況：

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued) Corporate Governance Report (Continued)

Performance of duties by the Remuneration and Monitoring Committee under the Board of Directors:

The major duties of the remuneration and monitoring committee are to study and review the Company's remuneration policy and incentive mechanism; with responsibility delegated by the Board, to determine the remuneration packages of the Company's executive Directors and senior management officers; to formulate the appraisal standard for Directors and senior management officers of the Company and to assess them; and to submit the results of assessment to the Board for review and approval.

The Remuneration and Monitoring Committee comprises three directors. During the Reporting Period, the Remuneration and Monitoring Committee convened two meetings. Details of such meetings are as follows:

- (1) On 26 March 2018, the resolution on the formulation of the Measures for the Administration of Remuneration and Performance Assessment for the Senior Management of the Company was considered and approved and has been submitted to the Board for consideration and approval.

On 26 March 2018, the resolution on the result of remuneration and performance assessment for the senior management of the Company in 2017 was considered and approved and has been submitted to the Board for consideration and approval.

- (2) On 23 April 2018, the Amendments to the Rules of Procedures for the Remuneration and Monitoring Committee of the Board was considered and approved and has been submitted to the Board for consideration and approval.

In 2018, the Remuneration and Monitoring Committee of the Board will continue to strengthen their work and further intensify the assessment regarding the senior management officers of the Company so as to help the Company formulate a better remuneration and assessment system.

The members of the Remuneration and Monitoring Committee and their attendance at the meetings are as follows:

Name 姓名	Description 說明	Required attendance in 2018 2018年應出席 會議次數	Actual attendance 實際出席 會議次數
Wu Yan (independent non-executive Director) 獨立非執行董事吳燕	Chairman of the committee 委員會主席	2	2
Liu Ning (independent non-executive Director) 獨立非執行董事劉寧	Member of the committee 委員會委員	2	2
Wang Jun (executive Director, Chairman) 執行董事、董事長王軍	Member of the committee 委員會委員	2	2

十、其他(續) 企業管治報告(續)

董事會下設的薪酬與考核委員會履職情況：

薪酬與考核委員主要職責是研究和審議本公司薪酬政策和激勵機制，獲董事會轉授責任，釐定本公司執行董事和高級管理人員的薪酬待遇，並制定考核標準進行考核，最終提交董事會審議通過考核結果。

薪酬與考核委員會由三名董事組成，薪酬與考核委員會於報告期舉行了2次會議，會議情況如下：

- (1) 2018年3月26日，審議通過制定公司《高級管理人員薪酬與績效考核管理辦法》的議案，並同意提交董事會審議。

2018年3月26日，審議通過公司2017年度高級管理人員薪酬與績效考核結果的議案，並同意提交董事會審議。

- (2) 2018年4月23日，審議通過修訂《董事會薪酬與考核委員會實施細則》的議案，並同意提交董事會審議。

2018年董事會薪酬與考核委員會將繼續加強工作，進一步加強公司高層管理人員的考核，協助公司制定更完善的薪酬考核體系。

薪酬與考核委員會成員名單及會議出席情況：

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

Performance of duties by the Nomination Committee under the Board of Directors:

The major duties of the Nomination Committee are to study and suggest on the candidates and election standard and procedures for Directors and the senior management officers.

The Nomination Committee comprises three directors. During the Reporting Period, the Nomination Committee convened three meetings. Details of such meetings are as follows:

- (1) On 31 January 2018, according to the provisions of Rules of Procedure of the Nomination Committee of the Company, and with the full understanding of the occupation, education background, professional titles, details of working experience and all part-time jobs of the nominees, the Nomination Committee of the Board of the Company considered and passed the resolution in relation to the appointment and dismissal of Mr. Li Junjie, which had been submitted to the Board for consideration and approval.

On 31 January 2018, according to the provisions of Rules of Procedure of the Nomination Committee of the Company, and with the full understanding of the occupation, education background, professional titles, details of working experience and all part-time jobs of the nominees, the Nomination Committee of the Board of the Company considered and passed the resolution in relation to the appointment and dismissal of Ms. Li Chunzhi, which had been submitted to the Board for consideration and approval.

On 31 January 2018, according to the provisions of Rules of Procedure of the Nomination Committee of the Company, and with the full understanding of the occupation, education background, professional titles, details of working experience and all part-time jobs of the nominees, the Nomination Committee of the Board of the Company considered and passed the resolution in relation to the appointment and dismissal of Mr. Zhang Jiheng, which had been submitted to the Board for consideration and approval.

- (2) On 23 April 2018, according to the provisions of Rules of Procedure of the Nomination Committee of the Company, the Nomination Committee of the Company considered and passed the Amendments to the Rules of Procedures for the Nomination Committee of the Board of the Company which had been submitted to the Board for consideration and approval.

十、其他(續)

企業管治報告(續)

董事會下設的提名委員會履職情況：

提名委員會的主要職責是對董事和高級管理人員的人選、選擇標準和程序進行研究並提出建議。

提名委員會由三名董事組成，提名委員會於報告期舉行了3次會議，會議情況如下：

- (1) 2018年1月31日，根據公司《提名委員會議事規則》規定，本公司董事會提名委員會在充分瞭解被提名人職業、學歷、職稱、詳細工作經歷、全部兼職等情況後，審議通過關於李俊杰先生職務任免的議案，並同意提交董事會審議。

2018年1月31日，根據公司《提名委員會議事規則》規定，本公司董事會提名委員會在充分瞭解被提名人職業、學歷、職稱、詳細工作經歷、全部兼職等情況後，審議通過關於李春枝女士職務任免的議案，並同意提交董事會審議。

2018年1月31日，根據公司《提名委員會議事規則》規定，本公司董事會提名委員會在充分瞭解被提名人職業、學歷、職稱、詳細工作經歷、全部兼職等情況後，審議通過關於張繼恒先生職務任免的議案，並同意提交董事會審議。

- (2) 2018年4月23日，根據公司《提名委員會議事規則》規定，本公司董事會提名委員會審議通過修訂公司《董事會提名委員會實施細則》的議案，並同意提交董事會審議。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

Performance of duties by the Nomination Committee under the Board of Directors:

- (3) On 14 November 2018, according to the provisions of Rules of Procedure of the Nomination Committee of the Company, and with the full understanding of the occupation, education background, professional titles, details of working experience and all part-time jobs of the nominees, the Nomination Committee of the Board of the Company considered and passed the resolution in relation to the appointment and dismissal of Ms. Li Chunzhi, which had been submitted to the Board for consideration and approval.

The nomination process, recommendation procedure and the qualifications and basic requirements for directors are set out in the Rules of Procedure of the Nomination Committee of the Company. During the Reporting Period, the nomination committee supervised and guided change of the secretary to the Board of Directors of the Company and replacement of the candidates for directors of subsidiaries, and successfully completed such task.

The members of the nomination committee and their attendance at the meetings are as follows:

Name 姓名	Description 說明	Required attendance 2018 2018年應出席 會議次數	Actual attendance 實際出席 會議次數
Liu Ning (independent non-executive Director) 獨立非執行董事劉寧	Chairman of the committee 委員會主席	3	3
Fan Yong (independent non-executive Director) 獨立非執行董事樊勇	Member of the committee 委員會委員	3	3
Li Junjie (executive Director, general manager) 執行董事、總經理李俊杰	Member of the committee 委員會委員	3	3

十、其他(續)

企業管治報告(續)

董事會下設的提名委員會履職情況：(續)

- (3) 2018年11月14日，根據公司《提名委員會議事規則》規定，本公司董事會提名委員會在充分瞭解被提名人職業、學歷、職稱、詳細工作經歷、全部兼職等情況後，審議通過關於李春枝職務任免的議案，並同意提交董事會審議。

本公司《提名委員會議事規則》中，列明瞭董事提名的方式、建議程序以及董事的任職資格和基本素質要求。本報告期內，提名委員會就公司董事會更換董事會秘書及子公司更換董事候選人工作進行了監督和指導，順利完成了此項工作。

提名委員會成員名單及會議出席情況：

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

During the Reporting Period, the Company was in compliance with the code provisions stipulated in the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Hong Kong Listing Rules.

During the Reporting Period, the Company has adopted the requirements in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Hong Kong Listing Rules.

For the purposes of this Report, the Company has enquired all the Directors specifically and all of them have confirmed with the Company that they have completely complied with the requirements of the Model Code for Securities Transactions by Directors of Listed Issuers during the Reporting Period. The Company has received the Statement Regarding the Confirmation of Independence submitted by the four independent non-executive Directors pursuant to the requirements of Rule 3.13 of the Hong Kong Listing Rules, and the Board considers that the said four independent non-executive Directors are independent.

Directors and Composition of the Board of Directors

The Board of the Company consists of eleven directors, including three executive directors, four non-executive directors, and four independent non-executive directors and the independent non-executive directors account for more than one-third of the total members of the Board. The members of the Board of Directors are as follows:

Executive Directors

執行董事

Wang Jun
王軍
Li Junjie
李俊杰
Zhang Jiheng
張繼恒

Non-executive Directors

非執行董事

Jin Chunyu
金春玉
Du Yuexi
杜躍熙
Xia Zhonghua
夏中華
Li Chunzhi
李春枝

Independent non-executive Directors

獨立非執行董事

Wu Yan
吳燕
Liu Ning
劉寧
Yang Xiaohui
楊曉輝
Fan Yong
樊勇

十、其他(續)

企業管治報告(續)

於報告期內，本公司已遵守香港上市規則附錄十四《企業管治守則》(「守則」)列載的規定。

於報告期內，本公司已採納香港上市規則附錄十《上市發行人董事進行證券交易的標準守則》。

本公司已為準備本報告的目的向所有董事做出特定查詢，所有董事已向本公司確認，在本報告期內其已完全遵守《上市發行人董事進行證券交易的標準守則》。本公司收到四名獨立非執行董事按照香港上市規則第3.13條之要求提交的獨立性確認聲明書，本公司董事會認為四名獨立非執行董事均具有獨立性。

董事及董事會組成

本公司董事會由十一名董事組成，其中執行董事三名、非執行董事四名、獨立非執行董事四名，獨立非執行董事人數佔董事會人數的三分之一以上。董事會成員如下：

Chairman
董事長
Director and Manager
董事、經理
Director
董事

Director
董事
Director
董事
Director
董事
Director
董事

Director
董事
Director
董事
Director
董事
Director
董事

Section 11 Corporate Governance 第十一節 公司治理

X. Others (Continued) Corporate Governance Report (Continued) Directors and Composition of the Board of Directors (Continued)

Description:

The executive directors and non-executive directors of the Company have rich experience in production, operation and management and make reasonable decisions in respect of the matters proposed by the Board. Among the four independent non-executive directors, one is a fellow member in pressure container industry with rich experience in gas storage transportation equipment industry; one is a PRC solicitor with accomplishments in law; one is a PRC registered accountant with many years of experience in respect of corporate management advisory and accounting practice; and one is a researcher in securities industry with rich experience in corporate merger and acquisition as well as fining. Such independent non-executive directors have full capability of assessing internal control and reviewing financial report. The composition of the Board was in full compliance with the requirements of the relevant domestic and overseas laws and regulations and standardized documents.

During the Reporting Period, to the best of the knowledge of the Board, there exists no relationship between and among the directors of the Board (including the chairman and the general manager) with respect to finance, business, family and relatives or other material/relevant relationship required to be disclosed.

The Company is in strict compliance with the relevant binding terms for securities transactions by directors as set out by the PRC and Hong Kong regulatory authorities and is always adhering to the principle of being in strict compliance with terms.

1. Chairman and General Manager

The Chairman and the general manager of the Company are assumed by different persons, and their respective duties are clearly divided.

The Chairman, the legal representative of the Company, is elected by more than half of all directors of the Board. The Chairman is responsible for corporate planning and strategic decision-makings and chairing the Board, and ensuring that the Board will examine and adopt all involved matters in an appropriate manner for facilitating the effective operation of the Board.

The Chairman is entitled to preside over the general meetings, to convene and chair the Board meetings, to examine and check the implementation of the resolutions of the Board, and to sign the securities issued by the Company and other important documents. Upon authorised by the Board, the Chairman can also convene the general meetings and provide guidance to the Company's important business activities during the adjournment of the Board meetings.

The general manager is appointed by the Board and is accountable to the Board. The general manager leads the management to take charge of daily production, operation and management of the Company, and organization and implementation of all resolutions of the Board. As required by the Board or the supervisory committee, the general manager will report to the Board or the supervisory committee, on a regular basis, regarding the execution and performance of major contracts, and the utilisation of funds, as well as the profit and loss.

十、其他(續) 企業管治報告(續) 董事及董事會組成(續)

說明：

本公司執行董事及非執行董事在生產、經營、管理上都具有豐富經驗，均能合理決策董事會所議事項。四名獨立非執行董事中一名為壓力容器行業的資深人士，具有豐富的氣體儲運裝備行業經驗；一名為具有中國律師資格的律師，在法律方面造詣較深；一名為中國註冊會計師，具有多年企業管理諮詢和會計從業經驗；一名為證券行業研究員，在企業併購和融資方面具有豐富的經驗。該等獨立非執行董事完全具備評價內部控制的能力及審閱財務報告的能力。董事會構成完全符合境內外有關法律法規及規範性文件的要求。

於報告期內，盡董事會所知董事會成員之間(包括董事長與總經理)不存在任何須予披露的關係，包括財務、業務、家屬或其他相關的關係。

本公司嚴格遵守國內及香港兩地監管機構對於董事進行證券交易有關約束條款，並始終堅持條款從嚴的原則。

1、董事長及總經理

本公司董事長及總經理由不同人士擔任，並有明確分工。

董事長系公司法定代表人，由董事會以全體董事的過半數選舉產生。董事長負責企業籌劃及戰略性決策，主持董事會工作，保證董事會以適當方式審議所有涉及事項，促使董事會有效運作。

董事長有權主持股東大會，召集和主持董事會會議，檢查董事會決議的實施情況，簽署公司發行的證券和其他重要文件。經董事會授權，還可以召集股東大會；在董事會閉會期間，對公司的重要業務活動給予指導。

總理由董事會聘任，對董事會負責。總經理率領管理層，負責公司日常生產經營管理事務，組織實施董事會的各項決議。根據董事會或者監事會要求，總經理定期向董事會或者監事會報告公司重大合同的簽訂、執行情況、資金運用情況和盈虧情況。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

2. *Executive Directors, Non-executive Directors and Independent Non-executive Directors*

Like the other directors, the existing non-executive directors and independent non-executive directors of the Company have the term of office being three years, commencing from 26 June 2017 to the conclusion of 2019 Annual General Meeting.

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

3. *Authority and Powers of the Board of Directors*

- (1) The Board of Directors exercises the authority and power conferred by laws and regulations and the Articles of Association. Such powers mainly include:
- (2) To convene general meetings and implement such resolutions of the general meetings;
- (3) To decide upon the annual operating plan and material investment plan of the Company;
- (4) To formulate and prepare the financial budget, profit distribution plan, basic management mechanism and material acquisition or disposal plan of the Company;
- (5) To appoint or dismiss the Company's general manager and to appoint or dismiss the Company's senior management officers including the deputy general manager(s) and the financial controller based on such nominations made by the general manager;
- (6) To propose to the general meeting to re-appoint or replace the Company's accounting firms being responsible for the Company's audit work;
- (7) To examine and adopt the report of the Company's manager(s);
- (8) To exercise the financing and borrowing rights of the Company and decide upon such matters concerning the mortgage, lease and transfer of the Company's material assets.

十、其他(續)

企業管治報告(續)

2、執行董事、非執行董事、獨立非執行董事

本公司非執行董事、獨立非執行董事任期與其餘董事相同，均為三年，任期為2017年6月26日至2019年度股東周年大會止。

於應屆股東周年大會上建議重選的董事並無與本公司訂立任何於一年內倘終止則須作出賠償(法定賠償除外)之服務合約。

3、董事會職權

- (1) 董事會履行法律法規及《公司章程》賦予的職權，主要包括：
- (2) 召集股東大會，執行股東大會的決議；
- (3) 決定本公司年度經營計劃、重要投資方案；
- (4) 制定本公司財務預算、利潤分配預案、基本管理制度、重大收購或出售方案；
- (5) 聘任或者解聘本公司總經理，根據總經理提名，聘任或解聘本公司副總經理、財務負責人等高級管理人員；
- (6) 向股東大會提請續聘或更換為公司審計的會計師事務所；
- (7) 審議本公司經理報告；
- (8) 行使本公司的融資和借款權以及決定本公司重要資產的抵押、出租和轉讓等事項。

Section 11 Corporate Governance 第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

4. Remunerations of Directors and Senior Management Officers and Assessment of the Board

(1) Service contracts of directors and supervisors

The directors and supervisors have entered into written contracts with the Company wherein the main contents thereof are as follows:

- (i) Each contract for the directors of the ninth session of the Board of Directors and Supervisors of the ninth session of the Supervisory Committee shall commence from 26 June 2017 to and until the conclusion of 2019 Annual General Meeting.
- (ii) An annual salary system is in place for senior management. The annual salary of senior management of the Company comprise three parts, being basic salary, performance pay and special contribution income. The basic annual salary is determined by the remuneration and monitoring committee at the beginning of each year with reference to industry compensation level, the results of operation of the Company for the previous year and total remuneration. The distribution coefficients are determined based on position evaluation. Typically, the distribution coefficient of general manager is 1, and the distribution coefficients of deputy general manager, financial controller, chief engineer, general counsel, secretary to the Board and other senior management officers range from 0.6 to 0.9.

The basic salary is paid on a monthly basis, while the amount of performance pay shall be determined in accordance with the following formula: Performance pay = Basic salary x Performance coefficient x Distribution coefficient, and the performance coefficient shall be reviewed by the remuneration and monitoring committee based on the annual performance of the Company's business and reported to the Board for consideration and approval. Special contribution income may be granted to senior management officers who have made significant contribution to the implementation of the strategies of the Company or have received awards from the government or industry associations for significant innovation in management, technological innovation and strong investment income. Special contribution income shall be reviewed by the remuneration and monitoring committee under the Board before submission to the Board for consideration and approval and shall not exceed RMB0.15 million. Each new non-executive Director will not receive remuneration from the Company. Each new independent non-executive Director shall have the right to receive annual fee of no more than RMB60 thousand. Each new supervisor will not receive Supervisors' remuneration from the Company.

十、其他(續)

企業管治報告(續)

4、董事及高級管理人員的薪酬及董事會評核

(1)

董事與監事服務合約
董事及監事與本公司訂立書面合約，主要方面如下：

- (i) 第九屆董事會董事和第九屆監事會監事每份合約由2017年6月26日開始，至2019年度股東周年大會止。
- (ii) 高管人員實行年薪制。公司高管人員的年薪由基本收入、績效收入和特殊貢獻收入三部份組成。其中，基本年薪由公司薪酬與考核委員會根據行業薪酬水平、公司上年經營狀況和薪酬總額等因素在每年年初確定。分配係數以崗位評價為基礎予以確定。通常，總經理的分配係數為1，副總經理、財務負責人、總工程師、總法律顧問、董事會秘書及其他高級管理人員的分配係數為0.6-0.9。

基礎收入按月進行平均發放，績效薪酬按以下公式確定：績效收入 = 基本收入 × 績效係數 × 分配係數，績效係數由薪酬與考核委員會根據年度公司經營情況進行考核，報董事會審議通過。高管人員為公司戰略實施做出重大突出貢獻或取得重大管理創新、科技創新、投資取得顯著成效、公司獲得政府、行業等特別嘉獎的情況下，可向高管人員發放特殊貢獻收入。特殊貢獻收入由公司董事會薪酬與考核委員會審核後，報董事會審議通過，其數額最高不超過人民幣15萬元。各新任非執行董事不在公司領取薪酬。各新任獨立非執行董事將有權收取的年度袍金不超過人民幣6萬元。各新任監事不在公司領取監事職務薪酬。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

4. Remunerations of Directors and Senior Management Officers and Assessment of the Board (Continued)

(2) Assessment and Motivation Mechanism for Senior Management Officers

During the Reporting Period, the Board of the Company entered into the Performance Assessment Contract for Senior Management with the senior management officers. The remuneration and monitoring committee of the Board would propose the appraisal of the senior management officers to the Board for examination and approval in accordance with the completion of the performance contracts by the senior management officers.

5. Duties of the management

Pursuant to the authority and power conferred by the Articles of Association, the management level of the Company undertakes the major duties as follows: to be responsible for organizing and implementing the Company's annual operating plan and investment plan; to propose the establishment of internal management institution for the Company; to propose the basic management mechanism for the Company; to appoint or dismiss such management members whose appointment and dismissal are not subject to the Board of Directors; to formulate the basic regulations for the Company.

6. Remunerations of auditors

At the 2017 Annual General Meeting convened on 12 June 2018, the Company re-appointed ShineWing Certified Public Accountants LLP as the domestic and overseas auditors of the Company for 2018 Financial Report; appointed Da Hua Certified Public Accountants (Special General Partnership) as the accountant for 2018 internal control report and authorized the Board to determine the remunerations of these two auditing firms.

During the Reporting Period, ShineWing Certified Public Accountants LLP reviewed the attached financial report prepared under the PRC Accounting Standards and Da Hua Certified Public Accountants (Special General Partnership) reviewed the internal control report of the Company.

During the Reporting Period, none of the analysis on the remuneration of the auditor for the provision of non-audit services to the Company was provided by ShineWing Certified Public Accountants LLP and Da Hua Certified Public Accountants (Special General Partnership).

During the Reporting Period, the audit fee payable to ShineWing Certified Public Accountants LLP amounted to RMB0.9 million. The audit fee includes all fees related to audit services provided to the Company by the auditors, including audit fee and review fee. The audit fee payable to Da Hua Certified Public Accountants (Special General Partnership) amounted to RMB308,000. The audit fee includes the review fee paid to auditor for reviewing the effectiveness of the design and implementation of the internal control contained in the Company's financial report.

十、其他(續)

企業管治報告(續)

4、董事及高級管理人員的薪酬及董事會評核(續)

(2) 高級管理人員的考評及激勵情況

報告期內，本公司董事會與高級管理人員簽訂《高級管理人員績效考核業績合同》，董事會薪酬與考核委員會根據高級管理人員《業績合同》完成情況評估認可後，報董事會審批。

5、管理層的職責

本公司管理層根據公司章程賦予的職權，主要履行以下職責：負責組織實施本公司年度經營計劃和投資方案；擬訂本公司內部管理機構設置方案；擬訂本公司的基本管理制度；聘任或者解聘除應由董事會聘任或解聘以外的管理人員；制訂公司基本規章等事項。

6、核數師酬金

公司於2018年6月12日召開2017年度股東周年大會，審議通過了續聘信永中和會計師事務所(特殊普通合夥)為本公司2018年度境內外財務報告的審計師；審議通過了聘任大華會計師事務所(特殊普通合夥)為本公司2018年度內控報告的審計師，並授權董事會分別為兩家審計師釐定其酬金。

報告期內，信永中和會計師事務所(特殊普通合夥)，審核了隨附根據中國會計準則編製的財務報告。大華會計師事務所(特殊普通合夥)，審核了本公司內控報告。

信永中和會計師事務所(特殊普通合夥)和大華會計師事務所(特殊普通合夥)報告期內未提供非核數服務所得酬金的分析。

報告期應支付給信永中和會計師事務所(特殊普通合夥)的審計費用為人民幣90萬元，審計費用包括審計師為本公司提供的審計、審閱及有關審計工作的服務費用。應支付給大華會計師事務所(特殊普通合夥)的審計費用為人民幣30.8萬元，審計費用包括審計師對本公司財務報告內部控制設計與運行的有效性進行審計。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

6. Remunerations of auditors (Continued)

As at 31 December 2018, ShineWing Certified Public Accountants LLP had provided auditing services for the Company for 12 years. A resolution regarding whether ShineWing Certified Public Accountants LLP and Da Hua Certified Public Accountants (Special General Partnership) are to be re-appointed as the Company's auditors for the year 2019 will be submitted to the 2018 Annual General Meeting.

During the Reporting Period, directors are separately assuming the responsibilities of preparing the financial report and internal control report. Please refer to "Auditor's Report and Financial Statements" as set out in Section 13 and "Internal Control" as set out in Section 14 of this Annual Report, for the particulars of the opinions on the financial report and internal control report issued by ShineWing Certified Public Accountants and Da Hua Certified Public Accountants (Special General Partnership) respectively.

7. Internal control

Details on the internal control of the Company implemented by the Board of Directors are set out in the section headed "Internal Control" as set out in Section 14 of this Annual Report.

8. Delegation of authority by the Board of Directors

During the Reporting Period, any implementation of delegation of authority by the Board of Directors to the operation management level shall be subject to the approval of the Board of Directors. Such delegation also requires the operation management level to regularly report the implementation results regarding such matters under such delegation. The Board has not delegated any authority with respect to managerial or administrative functions to its committees thereunder.

9. Corporate governance functions

During the Reporting Period, the Board of Directors performed its duties regarding corporate governance: (1) to develop and review the Company's policies and practices on corporate governance; (2) to review and monitor the training and continuous professional development of directors and senior management; (3) to review and monitor the Company's policies and practices on the compliance with legal and regulatory requirements; (4) to develop, review and examine the staff's manual applicable to employees and directors; and (5) to review the Company's compliance with the code and disclosure in the Corporate Governance Report. Details on the implementation of the foregoing matters are set out in the section headed "Internal Control" as set out in section 14 of this Annual Report.

十、其他(續)

企業管治報告(續)

6、核數師酬金(續)

截止2018年12月31日，信永中和會計師事務所(特殊普通合夥)為本公司提供了12年審計服務。有關是否續聘信永中和會計師事務所(特殊普通合夥)和大華會計師事務所(特殊普通合夥)為本公司2019年度之核數師的議案將在2018年度股東周年大會上提呈。

報告期董事分別承擔財務報告的編製責任及內控報告的編製責任。信永中和會計師事務所出具財務報告審計意見詳情請見本年度報告「第十三節財務報告」，大華會計師事務所出具的內部控制報告審計意見詳情請見本年度報告「第十四節內部控制」。

7、內部監控

董事會對公司內部控制詳情請見本年報告「第十四節內部控制」。

8、董事會權力轉授

報告期董事會授權給經營層任何權利通過董事會批准後方能實施，授權同時要求經營層定期彙報授權事項的實施結果。董事會不存在將其管理及行政功能方面的權力授予其轄下委員會情形。

9、企業管治職能

報告期董事會履行其企業管治職能：(1)制定及檢討公司的企業管治政策及常規；(2)檢討及檢查董事及高級管理人員的培訓及持續專業發展；(3)檢討及檢查公司在遵守法律及監管規定方面的政策及常規；(4)制定、檢討及檢查員工及董事的員工手冊；(5)檢討公司遵守《守則》的情況及在《企業管治報告》內的披露。上述內容執行情況詳情請見本年報告「第十四節內部控制」。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

10. Secretary to the Board

- (1) The secretary to the Board is a senior management officer of the Company.
- (2) The secretary to the Board is appointed by the Board of Directors of the Company and reports duty to the Chairman.
- (3) The main duties of the secretary to the Board include: to assist the directors with their handling of the day-to-day business of the Board; to continuously provide the directors with, remind the directors of, and ensure that the directors are aware of, the domestic and foreign regulators' regulations, policies and requirements in respect of the operation of the Company; to assist the directors and managers in proper compliance with domestic and foreign laws, regulations, the Articles of Associations and other relevant rules in exercising their power and performing their functions; to be responsible for organizing and preparing the documents of the Board and of the shareholders' general meetings; to duly keep meeting minutes; to ensure that decisions made at meetings are made in accordance with statutory procedure and to know well of the implementation of the resolutions of the Board of Directors; to be responsible for arranging and coordinating the disclosure of information, coordinating the relationship with investors and enhancing the transparency of the Company; to participate in arranging for capital market financing; to handle the relationship with intermediary organisations, regulators and the media, and to promote good public relations.

11. Participation in trainings by directors, supervisors and senior management officers

To further develop and update the knowledge and skills of the directors, supervisors and senior management officers such that they can better serve the Company, all directors, supervisors and senior management officers of the Company, during the Reporting Period, participated in trainings in relation to the Listing Rules, Corporate Governance, Corporate Internal Control, Prevention of Insider Trading, Information Disclosure, and Responsibilities of the Directors. During the Reporting Period, all directors and supervisors participated in professional trainings for no less than 8 learning hours.

12. Statement regarding Responsibility for financial statements by the Board of Directors

This statement is made for Shareholders to differentiate the respective responsibilities of the Directors and the auditors in connection with service reports which should be read in conjunction with the statement regarding responsibility by auditors contained in the auditors' report set out in the financial statements.

The Board of Directors is of the opinion that as the Company's resources are sufficient for its operation in the foreseeable future, the financial statements have been prepared based on the going concern principle, and that in preparation of such financial statements, applicable accounting policies were completely implemented, supporting by reasonable and prudent judgment and valuation, and that the preparation of the statements is in compliance with all accounting standards the Board of Directors considers applicable.

The Directors are responsible for ensuring that the accounts record prepared by the Company reasonably and accurately reflects the Company's financial position, and that the financial statements are in compliance with relating accounting requirements in the PRC and Hong Kong.

十、其他(續)

企業管治報告(續)

10、董事會秘書

- (1) 董事會秘書是公司高級管理人員。
- (2) 董事會秘書由公司董事會聘任，向董事長彙報工作。
- (3) 董事會秘書的主要任務是協助董事處理董事會的日常工作，持續向董事提供、提醒並確保其瞭解境內外監管機構有關公司運作的法規、政策及要求，協助董事及經理在行使職權時切實履行境內外法律、法規、公司章程及其他有關規定；負責董事會、股東大會文件的有關組織和準備工作，作好會議記錄，保證會議決策符合法定程序，並掌握董事會決議執行情況；負責組織協調信息披露，協調與投資者關係，增強公司透明度；參與組織資本市場融資；處理與中介機構、監管部門、媒體的關係，搞好公共關係。

11、董事、監事及高級管理人員參加培訓情況

為發展更新董事、監事及高級管理人員的知識及技能，使其更好地為公司服務，報告期公司董事、監事及高級管理人員參加了《上市規則》、《公司治理》、《公司內部控制》、《防範內幕交易》、《信息披露》、《董事責任》等相關內容的培訓。董事、監事參加了不少於8學時的專業培訓。

12、董事會就財務報表之責任聲明

本聲明旨在向股東清楚區別公司董事與審計師對服務報表所分別承擔之責任，並應與財務報告所載的審計報告中的審計師責任聲明一並閱讀。

董事會認為：本公司所擁有之資源足以在可預見之將來繼續經營業務，故財務報表以持續經營作為基準編製，於編製財務報表時，本公司已使用適當之會計政策；該等政策均貫徹地運用，並有合理與審慎之判斷及估計作支持，同時亦依循董事會認為適用之所有會計標準。

董事有責任確保本公司編製之帳目記錄能夠合理、準確地反映本公司之財務狀況，並確保該財務報表符合中國及香港相關會計準則的要求。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

13. *The Company maintained sufficient public float during the Reporting Period.*

14. Shareholders' Right

(a) *To convene an extraordinary general meeting*

Where Shareholders request to convene an extraordinary general meeting or class meeting, the following procedures shall be followed:

- (i) Two or more Shareholders who collectively hold more than 10% (10% inclusive) of the voting shares at the proposed meeting may make a resolution to the Board on holding an extraordinary general meeting or class meeting by signing one or several written requests with same content in same format and may define the meeting agenda. The Board shall convene such meeting as soon as possible upon receipt of the aforesaid written request(s). The aforesaid number of shares held shall be calculated as of the date when the written request(s) was put forward by the shareholders.
- (ii) In the event that the Board fails to give a notice of convening such meeting within thirty days upon receipt of the aforesaid written request(s), the shareholders who put forward the request(s) may convene such meeting of their own accord within four months upon receipt of the request by the Board, and the procedures for convening such meeting shall be the same as those for convening a general meeting by the Board where possible.

The expenses reasonably incurred by shareholders in convening and holding such a meeting because of the Board's failure to hold such meeting at the aforesaid request shall be borne out by the Company and shall be deducted from any payment due by the Company to directors of misconduct.

Where the shareholders decide to convene a general meeting of their own accord, it/they shall give a written notice to the Board and shall simultaneously file the case with the local office of the CSRC and the stock exchange in the locality where the Company operates for record.

Prior to the announcement of the resolution of the general meeting, the shareholding by the convening Shareholders shall be not less than 10%. When the convening shareholders deliver a notice of general meeting and make the announcement of the resolution of the general meetings, the convening shareholders shall submit the relevant evidencing materials to the local office of the CSRC and the stock exchange in the locality where the Company operates.

十、其他(續)

企業管治報告(續)

13、本公司公眾持股量在報告期內是足夠的。

14、股東權益

(1) 召集臨時股東大會

股東要求召集臨時股東大會或者類別股東會議，應當按照下列程序辦理：

- (i) 合計持有在該擬舉行的會議上有表決權的股份百分之十以上(含百分之十)的兩個或者兩個以上的股東，可以簽署一份或者數份同樣格式內容的書面要求，提請董事會召集臨時股東大會或者類別股東會議，並闡明會議的議題。董事會在收到前述書面要求後應當儘快召集臨時股東大會或者類別股東會議。前述持股數按股東提出書面要求日計算。
- (ii) 如果董事會在收到前述書面要求後三十日內沒有發出召集會議的通告，提出該要求的股東可以在董事會收到該要求後四個月內自行召集會議，召集的程序應當儘可能與董事會召集股東會議的程序相同。

股東因董事會未應前述要求舉行會議而自行召集並舉行會議的，其所發生的合理費用，應當由公司承擔，並從公司欠付失職董事的款項中扣除。

股東決定自行召集股東大會的，應當書面通知董事會，同時向公司所在地中國證監會派出機構和證券交易所備案。

在股東大會決議公告前，召集股東持股比例不得低於10%。召集股東應在發出股東大會通知及發佈股東大會決議公告時，向公司所在地中國證監會派出機構和證券交易所提交有關證明材料。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

14. Shareholders' Right (Continued)

(b) *The content of such resolution to be submitted to the general meeting*

It shall fall in the scope of the authority and power of the locality shall have definite topics to be discussed and specific matters for resolution and shall be in compliance with the relevant provisions of the laws, administrative regulations and the Company's Articles of Association.

Shareholders that independently or collectively hold 3% or more of the shares in the Company may make a temporary resolution and submit it to the convener(s) in written form ten days prior to the convening of the general meeting. The convener(s) shall deliver a supplementary notice of the general meeting to announce the content of the temporary resolution within two days upon receipt of the resolution.

Except as provided in the preceding paragraph, after delivering a notice of general meeting, the convener(s) may not make any amendments to the resolutions included in the notice or add any new resolutions. Where the election of directors or supervisors is proposed to be discussed at a general meeting, the detailed information about the candidates for directors or supervisors shall be sufficiently disclosed in the notice of the general meeting, including:

- (i) Personal information regarding educational background, working experience and concurrent positions;
- (ii) Whether he/she has any related relationship with the Company or its controlling shareholders or beneficial controllers;
- (iii) The number of shares held in the Company to be disclosed; and
- (iv) Whether he/she has been punished by the CSRC and other authorities and penalised by the stock exchange.

A single resolution shall be made for each candidate for a director or a supervisor, except for directors or supervisors elected by way of cumulative voting system.

- (c) Shareholders may send their enquires requiring the Board's attention to the Secretary to the Board at the registered address of the Company. The contact details are set out in the "Company Profile" section of the annual report. Questions about the procedures for convening or putting forward resolutions at an AGM or extraordinary general meeting may also be put forward to the secretary to the Board in the same manner.

15. *During the Reporting Period, there were no material changes in the constitutional documents of the Company.*

十、其他(續)

企業管治報告(續)

14、股東權益(續)

(2) 於股東大會提呈提案的內容

應當屬股東大會職權範圍，有明確議題和具體決議事項，並且符合法律、行政法規和公司章程的有關規定。

單獨或者合計持有公司3%以上股份的股東，可以在股東大會召開10日前提出臨時提案並書面提交召集人。召集人應當在收到提案後2日內發出股東大會補充通知，公告臨時提案的內容。

除前款規定外，召集人在發出股東大會通知後，不得修改股東大會通知中已列明的提案或增加新的提案。股東大會擬討論董事、監事選舉事項的，股東大會通知中應當充份披露董事、監事候選人的詳細資料，至少包括以下內容：

- (i) 教育背景、工作經歷、兼職等個人情況；
- (ii) 與公司或其控股股東及實際控制人是否存在關聯關係；
- (iii) 披露持有公司股份數量；及
- (iv) 是否受過中國證監會及其他有關部門的處罰和證券交易所懲戒。

除採取累積投票制選舉董事、監事外，每位董事、監事候選人應當以單項提案提出。

- (3) 向董事會提出查詢股東可將其查詢寄送本公司註冊地址予董事會秘書，要求董事會作出關注。聯絡資料載於年報內「公司簡介」一節。倘對召集股東周年大會或臨時股東大會，或於會上提呈提案的程序有任何疑問，亦可透過相同方式向董事會秘書提出。

15、報告期內本公司章程性質文件未發生重大變動

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

16. Risk Management and Internal Control

The Board, through the assistance of the Audit Committee, has conducted an annual review of the effectiveness of the Group's risk management and internal control systems covering all material controls, including financial, operational and compliance controls. The Board is satisfied that such systems are effective and appropriate actions have been taken.

The process used by the Group to identify, evaluate and manage significant risks is summarized as follows:

- (1) Risk identification: identify risks that may pose a potential impact on the Group's business and operations through the Audit Committee, the management and the internal control department;
- (2) Risk evaluation: evaluate the identified risks based on the likelihood of the occurrence and impact level of the risk;
- (3) Response to risk: according to the evaluation results on the magnitude of the risk, risk management strategies are determined by the internal control department, and through appropriate mechanisms of the Company to ensure the effective implementation of internal control procedures to prevent and reduce the risks.

The main features of the Group's risk management and internal control systems are the focus on establishment of a sound internal control environment, continuous improvement in risks evaluation, activities control, information and communication, and internal supervision so as to enhance the Company's operating efficiency and ensure the reliability of financial reporting and effective compliance with applicable laws and regulations, in order to avoid any financial losses as a result of fraud.

The Board is responsible for the risk management and internal control systems and reviewing their effectiveness. However, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The internal control department of the Group reviews the effectiveness of the risk management and internal control systems by reviewing the annual internal control audit plan approved by the Audit Committee, it identifies internal control defects through periodic audits and special audits. With the recommendation in the audit proposal and its status of implementation, the department keeps track and resolves areas of serious internal control defects.

In relation to the handling and dissemination of inside information in accordance with the Listing Rules and the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), the Group has adopted measures including raising awareness of confidentiality in the Group, issuing notices regarding "black-out" period and restrictions on dealings to directors and employees on a regular basis to ensure compliance when handling and disclosing inside information.

According to the relevant laws and regulations, combining with the internal control system and evaluation methods of the Company, in respect of the routine supervision and special supervision over the internal control, we have evaluated the effectiveness and adequacy of the internal control of the Company from 1 January 2018 to 31 December 2018.

十、其他(續)

企業管治報告(續)

16. 風險管理及內部監控

董事會在審核委員會之協助下，已就本集團的風險管理及內部監控系統之成效進行年度檢討，檢討涵蓋所有重要的監控方面，包括財務監控、運作監控及合規監控。董事會確信，該等制度均為有效並已採取適當之行動。

公司用於辨認、評估及管理重大風險的程序簡介如下：

- (1) 風險識別：透過審核委員會、管理層、識別可能對本集團業務及營運構成潛在影響的風險；
- (2) 風險評估：根據風險發生之可能性及影響程度評估已識別之風險；
- (3) 風險應對：根據風險之大小評估結果，由內控部釐定風險管理策略，並透過公司有關機制保障內部監控程序的有效執行，以防止和降低風險。

本集團風險管理及內部監控系統主要特點是著重在建立良性的內控環境，風險評估、控制活動、信息與溝通、以及內部監督上不斷提升和進步，從而促使公司經營效率的提高，盡力保障財務報告的可靠性以及有效遵守須適用的法律和條例，盡力避免公司財產免受舞弊行為帶來的損失。

本集團董事會對風險管理及內部監控系統負責，有責任檢討其有效性。然而內控系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理但非絕對的保證。

本集團內控部在通過審閱由審核委員會批准的年度內部控制審計計劃以檢討風險管理及內部監控系統的有效性，通過常規審計和專項審計識別內部監控的不足，並通過審計建議書及其落實情況而跟蹤解決嚴重的內部監控不足問題。

根據上市規則及證券及期貨條例(香港法例第571章)處理及發佈內幕消息而言，本集團已採取包括提高本集團內幕消息的保密意識，定期向董事和僱員發送禁售期和證券交易限制的通知等措施，保證合規處理發佈內幕消息。

公司根據相關法律法規並結合公司內部控制制度和評價辦法，在內部控制日常監督和專項監督上，我們對公司2018年1月1日至2018年12月31日的內部控制有效性和足夠性進行了評價。

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

17. Dividends Policy

The basic principles of the profit distribution policy of the Company:

The Company shall take full account of return to investors and distribute dividend to its shareholders each year in proportion to the distributable profit realized in the year concerned (from the consolidated financial statements);

The profit distribution policy of the Company maintains continuity and stability, and operates for the long-term interest of the Company, the entire interest of all its shareholders and the sustainable development of the Company;

The Company shall give priority to dividend distribution in cash.

The profit distribution policy of the Company is specified as follows:

The manner of profit distribution: The Company may distribute dividends in cash, in shares, in a combination of both cash and shares. Subject to conditions, the Company may propose interim profit distribution.

Specific conditions and proportions of cash dividend of the Company:

Subject to special circumstances, the Company shall distribute cash dividend when the Company makes profit in the year and the accumulated undistributed profit (from the consolidated financial statements) shall be a positive figure. The dividend distributed by the Company in cash each year shall be no less than 5% of the annual distributable profits (from the consolidated financial statements) realized in the year. The accumulated dividend distributed by the Company in cash in the past three years shall be no less than 30% of the average annual distributable profits (from the consolidated financial statements) realized in the past three years.

The aforementioned "special circumstances" refer to material investment plans or significant cash expenditures (excluding projects funded by raised proceeds) with accumulated expenditure made by the Company within the following 12 months amounting to or exceeding 25% of the latest audited net assets of the Company; "material investment plans" or "significant cash expenditures" include external investment, external repayment of debts or material asset acquisitions.

Conditions for distributing dividends in shares by the Company:

Where the Company's business is in a sound condition, and the Board considers that the share price of the Company does not reflect its share capital size and distributing dividend in the form of shares is in the entire interest of all the shareholders of the Company, the Company may propose distributing dividends in shares.

十、其他(續)

企業管治報告(續)

17. 股息政策

公司利潤分配政策的基本原則：

公司充分考慮對投資者的回報，每年按當年實現的可供分配利潤(合併報表)的規定比例向股東分配股利；

公司的利潤分配政策保持連續性和穩定性，同時兼顧公司的長遠利益、全體股東的整體利益及公司的可持續發展；

公司優先採用現金分紅的利潤分配方式。

公司利潤分配具體政策如下：

利潤分配的形式：公司採用現金、股票或現金與股票相结合的方式分配股利。在有條件的情況下，公司可以進行中期利潤分配。

公司現金分紅的具體條件和比例：

除特殊情況外，公司在當年盈利且累計未分配利潤(合併報表)為正的情況下，採取現金方式分配股利，每年以現金方式分配的利潤不少於當年實現的可供分配利潤(合併報表)的5%，最近三年以現金方式累計分配的利潤不少於最近三年實現的年均可供分配利潤(合併報表)的30%。

前款所述「特殊情況」是指公司未來十二個月內重大投資計劃或重大現金支出(募集資金投資項目除外)的累計支出額達到或者超過公司最近一期經審計淨資產的25%；「重大投資計劃」或「重大現金支出」包括對外投資、對外償付債務或重大資產收購等。

公司發放股票股利的具體條件：

公司在經營情況良好，並且董事會認為公司股票價格與公司股本規模不匹配、發放股票股利有利於公司全體股東整體利益時，可以在滿足上述現金分紅的條件下，提出股票股利分配預案。

Section 11 Corporate Governance 第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

18. Nomination Policy

According to the nomination policy (the “Nomination Policy”) of the Company, the Nomination Committee shall consider the following criteria in evaluating and selecting candidates for directorship:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company’s business and corporate strategy;
- Willingness to devote adequate time to discharge duties as a member of the Board;
- Board Diversity Policy and any measurable objectives adopted for achieving diversity on the Board;
- Requirement for the Board to have independent directors in accordance with the Listing Rules applicable to the Company and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- Other views that are appropriate to the Company’s business or as suggested by the Board.

The procedure of nomination by the Nomination Committee is summarised as follows:–

- The Nomination Committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board periodically and make recommendation on any proposed changes to the Board to complement the Company’s corporate strategy;
- When it is necessary to fill a casual vacancy or appoint an additional director, the Nomination Committee identifies or selects candidates as recommended to the Committee, with or without assistance from external agencies or the Company, pursuant to the criteria set out above;
- If the process yields one or more desirable candidates, the Nomination Committee shall rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable);
- The Nomination Committee makes recommendation to the Board including the terms and conditions of the appointment;
- The Board deliberates and decides on the appointment based upon the recommendation of the Nomination Committee;

十、其他(續)

企業管治報告(續)

18. 提名政策

根據公司的提名政策(「提名政策」)，提名委員會在評估及甄選董事候選人時應考慮以下準則：

- 品格和誠信；
- 資格，包括與本公司業務和公司戰略相關的專業資格、技能、知識和經驗；
- 作為董事會成員，願意投入足夠的時間履行職責；
- 董事會多元化政策以及為實現董事會多元化而採取的任何可計量的目標；
- 要求董事會根據適用於本公司的上市規則設立獨立董事，以及參考上市規則載列獨立指引以考慮候選人是否被視為獨立董事；
- 適用於本公司業務或董事會建議的其他觀點。

提名委員會提名的程序概述如下：

- 提名委員會定期檢討董事會的架構、規模及組成(包括技能、知識及經驗)，並就董事會的任何建議變更提出建議，以配合本公司的企業策略；
- 當需要填補臨時空缺或委任額外董事時，提名委員會根據以上的準則，在有或沒有外部機構或本公司協助的情況下，識別或選擇已推薦給委員會的候選人；
- 如果該流程產生一個或多個理想的候選人，提名委員會應根據本公司的需要及每個候選人的參考檢查(如適用)按優先順序對其進行排名；
- 提名委員會向董事會提出建議，包括委任的條款及條件；
- 董事會根據提名委員會的建議審議並決定任命；

Section 11 Corporate Governance

第十一節 公司治理

X. Others (Continued)

Corporate Governance Report (Continued)

18. Nomination Policy (Continued)

The procedure of re-appointment of Director at shareholders' general meeting is summarised as follows:-

- In accordance with the Company's articles of association, every director shall be subject to retirement by rotation at least once every three years and shall be eligible for re-election at the shareholders' general meeting;
- The Nomination Committee shall review the overall contribution and service to the Company of the retiring Director. The Nomination Committee shall also review the expertise and professional qualifications of the retiring Director, who offered himself/herself for re-appointment at the shareholders' general meeting, to determine whether such director continues to meet the criteria as set out above;
- Based on the review made by Nomination Committee, the Board shall make recommendations to shareholders of the Company on candidates standing for re-appointment at the shareholders' general meeting of the Company, and provide the available biographical information of the retiring Director in accordance with the Listing Rules to enable shareholders of the Company to make the informed decision on the re-appointment of such candidates at shareholders' general meeting of the Company.

The Board will from time to time review the Nomination Policy and monitor its implementation to ensure its continued effectiveness and compliance with regulatory requirements and good corporate governance practice.

19. Board Diversity Policy

In order to improve the efficiency of the Board and corporate governance, the Company recognises the diversification at the Board level as an important element in maintaining competitive advantage. The Board diversity policy of the Company ("**Board Diversity Policy**") is beneficial for enhancing the performance of the Company. According to the Board Diversity Policy, the selection of candidates for the Board will be based on a range of diversified categories, including but not limited to gender, age, cultural and educational background, race, professional experience, skills and knowledge. All appointments to the Board shall follow the principle of meritocracy, taking into account objectively the benefits of diversification of members of the Board when considering the candidates.

The Board will consider setting measurable objectives to implement the Diversity Policy and review such objectives from time to time to ensure its appropriateness and ascertain the progress made towards achieving those objectives. Current Board members have varied educational backgrounds and expertises, diverse perspectives and competencies in areas which are relevant and valuable to the Group, including accounting, economics, strategic planning, business development and management.

十、其他(續)

企業管治報告(續)

18. 提名政策(續)

在股東大會上重新委任董事程序概述如下：-

- 根據本公司的章程，每名董事任期三年，董事任期屆滿，並有資格於股東大會上膺選連任；
- 提名委員會應審閱退任董事對本公司的整體貢獻及服務。提名委員會亦須檢討退任董事的專業知識及專業資格，並在股東大會上膺選連任，以確定該董事是否繼續符合以上的準則；
- 根據提名委員會的審閱，董事會應就本公司股東大會上重新委任的候選人向股東提出建議，並根據上市規則的規定，提供退任董事的履歷資料，使股東能夠在本公司股東周年大會上就重新委任候選人作出知情決定。

董事會將不時檢討及監察提名政策之實施，以確保政策行之有效並遵照監管規定及良好企業管治實務。

19. 董事會多元化政策

為提升董事會的效及企業管治，本公司視於董事會層面的多元化為維持競爭優勢的重要元素。本公司董事會成員多元化將對提升本公司的表現益處良多。根據本公司董事會成員多元化政策(「**多元化政策**」)，甄選董事會人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件顧及董事會成員多元化的益處。

董事會將考慮制定可計量目標，以實行多元化政策，並不時審閱該等目標，確保其合適度及確定達成該等目標的進度。現時董事會成員有不同教育背景和專業知識，具備多元視野及於本集團相關及關鍵領域具有相應的能力，包括會計、經濟、戰略規劃、業務發展及管理。



Section 12 Corporate Bonds 第十二節 公司債券相關情況

Applicable Not applicable

適用 不適用

Section 13 Financial Report

第十三節 財務報告

Auditor's Report

審計報告

To all shareholders of Beijing Jingcheng Machinery Electric Co., Ltd.:

北京京城機電股份有限公司全體股東：

I. Opinion

We have audited the attached financial statements of Beijing Jingcheng Machinery Electric Holding Co., Ltd. (hereinafter referred to as Jingcheng Company), including Consolidated and Parent Company's Balance Sheets dated on December 31, 2018, 2018 Consolidated and Parent Company's Income Statements, Consolidated and Parent Company's Cash Flow Statements, Consolidated and Parent Company's Statements of Changes in Stockholder's Equity, and related Notes to Financial Statements.

In our opinion, the attached financial statements present fairly, in all material respects, the consolidated and parent company's financial positions of Jingcheng Company as at December 31, 2018, and its consolidated and parent company's financial performance and cash flows for the year then ended in accordance with the Accounting Standards for Business Enterprises.

II. Basis for Opinion

We conducted the audit in accordance with the Auditing Standards for Certified Public Accountants of China. The "CPAs' responsibility for the financial statements audit" in the Auditor's Report further describes our responsibilities under these criteria. We conduct our audit independent of Jingcheng Company in accordance with the China Code of Ethics for Certified Public Accountants and fulfill other responsibilities in ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

III. Key Audit Matter

The key audit matters are the most important matters to audit the financial statements in the current period in our opinion according to professional judgment. These matters are addressed by auditing the financial statements integrally and forming the audit opinion, so we do not express the opinions for them separately.

1. Provision for impairment of inventories

Key audit matter	How the matter was addressed in the audit
See Note IV. 13 "Inventories", Note IV. 34 "Provision for impairment of inventories" and Note VI. 5 "Inventories" to the financial statements.	The main audit procedures are as follows:
Jingcheng Company is mainly engaged in the gas storage and transportation equipment industry. The demand is declining and product competition is fierce. In order to compete for the limited market demand, products are sold at reduced prices. At the same time, higher transportation costs, labor costs, energy and power costs, etc. also lead to higher costs and impairment risks for inventories.	<ol style="list-style-type: none"> Assess and test the internal control related to the provision for inventory depreciation by the management of Jingcheng Company; For products that cannot obtain their selling prices in the open market, select samples and compare the estimated selling price of the products with the actual selling price in the latest or later period;

1. 審計意見

我們審計了北京京城機電股份有限公司(以下簡稱京城股份公司)財務報表,包括2018年12月31日的合併及母公司資產負債表,2018年度的合併及母公司利潤表、合併及母公司現金流量表、合併及母公司股東權益變動表,以及相關財務報表附註。

我們認為,後附的財務報表在所有重大方面按照企業會計準則的規定編製,公允反映了京城股份公司2018年12月31日的合併及母公司財務狀況以及2018年度的合併及母公司經營成果和現金流量。

2. 形成審計意見的基礎

我們按照中國註冊會計師審計準則的規定執行了審計工作。審計報告的「註冊會計師對財務報表審計的責任」部分進一步闡述了我們在這些準則下的責任。按照中國註冊會計師職業道德守則,我們獨立於京城股份公司,並履行了職業道德方面的其他責任。我們相信,我們獲取的審計證據是充分、適當的,為發表審計意見提供了基礎。

3. 關鍵審計事項

關鍵審計事項是我們根據職業判斷,認為對本期財務報表審計最為重要的事項。這些事項的應對以對財務報表整體進行審計並形成審計意見為背景,我們不對這些事項單獨發表意見。

1. 存貨跌價準備計提

關鍵審計事項	審計中的應對
參見財務報表附註四、13「存貨」、附註四、34「存貨減值準備」及附註六、5「存貨」。	我們的主要審計程序如下:
京城股份公司主要從事氣體儲運裝備製造行業,由於行業需求下降,產品競爭激烈,為了爭奪有限的市場需求,產品降價銷售,同時運輸費用、人工成本、能源動力等費用提高,也導致成本上升,存貨存在減值風險。	<ol style="list-style-type: none"> 評估並測試與京城股份公司管理層計提存貨跌價準備相關的內部控制; 對於無法獲取公開市場銷售價格的產品,選取樣本,將產品估計售價與最近或期後的實際售價進行比較;

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第十三節 財務報告

Auditor's Report

審計報告

III. Key Audit Matter (Continued)

1. Provision for impairment of inventories

Key audit matter	How the matter was addressed in the audit
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On December 31, 2018, the original book value of inventories listed in Note VI.5 to the Consolidated Financial Statements of Jingcheng Company was RMB 374,472,882.12, the balance of impairment reserve was RMB 48,772,016.11, and the book value was RMB325,700,866.01, showing signs of impairment.

Inventories are measured at the lower of cost and net realizable value. Net realizable value is determined by the estimated selling price of the inventory minus the estimated cost to be incurred when the project is completed, the estimated selling cost and relevant taxes.

The estimation of net realizable value of inventory involves the key judgment of management. The management may include historical selling prices and future market trend in the process of net realizable value estimation, which has a significant impact on the financial statements.

Whether the provision for impairment of inventories is sufficient and appropriate has a significant impact on the financial statements.

Based on the above reasons, we determine the provision for impairment of inventories as a key audit matter.

3. For raw materials and in-process products, select samples, and evaluate the rationality of the cost, selling expenses and fees estimated by Jingcheng Company to be incurred until completion by comparing the cost and selling expenses of the same kind of raw materials and products until completion.

4. Perform the inventory monitoring work and check the inventory quantity, condition, etc.;

5. Obtain the year-end inventory of stock age and, in combination with the product status, carry out an analytical review of inventories with a longer stock age to analyze whether the provision for inventory depreciation is reasonable.

Based on the audit procedures carried out and the evidence obtained, we believe that the key data used by the management in calculating the provision for inventory depreciation can support its judgment when calculating the inventory depreciation reserve.

IV. Other Information

The management of Jingcheng Company (hereinafter referred to as management) is responsible for other information. Other information includes information covered in 2018 annual report of Jingcheng Company, except the financial statements and our audit report.

Our opinion on the financial statements does not include other information, and we neither express any form of authentication opinion for other information.

Combining our audit to the financial statements, our responsibility is to consider whether other information has material inconsistency or seems to have material misstatement with the financial statements or circumstance that we know during audit while reading other information.

Based on the work that we have executed, we should report the fact in case of determining the material misstatement of other information. In this regard, we have no any matter to report.

3. 關鍵審計事項(續)

1. 存貨跌價準備計提

關鍵審計事項	審計中的應對
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於2018年12月31日，京城股份公司合併財務報表附註六、5列示的存貨賬面原值374,472,882.12元，減值準備餘額48,772,016.11元，賬面價值325,700,866.01元，存在減值跡象。

存貨按成本和可變現淨值孰低計量。可變現淨值以存貨的預計售價減去至完工時估計將要發生的成本、估計的銷售費用以及相關稅費後的金額確定。

對於存貨可變現淨值的估計涉及管理層的關鍵判斷。管理層在可變現淨值估計的過程中包括歷史售價及未來市場趨勢等，對財務報表有重大影響。

存貨減值準備計提是否充分、恰當，對財務報表有重大影響。

基於上述原因，我們確定存貨減值準備計提作為關鍵審計事項。

3、對於原材料、在產品，選取樣本，通過比較當年同類原材料、在產品至完工時仍需發生的成本及銷售費用，對京城股份公司估計的至完工時將要發生成本、銷售費用及相關稅費的合理性進行評估。

4、實施存貨監盤工作，檢查存貨的數量、狀況等；

5、取得年末庫齡清單，結合產品狀況，對庫齡較長的存貨進行分析性覆核，分析存貨跌價準備是否合理。

基於所執行的審計程序和獲取的證據，我們認為管理層在計算存貨跌價準備時所使用的關鍵數據能夠支持其在計提存貨跌價準備時作出的判斷。

4. 其他信息

京城股份公司管理層(以下簡稱管理層)對其他信息負責。其他信息包括京城股份公司2018年年度報告中涵蓋的信息，但不包括財務報表和我們的審計報告。

我們對財務報表發表的審計意見不涵蓋其他信息，我們也不對其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中瞭解到的情況存在重大不一致或者似乎存在重大錯報。

基於我們已執行的工作，如果我們確定其他信息存在重大錯報，我們應當報告該事實。在這方面，我們無任何事項需要報告。

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第十三節 財務報告

Auditor's Report

審計報告

V. Management and Governance's Responsibility for the Financial Statements

The management is responsible for preparation and fair presentation of these financial statements. The responsibilities shall include: (1) preparing financial statements according to the Accounting Standards for Business Enterprises, and ensuring fair presentation; (2) designing, implementing and maintaining necessary internal control to make sure that these statements are free from material misstatement, whether due to fraud or error.

In preparation of the financial statement, the management is responsible for assessing Jingcheng Company's sustainable operation ability, disclosing the sustainable operation related items (if applicable) and applying sustainable operation assumptions, unless otherwise the management plans to liquidate Jingcheng Company, stop operation or it has no other practical choice.

The governance is responsible for supervising Jingcheng Company's financial reporting process.

VI. CPAs' Responsibility for the Financial Statements Audit

Our goal is to obtain reasonable guarantee to prove that the financial statement doesn't include material misstatement due to fraud or error in general and provide an audit report with audit opinions. The reasonable guarantee is of high level but doesn't guarantee that any material misstatement can be always found if it exists in the audit performed as per the auditing standards. Misstatements can arise from fraud or error and are considered generally as material ones if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In audit as per the auditing standards, we apply occupational judgment and keep occupational skepticism. Meanwhile, we implement the following work:

- (1) Identifying and assessing material misstatement risks of financial statements due to fraud or error, designing and implementing audit procedures targeted to these risks, obtaining sufficient and appropriate audit evidence as the basis for expressing audit opinions. As the fraud may involve in collusion, counterfeiting, intentional omission, false statement or above internal control, risks of material misstatement not found due to fraud are higher than those not found due to error.
- (2) Considering 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 internal control.
- (3) Evaluation on the appropriateness of adopted accounting policies and the reasonableness of accounting estimates and disclosures made by the management.
- (4) Concluding the appropriateness of the going-concern assumption made by the management. Meanwhile, we can conclude whether major uncertainty exists in matters or circumstances, causing substantial doubts to the going-concern ability of Jingcheng Company in accordance with the audit evidence we have acquired. If we consider that major uncertainty exists, the auditing standards require us to remind the financial statements user of relevant disclosure in the financial statement. If the disclosure is not sufficient, we should issue the modified audit report. Our conclusion is based on the information available on the audit reporting day. However, future matters or circumstances may cause that Jingcheng Company fails to continue operations.

5. 管理層和治理層對財務報表的責任

管理層負責按照企業會計準則的規定編製財務報表，使其實現公允反映，並設計、執行和維護必要的內部控制，以使財務報表不存在由於舞弊或錯誤導致的重大錯報。

在編製財務報表時，管理層負責評估京城股份公司的持續經營能力，披露與持續經營相關的事項（如適用），並運用持續經營假設，除非管理層計劃清算京城股份公司、終止運營或別無其他現實的選擇。

治理層負責監督京城股份公司的財務報告過程。

6. 註冊會計師對財務報表審計的責任

我們的目標是對財務報表整體是否不存在由於舞弊或錯誤導致的重大錯報獲取合理保證，並出具包含審計意見的審計報告。合理保證是高水平的保證，但並不能保證按照審計準則執行的審計在某一重大錯報存在時總能發現。錯報可能由於舞弊或錯誤導致，如果合理預期錯報單獨或匯總起來可能影響財務報表使用者依據財務報表做出的經濟決策，則通常認為錯報是重大的。

在按照審計準則執行審計工作的過程中，我們運用職業判斷，並保持職業懷疑。同時，我們也執行以下工作：

- (1) 識別和評估由於舞弊或錯誤導致的財務報表重大錯報風險，設計和實施審計程序以應對這些風險，並獲取充分、適當的審計證據，作為發表審計意見的基礎。由於舞弊可能涉及串通、偽造、故意遺漏、虛假陳述或凌駕於內部控制之上，未能發現由於舞弊導致的重大錯報的風險高於未能發現由於錯誤導致的重大錯報的風險。
- (2) 瞭解與審計相關的內部控制，以設計恰當的審計程序，但目的並非對內部控制的有效性發表意見。
- (3) 評價管理層選用會計政策的恰當性和做出會計估計及相關披露的合理性。
- (4) 對管理層使用持續經營假設的恰當性得出結論。同時，根據獲取的審計證據，就可能導致對京城股份公司持續經營能力產生重大疑慮的事項或情況是否存在重大不確定性得出結論。如果我們得出結論認為存在重大不確定性，審計準則要求我們在審計報告中提請報表使用者注意財務報表中的相關披露；如果披露不充分，我們應當發表非無保留意見。我們的結論基於截至審計報告日可獲得的信息。然而，未來的事項或情況可能導致京城股份公司不能持續經營。

Section 13 Financial Report 第十三節 財務報告 Auditor's Report 審計報告

VI. CPAs' Responsibility for the Financial Statements Audit (Continued)

- (5) Evaluating the overall presentation, structure and contents (including disclosures) of the financial statements and whether the financial statements can fairly reflect the transactions and items.
- (6) Obtaining the sufficient and appropriate audit evidence in regard to the financial information of entity or business activity in Jingcheng Company, to express the opinion on the financial statements. We are responsible for guiding, supervising and performing the audit of the Group, and assume all responsibilities for the audit opinion.

We communicate with the governance about the planned audit scope, time arrangement and major audit findings, including noteworthy internal control deficiencies identified in our audit.

We have made statements to the governance as per the occupational ethical requirements related to independence and communicate with the governance about all relations and other matters that can be reasonably considered to affect our independence as well as relevant precautionary measures (if applicable).

We have determined which matters are the most important to audit the financial statement in the current period from the matter which has been communicated with the governance, therefore, these matters form the key audit matter. We have described these matters in the audit report, except that they are prohibited from being publicly disclosed as per the laws and regulations, or in the rare cases, if the negative result caused by reasonably expecting to communicate some matter in the audit report exceeds the benefit generated by the public interest, we determine not to communicate such matter in the audit report.

ShineWing Certified Public Accountants (special general partnership)

Certified Public Accountant of China: Zhang Kun
(Project partner)

Certified Public Accountant of China: Wang Xin

Beijing, China
March 25, 2019

6. 註冊會計師對財務報表審計的責任(續)

- (5) 評價財務報表的總體列報、結構和內容(包括披露)，並評價財務報表是否公允反映相關交易和事項。
- (6) 就京城股份公司中實體或業務活動的財務信息獲取充分、適當的審計證據，以對財務報表發表審計意見。我們負責指導、監督和執行集團審計，並對審計意見承擔全部責任。

我們與治理層就計劃的審計範圍、時間安排和重大審計發現等事項進行溝通，包括溝通我們在審計中識別出的值得關注的內部控制缺陷。

我們還就已遵守與獨立性相關的職業道德要求向治理層提供聲明，並與治理層溝通可能被合理認為影響我們獨立性的所有關係和其他事項，以及相關的防範措施(如適用)。

從與治理層溝通的事項中，我們確定哪些事項對本期財務報表審計最為重要，因而構成關鍵審計事項。我們在審計報告中描述這些事項，除非法律法規禁止公開披露這些事項，或在極少數情形下，如果合理預期在審計報告中溝通某事項造成的負面後果超過在公眾利益方面產生的益處，我們確定不應在審計報告中溝通該事項。

信永中和會計師事務所(特殊普通合夥)

中國註冊會計師：張昆
(項目合夥人)

中國註冊會計師：王欣

中國北京
二〇一九年三月二十五日

Consolidated Balance Sheet

合併資產負債表

December 31, 2018
2018年12月31日

Prepared by: Beijing Jingcheng Machinery Electric Company Limited
編製單位：北京京城機電股份有限公司

Unit: RMB
單位：人民幣元

Item	項目	Note 附註	31 December 2018 2018年12月31日	31 December 2017 2017年12月31日
Current assets:	流動資產：			
Cash at bank and on hand	貨幣資金	VII. 1/七、1	61,162,121.34	78,367,503.16
Settlement reserve	結算備付金			
Loans to banks and other financial institutions	拆出資金			
Financial assets held for trading	交易性金融資產			
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產			
Derivative financial assets	衍生金融資產			
Notes receivable and accounts receivable	應收票據及應收賬款	VII. 4/七、4	246,254,665.67	382,745,366.93
Including: Notes receivable	其中：應收票據	VII. 4/七、4	23,161,071.50	27,812,323.12
Accounts receivable	應收賬款	VII. 4/七、4	223,093,594.17	354,933,043.81
Advances to suppliers	預付款項	VII. 5/七、5	58,395,221.68	49,912,905.26
Premiums receivable	應收保費			
Reinsurance premium receivable	應收分保賬款			
Reinsurance contract reserves receivable	應收分保合同準備金			
Other receivables	其他應收款	VII. 6/七、6	20,470,775.75	12,891,300.46
Including: Interest receivable	其中：應收利息			
Dividends receivable	應收股利	VII. 6/七、6	6,075,169.12	8,756,869.09
Financial assets purchased under agreements to resell	買入返售金融資產			
Inventories	存貨	VII. 7/七、7	325,700,866.01	389,219,002.78
Contractual assets	合同資產			
Held-for-sale assets	持有待售資產			
Current portion of non-current assets	一年內到期的非流動資產			
Other current assets	其他流動資產	VII. 11/七、11	51,641,219.69	56,240,621.78
Total current assets	流動資產合計		763,624,870.14	969,376,700.37
Non-current assets:	非流動資產：			
Offering Loans and Advances in Cash	發放貸款和墊款			
Debt investment	債權投資			
Available-for-sale financial assets	可供出售金融資產			
Other debt investments	其他債權投資			
Held-to-maturity investments	持有至到期投資			
Long-term receivables	長期應收款			
Long-term equity investments	長期股權投資	VII. 15/七、15	124,898,949.39	71,694,482.47
Other equity instruments investment	其他權益工具投資			
Other non-current financial assets	其他非流動金融資產			
Investment properties	投資性房地產	VII. 18/七、18	28,723,902.58	
Fixed assets	固定資產	VII. 19/七、19	707,396,045.56	657,289,324.75
Construction in progress	在建工程	VII. 20/七、20	11,653,942.58	68,468,558.01
Bearer biological assets	生產性生物資產			
Oil and gas assets	油氣資產			
Intangible assets	無形資產	VII. 23/七、23	128,526,552.10	139,749,967.30
Development expenditures	開發支出			
Goodwill	商譽	VII. 25/七、25		3,679,654.40
Long-term deferred expenses	長期待攤費用	VII. 26/七、26	10,298,416.72	14,514,756.50
Deferred income tax assets	遞延所得稅資產	VII. 27/七、27	363,087.25	288,577.32
Other non-current assets	其他非流動資產			
Total non-current assets	非流動資產合計		1,011,860,896.18	955,685,320.75
Total assets	資產總計		1,775,485,766.32	1,925,062,021.12

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

Person in charge of accounting: Ms. Jiang Chi
主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Consolidated Balance Sheet

合併資產負債表

December 31, 2018
2018年12月31日

Prepared by: Beijing Jingcheng Machinery Electric Company Limited
編製單位：北京京城機電股份有限公司

Unit: RMB
單位：人民幣元

Item	項目	Note 附註	31 December 2018 2018年12月31日	31 December 2017 2017年12月31日
Current liabilities:	流動負債：			
Short-term borrowings	短期借款	VII. 29/七、29	277,998,046.30	285,000,000.00
Borrowings from the central bank	向中央銀行借款			
Deposits and placements from other financial institutions	吸收存款及同業存放			
Placements from banks and other financial institutions	拆入資金			
Financial liabilities held for trading	交易性金融負債			
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債			
Derivative financial liabilities	衍生金融負債			
Notes payable and accounts payable	應付票據及應付帳款	VII. 32/七、32	264,374,639.10	260,850,663.86
Advances from customers	預收款項			45,878,250.70
Contractual liabilities	合同負債	VII. 34/七、34	48,104,438.48	
Financial assets sold under agreements to repurchase	賣出回購金融資產款			
Fees and commissions payable	應付手續費及佣金			
Employee benefits payable	應付職工薪酬	VII. 35/七、35	22,929,823.79	36,862,542.56
Taxes payable	應交稅費	VII. 36/七、36	15,822,084.92	16,683,209.97
Other payables	其他應付款	VII. 37/七、37	80,624,608.94	90,988,717.35
Including: interest payable	其中：應付利息	VII. 37/七、37	72,000.00	446,534.71
Dividends payable	應付股利			
Reinsurance amounts payable	應付分保賬款			
Reserve of insurance contract	保險合同準備金			
Securities brokering	代理買賣證券款			
Securities underwriting	代理承銷證券款			
Held-for-sale liabilities	持有待售負債			
Non-current liabilities due within one year	一年內到期的非流動負債	VII. 39/七、39	18,000,000.00	11,000,000.00
Other current liabilities	其他流動負債	VII. 40/七、40	286,545.11	5,380,893.08
Total current liabilities	流動負債合計		728,140,186.64	752,644,277.52
Non-current liabilities:	非流動負債：			
Long-term borrowings	長期借款	VII. 41/七、41	11,000,000.00	5,060,000.00
Bonds payable	應付債券			
Including: Preferred shares	其中：優先股			
Perpetual bond	永續債			
Long-term payables	長期應付款	VII. 43/七、43	143,100,000.00	103,900,000.00
Long-term employee benefits payable	長期應付職工薪酬	VII. 44/七、44	24,637,440.48	32,871,892.94
Provisions	預計負債	VII. 45/七、45	3,251,807.32	4,243,554.25
Deferred incomes	遞延收益	VII. 46/七、46	2,087,460.36	2,000,000.00
Deferred income tax liabilities	遞延所得稅負債			
Other non-current liabilities	其他非流動負債			
Total non-current liabilities	非流動負債合計		184,076,708.16	148,075,447.19
Total liabilities	負債合計		912,216,894.80	900,719,724.71

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

Person in charge of accounting: Ms. Jiang Chi
主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Consolidated Balance Sheet

合併資產負債表

December 31, 2018
2018年12月31日

Prepared by: Beijing Jingcheng Machinery Electric Company Limited
編製單位：北京京城機電股份有限公司

Unit: RMB
單位：人民幣元

Item	項目	Note 附註	31 December 2018 2018年12月31日	31 December 2017 2017年12月31日
Shareholders' equity:	所有者權益(或股東權益)：			
Capital stock	實收資本(或股本)	VII. 48/七、48	422,000,000.00	422,000,000.00
Other equity instruments	其他權益工具			
Including: Preferred shares	其中：優先股			
Perpetual bond	永續債			
Capital reserves	資本公積	VII. 50/七、50	687,349,089.60	687,349,089.60
Less: treasury stocks	減：庫存股			
Other comprehensive incomes	其他綜合收益	VII. 52/七、52	2,308,000.57	1,154,074.87
Special reserves	專項儲備			
Surplus reserves	盈餘公積	VII. 54/七、54	45,665,647.68	45,665,647.68
Provisions for general risk	一般風險準備			
Undistributed profit	未分配利潤	VII. 55/七、55	-690,446,430.91	-567,793,525.60
Total shareholders' equity attributable to parent company	歸屬於母公司所有者權益合計		466,876,306.94	588,375,286.55
Non-controlling interest	少數股東權益		396,392,564.58	435,967,009.86
Total stockholders' equity	所有者權益(或股東權益)合計		863,268,871.52	1,024,342,296.41
Total liabilities and stockholders' equity	負債和所有者權益(或股東權益)總計		1,775,485,766.32	1,925,062,021.12

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

Person in charge of accounting: Ms. Jiang Chi
主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Balance Sheet of Parent Company

母公司資產負債表

December 31, 2018
2018年12月31日

Prepared by: Beijing Jingcheng Machinery Electric Company Limited
編製單位：北京京城機電股份有限公司

Unit: RMB
單位：人民幣元

Item	項目	Note 附註	31 December 2018 2018年12月31日	31 December 2017 2017年12月31日
Current assets:	流動資產：			
Cash at bank and on hand	貨幣資金		3,199,803.46	2,638,253.33
Financial assets held for trading	交易性金融資產			
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產			
Derivative financial assets	衍生金融資產			
Notes receivable and accounts receivable	應收票據及應收賬款			
Including: Notes receivable	其中：應收票據			
Accounts receivable	應收賬款			
Advances to suppliers	預付款項		280.00	280.00
Other receivables	其他應收款		373,391,396.14	417,945,979.50
Including: Interest receivable	其中：應收利息		27,691,396.14	19,845,979.50
Dividends receivable	應收股利			
Inventories	存貨			
Contractual assets	合同資產			
Held-for-sale assets	持有待售資產			
Current portion of non-current assets	一年內到期的非流動資產			
Other current assets	其他流動資產			
Total current assets	流動資產合計		376,591,479.60	420,584,512.83
Non-current assets:	非流動資產：			
Debt investment	債權投資			
Available-for-sale financial assets	可供出售金融資產			
Other debt investments	其他債權投資			
Held-to-maturity investments	持有至到期投資			
Long-term receivables	長期應收款			
Long-term equity investments	長期股權投資		694,842,724.41	694,842,724.41
Other equity instruments investment	其他權益工具投資			
Other non-current financial assets	其他非流動金融資產			
Investment properties	投資性房地產			
Fixed assets	固定資產		40,541.86	28,160.43
Construction in progress	在建工程			
Bearer biological assets	生產性生物資產			
Oil and gas assets	油氣資產			
Intangible assets	無形資產			
Development expenditures	開發支出			
Goodwill	商譽			
Long-term deferred expenses	長期待攤費用			
Deferred income tax assets	遞延所得稅資產			
Other non-current assets	其他非流動資產			
Total non-current assets	非流動資產合計		694,883,266.27	694,870,884.84
Total assets	資產總計		1,071,474,745.87	1,115,455,397.67

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

Person in charge of accounting: Ms. Jiang Chi
主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Balance Sheet of Parent Company

母公司資產負債表

December 31, 2018
2018年12月31日

Prepared by: Beijing Jingcheng Machinery Electric Company Limited
編製單位：北京京城機電股份有限公司

Unit: RMB
單位：人民幣元

Item	項目	Note 附註	31 December 2018 2018年12月31日	31 December 2017 2017年12月31日
Current liabilities:	流動負債：			
Short-term borrowings	短期借款			50,000,000.00
Financial liabilities held for trading	交易性金融負債			
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債			
Derivative financial liabilities	衍生金融負債			
Notes payable and accounts payable	應付票據及應付帳款		1,719,891.15	1,352,402.33
Advances from customers	預收款項		722,783.52	206,481.13
Contractual liabilities	合同負債		2,141,585.68	2,243,356.96
Employee benefits payable	應付職工薪酬			86,395.83
Taxes payable	應交稅費			
Other payables	其他應付款			
Including: Interest payable	其中：應付利息			
Dividends payable	應付股利			
Held-for-sale liabilities	持有待售負債			
Non-current liabilities due within one year	一年內到期的非流動負債		279,193.39	279,193.41
Other current liabilities	其他流動負債			
Total current liabilities	流動負債合計		4,863,453.74	54,081,433.83
Non-current liabilities:	非流動負債：			
Long-term borrowings	長期借款			
Bonds payable	應付債券			
Including: Preferred shares	其中：優先股			
Perpetual bond	永續債			
Long-term payables	長期應付款			
Long-term employee benefits payable	長期應付職工薪酬			
Provisions	預計負債			
Deferred incomes	遞延收益			
Deferred income tax liabilities	遞延所得稅負債			
Other non-current liabilities	其他非流動負債			
Total non-current liabilities	非流動負債合計			
Total liabilities	負債合計		4,863,453.74	54,081,433.83
Shareholders' equity:	所有者權益(或股東權益)：			
Capital stock	實收資本(或股本)		422,000,000.00	422,000,000.00
Other equity instruments	其他權益工具			
Including: Preferred shares	其中：優先股			
Perpetual bond	永續債			
Capital reserves	資本公積		666,639,987.85	666,639,987.85
Less: treasury stocks	減：庫存股			
Other comprehensive incomes	其他綜合收益			
Special reserves	專項儲備			
Surplus reserves	盈餘公積		38,071,282.24	38,071,282.24
Undistributed profit	未分配利潤		-60,099,977.96	-65,337,306.25
Total stockholders' equity	所有者權益(或股東權益)合計		1,066,611,292.13	1,061,373,963.84
Total liabilities and stockholders' equity	負債和所有者權益(或股東權益)總計		1,071,474,745.87	1,115,455,397.67

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

Person in charge of accounting: Ms. Jiang Chi
主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Consolidated Income Statement

合併利潤表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Note 附註	2018 2018年度	2017 2017年度
I. Total operating revenue	一、營業總收入	VII. 56/七、56	1,121,564,249.15	1,203,496,955.02
Including: Operating revenues	其中：營業收入	VII. 56/七、56	1,121,564,249.15	1,203,496,955.02
Interest incomes	利息收入			
Earned premiums	已賺保費			
Fees and commissions incomes	手續費及佣金收入			
II. Total operating cost	二、營業總成本		1,265,728,479.49	1,262,017,863.96
Including: Operating cost	其中：營業成本	VII. 56/七、56	1,016,767,617.68	1,008,933,698.75
Interest expenses	利息支出			
Fees and commissions expenses	手續費及佣金支出			
Cash surrender amount	退保金			
Net expenses of claim settlement	賠付支出淨額			
Net amount of withdrawn policy reserve	提取保險合同準備金淨額			
Policyholder dividend expenses	保單紅利支出			
Expenses for reinsurance accepted	分保費用			
Taxes and surcharges	稅金及附加	VII. 57/七、57	10,902,884.81	16,443,274.58
Selling expenses	銷售費用	VII. 58/七、58	50,936,486.91	65,404,323.80
Administrative expenses	管理費用	VII. 59/七、59	112,348,840.47	108,674,504.08
R&D costs	研發費用	VII. 60/七、60	11,827,458.65	10,640,445.25
Financial expenses	財務費用	VII. 61/七、61	24,487,149.13	24,439,493.07
Including: Interest expense	其中：利息費用	VII. 61/七、61	25,636,482.12	21,325,865.23
Interest incomes	利息收入	VII. 61/七、61	1,183,368.56	281,670.69
Assets impairment losses	資產減值損失	VII. 62/七、62	36,440,707.35	13,979,858.13
Credit impairment losses	信用減值損失	VII. 63/七、63	2,017,334.49	13,502,266.30
Add: Other earnings	加：其他收益	VII. 64/七、64	719,631.91	
Investment incomes (with "-" for losses)	投資收益（損失以「-」號填列）	VII. 65/七、65	-3,275,533.08	-4,586,130.02
Including: Investment incomes from affiliated enterprises and joint ventures	其中：對聯營企業和合營企業的投資收益		-3,275,533.08	-4,586,130.02
Net exposure hedging income (with "-" for losses)	淨敞口套期收益（損失以「-」號填列）			
Add: Income from changes in fair value (loss to be listed with "-")	公允價值變動收益（損失以「-」號填列）			
Exchange gains (with "-" for losses)	資產處置收益（損失以「-」號填列）			
Incomes of assets disposal (with "-" for losses)	匯兌收益（損失以「-」號填列）	VII. 68/七、68	8,596,214.61	66,140,181.07
III. Operating profit (with "-" for losses)	三、營業利潤（虧損以「-」號填列）		-138,123,916.90	3,033,142.11
Add: non-operating income	加：營業外收入	VII. 69/七、69	13,014,749.97	48,430,029.67
Less: non-operating expenses	減：營業外支出	VII. 70/七、70	445,593.90	19,826,854.16
IV. Total profits (with "-" for total losses)	四、利潤總額（虧損總額以「-」號填列）		-125,554,760.83	31,636,317.62
Less: income tax expenses	減：所得稅費用	VII. 71/七、71	7,089,870.89	8,490,684.72
V. Net profits (with "-" for net losses)	五、淨利潤（淨虧損以「-」號填列）		-132,644,631.72	23,145,632.90
(I) Classified according to operating continuity	(一) 按經營持續性分類		-132,644,631.72	23,145,632.90
1. Net profit from continuing operations (with "-" for net losses)	1. 持續經營淨利潤（淨虧損以「-」號填列）		-141,291,419.93	23,145,632.90
2. Net profit from discontinuing operations (with "-" for net losses)	2. 終止經營淨利潤（淨虧損以「-」號填列）		8,646,788.21	
(II) Classified according to attribution of the ownership	(二) 按所有權歸屬分類		-132,644,631.72	23,145,632.90
1. Net profits attributable to parent company	1. 歸屬於母公司股東的淨利潤		-93,936,155.30	20,868,364.01
2. Non-controlling interests	2. 少數股東損益		-38,708,476.42	2,277,268.89

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

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主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Consolidated Income Statement

合併利潤表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Note 附註	2018 2018年度	2017 2017年度
VI. Other net comprehensive incomes after-tax	六、其他綜合收益的稅後淨額	VII. 72/七、72	2,252,331.17	-2,424,859.82
Other net after-tax comprehensive income attributable to the owner of the parent company	歸屬母公司所有者的其他綜合收益的稅後淨額		1,153,925.70	-1,236,840.66
I. Other comprehensive incomes that cannot be reclassified through profit or loss	(一) 不能重分類進損益的其他綜合收益			
1. Changes arising from re-measurement of the defined benefit plan.	1. 重新計量設定受益計劃變動額			
2. Other comprehensive incomes that cannot be reclassified into profits or losses under the equity method	2. 權益法下不能轉損益的其他綜合收益			
3. Changes in fair value of investment by other equity instruments	3. 其他權益工具投資公允價值變動			
4. Changes in fair value of the enterprise's credit risk	4. 企業自身信用風險公允價值變動			
5. Others	5. 其他			
(II) Other comprehensive incomes that will be re-classified into profits or losses	(二) 將重分類進損益的其他綜合收益		1,153,925.70	-1,236,840.66
1. Other comprehensive incomes that can be reclassified into profits or losses under the equity method	1. 權益法下可轉損益的其他綜合收益			
2. Changes in fair value of other debt investment	2. 其他債權投資公允價值變動			
3. Change loss and profit of fair value of financial assets available-for-sale	3. 可供出售金融資產公允價值變動損益			
4. The amount of financial assets reclassified into other comprehensive incomes	4. 金融資產重分類計入其他綜合收益的金額			
5. Mature investment reclassified to loss and profit of available-for-sale financial assets	5. 持有至到期投資重分類為可供出售金融資產損益			
6. Provision for impairment of credit in other debt investments	6. 其他債權投資信用減值準備			
7. Reserves for cash flow hedge	7. 現金流量套期儲備(現金流量套期損益的有效部分)			
8. Converted difference in foreign currency statements for foreign currency	8. 外幣財務報表折算差額		1,153,925.70	-1,236,840.66
9. Others	9. 其他			
Other comprehensive incomes after-tax attributable to minority shareholders	歸屬於少數股東的其他綜合收益的稅後淨額		1,098,405.47	-1,188,019.16
VII. Total comprehensive incomes	七、綜合收益總額		-130,392,300.55	20,720,773.08
Total comprehensive incomes attributable to shareholders of the parent company	歸屬於母公司所有者的綜合收益總額		-92,782,229.60	19,631,523.35
Total comprehensive incomes attributable to minority shareholders	歸屬於少數股東的綜合收益總額		-37,610,070.95	1,089,249.73
VIII. Earnings per share:	八、每股收益：			
(I) Basic earnings per share (RMB/share)	(一) 基本每股收益(元/股)		-0.22	0.05
(II) Diluted earnings per share (RMB/share)	(二) 稀釋每股收益(元/股)		-0.22	0.05

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

Person in charge of accounting: Ms. Jiang Chi
主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Income Statement of Parent Company

母公司利潤表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Note 附註	2018 2018年度	2017 2017年度
I. Operating revenues	一、營業收入		2,547,169.81	2,830,188.68
Less: operating costs	減：營業成本			
Taxes and surcharges	稅金及附加		104,097.02	95,000.80
Selling expenses	銷售費用		9,728,731.78	8,107,901.27
Administrative expenses	管理費用			
R&D costs	研發費用			
Financial expenses	財務費用		-14,078,488.47	-13,331,234.01
Including: Interest expense	其中：利息費用		1,445,166.69	1,413,750.01
Interest income	利息收入		15,528,479.39	14,750,074.06
Assets impairment losses	資產減值損失			
Credit impairment losses	信用減值損失			
Add: Other earnings	加：其他收益			
Investment incomes (with "-" for losses)	投資收益（損失以「-」號填列）			
Including: Investment incomes from affiliated enterprises and joint ventures	其中：對聯營企業和合營企業的投資收益			
Net exposure hedging income (with "-" for losses)	淨敞口套期收益（損失以「-」號填列）			
Add: Income from changes in fair value (loss to be listed with "-")	加：公允價值變動收益（損失以「-」號填列）			
Incomes of assets disposal (with "-" for losses)	資產處置收益（損失以「-」號填列）			
II. Operating profits(with "-" for losses)	二、營業利潤（虧損以「-」號填列）		6,792,829.48	7,958,520.62
Add: non-operating income	加：營業外收入			
Less: non-operating expenses	減：營業外支出			
III. Total profits(with "-" for total losses)	三、利潤總額（虧損總額以「-」號填列）		6,792,829.48	7,958,520.62
Less: income tax expenses	減：所得稅費用		1,555,501.19	
IV. Net profits(with "-" for net losses)	四、淨利潤（淨虧損以「-」號填列）		5,237,328.29	7,958,520.62
(I). Net profit from continuing operations (with "-" for net losses)	(一) 持續經營淨利潤（淨虧損以「-」號填列）		5,237,328.29	7,958,520.62
(II). Net profit from discontinuing operations (with "-" for net losses)	(二) 終止經營淨利潤（淨虧損以「-」號填列）			
V. Other comprehensive incomes after-tax	五、其他綜合收益的稅後淨額			
I. Other comprehensive incomes that cannot be reclassified through profit or loss	(一) 不能重分類進損益的其他綜合收益			
1. Changes arising from re-measurement of the defined benefit plan	1. 重新計量設定受益計劃變動額			
2. Other comprehensive incomes that cannot be reclassified into profits or losses under the equity method	2. 權益法下不能轉損益的其他綜合收益			
3. Changes in fair value of investment by other equity instruments	3. 其他權益工具投資公允價值變動			
4. Changes in fair value of the enterprise's credit risk	4. 企業自身信用風險公允價值變動			
(II) Other comprehensive incomes that will be re-classified into profits or losses	(二) 將重分類進損益的其他綜合收益			
1. Other comprehensive incomes that can be reclassified into profits or losses under the equity method	1. 權益法下可轉損益的其他綜合收益			
2. Changes in fair value of other debt investment	2. 其他債權投資公允價值變動			
3. Change loss and profit of fair value of financial assets available-for-sale	3. 可供出售金融資產公允價值變動損益			
4. The amount of financial assets reclassified into other comprehensive incomes	4. 金融資產重分類計入其他綜合收益的金額			
5. Mature investment reclassified to loss and profit of available-for-sale financial assets	5. 持有至到期投資重分類為可供出售金融資產損益			
6. Provision for impairment of credit in other debt investments	6. 其他債權投資信用減值準備			
7. Reserves for cash flow hedge	7. 現金流量套期儲備（現金流量套期損益的有效部分）			
8. Converted difference in foreign currency statements for foreign currency	8. 外幣財務報表折算差額			
9. Others	9. 其他			
VI. Total comprehensive incomes	六、綜合收益總額		5,237,328.29	7,958,520.62

Legal representative: Mr. Wang Jun
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會計機構負責人：王艷東先生

Consolidated Cash flow statement

合併現金流量表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Note 附註	2018 2018年度	2017 2017年度
I. Cash flows from operating activities:	一、經營活動產生的現金流量：			
Cash received from sales of goods or rendering of services	銷售商品、提供勞務收到的現金		837,385,678.54	712,634,066.83
Net increase in deposits and placements from financial institutions	客戶存款和同業存放款項淨增加額			
Net increase in due to central banks	向中央銀行借款淨增加額			
Net increase in placement from other financial institutions	向其他金融機構拆入資金淨增加額			
Cash received from premiums of original insurance contract	收到原保險合同保費取得的現金			
Net amount of reinsurance business	收到再保險業務現金淨額			
Net increase in deposits of the insured and investment	保戶儲蓄及投資款淨增加額			
Net increase in disposal of financial assets at fair value through profit or loss	處置以公允價值計量且其變動計入當期損益的金融資產淨增加額			
Cash received from interests, fees and commissions	收取利息、手續費及佣金的現金			
Net increase in placements from banks and other financial institutions	拆入資金淨增加額			
Net increase in repurchasing	回購業務資金淨增加額			
Taxes and surcharges refunds	收到的稅費返還		24,720,111.69	29,063,692.11
Other cash receipts related to operating activities	收到其他與經營活動有關的現金	VII. 73/七、73	13,340,814.72	64,355,515.16
Subtotal of cash inflows from operating activities	經營活動現金流入小計		875,446,604.95	806,053,274.10
Cash paid for goods and services	購買商品、接受勞務支付的現金		499,832,427.24	573,458,692.33
Net increase in loans and advances	客戶貸款及墊款淨增加額			
Net increase in deposits in the Central Bank and other financial institutions	存放中央銀行和同業款項淨增加額			
Cash paid for claim settlements on original insurance contract	支付原保險合同賠付款項的現金			
Cash paid for interests, fees and commissions	支付利息、手續費及佣金的現金			
Cash paid for policy dividends	支付保單紅利的現金			
Cash paid to and for employees	支付給職工以及為職工支付的現金		229,460,352.26	217,179,474.84
Taxes and surcharges cash payments	支付的各项稅費		59,031,604.28	88,588,317.19
Other cash payments related to operating activities	支付其他與經營活動有關的現金	VII. 73/七、73	75,906,231.81	153,485,254.69
Subtotal of cash outflows from operating activities	經營活動現金流出小計		864,230,615.59	1,032,711,739.05
Net cash flows from operating activities	經營活動產生的現金流量淨額		11,215,989.36	-226,658,464.95
II. Cash flows from investing activities:	二、投資活動產生的現金流量：			
Cash received from return of investment	收回投資收到的現金			
Cash received from investment income	取得投資收益收到的現金			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	處置固定資產、無形資產和其他長期資產收回的現金淨額		29,084,740.50	230,024,000.00
Net cash received from disposal of subsidiaries and other business entities	處置子公司及其他營業單位收到的現金淨額			
Other cash received concerning investing activities	收到其他與投資活動有關的現金			
Subtotal of cash inflows from investing activities	投資活動現金流入小計		29,084,740.50	230,024,000.00
Cash paid for purchasing fixed assets, intangible assets and other long-term assets	購建固定資產、無形資產和其他長期資產支付的現金		26,045,107.07	23,321,192.19
Cash paid for investment	投資支付的現金		17,280,000.00	
Net increase in pledge loans	質押貸款淨增加額			
Net cash paid for the disposal of subsidiaries and other business entities	取得子公司及其他營業單位支付的現金淨額			
Other cash paid concerning investing activities	支付其他與投資活動有關的現金			
Subtotal cash outflows from investing activities	投資活動現金流出小計		43,325,107.07	23,321,192.19
Net cash flows from investing activities	投資活動產生的現金流量淨額		-14,240,366.57	206,702,807.81

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

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Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Consolidated Cash flow statement

合併現金流量表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Note 附註	2018 2018年度	2017 2017年度
III. Cash flows from financing activities:	三、籌資活動產生的現金流量：			
Cash received from absorbing investment	吸收投資收到的現金			
Including: Cash received from minority shareholder investment by subsidiaries	其中：子公司吸收少數股東投資收到的現金			
Cash received from borrowings	取得借款收到的現金		400,775,808.30	354,878,320.00
Cash received from issuing bonds	發行債券收到的現金			
Other cash received concerning financing activities	收到其他與籌資活動有關的現金	VII 73/七、73	110,000,000.00	30,000,000.00
Subtotal of cash inflows from financing activities	籌資活動現金流入小計		510,775,808.30	384,878,320.00
Cash paid for repayments of debts	償還債務支付的現金		394,837,762.00	254,818,320.00
Cash paid for allocation of dividends, profits or interest repayment	分配股利、利潤或償付利息支付的現金		33,385,688.43	19,617,205.66
Including: dividends and profits paid to minority shareholders by subsidiaries	其中：子公司支付給少數股東的股利、利潤			
Other cash paid concerning financing activities	支付其他與籌資活動有關的現金	VII 73/七、73	110,000,000.00	114,222,833.33
Subtotal of cash outflows from financing activities	籌資活動現金流出小計		538,223,450.43	388,658,358.99
Net cash flows from financing activities	籌資活動產生的現金流量淨額		-27,447,642.13	-3,780,038.99
IV. Effects from change of exchange rate to cash and cash equivalents	四、匯率變動對現金及現金等價物的影響		266,637.52	-1,977,412.48
V. Net increase in cash and cash equivalents	五、現金及現金等價物淨增加額	VII 73/七、73	-30,205,381.82	-25,713,108.61
Add: Opening balance of cash and cash equivalents	加：期初現金及現金等價物餘額	VII 73/七、73	76,867,503.16	102,580,611.77
VI. Closing balance of cash and cash equivalents	六、期末現金及現金等價物餘額	VII 73/七、73	46,662,121.34	76,867,503.16

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Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Cash Flow Statement of Parent Company

母公司現金流量表

December 31, 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Note 附註	2018 2018年度	2017 2017年度
I. Cash flows from operating activities:	一、經營活動產生的現金流量：			
Cash received from sales of goods or rendering of services	銷售商品、提供勞務收到的現金		5,100,000.00	
Taxes and surcharges refunds	收到的稅費返還			
Other cash receipts related to operating activities	收到其他與經營活動有關的現金		1,616,153.64	921,712.79
Subtotal of cash inflows from operating activities	經營活動現金流入小計		6,716,153.64	921,712.79
Cash paid for goods and services	購買商品、接受勞務支付的現金			
Cash paid to and for employees	支付給職工以及為職工支付的現金		6,119,472.17	4,128,153.64
Taxes and surcharges cash payments	支付的各項稅費		3,545,023.74	1,575,554.59
Other cash payments related to operating activities	支付其他與經營活動有關的現金		3,584,136.18	7,025,081.24
Subtotal of cash outflows from operating activities	經營活動現金流出小計		13,248,632.09	12,728,789.47
Net cash flows from operating activities	經營活動產生的現金流量淨額		-6,532,478.45	-11,807,076.68
II. Cash flows from investing activities:	二、投資活動產生的現金流量：			
Cash received from return of investment	收回投資收到的現金			
Cash received from investment income	取得投資收益收到的現金			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	處置固定資產、無形資產和其他長期資產收回的現金淨額			
Net cash received from disposal of subsidiaries and other business entities	處置子公司及其他營業單位收到的現金淨額			
Other cash received concerning investing activities	收到其他與投資活動有關的現金		58,560,045.21	12,035,766.67
Subtotal of cash inflows from investing activities	投資活動現金流入小計		58,560,045.21	12,035,766.67
Cash paid for purchasing fixed assets, intangible assets and other long-term assets	購建固定資產、無形資產和其他長期資產支付的現金		20,850.00	27,100.00
Cash paid for investment	投資支付的現金			
Net cash paid for the disposal of subsidiaries and other business entities	取得子公司及其他營業單位支付的現金淨額			
Other cash paid concerning investing activities	支付其他與投資活動有關的現金			50,000,000.00
Subtotal cash outflows from investing activities	投資活動現金流出小計		20,850.00	50,027,100.00
Net cash flows from investing activities	投資活動產生的現金流量淨額		58,539,195.21	-37,991,333.33
III. Cash flows from financing activities:	三、籌資活動產生的現金流量：			
Cash received from absorbing investment	吸收投資收到的現金			
Cash received from borrowings	取得借款收到的現金			50,000,000.00
Cash received from issuing bonds	發行債券收到的現金			
Other cash received concerning financing activities	收到其他與籌資活動有關的現金			
Subtotal of cash inflows from financing activities	籌資活動現金流入小計			50,000,000.00
Cash paid for repayment of debts	償還債務支付的現金		50,000,000.00	
Cash paid for allocation of dividends, profits or interest repayment	分配股利、利潤或償付利息支付的現金		1,445,166.69	1,327,354.18
Other cash paid concerning financing activities	支付其他與籌資活動有關的現金			
Subtotal of cash outflows from financing activities	籌資活動現金流出小計		51,445,166.69	1,327,354.18
Net cash flows from financing activities	籌資活動產生的現金流量淨額		-1,445,166.69	48,672,645.82
IV. Effects from change of exchange rate to cash and cash equivalents	四、匯率變動對現金及現金等價物的影響		0.06	
V. Net increase in cash and cash equivalents	五、現金及現金等價物淨增加額		561,550.13	-1,125,764.19
Add: Opening balance of cash and cash equivalents	加：期初現金及現金等價物餘額		2,638,253.33	3,764,017.52
VI. Closing balance of cash and cash equivalents	六、期末現金及現金等價物餘額		3,199,803.46	2,638,253.33

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

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Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Consolidated Statement of Changes in Owner' Equity

合併所有者權益變動表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Current year 2018年度										
		Equity attributable to shareholders of the parent company 歸屬於母公司所有者權益										
		Other equity instruments 其他權益工具				Other comprehensive incomes 其他綜合收益						
Capital stock 股本	Preferred shares 優先股	Perpetual bond 永續債	Others 其他	Capital reserves 資本公積	Less: treasury stocks 減：庫存股	Special reserves 專項儲備	Surplus reserves 盈餘公積	Provisions for general risk 一般風險準備	Undistributed profit 未分配利潤	Non-controlling interest 少數股東權益	Total shareholders' equity 所有者權益合計	
I. Closing balance in the previous year	一、上年期末餘額	422,000,000.00			687,349,089.60		1,154,074.87	45,665,647.68		-567,793,525.60	435,967,009.86	1,024,342,296.41
Add: Changes in accounting policies	加：會計政策變更									-16,451,532.69	263,660.49	-16,187,872.20
Corrections of early errors	前期差錯更正											
Business merger under common control	同一控制下企業合併											
Others	其他											
II. Opening balance in the current year	二、本年期初餘額	422,000,000.00			687,349,089.60		1,154,074.87	45,665,647.68		-584,245,058.29	436,230,670.35	1,008,154,424.21
III. Current movement (with "+" for increase)	三、本期增減變動金額(減少以“-”號填列)						1,153,925.70			-106,201,372.62	-39,838,105.77	-144,885,552.69
(I) Total comprehensive income	(一) 綜合收益總額						1,153,925.70			-93,936,155.30	-37,610,070.95	-130,392,300.55
(II) Capital input and reduced by owners	(二) 所有者投入和減少資本										-14,493,252.14	-14,493,252.14
1. Common shares invested by shareholders	1. 所有者投入的普通股											
2. Input capital by other equity instrument owners	2. 其他權益工具持有者投入資本											
3. Amount of share-based payment recognized as shareholder's interest	3. 股份支付計入所有者權益的金額											
4. Others	4. 其他											
(III) Profit distribution	(三) 利潤分配									-12,265,217.32	12,265,217.32	-
1. Appropriation to surplus reserves	1. 提取盈餘公積											
2. Appropriation to general risk provision	2. 提取一般風險準備											
3. Distribution to shareholders	3. 對所有者(或股東)的分配											
4. Others	4. 其他									-12,265,217.32	12,265,217.32	-
(IV) Internal carry-over in shareholders' equity	(四) 所有者權益內部結轉											
1. Share capital increased from transfer of capital reserves	1. 資本公積轉增資本(或股本)											
2. Share capital increased from transfer of surplus reserves	2. 盈餘公積轉增資本(或股本)											
3. Surplus reserves to recover loss	3. 盈餘公積彌補虧損											
4. Retained earnings carried forward from changes in defined benefit plans	4. 設定受益計畫變動額結轉留存收益											
5. Retained earnings carried forward from other comprehensive incomes	5. 其他綜合收益結轉留存收益											
6. Others	6. 其他											
(V) Special reserve	(五) 專項儲備											
1. Appropriation in current year	1. 本期提取											
2. Use in current year	2. 本期使用											
(VI) Others	(六) 其他											
IV. Closing balance of the current year	四、本期末餘額	422,000,000.00			687,349,089.60		2,308,000.57	45,665,647.68		-690,446,430.91	396,392,564.58	863,268,871.52

Legal representative: Mr. Wang Jun
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Consolidated Statement of Changes in Owner' Equity

合併所有者權益變動表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

		Previous Year 2017年度												
		Equity attributable to shareholders of the parent company 歸屬於母公司所有者權益												
		Other equity instruments 其他權益工具												
Item	項目	Capital stock 股本	Preferred shares 優先股	Perpetual bond 永續債	Others 其他	Capital reserves 資本公積	Less: treasury stocks 減：庫存股	Other comprehensive incomes 其他綜合收益	Special reserves 專項儲備	Surplus reserves 盈餘公積	Provisions for general risk 一般風險準備	Undistributed profit 未分配利潤	Non-controlling interest 少數股東權益	Total shareholders' equity 所有者權益合計
I.	Closing balance in the previous year	422,000,000.00				683,803,181.69		2,390,915.53		45,665,647.68		-588,661,889.61	406,687,468.04	971,885,323.33
	Add: Changes in accounting policies													
	Corrections of early errors													
	Business merger under common control													
	Others													
II.	Opening balance in the current year	422,000,000.00				683,803,181.69		2,390,915.53		45,665,647.68		-588,661,889.61	406,687,468.04	971,885,323.33
III.	Current movement (with "+" for increase)					3,545,907.91		-1,236,840.66				20,868,364.01	29,279,541.82	52,456,973.08
	(I) Total comprehensive income							-1,236,840.66				20,868,364.01	1,089,249.73	20,720,773.08
	(II) Capital input and reduced by owners					3,545,907.91							28,190,292.09	31,736,200.00
	1. Common shares invested by shareholders												31,736,200.00	31,736,200.00
	2. Input capital by other equity instrument owners													
	3. Amount of share-based payment recognized as shareholder's interest													
	4. Others					3,545,907.91							-3,545,907.91	-
	(III) Profit distribution													
	1. Appropriation to surplus reserves													
	2. Appropriation to general risk provision													
	3. Distribution to shareholders													
	4. Others													
	(IV) Internal carry-over in shareholders' equity													
	1. Share capital increased from transfer of capital reserves													
	2. Share capital increased from transfer of surplus reserves													
	3. Surplus reserves to recover loss													
	4. Retained earnings carried forward from changes in defined benefit plans													
	5. Retained earnings carried forward from other comprehensive incomes													
	6. Others													
	(V) Special reserve													
	1. Appropriation in current year													
	2. Use in current year													
	(VI) Others													
IV.	Closing balance of the current year	422,000,000.00				687,349,089.60		1,154,074.87		45,665,647.68		-567,793,525.60	435,967,009.86	1,024,342,296.41

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

Person in charge of accounting: Ms. Jiang Chi
主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Statement of Changes in Owner' Equity of Parent Company

母公司所有者權益變動表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Current year 2018年度										
		Other equity instruments 其他權益工具				Capital reserves 資本公積	Less: treasury stocks 減：庫存股	Other comprehensive incomes 其他綜合收益	Special reserves 專項儲備	Surplus reserves 盈餘公積	Undistributed profit 未分配利潤	Total stockholders' equity 所有者權益合計
		Capital stock 股本	Preferred shares 優先股	Perpetual bond 永續債	Others 其他							
I. Closing balance in the previous year	一、上年期末餘額	422,000,000.00			666,639,987.85				38,071,282.24	-65,337,306.25	1,061,373,963.84	
Add: Changes in accounting policies	加：會計政策變更											
Corrections of early errors	前期差錯更正											
Others	其他											
II. Opening balance in the current year	二、本年期初餘額	422,000,000.00			666,639,987.85				38,071,282.24	-65,337,306.25	1,061,373,963.84	
III. Current movement (with "+" for increase)	三、本期增減變動金額(減少以“-”號填列)											
(I) Total comprehensive income	(一) 綜合收益總額									5,237,328.29	5,237,328.29	
(II) Capital input and reduced by owners	(二) 所有者投入和減少資本											
1. Common shares invested by shareholders	1. 所有者投入的普通股											
2. Input capital by other equity instrument owners	2. 其他權益工具持有者投入資本											
3. Amount of share-based payment recognized as shareholder's interest	3. 股份支付計入所有者權益的金額											
4. Others	4. 其他											
(III) Profit distribution	(三) 利潤分配											
1. Appropriation to surplus reserves	1. 提取盈餘公積											
2. Distribution to shareholders	2. 對所有者(或股東)的分配											
3. Others	3. 其他											
(IV) Internal carry-over in shareholders' equity	(四) 所有者權益內部結轉											
1. Share capital increased from transfer of capital reserves	1. 資本公積轉增資本(或股本)											
2. Share capital increased from transfer of surplus reserves	2. 盈餘公積轉增資本(或股本)											
3. Surplus reserves to recover loss	3. 盈餘公積彌補虧損											
4. Retained earnings carried forward from changes in defined benefit plans	4. 設定受益計劃變動結轉留存收益											
5. Retained earnings carried forward from other comprehensive incomes	5. 其他綜合收益結轉留存收益											
6. Others	6. 其他											
(V) Special reserve	(五) 專項儲備											
1. Appropriation in current year	1. 本期提取											
2. Use in current year	2. 本期使用											
(VI) Others	(六) 其他											
IV. Closing balance of the current year	四、本期末餘額	422,000,000.00			666,639,987.85				38,071,282.24	-60,099,977.96	1,066,611,292.13	

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

Person in charge of accounting: Ms. Jiang Chi
主管會計工作負責人：姜馳女士

Financial Manager: Mr. Wang Yandong
會計機構負責人：王艷東先生

Statement of Changes in Owner' Equity of Parent Company

母公司所有者權益變動表

January to December 2018
2018年1-12月

Unit: Yuan Currency: RMB
單位：元 幣種：人民幣

Item	項目	Previous Year 2017年度										
		Capital stock 股本	Preferred shares 優先股	Perpetual bond 永續債	Others 其他	Capital reserves 資本公積	Less treasury stocks 減：庫存股	Other comprehensive incomes 其他綜合收益	Special reserves 專項儲備	Surplus reserves 盈餘公積	Undistributed profit 未分配利潤	Total stockholders' equity 所有者權益合計
I. Closing balance in the previous year	一、上年期末餘額	422,000,000.00				666,639,987.85				38,071,282.24	-73,295,826.87	1,053,415,443.22
Add: Changes in accounting policies	加：會計政策變更											
Corrections of early errors	前期差錯更正											
Others	其他											
II. Opening balance in the current year	二、本年期初餘額	422,000,000.00				666,639,987.85				38,071,282.24	-73,295,826.87	1,053,415,443.22
III. Current movement (with "+" for increase)	三、本報增減變動金額(減少以“-”號填列)										7,958,520.62	7,958,520.62
(I) Total comprehensive income	(一) 綜合收益總額										7,958,520.62	7,958,520.62
(II) Capital input and reduced by owners	(二) 所有者投入和減少資本											
1. Common shares invested by shareholders	1. 所有者投入的普通股											
2. Input capital by other equity instrument owners	2. 其他權益工具持有者投入資本											
3. Amount of share-based payment recognized as shareholder's interest	3. 股份支付計入所有者權益的金額											
4. Others	4. 其他											
(III) Profit distribution	(三) 利潤分配											
1. Appropriation to surplus reserves	1. 提取盈餘公積											
2. Distribution to shareholders	2. 對所有者(或股東)的分配											
3. Others	3. 其他											
(IV) Internal carry-over in shareholders' equity	(四) 所有者權益內部結轉											
1. Share capital increased from transfer of capital reserves	1. 資本公積轉增資本(或股本)											
2. Share capital increased from transfer of surplus reserves	2. 盈餘公積轉增資本(或股本)											
3. Surplus reserves to recover loss	3. 盈餘公積彌補虧損											
4. Retained earnings carried forward from changes in defined benefit plans	4. 設定受益計劃變動結轉留存收益											
5. Retained earnings carried forward from other comprehensive incomes	5. 其他綜合收益結轉留存收益											
6. Others	6. 其他											
(V) Special reserve	(五) 專項儲備											
1. Appropriation in current year	1. 本期提取											
2. Use in current year	2. 本期使用											
(VI) Others	(六) 其他											
IV. Closing balance of the current year	四、本報期末餘額	422,000,000.00				666,639,987.85				38,071,282.24	-65,337,306.25	1,061,373,963.84

Legal representative: Mr. Wang Jun
法定代表人：王軍先生

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Notes to the Financial Statements

財務報表附註

From January 1, 2018 to December 31, 2018

(Unless otherwise specified in the Notes to Financial Statements, the amount shall be denominated in RMB)
2018年1月1日至2018年12月31日(本財務報表附註除特別註明外,均以人民幣元列示)

I. Basic Information of the Company

Beijing Jingcheng Machinery Electric Company Limited (hereinafter referred to as the "Company", collectively referred to as the Group if it includes subsidiary) formerly Beiren Printing Machinery Co., Ltd. is a limited company established by fund solely initiated by Beiren Group Corporation. Registered on July 13, 1993, it was transferred to a limited liability company which could publicly offer and be listed in mainland China and Hong Kong according to the approval document of T.G.S. (1993) No. 118 File issued by State Commission for Restructuring the Economic System. Upon approval by the State Council Securities Commission and other departments concerned, the Company publicly offered H-shares in Hong Kong in 1993 and A-shares in Shanghai in 1994, and was respectively listed in Stock Exchange of Hong Kong Limited in 1993 and Shanghai Stock Exchange in 1994.

After being approved in the resolutions made by the Company's general meetings of shareholders held between May 16, 2001 and June 11, 2002 and being reviewed and approved in Z.J.F.X.Z. [2002] No. 133 File issued by China Securities Regulatory Commission, the Company successfully increased issues in 22,000,000 RMB ordinary shares (A-shares) to the public stock shareholders between December 26, 2002 and January 07, 2003, with RMB 1 par value per share. After secondary public offering, the Company's total stock issue was 422,000,000 shares, of which, there were 250,000,000 state-owned legal person shares, 72,000,000 domestic public shares and 100,000,000 overseas public shares, with RMB 1 par value per share.

According to J.G.Z.Q.Z. [2006] No. 25 "Reply to Problems on Equity Division Reform of Beiren Printing Machinery Co., Ltd" issued by State-owned Assets Supervision and Administration Commission of the People's Government of Beijing, the Company's sole non-circulating stock shareholder-Beiren Group Corporation paid the original 27,360,000 state-owned legal person shares to the Company's circulating A-stock shareholder by every 10 shares allotted with 3.8 shares, and the A-share equity right registration date for implementing the aforesaid equity division reform plan was on March 29, 2006.

Beiren Group Corporation sold 21,000,000 shares of the Company's non-restricted circulating stock through the block trading system of Shanghai Stock Exchange on January 06, 2010 and January 07, 2010, and publicly sold 20,000 shares of the Company's non-restricted circulating stock on December 02, 2010, accounting for 4.98% of the Company's total stock issue. As at December 31, 2011, Beiren Group Corporation held 201,620,000 state-owned legal person shares which were all non-restricted circulating stocks and accounted for 47.78% of total stock issue; 120,380,000 non-restricted domestic public shares, accounting for 28.52% of total stock issue; and 100,000,000 non-restricted overseas public shares, accounting for 23.70% of total stock issue.

The Company's controlling shareholder Beiren Group Corporation and the Company's actual controller Beijing Jingcheng Machinery Electric Holding Co., Ltd. (hereinafter referred to as Jingcheng Holding) signed the *Agreement on Gratuitous Transfer of State-owned Stock Equity between Beijing Jingcheng Machinery Electric Holding Co., Ltd. and Beiren Group Corporation* on June 16, 2012, under which, Beiren Group Corporation gratuitously transferred the Company's 201,620,000 A-shares to Jingcheng Holding; after the share transfer, the Company's total stock issue remained the same, and Jingcheng Holding held 201,620,000 shares of the Company stock which accounted for 47.78% of total stock issue and became the Company's controlling shareholder. The gratuitous equity transfer this time has been approved by the State-owned Assets Supervision and Administration Commission of the State Council on September 01, 2012. The Company received the Confirmation of Transfer Register issued by China Securities Depository and Clearing Co., Ltd. Shanghai Branch on December 07, 2012, and the formalities related to share transfer was completed.

一、公司的基本情况

北京京城機電股份有限公司(以下簡稱公司或本公司,在包含子公司時統稱本集團)原名稱為北人印刷機械股份有限公司,是由北人集團公司獨家發起設立的股份有限公司,於1993年7月13日登記註冊成立,並於1993年7月16日經國家體改委體改生(1993年)118號文件批准,轉為可在境內及香港公開發行股票並上市的社會募集股份有限公司。經國務院證券委員會等有關部門批准,本公司於1993年和1994年分別在香港和上海發行H股和A股,並分別於1993年和1994年在香港聯合交易所有限公司及上海證券交易所上市。

本公司經2001年5月16日及2002年6月11日股東大會決議批准,並經中國證券監督管理委員會證監發行字[2002]133號文件核准同意,於2002年12月26日至2003年1月7日成功向社會公眾股東增發2,200萬股人民幣普通股(A股),每股面值人民幣1元。增發後,本公司總股本42,200萬股,其中國有法人股25,000萬股,國內公眾股7,200萬股,境外公眾股10,000萬股,每股面值人民幣1元。

根據北京市人民政府國有資產監督管理委員會京國資權字[2006]25號「關於北人印刷機械股份有限公司股權分置改革有關問題的批復」,本公司唯一非流通股股東北人集團公司以每10股配3.8股的方式,將原國有法人股2,736萬股支付給本公司流通A股股東,上述股權分置改革方案實施A股股權登記日為2006年3月29日。

北人集團公司於2010年1月6日、2010年1月7日通過上海證券交易所大宗交易系統出售本公司無限售條件流通股股份2,100萬股,2010年12月2日公開出售本公司無限售條件流通股股份2萬股,佔本公司總股本的4.98%。截止2011年12月31日北人集團公司持有國有法人股20,162萬股,佔總股本的47.78%,全部為無限售條件的流通股;無限售條件的國內公眾股為12,038萬股,佔總股本的28.52%;無限售條件的境外公眾股10,000萬股,佔總股本的23.70%。

本公司控股股東北人集團公司與公司實際控制人北京京城機電控股有限責任公司(以下簡稱京城控股)於2012年6月16日簽署了《北京京城機電控股有限責任公司與北人集團公司之國有股權無償劃轉協議》,北人集團公司將所持本公司20,162萬股A股股份無償劃轉給京城控股,股份劃轉後本公司總股本不變,其中京城控股持有20,162萬股,佔總股本的47.78%,為本公司的控股股東。本次股權無償劃轉已於2012年9月1日獲國務院國有資產監督管理委員會批復。本公司於2012年12月7日收到《中國證券登記結算有限公司上海分公司過戶登記確認書》,股份過戶相關手續已辦理完畢。

Notes to the Financial Statements

財務報表附註

From January 1, 2018 to December 31, 2018

(Unless otherwise specified in the Notes to Financial Statements, the amount shall be denominated in RMB)

2018年1月1日至2018年12月31日(本財務報表附註除特別註明外，均以人民幣元列示)

I. Basic Information of the Company (Continued)

The Company signed the Agreement on Replacement of Material Assets and the Supplementary Agreement under the Agreement on Replacement of Material Assets with Jingcheng Holding and Beiren Group Corporation in November 2012. Pursuant to these agreements, the Company replaced all its assets and liabilities with relevant assets of gas storage and transport equipment business owned by Jingcheng Holding, and the balance was made up by Jingcheng Holding in cash. The proposed traded-out property was the Company's all assets and liabilities, the proposed traded-in property was 88.50% equity of Beijing Tianhai Industry Co., Ltd., 100% equity of Jingcheng Holding (Hong Kong) Co., Ltd. and 100% equity of Beijing Jingcheng Compressor Co., Ltd. with its environmental protection business stripped, and all the three are held by Jingcheng Holding.

On September 26, 2013, the Company received the *Reply on Approving the Material Asset Restructuring of Beiren Printing Machinery Co., Ltd.* (ZJXK [2013] No. 1240) issued by China Securities Regulatory Commission, approving the Company to restructure materials assets in this time.

The Company signed the *Agreement on Replacement and Settlement of Material Assets* with Jingcheng Holding and Beiren Group Corporation on October 31, 2013, under which, Jingcheng Holding settled and delivered the traded-in assets to the Company, and the Company delivered the traded-out assets and relevant staff to Beiren Group Corporation.

On December 23, 2013, the Company's was renamed from Beiren Printing Machinery Co., Ltd. to Beijing Jingcheng Machinery Electric Company Limited.

Jingcheng Holding reduced 21,000,000 shares of the Company's non-restricted circulating A-stock through the block trading system of Shanghai Stock Exchange on May 6, 2015, May 13, 2015 and May 14, 2015, accounting for 4.98% of the Company's total stock issue. As at December 31, 2015, Jingcheng Holding held 180,620,000 shares of the Company's non-restricted circulating A-stock, accounting for 42.80% of the Company's total stock issue.

Jingcheng Holding bought 2,115,052 shares of the Company's A-stock through the trading system of Shanghai Stock Exchange on August 03, 2016, accounting for 0.50% of the Company's total stock issue. After the increase in holding, Jingcheng Holding held 182,735,052 A-shares of the Company's unrestricted shares, accounting for 43.30% of the total share capital of the Company.

The Company's registered address is located at Suite 901, Building 59, East Third Ring Middle Rd., Chaoyang District, Beijing, with Wang Jun serving as the legal representative. The business place is located at No. 2 Nansan Street, Huoxian Town, Huoxian County, Tongzhou District, Beijing.

The Company's business scope: General freight; development, design, sales, installation, debugging and repair of cryogenic storage transport vessel, compressor (piston compressor, membrane compressor and nuclear membrane compressor) and accessories, machinery equipment and electrical equipment; technical consulting; technical service; economic trade consulting; goods import and export; technical import and export; and agency for import and export.

Jingcheng Holding is both the controlling shareholder and actual controller of the Company.

一、公司的基本情況(續)

本公司於2012年11月與京城控股及北人集團公司簽署《重大資產置換協議》及《重大資產置換協議之補充協議》，協議約定本公司以公司全部資產和負債與京城控股所擁有的氣體儲運裝備業務相關資產進行置換，差額部分由京城控股以現金方式補足。擬置出資產為本公司全部資產和負債，擬置入資產為京城控股持有的北京天海工業有限公司88.50%股權、京城控股(香港)有限公司100%股權以及剝離環保業務後的北京京城壓縮機有限公司100%股權。

2013年9月26日，本公司接到中國證券監督管理委員會出具的《關於核准北人印刷機械股份有限公司重大資產重組的批復》(證監許可[2013]1240號)，核准本公司本次重大資產重組事項。

本公司於2013年10月31日與京城控股及北人集團公司簽署《重大資產置換交割協議》，京城控股將置入資產交割至本公司，本公司將置出資產及相關人員交割至北人集團公司。

2013年12月23日，公司名稱由北人印刷機械股份有限公司變更為北京京城機電股份有限公司。

京城控股於2015年5月6日、5月13日和5月14日通過上海證券交易所大宗交易系統減持所持有的公司無限售流通A股股票2,100萬股，佔公司總股本的4.98%。截止2015年12月31日京城控股持有公司無限售流通股A股股票18,062萬股，佔公司總股本的42.80%。

京城控股於2016年8月3日通過上海證券交易所交易系統增持了本公司股份2,115,052 A股，佔本公司總股本的0.50%，本次增持後，京城控股持有本公司無限售流通股A股股票182,735,052股，佔公司總股本的43.30%。

本公司註冊地址為北京市朝陽區東三環中路59號樓901室，法定代表人王軍。經營地點為北京市通州區漷縣鎮漷縣南三街2號。

本公司經營範圍：普通貨運；開發、設計、銷售、安裝、調試、修理低溫儲運容器、壓縮機(活塞式壓縮機、隔膜式壓縮機、核級膜壓縮機)及配件、機械設備、電氣設備；技術諮詢；技術服務；經濟貿易諮詢；貨物進出口；技術進出口；代理進出口。

本公司之控股股東及實際控制人均為京城控股。

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(Unless otherwise specified in the Notes to Financial Statements, the amount shall be denominated in RMB)
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II. Scope of Consolidated Financial Statements

The Company's consolidated financial statements cover Jingcheng Holding (Hong Kong) Co., Ltd., Beijing Tianhai Industry Co., Ltd. and its subsidiaries Tianjin Tianhai High Pressure Container Co., Ltd., Shanghai Tianhai Composite Cylinders Co., Ltd., Beijing Tianhai Cryogenic Equipment Co., Ltd., Beijing Pioneer Up Lifter Co., Ltd., Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd., Kuancheng Tianhai Pressure Container Co., Ltd. and BTIC AMERICA CORPORATION.

See relevant contents of "VII. Changes in Consolidation Scope" and "VIII. Interests in Other Entities" in the Notes for details.

III. Basis for Preparation of Financial Statements

(1) Preparation basis

On the going-concern basis, the financial statements of the Group have been prepared in accordance with actually-occurring transactions and items, the Accounting Standards for Business Enterprises issued by the Ministry of Finance and other relevant regulations (hereinafter collectively referred to as "ASBE"), *Preparation Rules for Information Disclosures by Companies Offering Shares to the Public No. 15 – General Provisions on Financial Reports* (revised in 2014) issued by China Securities Regulatory Commission (CSRC) and related regulations, disclosure requirements in Companies Ordinance of Hong Kong and *Rules Governing the Listing of Securities/Rules Governing the Listing of GEM Securities* issued by Hong Kong Exchange, and accounting policies and accounting estimates stated in "IV. Significant Accounting Policies and Accounting Estimates" of this Notes.

(2) Going concern

The Group has evaluated the going concern ability within 12 months since December 31, 2018 and has not found any event and condition causing substantial doubt about the going concern ability. Therefore, these financial statements were prepared on the basis of the going concern assumption.

IV. Significant Accounting Policies and Accounting Estimates

Specific accounting policies and accounting estimates will indicate: accounting policies developed by the Group according to characteristics of actual production and operation and accounting estimates including business cycle, the recognition and measurement of provisions for bad debts from receivables, the measurement of inventory dispatched, fixed assets classification and depreciation methods, amortization of intangible assets, conditions for capitalizing R&D expenses, recognition and measurement of incomes, impairment of long term assets and provisions, etc.

1. Statement of compliance with Accounting Standards for Business Enterprises (ASBE)

The Company declares that the financial statements prepared comply with the Accounting Standards for Business Enterprises, which reflect the financial position, results of operation and cash flow of the Company truly and completely.

2. Accounting period

An accounting period of the Group is from January 01 to December 31 of each calendar year.

3. Business cycle

The Group treats 12 months as a dividing standard for the liquidity of assets and liabilities since the business cycle is too short for the Group's business.

二、合併財務報表範圍

本公司合併財務報表範圍包括京城控股(香港)有限公司和北京天海工業有限公司及其下屬子公司天津天海高壓容器有限責任公司、上海天海複合氣瓶有限公司、北京天海低溫設備有限公司、北京攀尼高空作業設備有限公司、北京明暉天海氣瓶儲運裝備銷售有限公司、寬城天海壓力容器有限公司和天海美洲公司。

詳見本附註「七、合併範圍的變化」及本附註「八、在其他主體中的權益」相關內容。

三、財務報表的編製基礎

(1) 編製基礎

本集團財務報表以持續經營為基礎,根據實際發生的交易和事項,按照財政部頒佈的《企業會計準則》及相關規定(以下合稱「企業會計準則」),以及中國證券監督管理委員會《公開發行證券的公司信息披露編報規則第15號—財務報告的一般規定》(2014年修訂)及相關規定、香港《公司條例》和香港聯合交易所[《上市規則》/《創業板上市規則》]所要求之相關披露,並基於本附註「四、重要會計政策及會計估計」所述會計政策和會計估計編製。

(2) 持續經營

本集團對自2018年12月31日起12個月的持續經營能力進行了評價,未發現對持續經營能力產生重大懷疑的事項和情況。因此,本財務報表系在持續經營假設的基礎上編製。

四、重要會計政策及會計估計

具體會計政策和會計估計提示:本集團根據實際生產經營特點制定的具體會計政策和會計估計包括營業周期、應收款項壞賬準備的確認和計量、發出存貨計量、固定資產分類及折舊方法、無形資產攤銷、研發費用資本化條件、收入確認和計量、長期資產減值和預計負債等。

1. 遵循企業會計準則的聲明

本公司編製的財務報表符合企業會計準則的要求,真實、完整地反映了本公司及本集團的財務狀況、經營成果和現金流量等有關信息。

2. 會計期間

本集團的會計期間為公曆1月1日至12月31日。

3. 營業周期

本集團經營業務的營業周期較短,以12個月作為資產和負債的流動性劃分標準。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

4. Recording currency

RMB is recording currency for the Company and its subsidiaries, except for BTIC AMERICA CORPORATION and Jingcheng Holding (Hong Kong) Co., Ltd. that use USD as their recording currency.

5. Accounting treatment method for business merger under common control and different control

The assets and liabilities acquired by the Group, as the combination party, from business combination under common control should be measured based on the book value in the ultimate holding party consolidated statements of the combination party on the combination date. The balance between the book value of the net assets obtained and the book value of the consideration paid shall be used to adjust the capital reserves; where the capital reserves are not sufficient to be offset, the retained earnings shall be adjusted.

The identifiable assets, liabilities and contingent liabilities acquired by the acquiree in the business merger not under common control are measured at fair value at the acquisition date. The cost for merging is the sum of book value of cash or non-cash assets paid, liabilities issued or assumed, equity securities issued, etc. for obtaining the control power of the acquiree and various direct expenses in business merger (in the business merger realized step by step through several transactions, the cost for merging is the sum of the cost for each single transaction). Positive balance between the cost of merging and the fair value of the identifiable net assets of the acquiree obtained by the Group on the acquisition date shall be recognized as goodwill; if the cost of merging is less than the fair value of the identifiable net assets of the acquiree obtained, the fair value of various identifiable assets, liabilities and contingent liabilities obtained in business merger and the fair value of non-cash assets or equity security issued in the consideration of merger shall be re-checked first. If the rechecked cost of merging is still less than the fair value of identifiable net assets of the acquiree obtained, the balance shall be included into current non-operating income.

6. Preparation methods of consolidated financial statements

The Group incorporates all subsidiaries controlled by it and structured entities into consolidated financial statements.

When preparing consolidated financial statements, if the accounting policy or the accounting period adopted is inconsistent between the subsidiaries and the Company, the financial statements of subsidiaries shall be adjusted according to the accounting policy or the accounting period of the Company.

All significant internal transactions, current balances and unrealized profits within the scope of the merger are offset in preparing consolidated statements. Shares in owners' equity of subsidiaries but not attributed to the parent company, net profit and loss for the current period, other comprehensive income and shares attributed to non-controlling interests in total comprehensive income shall be listed in consolidated financial statements as non-controlling interests, non-controlling profit and loss, other comprehensive income attributed to minority shareholders and total comprehensive income attributed to minority shareholders.

四、重要會計政策及會計估計(續)

4. 記帳本位幣

本公司除下屬公司天海美洲公司和京城控股(香港)有限公司以美元為記帳本位幣外，本公司及其他下屬公司以人民幣為記帳本位幣。

5. 同一控制下和非同一控制下企業合併的會計處理方法

本集團作為合併方，在同一控制下企業合併中取得的資產和負債，在合併日按被合併方在最終控制方合併報表中的賬面價值計量。取得的淨資產賬面價值與支付的合併對價賬面價值的差額，調整資本公積；資本公積不足沖減的，調整留存收益。

在非同一控制下企業合併中取得的被購買方可辨認資產、負債及或有負債在收購日以公允價值計量。合併成本為本集團在購買日為取得對被購買方的控制權而支付的現金或非現金資產、發行或承擔的負債、發行的權益性證券等的公允價值以及在企業合併中發生的各項直接相關費用之和(通過多次交易分步實現的企業合併，其合併成本為每一單項交易的成本之和)。合併成本大於合併中取得的被購買方可辨認淨資產公允價值份額的差額，確認為商譽；合併成本小於合併中取得的被購買方可辨認淨資產公允價值份額的，首先對合併中取得的各項可辨認資產、負債及或有負債的公允價值、以及合併對價的非現金資產或發行的權益性證券等的公允價值進行覆核，經覆核後，合併成本仍小於合併中取得的被購買方可辨認淨資產公允價值份額的，將其差額計入合併當期營業外收入。

6. 合併財務報表的編製方法

本集團將所有控制的子公司及結構化主體納入合併財務報表範圍。

在編製合併財務報表時，子公司與本公司採用的會計政策或會計期間不一致的，按照本公司的會計政策或會計期間對子公司財務報表進行必要的調整。

合併範圍內的所有重大內部交易、往來餘額及未實現利潤在合併報表編製時予以抵銷。子公司的所有者權益中不屬於母公司的份額以及當期淨損益、其他綜合收益及綜合收益總額中屬於少數股東權益的份額，分別在合併財務報表「少數股東權益、少數股東損益、歸屬於少數股東的其他綜合收益及歸屬於少數股東的綜合收益總額」項目列示。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

6. Preparation methods of consolidated financial statements (Continued)

Operating results and cash flows of subsidiaries which are acquired by business merger under common control are included into consolidated financial statements on the beginning of the current period of the merger. Upon the preparation of comparative consolidated financial statements, any adjustments to relevant items in financial statements of the previous year are considered as the subject of reports formed after merger as if it might have exist since the time when final controlling party begin to take the control.

Under the circumstance that the equity of investee is obtained under the common control through multiple transactions step by step, which results in business merger, supplementary disclosure to treatment methods in consolidated financial statements shall be made in the report period for acquiring the control. For example, if equity of the invested entity under the common control is obtained step by step through several transactions, which results in business merger, such equity shall be adjusted in the preparation of consolidated financial statements as if they might have exist as the current state from the time when final controlling party takes the control. When preparing comparative accounts, relevant assets and liabilities of the acquiree are included in comparative accounts of consolidated financial statements of the Group according to the restriction that the time above shall be later than the time when the Group and the acquiree are under the common control of final controlling party, moreover, increased net assets resulting from the merger are adjusted as relevant items under owners' equity. In order to avoid repeated calculation of value of net assets of the merged party, the long-term equity investment held by the Group before the merger is achieved, the changes in relevant profits and losses, other comprehensive incomes and other net asset that have been recognized in the period from the later date, when the long-term equity investment is acquired and when the Group and the acquiree are under the final control of the same party, to the merger date, shall respectively be applied to write off the opening retained earnings or current profits and losses during the period of comparative statement.

As for subsidiaries acquired by business merger under the different control, operating results and cash flows shall be incorporated into consolidated financial statements from the date when the Group takes the control. In preparing consolidated financial statements, adjustments to financial statements of subsidiaries are based on the fair value of identifiable assets, liabilities or contingent liabilities, which is identified at the purchase date.

四、重要會計政策及會計估計(續)

6. 合併財務報表的編製方法(續)

對於同一控制下企業合併取得的子公司，其經營成果和現金流量自合併當期期初納入合併財務報表。編製比較合併財務報表時，對上年財務報表的相關項目進行調整，視同合併後形成的報告主體自最終控制方開始控制時點起一直存在。

通過多次交易分步取得同一控制下被投資單位的股權，最終形成企業合併的，應在取得控制權的報告期，補充披露在合併財務報表中的處理方法。例如：通過多次交易分步取得同一控制下被投資單位的股權，最終形成企業合併，編製合併報表時，視同在最終控制方開始控制時即以目前的狀態存在進行調整，在編製比較報表時，以不早於本集團和被合併方同處於最終控制方的控制之下的時點為限，將被合併方的有關資產、負債並入本集團合併財務報表的比較報表中，並將合併而增加的淨資產在比較報表中調整所有者權益項下的相關項目。為避免對被合併方淨資產的價值進行重複計算，本集團在達到合併之前持有的長期股權投資，在取得原股權之日與本集團和被合併方處於同一方最終控制之日孰晚日起至合併日之間已確認有關損益、其他綜合收益和其他淨資產變動，應分別沖減比較報表期間的期初留存收益和當期損益。

對於非同一控制下企業合併取得子公司，經營成果和現金流量自本集團取得控制權之日起納入合併財務報表。在編製合併財務報表時，以購買日確定的各項可辨認資產、負債及或有負債的公允價值為基礎對子公司的財務報表進行調整。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

6. Preparation methods of consolidated financial statements (Continued)

Under the circumstance that the equity of investee is obtained under the different control through multiple transactions step by step, which results in business merger, supplementary disclosure to treatment methods in consolidated financial statements shall be made in the report period for acquiring the control. For instance, under the circumstance that the business merger is realized under the different control through multiple transactions step by step, the equity of the acquiree obtained before the purchase date shall be recalculated as per the fair value of the equity on the purchase date when preparing the consolidated financial statements, with the balance between the fair value and its book value included into the current investment profits; if the equity of the acquiree held before the purchase date involves other comprehensive income calculated under the equity method and other change of the owner's equity except net profits and incomes, other comprehensive incomes and profit allocation, the relevant other comprehensive incomes and other change of owners' equity shall be transferred into current income of the purchase date, except other comprehensive incomes arising out from that the acquiree remeasures change of the net liabilities or net assets of the set benefit plan.

The Group disposes of the long-term equity investment against subsidiaries partially without losing control right; in the consolidated financial statements, as for the balance between the disposing amount and the net asset continuously calculated from the purchase date or date of merging of the subsidiary enjoyed correspondingly in disposing long-term equity investment, capital premium or share premium shall be adjusted; if the capital reserves are not sufficient for offset, the retained earnings shall be adjusted.

Where control right over the investee is lost due to the disposal of partial equity investment of the Group or other reasons, the residual equity will be re-calculated based on the fair value thereof on the day the control is lost when preparing the consolidated financial statements. The balance from the sum of the consideration obtained from the equity disposal and the fair value of the residual equity minus the net assets of the original subsidiaries calculated continuously in proportion to the original holdings from the purchase date or date of merging shall be recorded into the investment income of the current period in which the control right is lost, with goodwill written off simultaneously. Other comprehensive incomes related with the equity investment of the original subsidiaries shall be converted to the current investment profit and loss when losing the control right.

When the Group disposes of equity investment of the subsidiaries step by step through multiple transaction till losing the control right, if various transaction from disposal of equity investment of subsidiaries till losing the control right belongs to package deal, accounting treatment shall be conducted for each transaction as the transaction that disposes of subsidiary with loss of control right; Nonetheless, before loss of control right, the balance between each price disposal and the net asset share of such subsidiary enjoyed correspondingly in asset disposal is recognized in the other comprehensive income in the consolidated financial statements and turned into the current profit and loss when losing control right.

四、重要會計政策及會計估計(續)

6. 合併財務報表的編製方法(續)

通過多次交易分步取得非同一控制下被投資單位的股權，最終形成企業合併的，應在取得控制權的報告期，補充披露在合併財務報表中的處理方法。例如：通過多次交易分步取得非同一控制下被投資單位的股權，最終形成企業合併，編製合併報表時，對於購買日之前持有的被購買方的股權，按照該股權在購買日的公允價值進行重新計量，公允價值與其賬面價值的差額計入當期投資收益；與其相關的購買日之前持有的被購買方的股權涉及權益法核算下的其他綜合收益以及除淨損益、其他綜合收益和利潤分配外的其他所有者權益變動，在購買日所屬當期轉為投資損益，由於被投資方重新計量設定受益計劃淨負債或淨資產變動而產生的其他綜合收益除外。

本集團在不喪失控制權的情況下部分處置對子公司的長期股權投資，在合併財務報表中，處置價款與處置長期股權投資相對應享有子公司自購買日或合併日開始持續計算的淨資產的份額之間的差額，調整資本溢價或股本溢價，資本公積不足沖減的，調整留存收益。

本集團因處置部分股權投資等原因喪失了對被投資方的控制權的，在編製合併財務報表時，對於剩餘股權，按照其在喪失控制權日的公允價值進行重新計量。處置股權取得的對價與剩餘股權公允價值之和，減去按原持股比例計算應享有原有子公司自購買日或合併日開始持續計算的淨資產的份額之間的差額，計入喪失控制權當期的投資損益，同時沖減商譽。與原有子公司股權投資相關的其他綜合收益等，在喪失控制權時轉為當期投資損益。

本集團通過多次交易分步處置對子公司股權投資直至喪失控制權的，如果處置對子公司股權投資直至喪失控制權的各項交易屬於一攬子交易的，應當將各項交易作為一項處置子公司並喪失控制權的交易進行會計處理；但是，在喪失控制權之前每一次處置價款與處置投資對應的享有該子公司淨資產份額的差額，在合併財務報表中確認為其他綜合收益，在喪失控制權時一並轉入喪失控制權當期的投資損益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

7. Classification of joint arrangements and accounting treatment method for joint operations

The Group's joint arrangements include joint operations and joint ventures. In projects for joint operation, for assets held and liabilities assumed solely which are confirmed by the Group as the joint-venture party in joint operation and assets held and liabilities assumed according to shares, their relevant income and costs shall be determined as per related individual agreements or shares. If purchase or sales related to joint operation are not construed as assets transactions of business, it only needs to determine parts which belong to other participants of joint operation in profit and loss arising from such transactions.

8. Cash and cash equivalents

Cash shown in the cash flow statement of the Group refers to both cash on hand and the deposit held in bank available for payment at any time. Cash equivalent in the cash flow statement refers to the investment with a term not more than 3 months and high liquidity, easily converted to known amounts of cash and having low value change risk.

9. Foreign currency transactions and translation of foreign currency financial statements

(1) Foreign currency transaction

The amount of transactions in foreign currency shall be translated into that in RMB at the spot exchange rate on the transaction date. On the balance sheet date, monetary items in foreign currency are translated into RMB at spot rate of such date, and translation balance arising from which is directly recorded into current profits and losses, except for exchange balances resulting from specific borrowings in foreign currency for purchasing and constructing or producing assets that conforms to capitalization conditions, and such exchange balances shall be treated as per the principles of capitalization.

(2) Translation of foreign currency financial statements

Items in assets and liabilities of balance sheet in foreign currency are translated at the spot rate of the balance sheet date; except for "undistributed profits", items in ownership interests are translated at the spot rate when transactions occur; income and expenses in income statements are translated at the spot rate of the date when transactions occur. Translation balance in the financial statements of foreign currency arising from translations above shall be listed in items of other comprehensive income. Foreign currency cash flow shall be translated at the spot rate on the date that cash flow occurs. Amount affected by change in exchange rate on cash shall be listed in the cash flow statement separately.

四、重要會計政策及會計估計(續)

7. 合營安排分類及共同經營會計處理方法

本集團的合營安排包括共同經營和合營企業。對於共同經營項目，本集團作為共同經營中的合營方確認單獨持有的資產和承擔的負債，以及按份額確認持有的資產和承擔的負債，根據相關約定單獨或按份額確認相關的收入和費用。與共同經營發生購買、銷售不構成業務的資產交易的，僅確認因該交易產生的損益中歸屬於共同經營其他參與方的部分。

8. 現金及現金等價物

本集團現金流量表之現金指庫存現金以及可以隨時用於支付的存款。現金流量表之現金等價物指持有期限不超過3個月、流動性強、易於轉換為已知金額現金且價值變動風險很小的投資。

9. 外幣業務和外幣財務報表折算

(1) 外幣交易

本集團外幣交易按交易發生日的即期匯率將外幣金額折算為人民幣金額。於資產負債表日，外幣貨幣性項目採用資產負債表日的即期匯率折算為人民幣，所產生的折算差額除了為購建或生產符合資本化條件的資產而借入的外幣專門借款產生的匯兌差額按資本化的原則處理外，直接計入當期損益。

(2) 外幣財務報表的折算

外幣資產負債表中資產、負債類項目採用資產負債表日的即期匯率折算；所有者權益類項目除「未分配利潤」外，均按業務發生時的即期匯率折算；利潤表中的收入與費用項目，採用交易發生日的即期匯率折算。上述折算產生的外幣報表折算差額，在其他綜合收益項目中列示。外幣現金流量採用現金流量發生日的即期匯率折算。匯率變動對現金的影響額，在現金流量表中單獨列示。

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IV. Significant Accounting Policies and Accounting Estimates (Continued) 四、重要會計政策及會計估計(續)

10. Financial assets and financial liabilities 10. 金融資產和金融負債

The Group will recognize an item of financial asset or financial liability at the time when it becomes one party to the contract of the financial instruments.

本集團成為金融工具合同的一方時確認一項金融資產或金融負債。

(1) Financial assets (1) 金融資產

1) Classification, recognition and measurement of financial assets 1) 金融資產分類、確認依據和計量方法

The Group classifies financial assets into financial assets measured in amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss according to the business model for managing the financial assets and the contractual cash flow characteristics of financial assets.

本集團根據管理金融資產的業務模式和金融資產的合同現金流特徵，將金融資產分類為以攤餘成本計量的金融資產、以公允價值計量且其變動計入其他綜合收益的金融資產、以公允價值計量且其變動計入當期損益的金融資產。

The Group classifies financial assets that meet the following conditions at the same time as financial assets measured in amortized cost: ① the goal of the business mode for managing the financial assets is to collect contractual cash flows. ② The contractual terms of the financial asset stipulate that the cash flow generated on a specific date is only the payment of principal and interest based on the amount of unpaid principal. Such financial assets are initially measured at fair value, and relevant transaction costs are included in the initial recognition amount; follow-up measurement is conducted by amortized cost. Except for those designated as hedged items, the difference between the initial amount and the due amount shall be amortized according to the effective interest rate method, and the amortization, impairment, exchange gains and losses as well as gains or losses arising from derecognition shall be included in the current profits and losses.

本集團將同時符合下列條件的金融資產分類為以攤餘成本計量的金融資產：①管理該金融資產的業務模式是以收取合同現金流量為目標。②該金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。此類金融資產按照公允價值進行初始計量，相關交易費用計入初始確認金額；以攤餘成本進行後續計量。除被指定為被套期項目的，按照實際利率法攤銷初始金額與到期金額之間的差額，其攤銷、減值、匯兌損益以及終止確認時產生的利得或損失，計入當期損益。

The Group classifies financial assets that meet the following conditions at the same time as financial assets measured at fair value and whose changes are included in other comprehensive income: ① The business model for managing the financial assets is aimed at both collecting contractual cash flows and selling the financial assets. ② The contractual terms of the financial asset stipulate that the cash flow generated on a specific date is only the payment of principal and interest based on the amount of unpaid principal. Such financial assets are initially measured at fair value, and relevant transaction costs are included in the initial recognition amount. Except for those designated as hedged items, other gains or losses arising from such financial assets, except for credit impairment losses or gains, exchange gains and losses and interest on such financial assets calculated according to the effective interest rate method, are included in other comprehensive income. When financial assets are derecognized, the accumulated gains or losses previously included in other comprehensive income shall be transferred out of other comprehensive income and included in current profits and losses.

本集團將同時符合下列條件的金融資產分類為以公允價值計量且其變動計入其他綜合收益的金融資產：①管理該金融資產的業務模式既以收取合同現金流量為目標又以出售該金融資產為目標。②該金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。此類金融資產按照公允價值進行初始計量，相關交易費用計入初始確認金額。除被指定為被套期項目的，此類金融資產，除信用減值損失或利得、匯兌損益和按照實際利率法計算的該金融資產利息之外，所產生的其他利得或損失，均計入其他綜合收益；金融資產終止確認時，之前計入其他綜合收益的累計利得或損失應當從其他綜合收益中轉出，計入當期損益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

10. Financial assets and financial liabilities (Continued)

(1) Financial assets (Continued)

1) Classification, recognition and measurement of financial assets (Continued)

The Group recognizes interest income according to the effective interest rate method. Interest income is calculated and determined according to the book balance of the financial asset multiplied by the actual interest rate, except for the following circumstances: ① For the financial asset with credit impairment that has been purchased or originated, from the initial recognition, the interest income is calculated and determined according to the amortized cost of the financial asset and the actual interest rate adjusted by credit. ② for financial assets purchased or originated that have not suffered credit impairment but have suffered credit impairment in subsequent periods, the interest income shall be calculated and determined according to the amortized cost and actual interest rate of the financial assets in subsequent periods.

The Group designates non-trading equity instrument investments as financial assets measured at fair value and whose changes are included in other comprehensive income. Once the designation is made, it cannot be revoked. Non-trading equity instrument investments designated by the Group to be measured at fair value and whose changes are included in other comprehensive income are initially measured at fair value, and relevant transaction costs are included in the initial recognition amount; in addition to dividends (except those that belong to the part of investment cost recovery) included in the current profits and losses, other related gains and losses (including exchange gains and losses) are included in other comprehensive income, and shall not be transferred into the current profits and losses in the future. When it is derecognized, the accumulated gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in retained earnings.

Apart from the above-mentioned financial assets classified as financial assets measured at amortized cost and financial assets classified as financial assets at fair value through other comprehensive income, the Group classifies them as financial assets at fair value through profit or loss. Such financial assets are initially measured at fair value, and relevant transaction costs are directly included in current profits and losses. Gains or losses on such financial assets are included in current profits and losses.

If the contingent consideration recognized by the Group in the business merger under different control constitutes a financial asset, the financial asset is classified as a financial asset at fair value through profit or loss.

The Group reclassified all affected related financial assets when changing the business mode of managing financial assets.

四、重要會計政策及會計估計(續)

10. 金融資產和金融負債(續)

(1) 金融資產(續)

1) 金融資產分類、確認依據和計量方法(續)

本集團按照實際利率法確認利息收入。利息收入根據金融資產賬面餘額乘以實際利率計算確定，但下列情況除外：①對於購入或源生的已發生信用減值的金融資產，自初始確認起，按照該金融資產的攤餘成本和經信用調整的實際利率計算確定其利息收入。②對於購入或源生的未發生信用減值、但在後續期間成為已發生信用減值的金融資產，在後續期間，按照該金融資產的攤餘成本和實際利率計算確定其利息收入。

本集團將非交易性權益工具投資指定為以公允價值計量且其變動計入其他綜合收益的金融資產。該指定一經作出，不得撤銷。本集團指定的以公允價值計量且其變動計入其他綜合收益的非交易性權益工具投資，按照公允價值進行初始計量，相關交易費用計入初始確認金額；除了獲得股利(屬於投資成本收回部分的除外)計入當期損益外，其他相關的利得和損失(包括匯兌損益)均計入其他綜合收益，且後續不得轉入當期損益。當其終止確認時，之前計入其他綜合收益的累計利得或損失從其他綜合收益中轉出，計入留存收益。

除上述分類為以攤餘成本計量的金融資產和分類為以公允價值計量且其變動計入其他綜合收益的金融資產之外的金融資產，本集團將其分類為以公允價值計量且其變動計入當期損益的金融資產。此類金融資產按照公允價值進行初始計量，相關交易費用直接計入當期損益。此類金融資產的利得或損失，計入當期損益。

本集團在非同一控制下的企業合併中確認的或有對價構成金融資產的，該金融資產分類為以公允價值計量且其變動計入當期損益的金融資產。

本集團在改變管理金融資產的業務模式時，對所有受影響的相關金融資產進行重分類。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

10. Financial assets and financial liabilities (Continued)

(1) Financial assets (Continued)

2) Recognition and measurement of transfer of financial assets

The Group will derecognize financial assets that meet one of the following conditions: ① The contractual right to receive cash flow from the financial assets is terminated; ② Financial assets have been transferred, and the Group has transferred almost all risks and rewards in the ownership of financial assets; ③ Financial assets have been transferred, and the Group has neither transferred nor retained almost all risks and rewards in the ownership of financial assets, and has not retained control over the financial assets.

If the overall transfer of financial assets meets the conditions for derecognition, the difference between the book value of the transferred financial assets and the sum of the consideration received due to the transfer and the corresponding derecognition part of the accumulated amount of fair value changes originally and directly included in other comprehensive income (the contractual terms involving the transferred financial assets stipulate that the cash flow generated on a specific date is only the payment of the principal and interest based on the unpaid principal amount) shall be included in the profits and losses of the current period.

If the partial transfer of financial assets meets the conditions for derecognition, the book value of the transferred financial assets as a whole shall be allocated between the derecognition part and the non-derecognition part according to their respective relative fair values, and the consideration received due to the transfer and the amount corresponding to the derecognition part of the accumulated amount of fair value changes originally included in other comprehensive income that shall be allocated to the derecognition part (as stipulated in the contract terms involving the transferred financial assets, The cash flow generated on a specific date is only the sum of the principal and the interest based on the unpaid principal amount), and the difference between the sum and the overall book value of the aforesaid financial assets allocated is included in the current profits and losses.

四、重要會計政策及會計估計(續)

10. 金融資產和金融負債(續)

(1) 金融資產(續)

2) 金融資產轉移的確認依據和計量方法

本集團將滿足下列條件之一的金融資產予以終止確認：①收取該金融資產現金流量的合同權利終止；②金融資產發生轉移，本集團轉移了金融資產所有權上幾乎所有風險和報酬；③金融資產發生轉移，本集團既沒有轉移也沒有保留金融資產所有權上幾乎所有風險和報酬，且未保留對該金融資產控制的。

金融資產整體轉移滿足終止確認條件的，將所轉移金融資產的賬面價值，與因轉移而收到的對價及原直接計入其他綜合收益的公允價值變動累計額中對應終止確認部分的金額(涉及轉移的金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付)之和的差額計入當期損益。

金融資產部分轉移滿足終止確認條件的，將所轉移金融資產整體的賬面價值，在終止確認部分和未終止確認部分之間，按照各自的相對公允價值進行分攤，並將因轉移而收到的對價及應分攤至終止確認部分的原計入其他綜合收益的公允價值變動累計額中對應終止確認部分的金額(涉及轉移的金融資產的合同條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付)之和，與分攤的前述金融資產整體賬面價值的差額計入當期損益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

10. Financial assets and financial liabilities (Continued)

10. 金融資產和金融負債(續)

(2) Financial liabilities

(2) 金融負債

1) Classification, recognition basis and measurement method of financial liabilities

1) 金融負債分類、確認依據和計量方法

Financial liabilities of the Group are classified, at the time of initial recognition, into financial liabilities at fair value through profit or loss and other financial liabilities.

本集團的金融負債於初始確認時分類為以公允價值計量且其變動計入當期損益的金融負債和其他金融負債。

The financial liability measured at fair value with the variation included in the current profits and losses is measured subsequently, including financial liabilities held for trading and financial liabilities designated to be measured at fair value with the variation included in current profits and losses for the current period when initially recognizing, the profit or loss occurred from change of the fair value and the relevant dividend and interest expenditure of such financial liability are recorded in the current profits and losses.

以公允價值計量且其變動計入當期損益的金融負債，包括交易性金融負債和初始確認時指定為以公允價值計量且其變動計入當期損益的金融負債，按照公允價值進行後續計量，公允價值變動形成的利得或損失以及與該金融負債相關的股利和利息支出計入當期損益。

Other financial liabilities are subsequently measured at the amortized cost according to the effective interest method. Except for the following items, the Group classifies financial liabilities as financial liabilities measured at amortized cost: ① financial liabilities at fair value through profit or loss, including financial liabilities held for trading (including derivatives belonging to financial liabilities) and financial liabilities designated at fair value through profit or loss. ② financial liabilities formed by the transfer of financial assets that do not meet the conditions for derecognition or continue to involve in the transferred financial assets. ③ Financial guarantee contracts that do not fall under the above circumstances ① or ②, and loan commitments that do not fall under the above circumstance ① and lend at a rate lower than market interest rates.

其他金融負債採用實際利率法，按照攤餘成本進行後續計量。除下列各項外，本集團將金融負債分類為以攤餘成本計量的金融負債：①以公允價值計量且其變動計入當期損益的金融負債，包括交易性金融負債(含屬於金融負債的衍生工具)和指定為以公允價值計量且其變動計入當期損益的金融負債。②不符合終止確認條件的金融資產轉移或繼續涉入被轉移金融資產所形成的金融負債。③不屬於以上①或②情形的財務擔保合同，以及不屬於以上①情形的以低於市場利率貸款的貸款承諾。

If the Group forms financial liabilities as contingent consideration recognized by the purchaser in the business merger under different control, it shall carry out accounting treatment according to the fair value measurement and the changes are included in the current profits and losses.

本集團將在非同一控制下的企業合併中作為購買方確認的或有對價形成金融負債的，按照以公允價值計量且其變動計入當期損益進行會計處理。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

10. Financial assets and financial liabilities (Continued)

(2) Financial liabilities (Continued)

2) Derecognition conditions of financial liabilities

Where the current obligation of financial liability has been terminated entirely or partially, the financial liability or obligation that has been terminated shall be derecognized. Where the Company enters into an agreement with a creditor, so as to substitute the existing financial liabilities by way of any new financial liability, and if the contractual stipulations regarding the new financial liability is substantially different from that regarding the existing financial liability, it shall stop the recognition of the existing financial liability, and shall at the same time recognize the new financial liability. Substantial adjustments by the Company to all or partial terms in contracts related to existing financial liabilities shall be considered as termination of confirmation for all or parts of existing financial debts, and such financial debts after modification shall be deemed as new financial debts. Balance between the book value of the parts to be de-recognized and consideration paid shall be included in current profits and losses.

(3) Determination methods for fair values of financial assets and financial liabilities

The fair value of financial assets and financial liabilities in the Group shall be measured by the price in the primary market, and if there is no the primary market, such assets and liabilities shall be measured by the price in the most favorable market. And then applicable and sufficient data and valuation techniques supported by other information shall be used. Input values used for measuring the fair value shall be classified into three levels, that is to say, the input value of the first level is the unadjusted offer obtained on the measurement date for the same assets and liabilities in the active market; the input value of the second level shall be observable input values directly or indirectly related to assets or liabilities, except for the input value of the first level; the input value of the third level is the unobservable input value of relevant assets or liabilities. The Group prefers the input value of the first level, and then uses the input value of the third level. The Group determines the level that the measurement result of the fair value belongs to as per the lowest level that the input value of significant importance belongs to with respect to the whole of the measurement of fair values.

The Group's investment in equity instruments is measured at fair value. However, under limited circumstances, if the recent information used to determine the fair value is insufficient, or the possible estimated amount of the fair value is widely distributed, and the cost represents the best estimate of the fair value within the range, the cost may represent the appropriate estimate of the fair value within the distribution range.

四、重要會計政策及會計估計(續)

10. 金融資產和金融負債(續)

(2) 金融負債(續)

2) 金融負債終止確認條件

當金融負債的現時義務全部或部分已經解除時，終止確認該金融負債或義務已解除的部分。公司與債權人之間簽訂協議，以承擔新金融負債方式替換現存金融負債，且新金融負債與現存金融負債的合同條款實質上不同的，終止確認現存金融負債，並同時確認新金融負債。公司對現存金融負債全部或部分合同條款作出實質性修改的，終止確認現存金融負債或其一部分，同時將修改條款後的金融負債確認為一項新金融負債。終止確認部分的賬面價值與支付的對價之間的差額，計入當期損益。

(3) 金融資產和金融負債的公允價值的確定方法

本集團金融資產和金融負債以主要市場的價格計量金融資產和金融負債的公允價值，不存在主要市場的，以最有利市場的價格計量金融資產和金融負債的公允價值，並且採用當時適用並且有足夠可利用數據和其他信息支持的估值技術。公允價值計量所使用的輸入值分為三個層次，即第一層次輸入值是計量日能夠取得的相同資產或負債在活躍市場上未經調整的報價；第二層次輸入值是除第一層次輸入值外相關資產或負債直接或間接可觀察的輸入值；第三層次輸入值是相關資產或負債的不可觀察輸入值。本集團優先使用第一層次輸入值，最後再使用第三層次輸入值。公允價值計量結果所屬的層次，由對公允價值計量整體而言具有重大意義的輸入值所屬的最低層次決定。

本集團對權益工具的投資以公允價值計量。但在有限情況下，如果用以確定公允價值的近期信息不足，或者公允價值的可能估計金額分布範圍很廣，而成本代表了該範圍內對公允價值的最佳估計的，該成本可代表其在該分布範圍內對公允價值的恰當估計。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

10. Financial assets and financial liabilities (Continued)

10. 金融資產和金融負債(續)

(4) Offset of financial assets and financial liabilities

Financial assets and financial liabilities of the Group shall be presented separately in the balance sheet and be not mutually offset. However, the net amount is presented in the balance sheet after being offset, when the following conditions are met at the same time: (1) The Group has a legal right to offset the confirmed amount and that such legal rights are currently enforceable; (2) The Group plans to settle by the net assets or sell off financial assets and liquidate the financial liabilities at the same time.

(4) 金融資產和金融負債的抵銷

本集團的金融資產和金融負債在資產負債表內分別列示，不相互抵銷。但同時滿足下列條件時，以相互抵銷後的淨額在資產負債表內列示：(1)本集團具有抵銷已確認金額的法定權利，且該種法定權利是當前可執行的；(2)本集團計劃以淨額結算，或同時變現該金融資產和清償該金融負債。

(5) Distinction between financial liability and equity instrument and related treatment method

The Group distinguishes financial liabilities and equity instruments according to the following principles: (1) if the Group fails to unconditionally perform one contractual obligation by delivering cash or other financial assets, the contractual obligation satisfies the definition of financial liability. While some financial instruments do not expressly include the terms and conditions for the obligation to deliver cash or other financial assets, it is possible to form contractual obligations indirectly through other terms and conditions. (2) if one financial instrument must or can be settled by the Group's own equity instrument, the Group's own equity instrument used for settling such instrument shall be considered as a substitute of cash or other financial assets, or as residual equity in the issuer's assets that the instrument holder enjoys after deducting all the liabilities. If it is the former one, this instrument is the financial liability of the Issuer. If it is the latter, the instrument is the equity instrument of the Issuer. Under certain circumstances, a financial instrument contract requires that the Group must or may settle the financial instrument with its own equity instruments, where the amount of contractual rights or contractual obligations is equal to the number of own equity instruments available or to be delivered multiplied by the fair value upon its settlement. In this case, regardless of whether the amount of the contractual right or obligation is a fixed value or changes based in whole or in part on changes in variables other than the market price of the Group's own equity instrument (such as interest rates, the price of a good or the price of a financial instrument), the contract is classified as financial liabilities.

(5) 金融負債與權益工具的區分及相關處理方法

本集團按照以下原則區分金融負債與權益工具：(1)如果本集團不能無條件地避免以交付現金或其他金融資產來履行一項合同義務，則該合同義務符合金融負債的定義。有些金融工具雖然沒有明確地包含交付現金或其他金融資產義務的條款和條件，但有可能通過其他條款和條件間接地形成合同義務。(2)如果一項金融工具須用或可用本集團自身權益工具進行結算，需要考慮用於結算該工具的本集團自身權益工具，是作為現金或其他金融資產的替代品，還是為了使該工具持有方享有在發行方扣除所有負債後的資產中的剩餘權益。如果是前者，該工具是發行方的金融負債；如果是後者，該工具是發行方的權益工具。在某些情況下，一項金融工具合同規定本集團須用或可用自身權益工具結算該金融工具，其中合同權利或合同義務的金額等於可獲取或需交付的自身權益工具的數量乘以其結算時的公允價值，則無論該合同權利或義務的金額是固定的，還是完全或部分地基於除本集團自身權益工具的市場價格以外的變量(例如利率、某種商品的價格或某項金融工具的價格)的變動而變動，該合同分類為金融負債。

When classifying a financial instrument (or its components) in the consolidated financial statements, the Group takes into consideration all the terms and conditions agreed between members of the Group and holders of financial instruments. If the Group as a whole has assumed the obligation to deliver cash, other financial assets or settle it by other means of rendering the instrument a financial liability, the instrument should be classified as a financial liability.

本集團在合併報表中對金融工具(或其組成部分)進行分類時，考慮了集團成員和金融工具持有方之間達成的所有條款和條件。如果集團作為一個整體由於該工具而承擔了交付現金、其他金融資產或者以其他導致該工具成為金融負債的方式進行結算的義務，則該工具應當分類為金融負債。

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IV. Significant Accounting Policies and Accounting Estimates (Continued) 四、重要會計政策及會計估計(續)

10. Financial assets and financial liabilities (Continued)

(5) Distinction between financial liability and equity instrument and related treatment method (Continued)

Where the financial instruments or their components are classified as financial liabilities, the related interest, stock dividends (or dividends), gains or losses, gains or losses arising from redemption or refinancing, etc. are included in the profits and losses of the current period.

Where the financial instruments or their components are classified as equity instrument, its issue (including refinancing), repurchase, sale or cancellation is treated as a change in equity and the fair value change of the equity instrument is not recognized.

11. Notes receivable and accounts receivable

Method of determining the expected credit loss of notes receivable and accounts receivable and the accounting treatment method;

The Group always measures its loss reserves for receivables that are formed by transactions regulated by the *Accounting Standards for Business Enterprises No. 14 – Revenue* and do not contain significant financing components at an amount equivalent to the expected credit loss during the entire duration.

Judge whether the credit risk has increased significantly since the initial recognition. The Group determines whether the credit risk of financial instruments has increased significantly by comparing the default probability of the financial instruments in the expected duration determined at the time of initial recognition with the default probability of the financial instruments in the expected duration determined on the balance sheet date. However, if the Group determines that the financial instrument has only a low credit risk on the balance sheet date, it can be assumed that the credit risk of the financial instrument has not increased significantly since the initial recognition. Under normal circumstances, the overdue period exceeding 30 days means that the credit risk of financial instruments has increased significantly. Unless the Group can obtain reasonable and reliable information without paying unnecessary extra costs or efforts to prove that even if it is overdue for more than 30 days, the credit risk has not increased significantly since the initial recognition. In determining whether the credit risk has increased significantly since the initial recognition, the Group considers reasonable and reliable information, including forward-looking information that can be obtained without unnecessary extra costs or efforts.

Portfolio-based assessment. For notes receivable and accounts receivable, the Group in the aspect of individual instrument cannot obtain sufficient evidence about credit risk increased significantly at a reasonable cost, and it is feasible to assess whether there is a significant increase in credit risk on the basis of portfolio. Therefore, taking financial instrument type, credit risk rating, initial recognition date and remaining contract term as the common risk characteristics, the Group groups notes receivable and accounts receivable and considers whether credit risk increases significantly on a portfolio basis.

10. 金融資產和金融負債(續)

(5) 金融負債與權益工具的區分及相關處理方法(續)

金融工具或其組成部分屬於金融負債的，相關利息、股利(或股息)、利得或損失，以及贖回或再融資產生的利得或損失等，本集團計入當期損益。

金融工具或其組成部分屬於權益工具的，其發行(含再融資)、回購、出售或註銷時，本集團作為權益的變動處理，不確認權益工具的公允價值變動。

11. 應收票據及應收賬款

應收票據及應收賬款的預期信用損失的確定方法及會計處理方法：

本集團對於《企業會計準則第14號—收入》準則規範的交易形成且不含重大融資成分的應收款項，始終按照相當於整個存續期內預期信用損失的金額計量其損失準備。

信用風險自初始確認後是否顯著增加的判斷。本集團通過比較金融工具在初始確認時所確定的預計存續期內的違約概率與該工具在資產負債表日所確定的預計存續期內的違約概率，來判定金融工具信用風險是否顯著增加。但是，如果本集團確定金融工具在資產負債表日只具有較低的信用風險的，可以假設該金融工具的信用風險自初始確認後並未顯著增加。通常情況下，如果逾期超過30日，則表明金融工具的信用風險已經顯著增加。除非本集團在無須付出不必要的額外成本或努力的情況下即可獲得合理且有依據的信息，證明即使逾期超過30日，信用風險自初始確認後仍未顯著增加。在確定信用風險自初始確認後是否顯著增加時，本集團考慮無須付出不必要的額外成本或努力即可獲得的合理且有依據的信息，包括前瞻性信息。

以組合為基礎的評估。對於應收票據及應收賬款，本集團在單項工具層面無法以合理成本獲得關於信用風險顯著增加的充分證據，而在組合的基礎上評估信用風險是否顯著增加是可行，所以本集團按照金融工具類型、信用風險評級、初始確認日期、剩餘合同期限為共同風險特徵，對應收票據和應收賬款進行分組並以組合為基礎考慮評估信用風險是否顯著增加。

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IV. Significant Accounting Policies and Accounting Estimates (Continued) 四、重要會計政策及會計估計(續)

11. Notes receivable and accounts receivable

(Continued)

Measurement of expected credit loss. Expected credit loss is the weighted average of the credit losses of financial instruments weighted by the risk of default. Credit loss refers to the difference between all expected contractual cash flows receivable according to the contract and discounted according to the original actual interest rate and all cash flows receivable, that is, the present value of all cash shortages.

The Group calculates expected credit losses of notes receivable and accounts receivable on the balance sheet date. If the expected credit losses are greater than the current notes receivable and the carrying amount of the accounts receivable impairments, the Group will recognize the difference as impairment losses on notes receivable and accounts receivable, debit "credit impairment losses" and credit "bad debt provision". On the contrary, the Group recognizes the difference as impairment gains and makes opposite accounting records.

If the Group actually suffers a credit loss and determines that the relevant notes receivable and accounts receivable cannot be taken back and are approved to be written off, the "bad debt provision" shall be debited and the "notes receivable" or "accounts receivable" shall be credited according to the approved written off amount. If the written off amount is greater than the accrued loss provision, "credit impairment loss" shall be debited against difference of the period.

Based on the actual credit losses of previous years and considering the forward-looking information for this year, the Group's accounting estimation policies for measuring expected credit losses based on individual instruments and portfolios, respectively, are as follows:

Individual instrument	單項工具層面
Individual assets 單項資產	Provision for bad debt reserves 壞賬準備計提情況
Notes receivable 應收票據	No credit impairment occurs 未發生信用減值
Related party within the consolidation scope 合併範圍內關聯方	No credit impairment occurs 未發生信用減值
The credit rating of the counterparty is downgraded 交易對象信用評級下降	The credit risk increases significantly 信用風險顯著增加
Ageing portfolio 賬齡組合	Measurement of expected credit losses based on portfolio 組合為基礎計量違約損失率

11. 應收票據及應收賬款(續)

預期信用損失計量。預期信用損失，是指以發生違約的風險為權重的金融工具信用損失的加權平均值。信用損失，是指本集團按照原實際利率折現的、根據合同應收的所有合同現金流量與預期收取的所有現金流量之間的差額，即全部現金短缺的現值。

本集團在資產負債表日計算應收票據及應收賬款預期信用損失，如果該預期信用損失大於當前應收票據及應收賬款減值準備的賬面金額，本集團將其差額確認為應收票據及應收賬款減值損失，借記「信用減值損失」，貸記「壞賬準備」。相反，本集團將差額確認為減值利得，做相反的會計記錄。

本集團實際發生信用損失，認定相關應收票據及應收賬款無法收回，經批准予以核銷的，根據批准的核銷金額，借記「壞賬準備」，貸記「應收票據」或「應收賬款」。若核銷金額大於已計提的損失準備，按期差額借記「信用減值損失」。

本集團根據以前年度的實際信用損失，並考慮本年的前瞻性信息，以單項工具和組合為基礎計量預期信用損失的會計估計政策如下：

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IV. Significant Accounting Policies and Accounting Estimates (Continued) 四、重要會計政策及會計估計(續)

12. Other receivables 12. 其他應收款

Confirmation method and accounting treatment of expected credit losses of other receivables:

The Group shall measure loss provisions for other receivables according to the following situations: ① for financial assets whose credit risk has not increased significantly since the initial recognition, the Group shall measure the loss provision according to the amount of the expected credit loss in the next 12 months; ② for financial assets whose credit risk has increased significantly since the initial recognition, the Group shall measure the loss provision according to the amount equivalent to the expected credit loss in the whole duration; ③ for the purchase or underlying financial assets that have occurred credit impairments, the Group shall measure the loss provision according to the amount equivalent to the expected credit loss in the whole duration.

Portfolio-based assessment. For other receivables, the Group in the aspect of individual instrument cannot obtain sufficient evidence about credit risk increased significantly at a reasonable cost, and it is feasible to assess whether there is a significant increase in credit risk on the basis of portfolio, so other receivables are grouped and assessed whether there is a significant increase in credit risk on the basis of portfolio, according to the type of financial instruments, credit risk rating, initial confirmation date and the remaining contract term, which are considered as common risk characteristics.

12. 其他應收款

其他應收款的預期信用損失的確定方法及會計處理方法：

本集團按照下列情形計量其他應收款損失準備：①信用風險自初始確認後未顯著增加的金融資產，本集團按照未來12個月的預期信用損失的金額計量損失準備；②信用風險自初始確認後已顯著增加的金融資產，本集團按照相當於該金融工具整個存續期內預期信用損失的金額計量損失準備；③購買或源生已發生信用減值的金融資產，本集團按照相當於整個存續期內預期信用損失的金額計量損失準備。

以組合為基礎的評估。對於其他應收款，本集團在單項工具層面無法以合理成本獲得關於信用風險顯著增加的充分證據，而在組合的基礎上評估信用風險是否顯著增加是可行，所以本集團按照金融工具類型、信用風險評級、初始確認日期、剩餘合同期限為共同風險特徵為共同風險特徵，對其他應收款進行分組並以組合為基礎考慮評估信用風險是否顯著增加。

The aspect of individual instrument

單項工具層面

Individual assets

單項資產

Dividends receivable and interest receivable

應收股利、應收利息

Related party within the consolidation scope

合併範圍內關聯方

The credit rating of the counterparty is downgraded

交易對象信用評級下降

Ageing portfolio

賬齡組合

Provision for bad debt reserves

壞賬準備計提情況

No credit impairment occurs

未發生信用減值

No credit impairment occurs

未發生信用減值

The credit risk increases significantly

信用風險顯著增加

Measurement of expected credit losses based on portfolio

組合為基礎計量違約損失率

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

13. Inventories

The Group's inventory mainly includes raw materials, packing materials, low-value consumables, products in process, finished goods, goods shipped, contract performance cost, etc.

The perpetual inventory system is adopted for inventories. Inventories are valued based on their actual cost when obtained. Their actual costs are determined with the weighted mean method when acquired or sent; low-value consumables and packages are amortized by one-off amortization method.

For the merchandise inventories, unfinished products, materials for sale and other merchandise inventories directly for sale, the net realizable values thereof shall be recognized at the balance after the estimated selling price of such inventories deducts the estimated sales expenses and relevant taxes. For the material inventories held for production, the net realizable values thereof shall be recognized at the balance after the estimated selling price of the finished product deducts the estimated costs to be incurred upon completion, estimated sales expenses and related taxes.

14. Contractual assets

(1) Recognition methods and standards for the contractual assets

Contractual assets refer to the right of the Group who transferred the commodity to the customer to receive the consideration, and the right depends on other factors excluding the passage of time. If the Group sells two clearly distinguishable commodities to the customer, due to the delivery of one of the commodities, it has the right to receive payment, but the collection of such payment shall also depend on the delivery of the other commodity, and the Group shall have the right to receive such payment as the contractual asset.

(2) Recognition method and accounting treatment of expected credit loss of contractual assets

For recognition method of expected credit loss of contractual assets, refer to the above 11. Notes receivable and accounts receivable for related content.

Accounting treatment: the Group calculates the expected credit loss of the contractual assets on the balance sheet date, if the expected credit losses are greater than the carrying amount of the current contractual asset impairment provision, the Group shall recognize the difference as an impairment loss, debit "asset impairment loss" and credit "contractual asset impairment provision". On the contrary, the Group recognizes the difference as impairment gains and makes opposite accounting records.

If the Group actually suffers a credit loss and determines that the relevant contractual assets cannot be recovered and are approved to be written off, the "contractual asset provision" shall be debited and the "contractual assets" shall be credited according to the approved written off amount. If the written off amount is greater than the accrued loss provision, "asset impairment loss" shall be debited against difference of the period.

13. 存貨

本集團存貨主要包括原材料、包裝物、低值易耗品、在產品、庫存商品、發出商品、合同履約成本等。

存貨實行永續盤存制,存貨在取得時按實際成本計價。領用或發出存貨,採用加權平均法計算確定;低值易耗品和包裝物採用一次轉銷法進行攤銷。

庫存商品、在產品和用於出售的材料等直接用於出售的商品存貨,其可變現淨值按該存貨的估計售價減去估計的銷售費用和相關稅費後的金額確定;用於生產而持有的材料存貨,其可變現淨值按所生產的產成品的估計售價減去至完工時估計將要發生的成本、估計的銷售費用和相關稅費後的金額確定。

14. 合同資產

(1) 合同資產的確認方法及標準

合同資產,是指本集團已向客戶轉讓商品而有權收取對價的權利,且該權利取決於時間流逝之外的其他因素。如本集團向客戶銷售兩項可明確區分的商品,因已交付其中一項商品而有權收取款項,但收取該款項還取決於交付另一項商品的,本集團將該收款權利作為合同資產。

(2) 合同資產的預期信用損失的確定方法及會計處理方法

合同資產的預期信用損失的確定方法,參照上述11.應收票據及應收賬款相關內容。

會計處理方法,本集團在資產負債表日計算合同資產預期信用損失,如果該預期信用損失大於當前合同資產減值準備的賬面金額,本集團將其差額確認為減值損失,借記「資產減值損失」,貸記「合同資產減值準備」。相反,本集團將差額確認為減值利得,做相反的會計記錄。

本集團實際發生信用損失,認定相關合同資產無法收回,經批准予以核銷的,根據批准的核銷金額,借記「合同資產減值準備」,貸記「合同資產」。若核銷金額大於已計提的損失準備,按期差額借記「資產減值損失」。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

15 Contract cost

(1) The method for determining the amount of assets related to the contract costs

The Group's assets related to contract costs include contract performance cost and contract acquisition costs.

The contract performance cost, namely, the cost incurred by the Group for the implementation of the contract, if it is not in the scope of the accounting standards for other enterprises and simultaneously meets the following conditions, it shall be recognized as an asset as the contract performance cost: the cost is directly related to a current or anticipated contract, including direct labor, direct materials, manufacturing costs (or similar costs), costs clearly borne by the customer, and other costs incurred solely as a result of the contract; the cost increases the Group's resources for future using for performance of obligations; and the cost is expected to be recovered.

Contract acquisition cost, namely, the incremental cost incurred by the Group for the acquisition of the contract and expected to be recovered, as the contract acquisition cost, it shall be recognized as an asset; if the amortization period of the asset does not exceed one year, it is included in the current profit and loss when it occurs. Incremental cost refers to the cost (such as sales commissions, etc.) that would not have occurred if the Group had not obtained the contract. Other expenses incurred by the Group for the acquisition of the contract, excluding the incremental costs expected to be recovered (such as the travel expenses incurred regardless of whether or not the contract is obtained), include in the current profit and loss when it occurs, however, except costs clearly borne by the customer.

(2) Amortization of assets related to contract costs

The assets related to the contract costs of the Group are amortized on the same basis as the recognized sales revenue related to the assets and include in the current profit and loss.

(3) Impairment of assets related to contract costs

When determining the impairment losses of assets related to contract costs, the Group shall first confirm the impairment losses of other assets related to the contract recognized in accordance with the accounting standards of other relevant enterprises; then, according to the difference between the book value and the remaining consideration that the Group is expected to obtain due to the transfer of the commodities related to the asset, and the difference between the book value and the estimated costs due to the transfer of the relevant commodity, the excess shall be accrued as impairment provision and confirmed as asset impairment loss.

If the factors of impairment in the previous period change later, making the aforesaid difference higher than the book value of the asset, the originally accrued asset impairment provision shall be reversed and included in the current profits and losses, but the book value of the reversed asset shall not exceed the book value of the asset on the reversal date assuming that no impairment provision is accrued.

四、重要會計政策及會計估計(續)

15. 合同成本

(1) 與合同成本有關的資產金額的確定方法

本集團與合同成本有關的資產包括合同履約成本和合同取得成本。

合同履約成本，即本集團為履行合同發生的成本，不屬於其他企業會計準則規範範圍且同時滿足下列條件的，作為合同履約成本確認為一項資產：該成本與一份當前或預期取得的合同直接相關，包括直接人工、直接材料、製造費用(或類似費用)、明確由客戶承擔的成本以及僅因該合同而發生的其他成本；該成本增加了本集團未來用於履行履約義務的資源；該成本預期能夠收回。

合同取得成本，即本集團為取得合同發生的增量成本預期能夠收回的，作為合同取得成本確認為一項資產；該資產攤銷期限不超過一年的，在發生時計入當期損益。增量成本，是指本集團不取得合同就不會發生的成本(如銷售佣金等)。本集團為取得合同發生的、除預期能夠收回的增量成本之外的其他支出(如無論是否取得合同均會發生的差旅費等)，在發生時計入當期損益，但是，明確由客戶承擔的除外。

(2) 與合同成本有關的資產的攤銷

本集團與合同成本有關的資產採用與該資產相關的商品收入確認相同的基礎進行攤銷，計入當期損益。

(3) 與合同成本有關的資產的減值

本集團在確定與合同成本有關的資產的減值損失時，首先對按照其他相關企業會計準則確認的、與合同有關的其他資產確定減值損失；然後根據其賬面價值高於本集團因轉讓與該資產相關的商品預期能夠取得的剩餘對價以及為轉讓該相關商品估計將要發生的成本這兩項差額的，超出部分應當計提減值準備，並確認為資產減值損失。

以前期間減值的因素之後發生變化，使得前述差額高於該資產賬面價值的，轉回原已計提的資產減值準備，並計入當期損益，但轉回後的資產賬面價值不應超過假定不計提減值準備情況下該資產在轉回日的賬面價值。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

16. Long-term equity investments

The long-term equity investment of the Group is mainly aimed to subsidiaries, associated enterprises and joint ventures.

The Group's criterion for joint control is that all parties or group of parties jointly control the arrangement, and policies of relevant activities of the arrangement must be subject to unanimous consent of parties sharing the control.

It is generally considered that the Group, when holding, directly or through subsidiaries, more than 20% (included) but less than 50% of the voting right of the investee, has a significant influence on the investee. When the Group holds less than 20% voting right of the investee, it shall comprehensively consider the facts and conditions that whether a representative has been sent to the board of directors or similar authority body in the investee, or whether participating in formulation of financial and operating policies of the investee, significant transaction happened with the investee, dispatching managers to the investee or providing key technical data to the investee, etc., to judge whether the Group has significant influence to the investee.

The investee under the control of the Group shall be deemed as the subsidiaries of the Group. If the long-term equity investment is obtained from the business merger under the common control, the share of book value of owners' equity of the merged party in consolidated financial statements of the ultimate controlling party on the date of merger shall be deemed as the initial investment cost of the long-term equity investment. If the book value of the net asset of the merged party on the date of merging is negative, then cost of long-term equity investment shall be determined as zero.

Under the circumstance that the equity of an investee is obtained under the common control through multiple transactions step by step, which results in business merger, supplementary disclosure to treatment methods of long-term equity investments in the parent company's financial statements shall be made in the reporting period for acquiring the control. For instance, as to equity of the investee under common control acquired step-by-step through multiple transactions and business merger finally completed, which belongs to a package deal, the Group performs accounting treatment by regarding all transactions as a transaction for acquiring control power. If the transactions do not belong to "package deal", the share of book value of owners' equity of the merged party in consolidated financial statements of the ultimate controlling party on the date of merging shall be deemed as the initial investment cost of the long-term equity investment. The balance between the initial investment cost and the sum of the book value of long-term equity investment which has reached the amount before the merger and the book value of new payment consideration obtained under the date of merging shall be applied to adjust capital reserve. If the capital reserve is insufficient to set it off, the retained earnings shall be written down.

16. 長期股權投資

本集團長期股權投資主要是對子公司的投資、對聯營企業的投資和對合營企業的投資。

本集團對共同控制的判斷依據是所有參與方或參與方組合集體控制該安排，並且該安排相關活動的政策必須經過這些集體控制該安排的參與方一致同意。

本集團直接或通過子公司間接擁有被投資單位20% (含)以上但低於50%的表決權時，通常認為對被投資單位具有重大影響。持有被投資單位20%以下表決權的，還需要綜合考慮在被投資單位的董事會或類似權力機構中派有代表、或參與被投資單位財務和經營政策制定過程、或與被投資單位之間發生重要交易、或向被投資單位派出管理人員、或向被投資單位提供關鍵技術資料等事實和情況判斷對被投資單位具有重大影響。

對被投資單位形成控制的，為本集團的子公司。通過同一控制下的企業合併取得的長期股權投資，在合併日按照取得被合併方在最終控制方合併報表中淨資產的賬面價值的份額作為長期股權投資的初始投資成本。被合併方在合併日的淨資產賬面價值為負數的，長期股權投資成本按零確定。

通過多次交易分步取得同一控制下被投資單位的股權，最終形成企業合併的，應在取得控制權的報告期，補充披露在母公司財務報表中的長期股權投資的處理方法。例如：通過多次交易分步取得同一控制下被投資單位的股權，最終形成企業合併，屬於一攬子交易的，本集團將各項交易作為一項取得控制權的交易進行會計處理。不屬於一攬子交易的，在合併日，根據合併後享有被合併方淨資產在最終控制方合併財務報表中的賬面價值的份額作為長期股權投資的的初始投資成本。初始投資成本與達到合併前的長期股權投資賬面價值加上合併日進一步取得股份新支付對價的賬面價值之和的差額，調整資本公積，資本公積不足沖減的，沖減留存收益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

16. Long-term equity investments (Continued)

For long-term equity investment obtained through business merger under different control, consolidated cost shall be recognized as initial investment cost.

Under the circumstance that the equity of an investee is obtained under different control through multiple transactions step by step, which results in business merger, supplementary disclosure to cost treatment methods of long-term equity investments in the parent company's financial statements shall be made in the reporting period for acquiring the control. For instance, as to equity of the investee under different control acquired step-by-step through multiple transactions and business merger finally completed, which belongs to a package deal, the Group performs accounting treatment by regarding all transactions as a transaction for acquiring control power. Where it does not belong to "package deal", the sum of the book value of equity investment held originally and additional investment costs shall be initial investment costs of long-term equity investment if the accounting method is changed as cost method. If the equity held before the purchase date is calculated by equity method, other related comprehensive incomes calculated by the original equity method shall not be adjusted; and the accounting treatment shall be conducted as per the same basis as that of disposing related assets or liabilities of the investee when disposing the investment. Where the equity held before the purchase date is calculated by fair value in the financial assets available-for-sale, and then accumulative change of the fair value originally included in other comprehensive income shall be transferred into current investment profits and losses on the date of merging.

Apart from aforementioned long-term equity investments acquired through merger of corporations, as to long-term equity investment acquired by cash payment, the actually paid amount is taken as the investment cost; as to long-term equity investment acquired through issuing equity securities, the fair value of the issued equity securities is taken as the investment cost; as to long-term equity investment invested by investors, the value specified in investment contract or agreement is taken as the investment cost; if the Company has long-term equity investment acquired through debt restructuring and exchange of non-monetary assets, the method of determining investment cost shall be disclosed as per relevant accounting rules of enterprises and considering actual conditions of the Company.

The Group calculates the investment to the subsidiaries by cost method, with equity method adopted for associated enterprises and joint ventures.

Long-term equity investment subsequently measured by cost method shall be calculated at fair value of cost paid for the additional investment and book value of the cost of the long-term equity investment added through related transaction fees happened. Cash dividends or profits that the investee declares to distribute shall be recognized as the current investment profits as per the cost enjoyed.

四、重要會計政策及會計估計(續)

16. 長期股權投資(續)

通過非同一控制下的企業合併取得的長期股權投資，以合併成本作為初始投資成本。

通過多次交易分步取得非同一控制下被投資單位的股權，最終形成企業合併的，應在取得控制權的報告期，補充披露在母公司財務報表中的長期股權投資成本處理方法。例如：通過多次交易分步取得非同一控制下被投資單位的股權，最終形成企業合併，屬於一攬子交易的，本集團將各項交易作為一項取得控制權的交易進行會計處理。不屬於一攬子交易的，按照原持有的股權投資賬面價值加上新增投資成本之和，作為改按成本法核算的初始投資成本。購買日之前持有的股權採用權益法核算的，原權益法核算的相關其他綜合收益暫不做調整，在處置該項投資時採用與被投資單位直接處置相關資產或負債相同的基礎進行會計處理。購買日之前持有的股權在可供出售金融資產中採用公允價值核算的，原計入其他綜合收益的累計公允價值變動在合併日轉入當期投資損益。

除上述通過企業合併取得的長期股權投資外，以支付現金取得的長期股權投資，按照實際支付的購買價款作為投資成本；以發行權益性證券取得的長期股權投資，按照發行權益性證券的公允價值作為投資成本；投資者投入的長期股權投資，按照投資合同或協議約定的價值作為投資成本；公司如有以債務重組、非貨幣性資產交換等方式取得的長期股權投資，應根據相關企業會計準則的規定並結合公司的實際情況披露確定投資成本的方法。

本集團對子公司投資採用成本法核算，對合營企業及聯營企業投資採用權益法核算。

後續計量採用成本法核算的長期股權投資，在追加投資時，按照追加投資支付的成本額公允價值及發生的相關交易費用增加長期股權投資成本的賬面價值。被投資單位宣告分派的現金股利或利潤，按照應享有的金額確認為當期投資收益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

16. Long-term equity investments (Continued)

For long-term equity investment subsequently measured by equity method, the book value of long-term equity investment shall be accordingly increased or decreased as the owners' equity of the investee changes. Wherein, the Group shall, when recognizing the shares of the net losses of the investee that shall be enjoyed by the Group, calculate the portion that belongs to the Group based on the fair value of each identifiable asset of the investee upon acquisition in accordance with the shareholding ratio by offsetting profits and losses of unrealized internal transaction incurred between the joint venture and associated enterprise, then recognize the net profits of the investee after adjustment.

When disposing of long-term equity investment, the balance between the book value and actual price for acquisition shall be included into the current investment profits. If the long-term equity investment calculated by equity method is included into owners' equity due to the other change of the owners' equity of the investee besides net profits and losses, the portion previously included in the owners' equity shall, when disposing of a long-term equity investment measured by the equity method, be transferred to the current profits and losses according to a certain proportion.

Where the Company's joint control or significant influence over the investee is lost due to the disposal of partial equity investment, the residual equity after disposal will be calculated as per the available-for-sale financial assets, the balance between the fair value and book value thereof on the date the joint control or significant influence is lost shall be included in the current profits and losses. Other comprehensive income recognized by calculating original equity investment by equity method shall go through accounting treatment on the same basis on which the invested unit directly disposes the relevant assets or liabilities when ceasing to use equity method.

When the Company loses the control over the investee for disposal of partial long-term equity investment, the accounting method shall be changed to equity method if the remaining shares after disposal still have joint control or significant impacts on the investee, with the balance between the book value of equity to be disposed and consideration of disposal included in the investment profits. While the remaining shares after disposal do not have joint control or significant impacts on investee anymore, the accounting treatment shall be conducted as per regulations related to recognition and measurement standards of financial instruments and its balance between fair value and book value on the date of losing the control shall be included in current losses and profits.

Various transactions of the Group from step-by-step equity disposal to loss of controlling power do not belong to the package deal, and every transaction is separately subject to accounting treatment. If the transactions belong to "package deal", then the Group shall conduct accounting treatment on the transaction which shall be taken as a transaction for disposing subsidiaries with control right lost; however, before loss of control right, the balance between each price disposal and the book value of long-term equity investment correspondingly in equity disposed shall be firstly recognized in the other comprehensive income and then wholly transferred into the current profit and loss when losing control right.

16. 長期股權投資(續)

後續計量採用權益法核算的長期股權投資,隨著被他投資單位所有者權益的變動相應調整增加或減少長期股權投資的賬面價值。其中在確認應享有被投資單位淨損益的份額時,以取得投資時被投資單位各項可辨認資產等的公允價值為基礎,按照本集團的會計政策及會計期間,並抵銷與聯營企業及合營企業之間發生的內部交易損益按照持股比例計算歸屬於投資企業的部分,對被投資單位的淨利潤進行調整後確認。

處置長期股權投資,其賬面價值與實際取得價款的差額,計入當期投資收益。採用權益法核算的長期股權投資,因被投資單位除淨損益以外所有者權益的其他變動而計入所有者權益的,處置該項投資時將原計入所有者權益的部分按相應比例轉入當期投資損益。

因處置部分股權投資等原因喪失了對被投資單位的共同控制或重大影響的,處置後的剩餘股權改按可供出售金融資產核算,剩餘股權在喪失共同控制或重大影響之日的公允價值與賬面價值之間的差額計入當期損益。原股權投資因採用權益法核算而確認的其他綜合收益,在終止採用權益法核算時採用與被投資單位直接處置相關資產或負債相同的基礎進行會計處理。

因處置部分長期股權投資喪失了對被投資單位控制的,處置後的剩餘股權能夠對被投資單位實施共同控制或施加重大影響的,改按權益法核算,處置股權賬面價值和處置對價的差額計入投資收益,並對該剩餘股權視同自取得時即採用權益法核算進行調整;處置後的剩餘股權不能對被投資單位實施共同控制或施加重大影響的,改按可供出售金融資產的有關規定進行會計處理,處置股權賬面價值和處置對價的差額計入投資收益,剩餘股權在喪失控制之日的公允價值與賬面價值間的差額計入當期投資損益。

本集團對於分步處置股權至喪失控股權的各項交易不屬於一攬子交易的,對每一項交易分別進行會計處理。屬於「一攬子交易」的,將各項交易作為一項處置子公司並喪失控制權的交易進行會計處理,但是,在喪失控制權之前每一次交易處置價款與所處置的股權對應的長期股權投資賬面價值之間的差額,確認為其他綜合收益,到喪失控制權時再一並轉入喪失控制權的當期損益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued) 四、重要會計政策及會計估計(續)

17. Investment properties

Investment properties of the Group include the use rights of land rented, the use rights of land held for transfer after appreciation and plant & buildings rented. The investment properties of the Group shall be subject to subsequent measurement on a cost basis.

The Group's investment properties shall be depreciated or amortized by the straight-line method. The estimated service life, net residuals rate and annual rate of depreciation (amortization) of various investment properties are as follows:

Category	類別	Depreciation life (year) 折舊年限(年)	Estimated residuals rate (%) 預計殘值率(%)	Annual depreciation rate (%) 年折舊率(%)
Land use right	土地使用權	50	-	2.000
Plant & buildings	房屋建築物	40	5	2.375

18. Fixed assets

The fixed assets of the Group feature the following characteristics: tangible assets held for the sake of producing goods, rendering services, renting or operating management, with a service life in excess of one year.

No fixed asset may be recognized unless it simultaneously meets the conditions as follows: The economic benefits pertinent to the fixed asset are likely to flow into the enterprise; and the cost of the fixed asset can be measured reliably. Fixed assets include plant and buildings, machinery equipment, transportation equipment, office equipment and other equipment.

Except for the fully depreciated fixed assets that are still in use, all the fixed assets of the Group shall be depreciated. Straight line method shall be adopted for calculating depreciation. The depreciation life by category, estimated residuals rate and depreciation rate of the fixed assets of the Group are as follows:

Category	類別	Depreciation life (year) 折舊年限(年)	Estimated residuals rate (%) 預計殘值率(%)	Annual depreciation rate (%) 年折舊率(%)
Plant & buildings	房屋建築物	40	5	2.375
Machinery equipment	機器設備	10	5-10	9-9.5
Electrical equipment	電氣設備	5-10	5-10	9-19
Transportation equipment	運輸設備	5	5-10	18-19
Office equipment and others	辦公設備和其他	5	5-10	18-19

17. 投資性房地產

本集團投資性房地產包括已出租的土地使用權、持有並準備增值後轉讓的土地使用權和已出租的房屋建築物。本集團對投資性房地產採用成本模式進行後續計量。

本集團投資性房地產採用平均年限法計提折舊或攤銷。各類投資性房地產的預計使用壽命、淨殘值率及年折舊(攤銷)率如下：

18. 固定資產

本集團固定資產是指同時具有以下特徵，即為生產商品、提供勞務、出租或經營管理而持有的，使用年限超過一年的有形資產。

固定資產在與其有關的經濟利益很可能流入本集團、且其成本能夠可靠計量時予以確認。固定資產包括房屋及建築物、機器設備、電氣設備、運輸設備、辦公設備和其他。

除已提足折舊仍繼續使用的固定資產外，本集團對所有固定資產計提折舊。計提折舊時用平均年限法。本集團固定資產的分類折舊年限、預計淨殘值率、折舊率如下：

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18. Fixed assets (Continued)

The Group will review the estimated service life, estimated net residual value and depreciation method at the end of current year for fixed assets. In case of change, it shall be treated as change of accounting estimates for handling.

The Company will record the lower one of the fair value of the leased asset and the present value of the minimum lease payments as the entering value in an account for fixed assets under financial lease. The balance between the entry value and the minimum lease payment shall be deemed as unrecognized financing cost.

The fixed assets under financial lease shall be depreciated according to the same depreciation policy as that for self-owned fixed assets. If it is reasonable to confirm that the lessee will obtain the ownership of the leased asset when the lease term expires, the leased fixed asset shall be depreciated over its estimated service life; otherwise, the leased fixed asset shall be depreciated over the shorter one of the lease term or its service life.

19. Construction in progress

Construction in progress ready for intended use shall be transferred to fixed assets based on the estimated value according to construction budget, project cost or actual project cost. The depreciation shall be drawn from the next month. After going through procedures of completion settlement, the difference of the original value of the fixed assets shall be adjusted.

20. Borrowing costs

The borrowing costs directly belonging to fixed assets, investment properties and inventories that require more than one year of acquisition or construction to be ready for intended use or selling shall be capitalized when the expenditures of the assets and the borrowing costs incurred and acquisition or construction activities necessary for making the assets be ready for intended use or selling begin. When the assets meeting the capitalization requirements are acquired or constructed are ready for use or selling, the capitalization shall be terminated, and the borrowing costs incurred subsequently shall be included in current profits and losses. If assets satisfying capitalization conditions are suddenly suspended in acquisition or construction for more than three months continuously, the capitalization of the borrowing costs shall be suspended until the restart of acquisition or construction of the assets.

The actually incurred interest costs of special borrowings in current period shall be capitalized after the interest income from deposits in banks or investment income from temporary investment with the unused borrowings is deducted from it. The capitalized amount of general borrowings shall be obtained by multiplying the weighted average of the excess of the accumulated asset expenditures over the asset expenditures of special borrowings with the capitalization rate of general borrowings used. The capitalization rate shall be calculated and determined in light of the weighted average interest rate of the general borrowing.

18. 固定資產(續)

每年年度終了，對固定資產的預計使用壽命、預計淨殘值和折舊方法進行覆核，如發生改變，則作為會計估計變更處理。

融資租入固定資產以租賃資產的公允價值與最低租賃付款額的現值兩者中的較低者作為租入資產的入帳價值。租入資產的入帳價值與最低租賃付款額之間的差額作為未確認融資費用。

融資租入的固定資產採用與自有固定資產相一致的折舊政策。能夠合理確定租賃期屆滿時將取得租入資產所有權的，租入固定資產在其預計使用壽命內計提折舊；否則，租入固定資產在租賃期與該資產預計使用壽命兩者中較短的期間內計提折舊。

19. 在建工程

在建工程在達到預定可使用狀態之日起，根據工程預算、造價或工程實際成本等，按估計的價值結轉固定資產，次月起開始計提折舊，待辦理了竣工決算手續後再對固定資產原值差異進行調整。

20. 借款費用

發生的可直接歸屬於需要經過一年以上的購建或者生產活動才能達到預定可使用或者可銷售狀態的固定資產、投資性房地產和存貨等的借款費用，在資產支出已經發生、借款費用已經發生、為使資產達到預定可使用或可銷售狀態所必要的購建或生產活動已經開始時，開始資本化；當購建或生產符合資本化條件的資產達到預定可使用或可銷售狀態時，停止資本化，其後發生的借款費用計入當期損益。如果符合資本化條件的資產在購建或者生產過程中發生非正常中斷、且中斷時間連續超過3個月，暫停借款費用的資本化，直至資產的購建或生產活動重新開始。

專門借款當期實際發生的利息費用，扣除尚未動用的借款資金存入銀行取得的利息收入或進行暫時性投資取得的投資收益後的金額予以資本化；一般借款根據累計資產支出超過專門借款部分的資產支出加權平均數乘以所佔用一般借款的資本化率，確定資本化金額。資本化率根據一般借款加權平均利率計算確定。

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IV. Significant Accounting Policies and Accounting Estimates (Continued) 四、重要會計政策及會計估計(續)

21. Intangible assets

The intangible assets of the Group include land use right, patented technology, non-patented technology, etc., which shall be measured at actual cost when being obtained; wherein, for the intangible assets purchased, price actually paid and related other expenditure shall be deemed as actual cost; for the intangible assets invested by the investor, value agreed in accordance with investment contract or agreement is recognized as actual cost, except value agreed in the contract or agreement is unfair, in such case, the actual cost shall be recognized at fair value.

The land use right shall be amortized at average as per the years of transfer from the date of transferring the land use right; intangible assets such as patented technology and non-patented technology shall be amortized at average as per the shortest of the estimated service life, benefit year stipulated in the contract and effective service life stipulated by law. Amortized amount shall be included in related asset cost and current profits and losses as per the benefit object. It is necessary to review the estimated service life and amortization method of the intangible asset with limited service life at the end of each year. In case of any change, it shall be treated as changes in accounting evaluation for handling.

The Group rechecks the expected service life and amortization method of intangible assets with uncertain service life at the end of each year.

The expenditure of R&D of the Group shall be divided into expenditures for research and development as per its nature and that whether the intangible assets finally formed from R&D have a relative uncertainty.

Research expenditures shall be recorded into current profits and losses when incurring.

Development expenditures shall be recognized as intangible assets when the following conditions are met:

- (1) Where it is feasible technically to finish intangible assets for use or sale;
- (2) Where the management is intended to finish and use or sell the intangible assets;
- (3) Where the usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets themselves or the intangible assets will be used internally;
- (4) Where it is able to finish the development of the intangible assets, and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources; and
- (5) Where the development expenditures of the intangible assets can be reliably measured.

21. 無形資產

本集團無形資產包括土地使用權、專利技術、非專利技術等，按取得時的實際成本計量，其中，購入的無形資產，按實際支付的價款和相關的其他支出作為實際成本；投資者投入的無形資產，按投資合同或協議約定的價值確定實際成本，但合同或協議約定價值不公允的，按公允價值確定實際成本。

土地使用權從出讓起始日起，按其出讓年限平均攤銷；專利技術、非專利技術等無形資產按預計使用年限、合同規定的受益年限和法律規定的有效年限三者中最短者分期平均攤銷。攤銷金額按其受益對象計入相關資產成本和當期損益。對使用壽命有限的無形資產的預計使用壽命及攤銷方法於每年年度終了進行覆核，如發生改變，則作為會計估計變更處理。

在每個會計期間，本集團對使用壽命不確定的無形資產的預計使用壽命進行覆核。

本集團的研究開發支出根據其性質以及研發活動最終形成無形資產是否具有較大不確定性，分為研究階段支出和開發階段支出。

研究階段的支出，於發生時計入當期損益。

開發階段的支出，同時滿足下列條件的，確認為無形資產：

- (1) 完成該無形資產以使其能夠使用或出售在技術上具有可行性；
- (2) 管理層具有完成該無形資產並使用或出售的意圖；
- (3) 無形資產產生經濟利益的方式，包括能夠證明運用該無形資產生產的產品存在市場或無形資產自身存在市場，無形資產將在內部使用的，能夠證明其有用性；
- (4) 有足夠的技術、財務資源和其他資源支持，以完成該無形資產的開發，並有能力使用或出售該無形資產；及
- (5) 歸屬於該無形資產開發階段的支出能夠可靠地計量。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

21. Intangible assets (Continued)

Development expenditures not meeting the said conditions will be included in current profits and losses when incurring. The development expenditures that have been included in the profits and losses previously shall not be recognized as assets in the subsequent period. The capitalized expenditures in the development stage shall be presented as development expenditures on the balance sheet and shall be transferred into intangible assets from the date when the project meets the expected conditions for use.

22. Impairment of long-term assets

As for fixed asset, projects under construction, the intangible asset with limited service life, the investment properties measured at cost pattern, the long term equity investment on subsidiaries, joint ventures and associated enterprises, the Group will make impairment test if there exists indication of impairment on assets on the balance sheet date. Where the measurement result of the impairment test indicates that an asset's book value exceeds the recoverable amount, impairment provision shall be made based on its balances and recorded into the impairment loss. The recoverable amount of assets refers to the higher one of the net amount of the fair value of the asset minus the disposal expenses and the present value of the expected future cash flow of the asset. The asset impairment provision is calculated and recognized based on single asset. In case of the difficulty to estimate the recoverable amount of single asset, the recoverable amount of asset group is recognized in accordance with the asset group that such asset belongs to. The asset group refers to the minimum combination of assets that can independently generate cash inflow.

Goodwill separately listed in the financial statements shall be tested for impairment at least once each year no matter whether there exists impairment indication. When conducting impairment test, the book value of goodwill shall be amortized to the beneficial assets group or combination of asset groups according to the synergy of business merger. If the test result indicates that the recoverable amount of the asset group or the combination of asset groups of the goodwill apportioned is lower than its book value, corresponding impairment loss is recognized. The amount of the impairment loss shall first be used to charge against the book value of the goodwill of asset group or combination of asset groups then charge it against the book value of other assets in proportion to the weight of other assets in the asset group or combination of asset groups with the goodwill excluded.

Once any loss of asset impairment is recognized, it shall not be reversed in the future accounting periods.

21. 無形資產(續)

不滿足上述條件的開發階段的支出,於發生時計入當期損益。前期已計入損益的開發支出在以後期間不再確認為資產。已資本化的開發階段的支出在資產負債表上列示為開發支出,自該項目達到預定可使用狀態之日起轉為無形資產。

22. 長期資產減值

本集團於每一資產負債表日對固定資產、在建工程、使用壽命有限的無形資產、以本模式計量的投資性房地產及對子公司、合營企業、聯營企業的長期股權投資等,於資產負債表日存在減值跡象的,進行減值測試。減值測試結果表明資產的賬面價值超過其可收回金額的,按其差額計提減值準備並計入減值損失。資產的可收回金額是指資產的公允價值減去處置費用後的淨額與資產預計未來現金流量的現值兩者之間的較高者。資產減值準備按單項資產為基礎計算並確認,如果難以對單項資產的可收回金額進行估計的,以該資產所屬的資產組確定資產組的可收回金額。資產組是指能夠獨立產生現金流入的最小資產組合。

在財務報表中單獨列示的商譽,無論是否存在減值跡象,至少每年進行減值測試。減值測試時,商譽的賬面價值分攤至預期從企業合併的協同效應中受益的資產組或資產組組合。測試結果表明包含分攤的商譽的資產組或資產組組合的可收回金額低於其賬面價值的,確認相應的減值損失。減值損失金額先抵減分攤至該資產組或資產組組合的商譽的賬面價值,再根據資產組或資產組組合中除商譽以外的其他各項資產的賬面價值所佔比重,按比例抵減其他各項資產的賬面價值。

上述資產的減值損失一經確認,在以後會計期間不予轉回。

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IV. Significant Accounting Policies and Accounting Estimates (Continued) 四、重要會計政策及會計估計(續)

23. Long-term deferred expenses

Long-term deferred expenses of the Group include turnover fees and property insurance fees. Such expenses shall be equally amortized in the benefit period. If the long-term deferred expenses items will not benefit the future accounting period, the amortized value of unamortized items shall be all transferred to the current profit or loss.

24. Contractual liabilities

The contractual liabilities reflect the Group's obligations to transfer commodities to the customer due to customer consideration received or receivable. If the customer has paid the contract consideration or the Group has obtained the right to unconditionally receive the contract consideration before the Group transfers the commodities to the customer, the contractual liability shall be recognized according to the amount received or receivable at the earlier of the actual payment and the due payment.

25. Employee compensation

Employee compensation of the Group includes short-term compensation, post-employment welfare, dismissal welfare and other long-term welfares.

Short-term compensation includes employee salary, employee benefit, medical insurance, etc.; the Group shall recognize the short-term compensation actually incurred as liability and record it in the current profits and losses or relevant asset costs during the accounting period when employees provide services.

Post-employment welfare mainly includes basic pension insurance, unemployment insurance, etc., which shall be classified into defined contribution plan and defined benefit plan as per the risk and obligation assumed by the Company. Contribution that paid to individual subject for the services provided by the employees in the accounting period on the balance sheet date as per the defined contribution plan shall be recognized as liabilities, and included in current profits and losses or related asset cost as per the benefit object.

For the defined benefit plan, the Group shall make estimate on the demographic variables and financial variables, measure obligations for set benefit plan and recognize the belonging period of related obligations through consistent actuarial assumptions without prejudice as per the estimated cumulative welfare institutions method. The obligations incurred from the defined benefit plan shall be discounted as per the discount rate, to recognize the present value of obligations of the set benefit plan and cost of the current services.

23. 長期待攤費用

本集團的長期待攤費用包括周轉瓶和財產保險費用。該等費用在受益期內平均攤銷，如果長期待攤費用項目不能使以後會計期間受益，則將尚未攤銷的該項目的攤餘價值全部轉入當期損益。

24. 合同負債

合同負債反映本集團已收或應收客戶對價而應向客戶轉讓商品的義務。本集團在向客戶轉讓商品之前，客戶已經支付了合同對價或本集團已經取得了無條件收取合同對價權利的，在客戶實際支付款項與到期應支付款項孰早時點，按照已收或應收的金額確認合同負債。

25. 職工薪酬

本集團職工薪酬包括短期薪酬、離職後福利、辭退福利和其他長期福利。

短期薪酬主要包括職工工資、職工福利費、醫療保險費等，在職工提供服務的會計期間，將實際發生的短期薪酬確認為負債，並按照受益對象計入當期損益或相關資產成本。

離職後福利主要包括基本養老保險費、失業保險費等，按照公司承擔的風險和義務，分類為設定提存計劃、設定受益計劃。對於設定提存計劃在根據在資產負債表日為換取職工在會計期間提供的服務而向單獨主體繳存的提存金確認為負債，並按照受益對象計入當期損益或相關資產成本。

對於設定受益計劃，本集團根據預期累計福利單位法，採用無偏且相互一致的精算假設對有關人口統計變量和財務變量等做出估計，計量設定受益計劃所產生的義務，並確定相關義務的歸屬期間。按照折現率將設定受益計劃所產生的義務予以折現，以確定設定受益計劃義務的現值和當期服務成本。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

25. Employee compensation (Continued)

Dismissal welfare refers to compensation provided to employees for terminating the labor relationship with employees before the expiration of the labor contract between the Group and the employee, or for encouraging the employees to voluntarily accept the reduction. For employees who have not terminated the labor contract with the Group but will no longer provide services for the Group in the future and cannot bring economic benefits to the Group, if the Group is committed to providing economic compensation with the nature of dismissal welfare, in case of "early retirement", economic compensation shall be treated as dismissal welfare before the official retirement date, and shall be treated as post-employment benefits after the official retirement date. In the event that the Group provides dismissal welfare, when the Group cannot unilaterally withdraw the dismissal welfare provided due to the labor relationship termination plan or the redundancy offer, or when the costs or expenses (whichever is earlier) related to reorganization concerning the dismissal welfare payment are recognized, the liabilities of the employee compensation arising from dismissal welfare shall be recognized and included in current profits and losses. For dismissal welfare that is not expected to be fully paid within 12 months after the end of the annual reporting period, and for dismissal plans in which substantial dismissal work is completed within one year but compensation payment is made one year later, the Group selects the appropriate discount rate and measures the amount of dismissal welfare that should be included in the current profits and losses with the discounted amount.

Other long-term employee welfare refers to the employee benefits except for short-term benefits, post-employment welfare and dismissal welfare, including long-term compensated absences, long-term disability welfare, long-term profit sharing plan, etc. Other long-term employee welfare provided by the Group to employees that meet the conditions of defined contribution plan, the accounting shall be treated as per the provisions in above defined contribution plan. Net liabilities or assets of other long-term employee welfares provided by the Group to employees and satisfying conditions of the defined benefit plan shall be recognized and measured as per provisions of the defined benefit plan. At the end of the reporting period, the Group recognizes employee payroll cost generated from other long-term employee welfares as the following components: service cost; net interest amount of net liabilities or assets of other long-term employee welfares; changes generated from re-measurement of net liabilities or assets of other long-term employee welfares. The total net amount of above items shall be included in the current profit and loss or related asset cost.

四、重要會計政策及會計估計(續)

25. 職工薪酬(續)

辭退福利是指本集團在職工勞動合同到期之前解除與職工的勞動關係，或者為鼓勵職工自願接受裁減而給予職工的補償。對於職工雖然沒有與本集團解除勞動合同，但未來不再為本集團提供服務，不能為本集團帶來經濟利益，本集團承諾提供實質上具有辭退福利性質的經濟補償的，如發生「內退」的情況，在其正式退休日期之前應當比照辭退福利處理，在其正式退休日期之後，按照離職後福利處理。本集團向職工提供辭退福利的，在本集團不能單方面撤回因解除勞動關係計劃或裁減建議所提供的辭退福利時，本集團確認涉及支付辭退福利的重組相關的成本或費用時兩者孰早日，確認辭退福利產生的職工薪酬負債，並計入當期損益。對於辭退福利預期在年度報告期間期末後十二個月內不能完全支付的辭退福利，實質性辭退工作在一年內實施完畢但補償款項超過一年支付的辭退計劃，本集團選擇恰當的折現率，以折現後的金額計量應計入當期損益的辭退福利金額。

其他長期福利，是指除短期薪酬、離職後福利、辭退福利之外所有的職工薪酬，包括長期帶薪缺勤、長期殘疾福利、長期利潤分享計劃等。本集團向職工提供的其他長期職工福利，符合設定提存計劃條件的，按照設定提存計劃的有關規定進行會計處理。本集團向職工提供的其他長期職工福利，符合設定受益計劃條件的，本集團按照設定受益計劃的有關規定，確認和計量其他長期職工福利淨負債或淨資產。在報告期末，本集團將其他長期職工福利產生的職工薪酬成本確認為下列組成部分：服務成本；其他長期職工福利淨負債或淨資產的利息淨額；重新計量其他長期職工福利淨負債或淨資產所產生的變動。上述項目的總淨額計入當期損益或相關資產成本。

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IV. Significant Accounting Policies and Accounting Estimates (Continued) 四、重要會計政策及會計估計(續)

26. Provisions

Where the business related to foreign guarantee, trade acceptance discount, pending litigations or arbitrations, product quality assurance, etc. meets the following conditions, the Group will recognize it as liabilities: current obligation borne by the Group; great possibility of economic benefit outflow because of performing the obligations; reliable measurement for the amount of the obligations.

Provisions are initially measured at the best estimate required to be paid when performing relevant current obligations, with comprehensive consideration of such factors as risks, uncertainties and time value of money related to contingencies. If the time value of money is of great significance, the best estimate shall be determined after discounting the relevant future cash outflow. The increased amount of the book value of the provisions due to discount with the passage of time shall be recognized as interest costs.

The book value of provisions shall be reviewed on each balance sheet date, which shall also be adjusted to reflect the current optimal estimation.

27. Share-based payment

The stock payment settled by equity for obtaining services of employees shall be measured according to the fair value on the date when granting the equity instrument to employees. In situations where the amount of fair value is only vested after completing services in waiting period or reaching specific performance conditions, the amount fair value calculated by the method of line based on the optimal estimation of the quantity of vesting equity instruments in waiting period shall be include it into relevant cost or expense, with capital reserves increased correspondingly.

Stock payment settled by cash shall be measured at the fair value of liabilities recognized based on stocks or other equity instruments assumed by the Group. For the stock payment with immediate vesting after it is granted, its relevant cost or expenditure shall be included on the date when it is vested with increasing the liabilities correspondingly; for the stock payment vesting only after the services in the waiting period is completed or the specified performance conditions are satisfied, the services obtained in the current period shall be recorded into costs or expenditures based on the optimal estimation of the vesting and at the fair value of the liabilities assumed by the Company on each balance sheet date within the waiting period, and the liabilities shall be adjusted correspondingly.

On each balance sheet date and settlement date before settlement of relevant liabilities, the fair value of liabilities shall be re-measured, and its changes shall be included in the current profits and losses.

If the Group cancels the equity instruments granted in the waiting period (except for those canceled due to unsatisfactoriness to the vesting conditions), such a cancellation shall be treated as accelerated vesting as that stock payment plan in the remaining waiting period has fully met the vesting conditions; and the Group will recognize all expenses in the remaining waiting period on the current period of canceling vested equity instrument.

26. 預計負債

當與對外擔保、商業承兌匯票貼現、未決訴訟或仲裁、產品質量保證等或有事項相關的業務同時符合以下條件時，本集團將其確認為負債：該義務是本集團承擔的現時義務；該義務的履行很可能導致經濟利益流出企業；該義務的金額能夠可靠地計量。

預計負債按照履行相關現時義務所需支出的最佳估計數進行初始計量，並綜合考慮與或有事項有關的風險、不確定性和貨幣時間價值等因素。貨幣時間價值影響重大的，通過對相關未來現金流出進行折現後確定最佳估計數。因隨著時間推移所進行的折現還原而導致的預計負債賬面價值的增加金額，確認為利息費用。

每個資產負債表日對預計負債的賬面價值進行覆核並進行適當調整以反映當前最佳估計數。

27. 股份支付

用以換取職工提供服務的以權益結算的股份支付，以授予職工權益工具在授予日的公允價值計量。該公允價值的金額在完成等待期內的服務或達到規定業績條件才可行權的情況下，在等待期內以對可行權權益工具數量的最佳估計為基礎，按直線法計算計入相關成本或費用，相應增加資本公積。

以現金結算的股份支付，按照本集團承擔的以股份或其他權益工具為基礎確定的負債的公允價值計量。如授予後立即可行權，在授予日以承擔負債的公允價值計入相關成本或費用，相應增加負債；如需完成等待期內的服務或達到規定業績條件以後才可行權，在等待期的每個資產負債表日，以對可行權情況的最佳估計為基礎，按照本集團承擔負債的公允價值金額，將當期取得的服務計入成本或費用，相應調整負債。

在相關負債結算前的每個資產負債表日以及結算日，對負債的公允價值重新計量，其變動計入當期損益。

本集團在等待期內取消所授予權益工具的(因未滿足可行權條件而被取消的除外)，作為加速行權處理，即視同剩餘等待期內的股權支付計劃已經全部滿足可行權條件，在取消所授予權益工具的當期確認剩餘等待期內的所有費用。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

28. Revenue recognition principles and measuring methods

The Group measures its income based on the fair value of the receivables for goods sold and services provided in its daily operations. The income shall be presented upon discount deducting as well as offsetting of the inter-company sales in the Group. Income should be recognized when it can be measured reliably or when future economic benefits may flow into the Group or the activities of the Group as described below meet certain standards.

The Group recognizes revenue when performing its contractual obligations, that is, when the customer obtains control of the relevant goods or services.

If the contract contains two or more performance obligations, the Group will allocate the transaction price to each individual performance obligation at the beginning of the contract according to the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation, and measure the revenue according to the transaction price allocated to each individual performance obligation.

The transaction price is the amount of consideration that the Group is expected to be entitled to receive due to the transfer of goods or services to customers, excluding payments received on behalf of third parties. The transaction price recognized by the Group shall not exceed the amount by which it is highly unlikely that significant reversal of the accumulated recognized revenue will occur when relevant uncertainties are eliminated. The amount expected to be refunded to the customer is not included in the transaction price as a liability. If there is a significant financing component in the contract, the Group shall recognize the transaction price according to the amount payable in cash when assuming the customer obtains the control rights of the goods or services. The difference between the transaction price and the contract consideration shall be amortized by the effective interest rate method during the contract term. By the commence date of the contract, if the Group estimates that the interval between customer's control rights of goods or services and the payments of the customer is not more than one year, the significant financing components existing in the contract shall not be considered.

When one of the following conditions is met, the Group is considered performing its obligations within a certain period of time. Otherwise, it is considered performing its obligations at a certain time point:

1. The customer obtains and consumes the economic benefits brought by the Group's performance of the contract while the Group is performing.
2. The customer can control the goods under construction during the Group's performance.
3. Goods produced in the performance of the Group have irreplaceable uses, and the Group has the right to collect money for the performance part accumulated to date during the entire contract period.

四、重要會計政策及會計估計(續)

28. 收入確認原則和計量方法

本集團根據日常經營活動中出售商品及提供服務的應收款的公允價值計量收入。收入以扣除折扣以及抵消與本集團公司間內部銷售後來列示。當收入能被可靠計量或未來經濟收益可能流入本集團或如下所述本集團的各項活動滿足特定標準時,應當確認收入。

本集團在履行了合同中的履約義務,即在客戶取得相關商品或服務的控制權時,確認收入。

合同中包含兩項或多項履約義務的,本集團在合同開始時,按照個單項履約義務所承諾商品或服務的單獨售價的相對比例,將交易價格分攤至各單項履約義務,按照分攤至各單項履約義務的交易價格計量收入。

交易價格是本集團因向客戶轉讓商品或服務而預期有權收取的對價金額,不包括代第三方收取的款項。本集團確認的交易價格不超過在相關不確定性消除時累計已確認收入極可能不會發生重大轉回的金額。預期將退還給客戶的款項作為負債不計入交易價格。合同中存在重大融資成分的,本集團按照假定客戶在取得商品或服務控制權時即以現金支付的應付金額確定交易價格。該交易價格與合同對價之間的差額,在合同期間內採用實際利率法攤銷。合同開始日,本集團預計客戶取得商品或服務控制權與客戶支付價款間隔不超過一年的,不考慮合同中存在的重大融資成分。

滿足下列條件之一時,本集團屬於在某一時段內履行履約義務;否則,屬於在某一時點履行履約義務:

1. 客戶在本集團履約的同時即取得並消耗本集團履約所帶來的經濟利益。
2. 客戶能夠控制本集團履約過程中在建的商品。
3. 在本集團履約過程中所產出的商品具有不可替代用途,且本集團在整個合同期間內有權就累計至今已完成的履約部分收取款項。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

28. Revenue recognition principles and measuring methods (Continued)

For the performance obligations performed within a certain period of time, the Group shall recognize the revenue according to the performance progress during that period and determine the performance progress according to the percentage of completion method. If the performance progress cannot be reasonably identified, and the costs incurred by the Group can be expected to be compensated, the revenue shall be recognized according to the amount of costs incurred until the performance progress can be reasonably identified.

For performance obligations performed at a certain time point, the Group shall recognize the revenue at the time point when the customer gains control rights of the relevant goods or services. In determining whether a customer has obtained the control rights of the goods or services, the Group shall take the following indications into consideration:

1. The Group has the right to receive current payment for the goods or services.
2. The Group has transferred legal ownership of the goods to the customer.
3. The Group has transferred the physical goods to the customer.
4. The Group has transferred the main risks and remunerations related to the proprietary of the goods to the customer.
5. The customer has accepted the goods or services, etc.

The Group's right to receive consideration for the transfer of goods or services to the customer is recorded as a contract asset, which is subject to impairment on the basis of expected credit losses. The Group's right to receive consideration from the customer unconditionally is recorded as receivables. The Group's obligation to transfer goods or services to customers after receiving the consideration receivable from customers is presented as a contractual liability.

四、重要會計政策及會計估計(續)

28. 收入確認原則和計量方法(續)

對於在某一時段內履行的履約義務，本集團在該段時間內按照履約進度確認收入，並按照完工百分比法確定履約進度。履約進度不能合理確定時，本集團已經發生的成本預計能夠得到補償的，按照已經發生的成本金額確認收入，直到履約進度能夠合理確定為止。

對於在某一時點履行的履約義務，本集團在客戶取得相關商品或服務控制權時點確認收入。在判斷客戶是否已取得商品或服務控制權時，本集團考慮下列跡象：

1. 本集團就該商品或服務享有現時收款權利。
2. 本集團已將該商品的法定所有權轉移給客戶。
3. 本集團已將該商品的實物轉移給客戶。
4. 本集團已將該商品所有權上的主要風險和報酬轉移給客戶。
5. 客戶已接受該商品或服務等。

本集團已向客戶轉讓商品或服務而有權收取對價的權利作為合同資產列示，合同資產以預期信用損失為基礎計提減值。本集團擁有的無條件向客戶收取對價的權利作為應收款項列示。本集團已收貨應收客戶對價而應向客戶轉讓商品或服務的義務作為合同負債列示。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

29. Government subsidy

Government subsidies include asset-related government subsidy and revenue-related government subsidy. The asset-related government subsidies refer to those obtained by the Group and used for the acquisition or construction of long-term assets or obtainment of such assets by other forms. The revenue-related government subsidies refer to those other than the asset-related government subsidies. If no assistance object is specified in the government documents, the Group shall determine it based on the above identifying principles. For those hard to be identified, classify them totally in the revenue-related government subsidy.

Where the government subsidy is monetary asset, it shall be measured at the amount received; for subsidy granted as per the fixed quota standard, when there are unambiguous evidences showing that related conditions as stipulated in the financial supporting policies are met and it is expected that the financial supporting assets can be obtained, such subsidy shall be measured as per the receivable amount; where the government subsidy is non-monetary asset, it shall be measured at the fair value; if the fair value cannot be obtained, then it shall be measured at its nominal amount (RMB 1).

Asset-related government subsidies shall be recognized as deferred incomes, and it shall be distributed with a reasonable and systematic method within the service life of related assets and included in current profits and losses.

When the related assets are sold, assigned, scraped or damaged before the end of service life, all the undistributed deferred incomes shall be transferred to the profit or loss of the current period of assets disposal.

The revenue-related government subsidies used to compensate for the incurred related charges or losses shall be included in the current profits or losses or offset relevant costs; while those used to compensate for the related charges or losses during future periods shall be recognized as the deferred incomes and shall be included in the current profits or losses during the period when they are recognized. The government subsidies related to daily activities shall be included in other incomes based on the substance of business transactions. The government subsidies not related to daily activities shall be included in the non-operating incomes and expenses.

For repayment of government subsidies already recognized, if there is related deferred income balance, balance is included in current profit or loss after the offset of the carrying amount of the deferred income. In other cases, the government subsidies are directly included in current profit or loss.

29. 政府補助

本集團的政府補助包括與資產相關的政府補助和與收益相關的政府補助。其中，與資產相關的政府補助，是指本集團取得的、用於購建或以其他方式形成長期資產的政府補助；與收益相關的政府補助，是指除與資產相關的政府補助之外的政府補助。如果政府文件中未明確規定補助對象，本集團按照上述區分原則進行判斷，難以區分的，整體歸類為與收益相關的政府補助。

政府補助為貨幣性資產的，按照實際收到的金額計量，對於按照固定的定額標準撥付的補助，或對年末有確鑿證據表明能夠符合財政扶持政策規定的相關條件且預計能夠收到財政扶持資金時，按照應收的金額計量；政府補助為非貨幣性資產的，按照公允價值計量，公允價值不能可靠取得的，按照名義金額(1元)計量。

與資產相關的政府補助確認為遞延收益，在相關資產使用壽命內按照合理、系統的方法分期計入當期損益。

相關資產在使用壽命結束前被出售、轉讓、報廢或發生毀損的，將尚未分配的相關遞延收益餘額轉入資產處置當期的損益。

與收益相關的政府補助，用於補償已發生的相關成本費用或損失的，計入當期損益或沖減相關成本；用於補償以後期間的相關成本費用或損失的，確認為遞延收益，並在確認相關成本費用或損失的期間計入當期損益。與日常活動相關的政府補助，按照經濟業務實質，計入其他收益。與日常活動無關的政府補助，計入營業外收支。

已確認的政府補助需要返還時，存在相關遞延收益餘額的，沖減相關遞延收益賬面餘額，超出部分計入當期損益；屬於其他情況的，直接計入當期損益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

30. Deferred income tax assets and deferred income tax liabilities

The deferred income tax assets and deferred income tax liabilities of the Group shall be calculated and recognized as per the taxation base of assets and liabilities and the balance of their book values (temporary balance). As for deductible loss that can claim a credit against the taxable income in the subsequent years as per the provisions of the tax laws, relevant deferred income assets shall be recognized. As of temporary balance arising out from initial recognition of goodwill, no relevant deferred income tax liabilities shall be recognized. As for temporary balance arising out from the initial recognition of assets or liabilities from the transactions of non-business merger that cannot influence accounting profits nor taxable income (or deductible loss), no relevant deferred income tax assets and deferred income tax liabilities shall be recognized. On the balance sheet date, the deferred income tax assets and deferred income tax liabilities shall be measured at the tax rate applicable to the period during which the assets are expected to be recovered or the liabilities are expected to be settled.

The deferred income tax assets shall be recognized to the extent of the future taxable income likely to be obtained for deducting deductible temporary difference, deductible loss, and tax deduction by the Group.

31. Lease

Lease can be divided by the Group into finance lease and operating lease at the commencement of lease.

At the commencement of the lease term, as the Lessee for finance lease, the Group shall deem the lower of the fair value of the leased asset and the present value of the minimum lease payments as the entry value of fixed assets acquired by finance lease and the minimum lease payment as the entry value of long-term payable. The difference between two entry values is deemed as unrecognized financing cost.

The rents from operating leases of the Group as lessee of operating lease shall be included into relevant asset cost or current profits and losses by straight-line method in each period.

四、重要會計政策及會計估計(續)

30. 遞延所得稅資產和遞延所得稅負債

本集團遞延所得稅資產和遞延所得稅負債根據資產和負債的計稅基礎與其賬面價值的差額(暫時性差異)計算確認。對於按照稅法規定能夠於以後年度抵減應納稅所得額的可抵扣虧損，確認相應的遞延所得稅資產。對於商譽的初始確認產生的暫時性差異，不確認相應的遞延所得稅負債。對於既不影響會計利潤也不影響應納稅所得額(或可抵扣虧損)的非企業合併的交易中產生的資產或負債的初始確認形成的暫時性差異，不確認相應的遞延所得稅資產和遞延所得稅負債。於資產負債表日，遞延所得稅資產和遞延所得稅負債，按照預期收回該資產或清償該負債期間的適用稅率計量。

本集團以很可能取得用來抵扣可抵扣暫時性差異、可抵扣虧損和稅款抵減的未來應納稅所得額為限，確認遞延所得稅資產。

31. 租賃

本集團在租賃開始日將租賃分為融資租賃和經營租賃。

本集團作為融資租賃承租方時，在租賃開始日，按租賃開始日租賃資產的公允價值與最低租賃付款額的現值兩者中較低者，作為融資租入固定資產的入帳價值，將最低租賃付款額作為長期應付款的入帳價值，將兩者的差額記錄為未確認融資費用。

本集團作為經營租賃承租方的租金在租賃期內的各個期間按直線法計入相關資產成本或當期損益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

32. Held-for-sale

32. 持有待售

- (1) The Group classifies the non-current assets or disposal groups meeting the following conditions as the held-for-sale assets: (1) the non-current assets or disposal groups can be immediately sold under current conditions pursuant to general terms for selling such assets or disposal groups; (2) the sales are very likely to occur, i.e., a resolution has been taken on a sales plan and a definitive purchase commitment has been obtained, and the sales are expected to be completed within one year. Relevant regulations require that the relevant approval needs to be obtained for those available for sale after approval by relevant authorities or regulators. Before the non-current assets or disposal groups are classified as the held-for-sale assets for the first time, the Group shall measure the book value of each asset and liability in the non-current assets or disposal groups in accordance with the relevant accounting standards. When the non-current assets or disposal groups held for sale are measured initially or re-measured on the balance sheet date, if the book value is higher than the net amount obtained by deducting the selling expenses from the fair value, the book value shall be reduced to the net amount obtained by deducting the selling expenses from the fair value, and the write-down amount shall be recognized as the asset impairment losses and shall be included in the current profits or losses and the impairment provision of held-for-sale assets shall be made at the same time.
 - (2) The Group classifies the non-current assets or disposal groups that are acquired exclusively for resale, meet the conditions of "the sales are expected to be completed within one year" on the acquisition date and are likely to meet other conditions for held-for-sale assets in a short time (usually three months) as the held-for-sale assets on the acquisition date. In the initial measurement, the initial measurement amount assuming they are not classified as the held-for-sale assets and the net amount obtained by deducting the selling expenses from the fair value are compared, whichever is less. Except for the non-current assets or disposal groups acquired in the business merger, the difference arising from the net amount obtained by deducting the selling expenses from the fair value in the non-current assets or disposal groups as the initial measurement amount shall be included in the current profits or losses.
 - (3) If the Group loses control over its subsidiaries due to the sales of investment in subsidiaries and other reasons, whether the Group reserves some of its equity investments after the sales or not, when the investment in subsidiaries to be sold meets the conditions for the held-for-sale assets, the investment in subsidiaries will be classified as the held-for-sale assets as a whole in the individual financial statements of the parent company and all the assets and liabilities of subsidiaries will be classified as the held-for-sale assets in the consolidated financial statements.
- (1) 本集團將同時符合下列條件的非流動資產或處置組劃分為持有待售：(1)根據類似交易中出售此類資產或處置組的慣例，在當前狀況下即可立即出售；(2)出售極可能發生，即已經就一項出售計劃作出決議且獲得確定的購買承諾，預計出售將在一年內完成。有關規定要求相關權力機構或者監管部門批准後方可出售的需要獲得相關批准。本集團將非流動資產或處置組首次劃分為持有待售類別前，按照相關會計準則規定計量非流動資產或處置組中各項資產和負債的賬面價值。初始計量或在資產負債表日重新計量持有待售的非流動資產或處置組時，其賬面價值高於公允價值減去出售費用後的淨額的，將賬面價值減記至公允價值減去出售費用後的淨額，減記的金額確認為資產減值損失，計入當期損益，同時計提持有待售資產減值準備。
 - (2) 本集團專為轉售而取得的非流動資產或處置組，在取得日滿足「預計出售將在一年內完成」的規定條件，且短期(通常為3個月)內很可能滿足持有待售類別的其他劃分條件的，在取得日將其劃分為持有待售類別。在初始計量時，比較假定其不劃分為持有待售類別情況下的初始計量金額和公允價值減去出售費用後的淨額，以兩者孰低計量。除企業合併中取得的非流動資產或處置組外，由非流動資產或處置組以公允價值減去出售費用後的淨額作為初始計量金額而產生的差額，計入當期損益。
 - (3) 本集團因出售對子公司的投資等原因導致喪失對子公司控制權的，無論出售後本集團是否保留部分權益性投資，在擬出售的對子公司投資滿足持有待售類別劃分條件時，在母公司個別財務報表中將對子公司投資整體劃分為持有待售類別，在合併財務報表中將子公司所有資產和負債劃分為持有待售類別。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

32. Held-for-sale (Continued)

- (4) If the net amount obtained by deducting the selling expenses from the fair value of non-current assets held for sale on the subsequent balance sheet date increases, the previous write-down amount shall be recovered and reversed from the asset impairment losses recognized after being classified as the held-for-sale assets, and the reversed amount shall be included in the current profits or losses. The asset impairment losses recognized before being classified as the held-for-sale assets shall not be reversed.

- (5) For the asset impairment losses recognized in the disposal group held for sale, the book value of the goodwill in the disposal group shall be deducted, and then the book value shall be deducted proportionately based on the proportion of the book value of each non-current asset.

If the net amount obtained by deducting the selling expenses from the fair value of disposal groups held for sale on the subsequent balance sheet date increases, the previous write-down amount shall be recovered and reversed from the asset impairment losses recognized in the non-current assets applicable to the relevant measurement rules after being classified as the held-for-sale assets, and the reversed amount shall be included in the current profits or losses. The book value of goodwill deducted and the asset impairment losses recognized in the non-current assets before being classified as the held-for-sale assets shall not be reversed.

For the subsequently reversed amount of asset impairment losses recognized in the disposal group held for sale, the book value shall be increased proportionately based on the proportion of the book value of each non-current asset other than the goodwill in the disposal group.

- (6) No depreciation or amortization is provided for non-current assets held for sale or non-current assets in the disposal group. The interest of liabilities and other expenses in the disposal group held for sale shall be recognized continuously.

- (7) When the non-current assets or disposal groups held for sale are not further classified as the held-for-sale assets or the non-current assets are removed from the disposal groups held for sale due to failure to meet the conditions for the held-for-sale assets, the measurement shall be conducted based on the lower of the following two: ① book value before being classified as the held-for-sale assets based on the amount of depreciation, amortization or impairment after adjustment that should be recognized in the case that assuming they are not classified as the held-for-sale assets; ② recoverable amount.

When the non-current assets or disposal groups held for sale are derecognized, the unrecognized gains or losses shall be included in the current profits or losses.

The Group presents the non-current assets held for sale or the assets in disposal groups held for sale as the "held-for-sale assets" and presents the liabilities in disposal groups held for sale as the "held-for-sale liabilities" in the balance sheet.

四、重要會計政策及會計估計(續)

32. 持有待售(續)

- (4) 後續資產負債表日持有待售的非流動資產公允價值減去出售費用後的淨額增加的，以前減記的金額應當予以恢復，並在劃分為持有待售類別後確認的資產減值損失金額內轉回，轉回金額計入當期損益。劃分為持有待售類別前確認的資產減值損失不得轉回。

- (5) 對於持有待售的處置組確認的資產減值損失金額，先抵減處置組中商譽的賬面價值，再根據各項非流動資產賬面價值所佔比重，按比例抵減其賬面價值。

後續資產負債表日持有待售的處置組公允價值減去出售費用後的淨額增加的，以前減記的金額應當予以恢復，並在劃分為持有待售類別後適用相關計量規定的非流動資產確認的資產減值損失金額內轉回，轉回金額計入當期損益。已抵減的商譽賬面價值，以及非流動資產在劃分為持有待售類別前確認的資產減值損失不得轉回。

持有待售的處置組確認的資產減值損失後續轉回金額，根據處置組中除商譽外，各項非流動資產賬面價值所佔比重，按比例增加其賬面價值。

- (6) 持有待售的非流動資產或處置組中的非流動資產不計提折舊或攤銷，持有待售的處置組中負債的利息和其他費用繼續予以確認。

- (7) 持有待售的非流動資產或處置組因不再滿足持有待售類別的劃分條件，而不再繼續劃分為持有待售類別或非流動資產從持有待售的處置組中移除時，按照以下兩者孰低計量：①劃分為持有待售類別前的賬面價值，按照假定不劃分為持有待售類別情況下本應確認的折舊、攤銷或減值等進行調整後的金額；②可收回金額。

終止確認持有待售的非流動資產或處置組時，將尚未確認的利得或損失計入當期損益。

本集團在資產負債表中將持有待售的非流動資產或持有待售的處置組中的資產列報於「持有待售資產」，將持有待售的處置組中的負債列報於「持有待售負債」。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

33. Termination of operation

Discontinued operation refers to a constituent part which has been disposed by the Group or is classified as the one held for sale by the Group and can be separately distinguished, and meets one of the following conditions: (1) such constituent part represents an independent main business or a separate main operation region; (2) such constituent part is a part of an associated plan to dispose an independent main business or a separate main operation region; (3) such constituent part is a subsidiary acquired exclusively for resale.

The Group presents the profits or losses from continuing operations and discontinued operations in the income statement. For non-current assets or disposal groups held for sale that do not meet the definition of discontinued operation, the impairment losses and reversed amounts as well as profits or losses of disposal shall be presented as the profits or losses from continuing operations. The profits or losses from discontinued operations such as impairment losses and reversed amounts, and the profits or losses of disposal shall be presented as the profits or losses from discontinued operations.

The disposal groups that are intended to be ended rather than sold and meet the conditions of relevant constituent parts in the definition of discontinued operation shall be presented as the discontinued operations from the date of their end of use.

For discontinued operations presented in the current period, the information originally presented as the profits or losses from continuing operations in the current financial statements shall be presented as the profits or losses from discontinued operations during comparable accounting periods again. If the discontinued operation does not meet the conditions for classification of held-for-sale assets, the information originally presented as the profits or losses from discontinued operations in the current financial statements shall be presented as the profits or losses from continuing operations during comparable accounting periods again.

34. Other significant accounting policies and accounting estimates

When preparing financial statements, the management shall apply estimate and assumption which will influence application of accounting policies and amount of assets, liabilities, income and expenses. And the actual fact might be different from the estimates. The management of the Group will continuously assess the judgment on the key assumption and uncertain factors involved in the estimates. Influence from change of accounting estimates shall be recognized in the current period and future period of change.

The following accounting estimates and key assumption suffer from significant risks for material adjustment on the book value of assets and liabilities in the future period.

33. 終止經營

終止經營，是指本集團滿足下列條件之一的、能夠單獨區分的組成部分，且該組成部分已經處置或劃分為持有待售類別：(1)該組成部分代表一項獨立的主要業務或一個單獨的主要經營地區；(2)該組成部分是擬對一項獨立的主要業務或一個單獨的主要經營地區進行處置的一項相關聯計劃的一部分；(3)該組成部分是專為轉售而取得的子公司。

本集團在利潤表中分別列示持續經營損益和終止經營損益。不符合終止經營定義的持有待售的非流動資產或處置組，其減值損失和轉回金額及處置損益作為持續經營損益列報。終止經營的減值損失和轉回金額等經營損益及處置損益作為終止經營損益列報。

擬結束使用而非出售且滿足終止經營定義中有關組成部分的條件的處置組，自其停止使用日起作為終止經營列報。

對於當期列報的終止經營，在當期財務報表中，原來作為持續經營損益列報的信息被重新作為可比會計期間的終止經營損益列報。終止經營不再滿足持有待售類別劃分條件的，在當期財務報表中，原來作為終止經營損益列報的信息被重新作為可比會計期間的持續經營損益列報。

34. 其他重要的會計政策和會計估計

編製財務報表時，本集團管理層需要運用估計和假設，這些估計和假設會對會計政策的應用及資產、負債、收入及費用的金額產生影響。實際情況可能與這些估計不同。本集團管理層對估計涉及的關鍵假設和不確定性因素的判斷進行持續評估。會計估計變更的影響在變更當期和未來期間予以確認。

下列會計估計及關鍵假設存在導致未來期間的資產及負債賬面值發生重大調整的重要風險。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

34. Other significant accounting policies and accounting estimates (Continued)

(1) Impairment for receivables

In accordance with the provisions of the *Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments*, the Group applies a simplified approach to the receivables (including notes receivable, accounts receivable, interest receivable, dividends receivable and other receivables) specified in the *Accounting Standards for Business Enterprises No. 14 – Revenue* that do not contain significant financing components (including the financing components in contracts not exceeding one year according to the Standards), and always measures its loss provision according to the amount of expected credit losses throughout its life based on expected credit losses.

The Group considers the possibility of bad debts in the initial recognition of receivables, and determines whether the credit risk of financial instruments increases significantly by comparing the default probability in the expected duration determined at the initial recognition with the default probability in the expected duration determined at each balance sheet date. In determining whether the credit risk has increased significantly since the initial recognition, the Group considers reasonable and reliable information, including forward-looking information that can be obtained without unnecessary extra costs or efforts. The information considered by the Group includes macroeconomic information and credit policies. If all the assumptions used are compared and the estimation changes, the change will affect the loss provision of receivables during the estimation change period.

(2) Provision for impairment of inventories

The Group will regularly estimate realizable net value of estimated inventory, and recognize loss of falling price of inventory as per the positive balance between the cost of inventory and realizable net value. When the Group estimates the net realizable value, it will recognize the realizable value as per the amount after deducting the estimated cost of completion, estimated selling expenses and relevant taxes from the estimated sale price of similar inventories. When the actual selling price or cost is different from the previous estimate, the management will adjust accordingly the realizable net value. Therefore, the result estimated based on the current experience may be different from the actual result, resulting in the adjustment of the book value of inventory in the balance sheet. So the amount for the provision for falling price of inventory may be changed due to the above reason. The adjustment for the provision of falling price of inventory will affect the current profits and losses of estimate change.

四、重要會計政策及會計估計(續)

34. 其他重要的會計政策和會計估計(續)

(1) 應收款項減值

本集團根據《企業會計準則第22號—金融工具確認和計量》的規定應用簡化處理的方式，對於《企業會計準則第14號—收入》所規定的、不含重大融資成分(包括根據該準則不考慮不超過一年的合同中融資成分的情況)的應收款項(包括應收票據、應收賬款、應收利息、應收股利和其他應收款)，以預期信用損失為基礎，始終按照整個存續期內預期信用損失的金額計量其損失準備。

本集團在應收款項初始確認時考慮壞賬的可能性，通過比較在初始確認時所確定的預計存續期內的違約概率與該工具在每個資產負債表日所確定的預計存續期內的違約概率，來判定金融工具信用風險是否顯著增加。在確定信用風險自初始確認後是否顯著增加時，本集團考慮無須付出不必要的額外成本或努力即可獲得的合理且有依據的信息，包括前瞻性信息。本集團考慮的信息包括宏觀經濟信息、信用政策等。如果比較所有使用的假設及估計發生變化，該變化將會影響估計改變期間的應收款項的損失準備。

(2) 存貨減值準備

本集團定期估計存貨的可變現淨值，並對存貨成本高於可變現淨值的差額確認存貨跌價損失。本集團在估計存貨的可變現淨值時，以同類貨物的預計售價減去完工時將要發生的成本、銷售費用以及相關稅費後的金額確定。當實際售價或成本費用與以前估計不同時，管理層將會對可變現淨值進行相應的調整。因此根據現有經驗進行估計的結果可能會與之後實際結果有所不同，可能導致對資產負債表中的存貨賬面價值的調整。因此存貨跌價準備的金額可能會隨上述原因而發生變化。對存貨跌價準備的調整將影響估計變更當期的損益。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

34. Other significant accounting policies and accounting estimates (Continued)

(3) Accounting estimate of impairment provision for goodwill

The Group conducts impairment test on goodwill every year. The recoverable amount of the asset group and combination of asset groups including goodwill is the present value of the estimated future cash flow, and it shall be calculated by employing accounting estimates.

If the gross margin used in the calculation of the future cash flow in the asset group and combination of asset groups is amended by the management and the gross margin after amendment is below the current one, then the Group will increase impairment provision for the goodwill.

If the pretax discount rate applied in the discounted cash flow is revised by the management and the pretax discount rate is above the current one, then the Group will increase impairment provision for the goodwill.

If the actual gross margin or pretax discount rate is above or below the estimate of the management, the Group cannot reverse the impairment provision for the goodwill that have been accrued.

(4) Accounting estimate for impairment provision for fixed assets

The Group will conduct impairment test on the fixed assets, like plant & buildings, machinery equipment on the balance sheet date that have the indication of impairment. If the recoverable amount of fixed asset is the higher one of the present value of the estimated future cash flow and fair value of the assets minus the disposal expense, it shall be calculated by employing accounting estimates.

If the gross margin used in the calculation of the future cash flow in the asset group and combination of asset groups is amended by the management and the gross margin after amendment is below the current one, then the Group will increase impairment provision for the fixed assets.

If the pretax discount rate applied in the discounted cash flow is revised by the management and the pretax discount rate is above the current one, then the Group will increase impairment provision for the fixed assets.

If the actual gross margin or pretax discount rate is above or below the estimate of the management, the Group cannot reverse the impairment provision for the fixed assets that have been accrued.

四、重要會計政策及會計估計(續)

34. 其他重要的會計政策和會計估計(續)

(3) 商譽減值準備的會計估計

本集團每年對商譽進行減值測試。包含商譽的資產組和資產組組合的可收回金額為其預計未來現金流量的現值，其計算需要採用會計估計。

如果管理層對資產組和資產組組合未來現金流量計算中採用的毛利率進行修訂，修訂後的毛利率低於目前採用的毛利率，本集團需對商譽增加計提減值準備。

如果管理層對應用於現金流量折現的稅前折現率進行重新修訂，修訂後的稅前折現率高於目前採用的折現率，本集團需對商譽增加計提減值準備。

如果實際毛利率或稅前折現率高於或低於管理層的估計，本集團不能轉回原已計提的商譽減值損失。

(4) 固定資產減值準備的會計估計

本集團在資產負債表日對存在減值跡象的房屋建築物、機器設備等固定資產進行減值測試。固定資產的可收回金額為其預計未來現金流量的現值和資產的公允價值減去處置費用後的淨額中較高者，其計算需要採用會計估計。

如果管理層對資產組和資產組組合未來現金流量計算中採用的毛利率進行修訂，修訂後的毛利率低於目前採用的毛利率，本集團需對固定資產增加計提減值準備。

如果管理層對應用於現金流量折現的稅前折現率進行重新修訂，修訂後的稅前折現率高於目前採用的折現率，本集團需對固定資產增加計提減值準備。

如果實際毛利率或稅前折現率高於或低於管理層估計，本集團不能轉回原已計提的固定資產減值準備。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

34. Other significant accounting policies and accounting estimates (Continued)

(5) Accounting Estimate for Recognition of Deferred Income Tax Assets

For the estimate of the deferred income tax assets, it is required to estimate the taxable income and applicable tax rate of each year. The realization of the deferred income tax assets depends on the possibility of the company's obtaining adequate taxable income in the future. The change of the future tax rate and the reverse time of the temporary balance may also affect the income tax expense(profits) and the balance of deferred income tax. The change in the above estimate may lead to the significant adjustment of the deferred income tax.

(6) Service Life for Fixed Assets and Intangible Assets

The Group shall check the expected service life of fixed assets and intangible assets at least at the end of each year. The expected service life is determined by the management based on the similar asset history and referring to the estimates applied generally by the same industry and combination of the expected technology update. When the past estimates have been materially changed, the depreciation cost and amortization cost of future period shall be adjusted accordingly.

(7) Accounting Estimates for Product Quality Assurance

The Group shall estimate the quality assurance responsibility for the products with a guarantee period on the balance sheet date, and the provision for the after-sale service expense is based on the 4.25% of the operation revenue of the product in the current year. The estimated provision proportion is determined by the management based on the years of liability for the quality assurance under the sales contract and historical experience. When the past estimates have been materially changed, the future after-sales service expense shall be adjusted accordingly.

四、重要會計政策及會計估計(續)

34. 其他重要的會計政策和會計估計(續)

(5) 遞延所得稅資產確認的會計估計

遞延所得稅資產的估計需要對未來各個年度的應納稅所得額及適用的稅率進行估計。遞延所得稅資產的實現取決於公司未來是否很可能獲得足夠的應納稅所得額。未來稅率的變化和暫時性差異的轉回時間也可能影響所得稅費用(收益)以及遞延所得稅的餘額。上述估計的變化可能導致對遞延所得稅的重要調整。

(6) 固定資產、無形資產的可使用年限

本集團至少於每年年度終了，對固定資產和無形資產的預計使用壽命進行覆核。預計使用壽命是管理層基於同類資產歷史經驗、參考同行業普遍所應用的估計並結合預期技術更新而決定的。當以往的估計發生重大變化時，則相應調整未來期間的折舊費用和攤銷費用。

(7) 產品質量保證的會計估計

本集團在資產負債表日對有質保期的產品質量保證責任進行預計，按照該產品當年度營業收入的4.25%計提售後服務費。預計計提比例是管理層基於銷售合同中對質量保證責任的承擔年限和歷史經驗而決定的。當以往的估計發生重大變化時，則相應調整未來期間的售後服務費用。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

35. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

According to the *Notice of the Ministry of Finance on Revising and Issuing the Format of Financial Statements for General Enterprises in 2018* (CK [2018] No. 15), the format of financial statements for general enterprises has been revised in light of the implementation of new financial standards or new revenue standards in phases starting from January 01, 2018. The Group has implemented the Notice as required and adjusted the comparative financial statements in accordance with the convergence provisions of the Notice.

(2) Relevant items in the financial statements at the beginning of the year upon first implementation of the new financial instrument standards or the adjustment of the new revenue standards

In 2017, the Ministry of Finance successively revised and issued the *Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments* (CK [2017] No. 7), *Accounting Standards for Business Enterprises No. 23 – Transfer of Financial Assets* (CK [2017] No. 8), *Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments* (CK [2017] No. 14) and *Accounting Standards for Business Enterprises No. 24 – Hedge Accounting* (CK [2017] No. 9), which came into effect on January 01, 2018. The Ministry of Finance revised and issued the *Accounting Standards for Business Enterprises No. 14 – Revenue* (CK [2017] No. 22) in July 2017. The Group is a listed enterprise both at home and abroad. In preparing the 2018 financial statements, the relevant accounting standards were implemented and handled in accordance with the relevant linking regulations.

Relevant items in the financial statements at the beginning of the year upon first implementation of the new financial instrument standards or the adjustment of the new revenue standards are explained as follows:

四、重要會計政策及會計估計(續)

35. 重要會計政策和會計估計變更

(1) 重要會計政策變更

根據財政部《關於修訂印發2018年度一般企業財務報表格式的通知》(財會[2018]15號)，針對2018年1月1日起分階段實施新金融準則或新收入準則的有關情況，對一般企業財務報表格式進行了修訂。本集團已按要求執行該通知，並按照通知的銜接規定對比較財務報表進行調整。

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年初財務報表相關項目情況

財政部於2017年陸續修訂印發了《企業會計準則第22號—金融工具確認和計量》(財會[2017]7號)、《企業會計準則第23號—金融資產轉移》(財會[2017]8號)、《企業會計準則第37號—金融工具列報》(財會[2017]14號)和《企業會計準則第24號—套期會計》(財會[2017]9號)，自2018年1月1日起施行。財政部於2017年7月修訂印發了《企業會計準則第14號—收入》(財會[2017]22號)，本集團屬於在境內外同時上市的企業，在編製2018年度財務報表時，執行了相關會計準則，並按照有關的銜接規定進行了處理。

首次執行新金融工具準則、新收入準則調整首次執行當年初財務報表相關項目說明如下：

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

35. Changes in significant accounting policies and accounting estimates (Continued)

35. 重要會計政策和會計估計變更(續)

(2) Relevant items in the financial statements at the beginning of the year upon first implementation of the new financial instrument standards or the adjustment of the new revenue standards (Continued)

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年年初財務報表相關項目情況(續)

1) Consolidated balance sheet

1) 合併資產負債表

Item	項目	December 31, 2017 2017年12月31日	January 01, 2018 2018年1月1日	Adjusted Amount 調整數
Unit: RMB 單位: 元				
Current assets:	流動資產:			
Cash at bank and on hand	貨幣資金	78,367,503.16	78,367,503.16	0.00
Settlement reserve	結算備付金			
Loans to banks and other financial institutions	拆出資金			
Financial assets held for trading	交易性金融資產		N/A 不適用	
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融資產			
Derivative financial assets	衍生金融資產			
Notes receivable and accounts receivable	應收票據及應收賬款	382,745,366.93	366,466,332.94	-16,279,033.99
Including: Notes receivable	其中: 應收票據	27,812,323.12	27,812,323.12	0.00
Accounts receivable	應收賬款	354,933,043.81	338,654,009.82	-16,279,033.99
Advances to suppliers	預付款項	49,912,905.26	49,912,905.26	0.00
Premiums receivable	應收保費			
Reinsurance premium receivable	應收分保賬款			
Reinsurance contract reserves receivable	應收分保合同準備金			
Other receivables	其他應收款	12,891,300.46	12,982,849.89	91,549.43
Including: Interest receivable	其中: 應收利息	0.00	0.00	0.00
Dividends receivable	應收股利	8,756,869.09	8,756,869.09	0.00
Financial assets purchased under agreements to resell	買入返售金融資產			
Inventories	存貨	389,219,002.78	389,219,002.78	0.00
Contractual assets	合同資產	N/A 不適用		
Held-for-sale assets	持有待售資產			
Current portion of non-current assets	一年內到期的非流動資產			
Other current assets	其他流動資產	56,240,621.78	56,240,621.78	0.00
Total current assets	流動資產合計	969,376,700.37	953,189,215.81	-16,187,484.56
Non-current assets:	非流動資產:			
Offering Loans and Advances in Cash	發放貸款和墊款			
Debt investment	債權投資	N/A 不適用		
Available-for-sale financial assets	可供出售金融資產		N/A 不適用	
Other debt investments	其他債權投資	N/A 不適用		
Held-to-maturity investments	持有至到期投資		N/A 不適用	
Long-term receivables	長期應收款			
Long-term equity investments	長期股權投資	71,694,482.47	71,694,482.47	0.00
Other equity instruments investment	其他權益工具投資	N/A 不適用		
Other non-current financial assets	其他非流動金融資產	N/A 不適用		
Investment properties	投資性房地產			
Fixed assets	固定資產	657,289,324.75	657,289,324.75	0.00
Construction in progress	在建工程	68,468,558.01	68,468,558.01	0.00
Bearer biological assets	生產性生物資產			
Oil and gas assets	油氣資產			
Intangible assets	無形資產	139,749,967.30	139,749,967.30	0.00
Development expenditures	開發支出			
Goodwill	商譽	3,679,654.40	3,679,654.40	0.00
Long-term deferred expenses	長期待攤費用	14,514,756.50	14,514,756.50	0.00
Deferred income tax assets	遞延所得稅資產	288,577.32	288,189.68	-387.64
Other non-current assets	其他非流動資產			
Total non-current assets	非流動資產合計	955,685,320.75	955,684,933.11	-387.64
Total assets	資產總計	1,925,062,021.12	1,908,874,148.92	-16,187,872.20

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

35. Changes in significant accounting policies and accounting estimates (Continued)

35. 重要會計政策和會計估計變更(續)

(2) Relevant items in the financial statements at the beginning of the year upon first implementation of the new financial instrument standards or the adjustment of the new revenue standards (Continued)

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年年初財務報表相關項目情況(續)

1) Consolidated balance sheet (Continued)

1) 合併資產負債表(續)

Item	項目	December 31, 2017 2017年12月31日	January 01, 2018 2018年1月1日	Unit: RMB 單位: 元 Adjusted Amount 調整數
Current liabilities:	流動負債:			
Short-term borrowings	短期借款	285,000,000.00	285,000,000.00	0.00
Borrowings from the central bank	向中央銀行借款			
Deposits and placements from other financial institutions	吸收存款及同業存放			
Placements from banks and other financial institutions	拆入資金			
Trading financial liabilities	交易性金融負債	N/A 不適用		
Financial liabilities at fair value through profit or loss	以公允價值計量且其變動計入當期損益的金融負債		N/A 不適用	
Derivative financial liabilities	衍生金融負債			
Notes payable and accounts payable	應付票據及應付帳款	260,850,663.86	260,850,663.86	0.00
Advances from customers	預收款項	45,878,250.70	0.00	-45,878,250.70
Contractual liabilities	合同負債	N/A 不適用	45,878,250.70	45,878,250.70
Financial assets sold under agreements to repurchase	賣出回購金融資產款			
Fees and commissions payable	應付手續費及佣金			
Employee benefits payable	應付職工薪酬	36,862,542.56	36,862,542.56	0.00
Taxes payable	應交稅費	16,683,209.97	16,683,209.97	0.00
Other payables	其他應付款	90,988,717.35	90,988,717.35	0.00
Including: Interest payable	其中: 應付利息	446,534.71	446,534.71	0.00
Dividends payable	應付股利	0.00	0.00	0.00
Reinsurance amounts payable	應付分保賬款			
Securities brokering	代理買賣證券款			
Securities underwriting	代理承銷證券款			
Held-for-sale liabilities	持有待售負債			
Non-current liabilities due within one year	一年內到期的非流動負債	11,000,000.00	11,000,000.00	0.00
Other current liabilities	其他流動負債	5,380,893.08	5,380,893.08	0.00
Total current liabilities	流動負債合計	752,644,277.52	752,644,277.52	0.00
Non-current liabilities:	非流動負債:			
Reserve of insurance contract	保險合同準備金			
Long-term borrowings	長期借款	5,060,000.00	5,060,000.00	0.00
Bonds payable	應付債券			
Including: Preferred shares	其中: 優先股			
Perpetual bond	永續債			
Long-term payables	長期應付款	103,900,000.00	103,900,000.00	0.00
Long-term employee benefits payable	長期應付職工薪酬	32,871,892.94	32,871,892.94	0.00
Provisions	預計負債	4,243,554.25	4,243,554.25	0.00
Deferred incomes	遞延收益	2,000,000.00	2,000,000.00	0.00
Deferred income tax liabilities	遞延所得稅負債			
Other non-current liabilities	其他非流動負債			
Total non-current liabilities	非流動負債合計	148,075,447.19	148,075,447.19	0.00

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

四、重要會計政策及會計估計(續)

35. Changes in significant accounting policies and accounting estimates (Continued)

35. 重要會計政策和會計估計變更(續)

(2) Relevant items in the financial statements at the beginning of the year upon first implementation of the new financial instrument standards or the adjustment of the new revenue standards (Continued)

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年年初財務報表相關項目情況(續)

1) Consolidated balance sheet (Continued)

1) 合併資產負債表(續)

Item	項目	December 31, 2017 2017年12月31日	January 01, 2018 2018年1月1日	Unit: RMB 單位：元 Adjusted Amount 調整數
Total liabilities	負債合計	900,719,724.71	900,719,724.71	0.00
Owner's equity:	所有者權益：			
Capital stock	股本	422,000,000.00	422,000,000.00	0.00
Other equity instruments	其他權益工具			
Including: Preferred shares	其中：優先股			
Perpetual bond	永續債			
Capital reserves	資本公積	687,349,089.60	687,349,089.60	0.00
Less: treasury stocks	減：庫存股			
Other comprehensive incomes	其他綜合收益	1,154,074.87	1,154,074.87	0.00
Special reserves	專項儲備			
Surplus reserves	盈餘公積	45,665,647.68	45,665,647.68	0.00
Provisions for general risk	一般風險準備			
Undistributed profit	未分配利潤	-567,793,525.60	-584,245,058.29	-16,451,532.69
Total owners' equity attributable to parent company	歸屬於母公司所有者權益合計	588,375,286.55	571,923,753.86	-16,451,532.69
Non-controlling interest	少數股東權益	435,967,009.86	436,230,670.35	263,660.49
Total owners' equity	所有者權益合計	1,024,342,296.41	1,008,154,424.21	-16,187,872.20
Total liabilities and shareholders' equity	負債和所有者權益總計	1,925,062,021.12	1,908,874,148.92	-16,187,872.20

Note 1: The adjustment of the Group's consolidated balance sheet is due to the implementation of the new financial instrument standards. The loss provision of receivables (including notes receivable, accounts receivable, interest receivable, dividends receivable and other receivables) is measured according to the expected credit loss model. The impairment provision of receivables and the impact of deferred income tax assets are adjusted accordingly.

註1：本集團合併資產負債表調整系因執行新金融工具準則，按照預期信用損失模型計量應收款項（包括應收票據、應收賬款、應收利息、應收股利、其他應收款）的損失準備，相應調整應收款項減值準備和遞延所得稅資產的影響。

Note 2: Due to the implementation of the new revenue standard, the Group will adjust the amount received before the transfer of promised goods from "advance from customers" to "contractual liabilities" after the start of the contract between the Group and customers.

註2：本集團因執行新收入準則，在本集團與客戶訂立的合同開始日後，將在轉讓承諾的商品之前已收取的款項從「預收賬款」調整至「合同負債」核算。

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IV. Significant Accounting Policies and Accounting Estimates (Continued)

35. Changes in significant accounting policies and accounting estimates (Continued)

(2) **Relevant items in the financial statements at the beginning of the year upon first implementation of the new financial instrument standards or the adjustment of the new revenue standards (Continued)**

2) **Balance sheet of parent company**

The Company's implementation of the new financial instrument standards and the new revenue standards will not affect the parent company's financial statements.

(3) **Change of Significant Accounting Estimate**
None.

四、重要會計政策及會計估計(續)

35. 重要會計政策和會計估計變更(續)

(2) 首次執行新金融工具準則或新收入準則調整首次執行當年年初財務報表相關項目情況(續)

2) **母公司資產負債表**
本公司執行新金融工具準則和新收入準則對母公司財務報表不產生影響。

(3) **重要的會計估計變更**
無。

V. Taxes

1. Main taxes and tax rates

Tax category 稅種	Taxation basis 計稅依據	Tax rate 稅率
Value-added tax 增值稅	Taxable added value 應納稅增值額	16%、6%、5%、0%
City maintenance and construction tax 城市維護建設稅	VAT payable 應納增值稅額	5%、7%
Education surcharge 教育費附加	VAT payable 應納增值稅額	3%
Local education surcharge 地方教育費附加	VAT payable 應納增值稅額	2%
Property tax 房產稅	70%-80% of the original house property value and income from house property leasing 房產原值的70%-80%和房產租賃收入	1.2% and 12%
Corporate income tax 企業所得稅	Taxable income 應納稅所得額	25%
Hong Kong profits tax 香港利得稅	Taxable income 應納稅所得額	16.50%
Corporate income tax (USA) 美國企業所得稅	Taxable income 應納稅所得額	Excess progressive of tax rate 超額累計稅率

五、稅項

1. 主要稅種及稅率

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V. Taxes (Continued)

1. Main taxes and tax rates

Taxpayer's description of the tax rate of different business income tax:

Names of the taxpayer	納稅主體名稱	Income tax rate 所得稅稅率
The Company	本公司	25%
Beijing Tianhai Industry Co., Ltd.	北京天海工業有限公司	15%
Tianjin Tianhai High Pressure Container Co., Ltd.	天津天海高壓容器有限責任公司	25%
Shanghai Tianhai Composite Cylinders Co., Ltd.	上海天海複合氣瓶有限公司	25%
Beijing Tianhai Cryogenic Equipment Co., Ltd.	北京天海低溫設備有限公司	15%
Beijing Pioneer Up Lifter Co., Ltd.	北京攀尼高空作業設備有限公司	25%
Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd.	北京明暉天海氣體儲運裝備銷售有限公司	25%
Kuancheng Tianhai Pressure Container Co., Ltd.	寬城天海壓力容器有限公司	25%
BTIC AMERICA CORPORATION	BTIC AMERICA CORPORATION (天海美洲公司)	Progressive tax rate 累進制稅率
Jingcheng Holding (Hong Kong) Co., Ltd.	京城控股(香港)有限公司	16.50%

BTIC AMERICA CORPORATION is a company incorporated in America, whose corporate income tax is based on the surtax system, and the tax rate of taxable income ranges from 15% to 39%.

五、稅項(續)

1. 主要稅種及稅率

不同企業所得稅稅率納稅主體說明：

BTIC AMERICA CORPORATION (天海美洲公司) 為在美國註冊的公司，其企業所得稅採取超額累計稅率，不同應納稅所得額的稅率從 15%-39% 不等。

2. Tax preference

Beijing Tianhai Industry Co., Ltd, a subsidiary of the Company, has obtained the High-tech Enterprise Certificate on December 22, 2016 jointly issued by Beijing Municipal Science & Technology Commission, Finance Bureau of Beijing Municipality, Beijing Municipal Office of SAT and Beijing Local Taxation Bureau, with the Certificate No. GR201611003805. The validity of the certificate is three years. The provision for corporate income tax for the time being is based on the 15% of its preferential tax rate for the year 2018.

Beijing Tianhai Cryogenic Equipment Co., Ltd., a subsidiary of the Company, has obtained the High-tech Enterprise Certificate on December 22, 2016 jointly issued by Beijing Municipal Science & Technology Commission, Finance Bureau of Beijing Municipality, Beijing Municipal Office of SAT and Beijing Local Taxation Bureau, with the Certificate No. GR201611004210. The validity of the certificate is three years. The provision for corporate income tax for the time being is based on the 15% of its preferential tax rate for the year 2018.

2. 稅收優惠

本公司之子公司北京天海工業有限公司 2016年12月22日取得由北京市科學技術委員會、北京市財政局、北京市國家稅務局、北京市地方稅務局聯合頒發的證書號為GR201611003805的高新技術企業證書，證書有效期為三年，2018年按15%的企業所得稅優惠稅率計提企業所得稅。

本公司之子公司北京天海低溫設備有限公司於2016年12月22日取得了北京市科學技術委員會、北京市財政局、北京市國家稅務局、北京市地方稅務局聯合頒發的編號為GR201611004210的高新技術企業證書，證書有效期為三年，2018年按15%的企業所得稅優惠稅率計提企業所得稅。

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VI. Notes to Main Items in Consolidated Financial Statements

Unless otherwise stated, among the following disclosed data in the financial statements, "opening" refers to January 01, 2018; "closing" refers to December 31, 2018; "current year" refers to the period from January 01 to December 31, 2018; "previous year" refers to the period from January 01 to December 31, 2017; and the monetary unit is RMB.

1. Cash at bank and on hand

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Cash on hand	庫存現金	92,197.03	123,064.28
Cash in bank	銀行存款	46,569,924.31	76,744,438.88
Other cash at bank and on hand	其他貨幣資金	14,500,000.00	1,500,000.00
Including: total amount deposited abroad	其中: 存放在境外的款項總額	5,862,523.66	6,204,233.42
Total	合計	61,162,121.34	78,367,503.16

Note: Other cashes at bank and on hand are the deposits of bank acceptance notes with limited use.

六、合併財務報表主要項目註釋

下列所披露的財務報表數據,除特別註明之外,「年初」系指2018年1月1日,「年末」系指2018年12月31日,「本年」系指2018年1月1日至12月31日,「上年」系指2017年1月1日至12月31日,貨幣單位為人民幣元。

1. 貨幣資金

註: 其他貨幣資金為銀行承兌匯票保證金,使用受限。

2. Notes receivable and accounts receivable

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Notes receivable	應收票據	23,161,071.50	27,812,323.12
Accounts receivable	應收賬款	223,093,594.17	338,654,009.82
Total	合計	246,254,665.67	366,466,332.94

2.1 Notes receivable

(1) Classified presentation of notes receivable

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Bank acceptance notes	銀行承兌匯票	23,161,071.50	27,812,323.12
Commercial acceptance bills	商業承兌匯票	0.00	0.00
Total	合計	23,161,071.50	27,812,323.12

(2) Notes receivable which have not been pledged at the end of the year

(3) Notes receivable which have been endorsed or discounted but not yet expired on the balance sheet date at the end of the year

2.1 應收票據

(1) 應收票據分類列示

(2) 年末無用於質押的應收票據。

(3) 年末已經背書或貼現且在資產負債表日尚未到期的應收票據

Item	項目	Closing derecognized amount 年末終止確認金額	Closing underecognized amount 年末未終止確認金額
Bank acceptance notes	銀行承兌匯票	271,461,022.09	0.00
Commercial acceptance bills	商業承兌匯票	0.00	0.00
Total	合計	271,461,022.09	0.00

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

2. Notes receivable and accounts receivable (Continued)

2.1 Notes receivable (Continued)

(4) Notes to be transferred for accounts receivable due to the drawer's inability of performance at the end of the year.

(5) Presentation by bad debt accrual method

六、合併財務報表主要項目註釋(續)

2. 應收票據及應收賬款(續)

2.1 應收票據(續)

(4) 年末無因出票人未履約而將其轉應收賬款的票據。

(5) 按壞賬計提方法分類列示

Category	類別	Book balance		Closing balance		Book value
		Amount	Proportion (%)	Amount	Proportion (%)	
		金額	比例(%)	金額	計提比例(%)	賬面價值
Bad debt provision made individually	按單項計提壞賬準備	23,161,071.50	100.00	0.00	0.00	23,161,071.50
Bad debt provision made as per portfolio	按組合計提壞賬準備	0.00	0.00	0.00	0.00	0.00
Total	合計	23,161,071.50	100.00	0.00	0.00	23,161,071.50

(Con't)

(續表)

Category	類別	Book balance		Opening balance		Book value
		Amount	Proportion (%)	Amount	Proportion (%)	
		金額	比例(%)	金額	計提比例(%)	賬面價值
Bad debt provision made individually	按單項計提壞賬準備	27,812,323.12	100.00	0.00	0.00	27,812,323.12
Bad debt provision made as per portfolio	按組合計提壞賬準備	0.00	0.00	0.00	0.00	0.00
Total	合計	27,812,323.12	100.00	0.00	0.00	27,812,323.12

1) Bad debt provision for notes receivable made individually

1) 按單項計提應收票據壞賬準備

Name	名稱	Closing balance			Reasons for provision
		Book balance	Bad debt provision	Provision proportion (%)	
		賬面餘額	壞賬準備	計提比例(%)	計提理由
Bank acceptance notes	銀行承兌匯票	23,161,071.50	0.00	0.00	No credit impairment occurs 未發生信用減值

(6) There is bad debt provision for notes receivable withdrawn, recovered or reversed this year.

(6) 本年無計提、收回、轉回的應收票據壞賬準備。

(7) There is no notes receivable actually written off in the year.

(7) 本年無實際核銷的應收票據。

(8) The closing receivable notes mentioned above are aged within 365 days

(8) 本集團上述期末應收票據的賬齡在365天之內。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

2. Notes receivable and accounts receivable (Continued)

2.2 Accounts receivable

Item	項目名稱	Closing balance 年末餘額	Opening balance 年初餘額
Accounts receivable	應收賬款	274,653,919.11	387,475,764.82
Less: bad debt provision	減: 壞賬準備	51,560,324.94	48,821,755.00
Net amount	淨額	223,093,594.17	338,654,009.82

(1) Classified presentation of accounts receivable by bad debt accrual method

		Book balance 賬面餘額		Closing balance 年末餘額		Book value 賬面價值
		Amount 金額	Proportion (%) 比例(%)	Bad debt provision 壞賬準備		
				Amount 金額	Provision proportion (%) 計提比例 (%)	
Accounts receivable with significant single amount and bad debt provision made individually	單項金額重大並單項計提壞賬準備的應收賬款	0.00	0.00	0.00	0.00	0.00
Accounts receivable with bad debt provision made by portfolio of credit risk features	按信用風險特徵組合計提壞賬準備的應收賬款	243,363,798.69	88.61	20,270,204.52	-	223,093,594.17
Including: portfolio by ageing	其中: 賬齡組合	243,363,798.69	88.61	20,270,204.52	8.33	223,093,594.17
Accounts receivable with insignificant single amount but bad debt provision made individually	單項金額不重大但單項計提壞賬準備的應收賬款	31,290,120.42	11.39	31,290,120.42	100.00	0.00
Total	合計	274,653,919.11	100.00	51,560,324.94	-	223,093,594.17

(Con't)

(續表)

Category	類別	Book balance 賬面餘額		Opening balance 年初餘額		Book value 賬面價值
		Amount 金額	Proportion (%) 比例(%)	Bad debt provision 壞賬準備		
				Amount 金額	Provision proportion (%) 計提比例 (%)	
Accounts receivable with significant single amount and bad debt provision made individually	單項金額重大並單項計提壞賬準備的應收賬款	0.00	0.00	0.00	0.00	0.00
Accounts receivable with bad debt provision made by portfolio of credit risk features	按信用風險特徵組合計提壞賬準備的應收賬款	355,022,774.44	91.62	16,368,764.62	-	338,654,009.82
Including: portfolio by ageing	其中: 賬齡組合	355,022,774.44	91.62	16,368,764.62	4.61	338,654,009.82
Accounts receivable with insignificant single amount but bad debt provision made individually	單項金額不重大但單項計提壞賬準備的應收賬款	32,452,990.38	8.38	32,452,990.38	100.00	0.00
Total	合計	387,475,764.82	100.00	48,821,755.00	-	338,654,009.82

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

2. Notes receivable and accounts receivable (Continued)

2.2 Accounts receivable (Continued)

- 1) In portfolio, accounts receivable with provision for bad debts drawn by aging analysis

Aging	賬齡
Within one year	一年以內
One to two years	一年至二年
Two to three years	二年至三年
Three to four years	三年至四年
Four to five years	四年至五年
More than five years	五年以上
Total	合計

(Con't)

Aging	賬齡
Within one year	1年以內
One to two years	1年至2年
Two to three years	2年至3年
Three to four years	3年至4年
Four to five years	4年至5年
More than five years	5年以上
Total	合計

六、合併財務報表主要項目註釋(續)

2. 應收票據及應收賬款(續)

2.2 應收賬款(續)

- 1) 組合中,按賬齡分析法計提壞賬準備的應收賬款

	Closing balance 年末餘額		
	Accounts receivable 應收賬款	Bad debt provision 壞賬準備	Provision proportion (%) 計提比例(%)
Within one year	190,894,343.48	1,775,317.41	0.93
One to two years	14,881,804.84	1,151,851.69	7.74
Two to three years	17,382,716.67	2,746,469.23	15.80
Three to four years	3,986,371.85	1,530,766.79	38.40
Four to five years	9,739,766.62	6,587,004.17	67.63
More than five years	6,478,795.23	6,478,795.23	100.00
Total	243,363,798.69	20,270,204.52	-

(續表)

	Opening balance 年初餘額		
	Accounts receivable 賬面餘額	Bad debt provision 壞賬準備	Provision proportion (%) 計提比例(%)
Within one year	305,130,474.10	2,837,713.43	0.93
One to two years	24,142,635.18	1,868,639.96	7.74
Two to three years	6,176,185.26	975,837.27	15.80
Three to four years	12,591,371.44	4,835,086.63	38.40
Four to five years	3,492,805.46	2,362,184.33	67.63
More than five years	3,489,303.00	3,489,303.00	100.00
Total	355,022,774.44	16,368,764.62	-

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

2. Notes receivable and accounts receivable (Continued)

2.2 Accounts receivable (Continued)

- 2) In portfolio, Accounts receivable with insignificant single amount but bad debt provision made individually

2. 應收票據及應收賬款(續)

2.2 應收賬款(續)

- 2) 組合中,按單項金額不重大但單項計提壞賬準備的應收賬款

Name	名稱	Accounts receivable 應收賬款	Aging 賬齡	Closing balance 年末餘額		Reasons for provision 計提理由
				Bad debt provision 壞賬準備	Provision proportion (%) 計提比例(%)	
Jilin Province Jingwei New energy technology Co.,Ltd	吉林省經緯新能源科技有限公司	610,000.00	2-3years 兩至三年	610,000.00	100.00	
Guiyang Shengqing Trading Co., Ltd.	貴陽盛青貿易有限公司	613,598.66	3-5 years 三至五年	613,598.66	100.00	
Baotou Xinneng Science and Technology Co., Ltd.	包頭市鑫能科技有限責任公司	643,425.00	Over 5 years 五年以上	643,425.00	100.00	
Beijing Shengbao Liyuan Technology Co., Ltd.	北京生寶力源科技有限公司	666,300.00	3-4 years 三至四年	666,300.00	100.00	
Shijiazhuang North Hardware Mechanical and Electrical Co., Ltd.	石家莊市北方五金機電有限公司	685,864.81	1-5 years	685,864.81	100.00	
Xinjiang Zhongzheng Chenbang Gas Co., Ltd.	新疆中正琛邦氣體有限公司	961,666.50	一至五年 2-5 years 兩至五年	961,666.50	100.00	
Xinjiang Jinguan Automotive Supplies Co., Ltd.	新疆金冠汽車用品有限責任公司	1,202,850.00	Over 5 years 五年以上	1,202,850.00	100.00	The credit rating of the counterparty is downgraded, the credit risk increases significantly
Xuzhou Xintianhai Mechanical and Electrical Equipment Co., Ltd.	徐州新天海機電設備有限公司	1,444,415.49	Over 3 years	1,444,415.49	100.00	
Xuzhou zhongxin Mechanical and Electrical Equipment Co., Ltd.	徐州市中信機電設備有限公司	1,658,177.77	三年以上 3-5 years	1,658,177.77	100.00	
Xingxian Jinbaifeng Gas Technology Co., Ltd.	興縣金百豐燃氣科技有限公司	1,770,000.00	三至五年 2-3years 兩至三年	1,770,000.00	100.00	交易對象信用評級下降,信用風險顯著增加
Shaanxi Yulin Oriental New Energy Vehicle Co., Ltd.	陝汽榆林東方新能源專用汽車有限公司	1,824,775.00	4-5 years 四至五年	1,824,775.00	100.00	
Baotou Huaifeng Construction and Installation Engineering Co., Ltd. Jian'an Branch	包頭華峰建築安裝工程有限責任公司建安分公司	1,929,000.00	Over 5 years	1,929,000.00	100.00	
Baotou Ruiming Chemical Technology Co., Ltd.	包頭市瑞明化工科技有限公司	2,395,213.90	五年以上 2-3years, 4-5 years 兩至三年、四至五年	2,395,213.90	100.00	
Linfen Jinbaifeng New Energy Technology Co., Ltd.	臨汾市金百豐新能源科技有限公司	2,771,125.00	1-2 years 一至兩年	2,771,125.00	100.00	
Luliang Dongsen Gas Energy Co., Ltd.	呂梁市東森燃氣能源有限公司	2,800,000.00	2-3years 兩至三年	2,800,000.00	100.00	
Sichuan Hengruifeng International Trade Co., Ltd.	四川恒瑞豐國際貿易有限公司	4,238,181.00	Within 1 year, 4-5 years 一年以內、四至五年	4,238,181.00	100.00	
Tianjin Xihuan Chengguan Trading Co., Ltd.	天津西環成冠商貿有限公司	5,075,527.29	Over 3 years 三年以上	5,075,527.29	100.00	
Total	合計	31,290,120.42		31,290,120.42	-	

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

2. Notes receivable and accounts receivable (Continued)

2. 應收票據及應收賬款(續)

2.2 Accounts receivable (Continued)

2.2 應收賬款(續)

- 2) In portfolio, Accounts receivable with insignificant single amount but bad debt provision made individually (Continued)

- 2) 組合中,按單項金額不重大但單項計提壞賬準備的應收賬款(續)

(Con't)

(續表)

Name	名稱	Accounts receivable 應收賬款	Opening balance 年初餘額		Provision proportion (%) 計提比例(%)	Reasons for provision 計提理由
			Aging 賬齡	Bad debt provision 壞賬準備		
Guiyang Shengqing Trading Co., Ltd.	貴陽盛青貿易有限公司	613,598.66		613,598.66	100.00	
Jilin Province Jingwei New Energy Technology Co., Ltd.	吉林省經緯新能源科技有限公司	652,000.00	兩至四年	652,000.00	100.00	
Beijing Shengbao Liyuan Technology Co., Ltd.	北京生寶力源科技有限公司	666,300.00	一至兩年	666,300.00	100.00	
Baotou Xinneng Science and Technology Co., Ltd.	包頭市鑫能科技有限責任公司	813,425.00	兩至三年	813,425.00	100.00	
Shijiazhuang North Hardware Mechanical and Electrical Co., Ltd.	石家莊市北方五金機電有限公司	846,415.77	四年以上	846,415.77	100.00	
Xinjiang Zhongzheng Chenbang Gas Co., Ltd.	新疆中正琛邦氣體有限公司	961,666.50	三年以內	961,666.50	100.00	
Xinjiang Jinguan Automotive Supplies Co., Ltd.	新疆金冠汽車用品有限責任公司	1,202,850.00	一至四年	1,202,850.00	100.00	
Xuzhou Xintianhai Mechanical and Electrical Equipment Co., Ltd.	徐州新天海機電設備有限公司	1,444,415.49	四至五年	1,444,415.49	100.00	The credit rating of the counterparty is downgraded, the credit risk increases significantly
Xuzhou zhongxin Mechanical and Electrical Equipment Co., Ltd.	徐州市中信機電設備有限公司	1,658,177.77	兩至五年	1,658,177.77	100.00	
Xingxian Jinbaifeng Gas Technology Co., Ltd.	興縣金百豐燃氣科技有限公司	1,770,000.00	三至五年	1,770,000.00	100.00	交易對象信用評級下降,信用風險顯著增加
Shaanxi Yulin Oriental New Energy Vehicle Co., Ltd.	陝汽榆林東方新能源專用汽車有限公司	1,824,775.00	一至兩年	1,824,775.00	100.00	
Baotou Huafeng Construction and Installation Engineering Co., Ltd. Jian'an Branch	包頭華峰建築安裝工程有限責任公司建安分公司	1,929,000.00	三至四年	1,929,000.00	100.00	
Baotou Ruiming Chemical Technology Co., Ltd.	包頭市瑞明化工科技有限公司	2,395,213.90	四年以上	2,395,213.90	100.00	
Linfen Jinbaifeng New Energy Technology Co., Ltd.	臨汾市金百豐新能源科技有限公司	2,841,444.00	一至兩年、三至四年	2,841,444.00	100.00	
Lvliang Dongsen Gas Energy Co., Ltd.	呂梁市東森燃氣能源有限公司	3,520,000.00	一年以內	3,520,000.00	100.00	
Sichuan Hengruifeng International Trade Co., Ltd.	四川恒瑞豐國際貿易有限公司	4,238,181.00	一至兩年	4,238,181.00	100.00	
Tianjin Xihuan Chengguan Trading Co., Ltd.	天津西環成冠商貿有限公司	5,075,527.29	三至四年	5,075,527.29	100.00	
			兩至五年			
Total	合計	32,452,990.38		32,452,990.38		

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

2. Notes receivable and accounts receivable (Continued)

2. 應收票據及應收賬款(續)

2.2 Accounts receivable (Continued)

2.2 應收賬款(續)

(2) Provision for bad debts of accounts receivable

(2) 應收賬款壞賬計提情況

Bad debt provision	壞賬準備	Stage 1	Stage 2	Stage 3	Total
		第一階段	第二階段	第三階段	
		Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	合計
		未來12個月預期信用損失	整個存續期預期信用損失(未發生信用減值)	整個存續期預期信用損失(已發生信用減值)	
Balance on January 1, 2018	2018年1月1日餘額	0.00	0.00	48,821,755.00	48,821,755.00
The book balance of receivables on January 1, 2018	2018年1月1日應收款賬面餘額在本年	-	-	-	-
- Be transferred to the second phase	- 轉入第二階段	0.00	0.00	0.00	0.00
- Be transferred to the third phase	- 轉入第三階段	0.00	0.00	0.00	0.00
- Be transferred back to the second phase	- 轉回第二階段	0.00	0.00	0.00	0.00
- Be transferred back to the first phase	- 轉回第一階段	0.00	0.00	0.00	0.00
Impairment provision in current year	本年計提	0.00	0.00	2,872,036.60	2,872,036.60
Amount reversed in current year	本年轉回	0.00	0.00	0.00	0.00
Amount written-off in current year	本年轉銷	0.00	0.00	0.00	0.00
Write-offs in the year	本年核銷	0.00	0.00	140,000.00	140,000.00
Other changes	其他變動	0.00	0.00	-6,533.34	-6,533.34
Balance on December 31, 2018	2018年12月31日餘額	0.00	0.00	51,560,324.94	51,560,324.94

(3) Accounts receivable listed by age

(3) 應收賬款按賬齡列示

Aging	賬齡	Closing balance	Opening balance
		年末餘額	年初餘額
Within one year (including 1 year)	一年以內(含1年)	189,119,026.07	302,292,760.67
One to two years	一年至二年	13,729,953.15	22,273,995.22
Two to three years	二年至三年	14,636,247.44	5,200,347.99
More than three years	三年以上	5,608,367.51	8,886,905.94
Including: three to four years	其中: 三年至四年	2,455,605.06	7,756,284.81
Four to five years	四年至五年	3,152,762.45	1,130,621.13
More than five years	五年以上	0.00	0.00
Total	合計	223,093,594.17	338,654,009.82

The basis of aging analysis of the Group is presented based on the relevant transaction dates.

本集團賬齡分析之基準按相關交易日期呈列。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

2. Notes receivable and accounts receivable (Continued)

2. 應收票據及應收賬款(續)

2.2 Accounts receivable (Continued)

2.2 應收賬款(續)

(4) Bad debt provision for receivables in current year

(4) 本年應賬款壞賬準備情況

Category	類別	Opening balance 年初餘額	Increase/decrease amount of the current year 本年變動金額		Closing balance 年末餘額	
			Provision 計提	Accounts recovered or reversed 收回或轉回		Amounts charged or written off 轉銷或核銷
Provision for bad debts of accounts receivable	應收賬款壞賬準備	48,821,755.00	2,872,036.60	-6,533.34	140,000.00	51,560,324.94

Note: The amount recovered or reversed is due to the influence of exchange rate changes.

註: 收回或轉回的金額為匯率變動影響所致。

(5) Accounts receivable actually written off in this year

(5) 本年實際核銷的應收賬款

Item	項目	Amount written off 核銷金額
Accounts receivable actually written off	實際核銷的應收賬款	140,000.00

Important accounts receivable written off among above accounts receivable:

其中重要的應收賬款核銷情況:

Company name	Nature of accounts receivable	Amount written off	Reasons for write-off	Write-off procedures performed	Is the payment caused by related party transaction or not? 款項是否由關聯交易產生
單位名稱	應收賬款性質	核銷金額	核銷原因	履行的核銷程序	
Shandong Tianhai Gas Co., Ltd.	Accounts receivable	140,000.00	Irrecoverable	Consideration and adoption by the Board of Directors of the subsidiary	No
山東天海氣體有限公司	應收貨款	140,000.00	無法收回	子公司董事會審議通過	否

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

2. Notes receivable and accounts receivable (Continued)

2. 應收票據及應收賬款(續)

2.2 Accounts receivable (Continued)

2.2 應收賬款(續)

(6) Accounts receivable with top five closing balances collected as per the borrowers

(6) 按欠款方歸集的年末餘額前五名的應收賬款情況

Company name	Closing balance	Aging	Proportion in total closing balance of accounts receivable (%) 佔應收賬款 年末餘額 合計數的比例(%)	Ending balance of provision for bad debts 壞賬準備 期末餘額
單位名稱	年末餘額	賬齡		壞賬準備 期末餘額
Shaanxi Heavy Duty Automobile Co., Ltd. 陝西重型汽車有限公司	33,153,302.62	Within one year 一年以內	12.07	308,325.71
Beijing Lantianda Vehicle Clean Fuel Technology Co., Ltd. 北京蘭天達汽車清潔燃料技術有限公司	16,701,826.69	Within one year 一年以內	6.08	155,326.99
Hubei Juxi Automotive Technology Co., Ltd. 湖北巨西汽車科技有限公司	14,990,024.47	Within one year 一年以內	5.46	139,407.23
Tianjin RunDeZhongTian Pipe Co., Ltd. 天津潤德中天鋼管有限公司	10,370,879.67	Within one year 一年以內	3.78	96,449.18
Tyco Safety Equipment (Shanghai) Co., Ltd. 泰科安全設備(上海)有限公司	7,799,698.06	Within one year 一年以內	2.84	72,537.19
Total 合計	83,015,731.51	-	30.23	772,046.30

(7) No accounts receivable derecognized due to transfer of financial assets at the end of the year.

(7) 本年末無因金融資產轉移而終止確認的應收賬款。

(8) No assets and liabilities formed by accounts receivable transfer and continuous involvement at the end of the year.

(8) 本年末無轉移應收賬款且繼續涉入形成的資產、負債金額。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

3. Advances to suppliers

(1) Age of advances to suppliers

Item	項目	Closing balance 年末餘額		Opening balance 年初餘額	
		Amount 金額	Proportion (%) 比例(%)	Amount 金額	Proportion (%) 比例(%)
Within one year	一年以內	56,855,460.90	97.36	47,016,931.65	94.20
One to two years	一年至二年	1,020,813.13	1.75	1,505,372.45	3.02
Two to three years	二年至三年	287,749.64	0.49	431,489.18	0.86
More than three years	三年以上	231,198.01	0.40	959,111.98	1.92
Total	合計	58,395,221.68	100.00	49,912,905.26	100.00

The main reason for the aging over one year and some advances to suppliers not settled in time is that the procurement has not yet finished.

賬齡超過一年且金額重要的預付款項未及時結算的原因主要為尚未完成採購。

(2) Advances to suppliers with top five closing balances collected as per the suppliers

(2) 按預付對象歸集的年末餘額前五名的預付款情況

Company name	Closing balance	Aging	Proportion in total closing balance of payments (%) 佔預付款項 年末餘額 合計數的比例 (%)
單位名稱	年末餘額	賬齡	
Tianjin Runde Zhongtian Electromechanical Equipment Co., Ltd. 天津市潤德中天機電設備有限公司	13,972,641.79	Within 1 year 1年以內	23.93
Tianjin Steel Pipe & Steel Trading Co., Ltd. 天津鋼管鋼鐵貿易有限公司	7,711,724.37	Within 1 year 1年以內	13.21
Huai'an Zhenda Steel Tube Manufacturing Co., Ltd. 淮安市振達鋼管製造有限公司	4,122,015.86	Within 1 year 1年以內	7.06
Jingjiang Special Steel Co., Ltd. 靖江特殊鋼有限公司	3,522,481.79	Within 1 year 1年以內	6.03
Benxi Ruixinying Steel Trade Co., Ltd. 本溪瑞鑫贏鋼鐵貿易有限公司	2,726,216.95	Within 1 year 1年以內	4.67
Total 合計	32,055,080.76	-	54.90

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

4. Other receivables

4. 其他應收款

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Dividends receivable	應收股利	6,075,169.12	8,756,869.09
Other receivables	其他應收款	14,395,606.63	4,225,980.80
Total	合計	20,470,775.75	12,982,849.89

4.1 Dividends receivable

4.1 應收股利

(1) Classification of dividends receivable

(1) 應收股利分類

Investees	被投資單位	Closing balance 年末餘額	Opening balance 年初餘額
Shandong Tianhai High Pressure Container Co., Ltd.	山東天海高壓容器有限公司	6,075,169.12	8,756,869.09

(2) Significant dividends receivable with aging over 1 year

(2) 重要的賬齡超過1年的應收股利

Item (or the investee) 項目 (或被投資單位)	Closing balance 年末餘額	Aging 賬齡	Reasons for none recovery 未收回原因	Depreciation and judgment basis 是否發生減值及其判斷依據
Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	6,075,169.12 6,075,169.12	1-2 years 1-2年	Fund shortage 資金緊張	The operation is normal and no impairment has occurred. 經營正常,無發生減值

4.2 Other receivables

4.2 其他應收款

Project name	項目名稱	Closing balance 年末餘額	Opening balance 年初餘額
Other receivables	其他應收款	16,009,399.17	6,694,475.45
Less: bad debt provision	減:壞賬準備	1,613,792.54	2,468,494.65
Net amount	淨額	14,395,606.63	4,225,980.80

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

4. Other receivables (Continued)

4.2 Other receivables

(1) Classified presentation of other accounts receivable by bad debt accrual method

4. 其他應收款(續)

4.2 其他應收款

(1) 其他應收款按壞賬計提方法分類列示

Category	類別	Book balance		Closing balance		Book value
		Amount	Proportion (%)	Amount	Proportion (%)	
		賬面餘額	比例(%)	年末餘額	壞賬準備	賬面價值
Other accounts receivable with significant single amount and bad debt provision made individually	單項金額重大並單項計提壞賬準備的其他應收款	0.00	0.00	0.00	0.00	0.00
Other accounts receivable with bad debt provision made by portfolio of credit risk features	按信用風險特徵組合計提壞賬準備的應收賬款	-	-	-	-	-
Including: portfolio by ageing	賬齡組合	16,009,399.17	100.00	1,613,792.54	10.08	14,395,606.63
Other accounts receivable with insignificant single amount but bad debt provision made individually	單項金額不重大但單項計提壞賬準備的應收賬款	0.00	0.00	0.00	0.00	0.00
Total	合計	16,009,399.17	100.00	1,613,792.54	-	14,395,606.63

(Con't)

(續表)

Category	類別	Book balance		Opening balance		Book value
		Amount	Proportion (%)	Amount	Proportion (%)	
		賬面餘額	比例(%)	年初餘額	壞賬準備	賬面價值
Other accounts receivable with significant single amount and bad debt provision made individually	單項金額重大並單項計提壞賬準備的其他應收款	0.00	0.00	0.00	0.00	0.00
Other accounts receivable with bad debt provision made by portfolio of credit risk features	按信用風險特徵組合計提壞賬準備的應收賬款	-	-	-	-	-
Including: portfolio by ageing	賬齡組合	6,694,475.45	100.00	2,468,494.65	36.87	4,225,980.80
Other accounts receivable with insignificant single amount but bad debt provision made individually	單項金額不重大但單項計提壞賬準備的應收賬款	0.00	0.00	0.00	0.00	0.00
Total	合計	6,694,475.45	100.00	2,468,494.65	-	4,225,980.80

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

4. Other receivables (Continued)

4.2 Other receivables (Continued)

(1) Classified presentation of other accounts receivable by bad debt accrual method

In portfolio, other accounts receivable with provision for bad debts drawn by aging analysis

Aging	賬齡	Closing balance 年末餘額		
		Other accounts receivable 其他應收款	Bad debt provision 壞賬準備	Provision proportion (%) 計提比例(%)
Within one year	1年以內	11,807,854.36	9,446.29	0.08
One to two years	1-2年	2,184,039.15	15,288.27	0.70
Two to three years	2-3年	380,847.72	10,701.82	2.81
Three to four years	3-4年	62,948.92	7,446.86	11.83
Four to five years	4-5年	8,400.00	5,600.28	66.67
More than five years	5年以上	1,565,309.02	1,565,309.02	100.00
Total	合計	16,009,399.17	1,613,792.54	-

(Con't)

(續表)

Aging	賬齡	Opening balance 年初餘額		
		Other accounts receivable 其他應收款	Bad debt provision 壞賬準備	Provision proportion (%) 計提比例(%)
Within one year	1年以內	3,744,394.86	2,995.52	0.08
One to two years	1-2年	405,850.35	2,840.95	0.70
Two to three years	2-3年	63,768.92	1,791.91	2.81
Three to four years	3-4年	19,200.00	2,271.36	11.83
Four to five years	4-5年	8,000.00	5,333.60	66.67
More than five years	5年以上	2,453,261.32	2,453,261.32	100.00
Total	合計	6,694,475.45	2,468,494.66	-

(2) Other receivables classified as per nature

(2) 其他應收款按款項性質分類

Nature of amount	款項性質	Closing book balance 年末賬面餘額	
		Closing book balance 年末賬面餘額	Opening book balance 年初賬面餘額
Pretty cash	備用金	1,570,148.48	1,112,823.74
Deposit, security, etc.	押金、保證金等	1,431,480.12	294,383.70
Advances to suppliers more than five years	5年以上預付帳款	1,502,689.02	2,311,236.94
Export rebates	出口退稅	3,052,752.08	0.00
Intercourse funds	往來款	8,452,329.47	2,976,031.07
Total	合計	16,009,399.17	6,694,475.45

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

4. Other receivables (Continued)

4.2 Other receivables (Continued)

(3) *Withdrawal of provision for bad debt of other accounts receivable*

Bad debt provision	壞賬準備	Stage 1 第一階段	Stage 2 第二階段	Stage 3 第三階段	Total 合計
Balance on January 01, 2018	2018年1月1日餘額	0.00	0.00	2,468,494.65	2,468,494.65
The book balance of other receivables on January 01, 2018	2018年1月1日其他應收款賬面餘額在本年	-	-	-	-
- Be transferred to the second phase	- 轉入第二階段	0.00	0.00	0.00	0.00
- Be transferred to the third phase	- 轉入第三階段	0.00	0.00	0.00	0.00
- Be transferred back to the second phase	- 轉回第二階段	0.00	0.00	0.00	0.00
- Be transferred back to the first phase	- 轉回第一階段	0.00	0.00	0.00	0.00
Impairment provision in current year	本年計提	0.00	0.00	0.00	0.00
Amount reversed in current year	本年轉回	0.00	0.00	854,702.11	854,702.11
Amount written-off in current year	本年轉銷	0.00	0.00	0.00	0.00
Write-offs in the year	本年核銷	0.00	0.00	0.00	0.00
Other changes	其他變動	0.00	0.00	0.00	0.00
Balance on December 31, 2018	2018年12月31日餘額	0.00	0.00	1,613,792.54	1,613,792.54

4. Other receivables (Continued)

4.2 Other receivables (Continued)

(3) *Other receivables impairment provision situation*

Expected credit loss in the next 12 months	Expected credit loss in the whole duration (no credit impairment)	Expected credit loss in the whole duration (with credit impairment)	Total 合計
未來12個月預期信用損失	整個存續期預期信用損失(未發生信用減值)	整個存續期預期信用損失(已發生信用減值)	

(4) *Other receivables listed as per accounts receivable age*

(4) *其他應收款按賬齡列示*

Aging	賬齡	Closing balance 年末餘額	Opening balance 年初餘額
Within one year (including 1 year)	一年以內(含1年)	11,798,408.07	3,683,955.35
One to two years	一年至二年	2,168,750.88	403,009.40
Two to three years	二年至三年	370,145.90	61,977.01
More than three years	三年以上	58,301.78	77,039.04
Including: three to four years	其中: 三年至四年	55,502.06	16,928.64
Four to five years	四年至五年	2,799.72	2,666.40
More than five years	五年以上	0.00	57,444.00
Total	合計	14,395,606.63	4,225,980.80

(5) *Provision for bad debt of other accounts receivable*

(5) *其他應收款壞賬準備情況*

Category	類別	Opening balance 年初餘額	Increase/decrease amount of the current year 本年變動金額		Closing balance 年末餘額	
			Provision 計提	Accounts recovered or reversed 收回或轉回		Amounts charged or written off 轉銷或核銷
Provision for bad debt of other accounts receivable	其他應收款壞賬準備	2,468,494.65	0.00	854,702.11	0.00	1,613,792.54

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

4. Other receivables (Continued)

4.2 Other receivables (Continued)

(6) *There is no other receivables actually written off in the year.*

(7) *Conditions about other payment receivable of top five balances as at the end of year collected by the debtors:*

Company name	Nature of amount	Closing balance	Aging	Proportion in total closing balance of other receivables (%) 佔其他應收款年末餘額合計數的比例(%)	Closing balance of bad debt provision 壞賬準備年末餘額
單位名稱	款項性質	年末餘額	賬齡		
Beijing Jingcheng Haitong Technology and Culture Development Co., Ltd. 北京京城海通科技文化發展有限公司	Intercourse funds 往來款	5,402,186.13	Within 1 year 1年以內	33.74	4,321.75
Tax bureau 稅務局	Export rebates 出口退稅款	3,052,752.08	Within 1 year 1年以內	19.07	2,442.20
Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	Intercourse funds 往來款	1,835,922.23	Within 2 years 2年以內	11.47	10,753.93
Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	Intercourse funds 往來款	1,214,221.11	Within 4 years 4年以內	7.58	15,110.41
Tianjin TEDA Binhai Clean Energy Group Co., Ltd. 天津泰達濱海清潔能源集團有限公司	Intercourse funds 往來款	542,035.46	Within 1 year 1年以內	3.39	433.63
Total 合計	-	12,047,117.01	-	75.25	33,061.92

4. 其他應收款(續)

4.2 其他應收款(續)

(6) *本年度無實際核銷的其他應收款。*

(7) *按欠款方歸集的年末餘額前五名的其他應收款情況：*

(8) *There is no accounts receivable involving government subsidies.*

(9) *No other receivables derecognized due to transfer of financial assets at the end of the year.*

(10) *No assets and liabilities formed by transfer of other receivables and continuous involvement at the end of the year.*

(11) *The Company has no employee borrowings receivable at the end of the period.*

(8) *本年無涉及政府補助的應收款項。*

(9) *本年末無因金融資產轉移而終止確認的其他應收款。*

(10) *本年末無轉移其他應收款且繼續涉入形成的資產、負債金額。*

(11) *本公司期末無應收員工借款。*

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

5. Inventories 5. 存貨

(1) Classification (1) 存貨分類

Item	項目	Book balance 賬面餘額	Closing amount 年末金額	Book value 賬面價值
			Provision for decline in the value of inventories 存貨跌價準備	
Raw materials	原材料	127,242,404.35	14,463,717.85	112,778,686.50
Products in process	在產品	113,976,015.97	22,890,265.23	91,085,750.74
Finished goods	庫存商品	122,478,090.02	10,947,457.01	111,530,633.01
Goods shipped	發出商品	10,776,371.78	470,576.02	10,305,795.76
Total	合計	374,472,882.12	48,772,016.11	325,700,866.01

(Con't)

(續表)

Item	項目	Book balance 賬面餘額	Opening amount 年初金額	Book value 賬面價值
			Provision for decline in the value of inventories 存貨跌價準備	
Raw materials	原材料	146,599,571.05	7,080,229.22	139,519,341.83
Products in process	在產品	137,763,343.67	11,823,314.36	125,940,029.31
Finished goods	庫存商品	126,346,708.87	11,333,135.71	115,013,573.16
Goods shipped	發出商品	9,000,034.25	253,975.77	8,746,058.48
Total	合計	419,709,657.84	30,490,655.06	389,219,002.78

(2) Provision for decline in the value of inventory

(2) 存貨跌價準備

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加			Decrease in the current year 本年減少		Closing balance 年末餘額
			Provision 計提	Others 其他	Reverse or resales 轉回或轉銷	Other transfer-out 其他轉出		
Raw materials	原材料	7,080,229.22	9,973,542.73	0.00	2,590,054.10	0.00	14,463,717.85	
Products in process	在產品	11,823,314.36	15,246,818.87	0.00	4,179,868.00	0.00	22,890,265.23	
Finished goods	庫存商品	11,333,135.71	7,070,115.33	0.00	7,455,794.03	0.00	10,947,457.01	
Goods shipped	發出商品	253,975.77	470,576.02	0.00	253,975.77	0.00	470,576.02	
Total	合計	30,490,655.06	32,761,052.95	0.00	14,479,691.90	0.00	48,772,016.11	

(3) Refer to Note IV. 13 Inventories for drawing method of provision for inventories depreciation

(3) 存貨跌價準備的計提方法詳見本附註「四、13存貨」所述。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

6. Other current assets

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Overpaid VAT	留抵增值稅	45,739,052.87	44,826,680.42
VAT not deducted	未抵扣增值稅	4,922,987.62	11,174,208.68
Enterprise income tax prepaid	預繳企業所得稅	979,179.20	239,732.68
Total	合計	51,641,219.69	56,240,621.78

6. 其他流動資產

7. Long-term equity investments

(1) Classification

Investees	被投資單位	Opening balance 年初餘額	Added investment 追加投資	Decrease in investment 減少投資	Increase and decrease for the current year 本年增減變動					Closing balance 年末餘額	Closing balance of impairment provision 減值準備 年末餘額	
					Investment profits and losses recognized under equity method 權益法下確認的投資收益	Adjustment to other comprehensive incomes 其他綜合收益調整	Other changes in equity 其他權益變動	Distribution of cash dividend or profit declared 宣告發放現金股利或利潤	Withdrawing of reserves for impairment 計提減值準備			Others 其他
I. Joint ventures	一、合營企業											
Shandong Tianhai High Pressure Container Co., Ltd.	山東天海高壓容器有限公司	50,065,320.33	0.00	0.00	2,504,755.42	0.00	0.00	0.00	0.00	0.00	52,570,075.75	0.00
II. Associated enterprises	二、聯營企業											
Jiangsu Tianhai Special Equipment Co., Ltd.	江蘇天海特種裝備有限公司	21,629,162.14	0.00	0.00	3,950,649.50	0.00	0.00	0.00	0.00	0.00	25,579,811.64	0.00
Beijing Bolken Energy Technology Inc.	北京伯肯節能科技股份有限公司	-	17,280,000.00	0.00	883,548.23	0.00	0.00	0.00	0.00	0.00	18,163,548.23	0.00
Beijing Jingcheng Haitong Technology and Culture Development Co., Ltd.	北京京城海通科技文化發展有限公司	-	39,200,000.00	0.00	-10,614,486.23	0.00	0.00	0.00	0.00	0.00	28,585,513.77	0.00
Total	合計	71,694,482.47	56,480,000.00	0.00	-3,275,533.08	0.00	0.00	0.00	0.00	0.00	124,898,949.39	0.00

7. 長期股權投資

(1) 長期股權投資分類

(2) Analysis of long-term equity investments

Item	項目	Closing amount 年末金額	Opening amount 年初金額
Listed	上市	-	-
China (excluding Hong Kong)	中國(香港除外)	18,163,548.23	0.00
Hong Kong	香港	0.00	0.00
Other regions	其他地區	0.00	0.00
Subtotal	小計	18,163,548.23	0.00
Unlisted	非上市	106,735,401.16	71,694,482.47
Total	合計	124,898,949.39	71,694,482.47

(2) 長期股權投資的分析

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

8. Investment properties

8. 投資性房地產

(1) Investment properties in the mode of cost measurement

(1) 採用成本計量模式的投資性房地產

Item	項目	Plant & buildings 房屋、建築物	Land use right 土地使用權	Total 合計
I. Original carrying amount	一、賬面原值			
1. Opening balance	1. 年初餘額	0.00	0.00	0.00
2. Increase in the current year	2. 本年增加金額	65,425,484.59	9,008,627.00	74,434,111.59
(1) Transfer-in of fixed assets/intangible assets	(1) 固定資產、無形資產轉入	65,425,484.59	9,008,627.00	74,434,111.59
3. Decrease in the current year	3. 本年減少金額			
4. Closing balance	4. 年末餘額	65,425,484.59	9,008,627.00	74,434,111.59
II. Accumulated depreciation and accumulated amortization	二、累計折舊和累計攤銷			
1. Opening balance	1. 年初餘額	0.00	0.00	0.00
2. Increase in the current year	2. 本年增加金額	43,893,471.11	1,816,737.90	45,710,209.01
(1) Provision or amortization	(1) 計提或攤銷	156,468.87	45,043.14	201,512.01
(2) Transfer-in from accumulated depreciation and accumulated amortization	(2) 從累計折舊、累計攤銷轉入			
3. Decrease in the current year	3. 本年減少金額	43,737,002.24	1,771,694.76	45,508,697.00
4. Closing balance	4. 年末餘額	0.00	0.00	0.00
		43,893,471.11	1,816,737.90	45,710,209.01
III. Impairment provision	三、減值準備			
1. Opening balance	1. 年初餘額	0.00	0.00	0.00
2. Increase in the current year	2. 本年增加金額	0.00	0.00	0.00
3. Decrease in the current year	3. 本年減少金額	0.00	0.00	0.00
4. Closing balance	4. 年末餘額	0.00	0.00	0.00
IV. Book value	四、賬面價值			
1. Closing book value	1. 年末賬面價值	21,532,013.48	7,191,889.10	28,723,902.58
2. Opening book value	2. 年初賬面價值	0.00	0.00	0.00

(2) There is no investment properties in the process of title certificate handling at the end of the year.

(2) 本年末無未辦妥產權證書的投資性房地產。

(3) The amount of depreciation and amortization for investment properties recognized as profits or losses is RMB 201,512.01 (amount of previous year: RMB 0.00) in current year.

(3) 本年確認為損益的投資性房地產的折舊和攤銷額為201,512.01元(上年金額:0.00元)。

(4) Beijing Tianhai Industry Co., Ltd. (hereinafter referred to as Beijing Tianhai), a subsidiary of the Company, leased its premises and plants at No. 9 North Tianying Road, Chaoyang District, Beijing, to the affiliated company Beijing Jingcheng Haitong Technology and Culture Development Co., Ltd. (hereinafter referred to as Jingcheng Haitong) in September 2018 for a term of 18 years. It has been approved at the 1st Extraordinary General Meeting of the Company in 2018.

(4) 本公司之子公司北京天海工業有限公司(以下簡稱北京天海)於2018年9月將其持有的位於北京市朝陽區天盈北路9號場地及廠房出租給聯營公司北京京城海通科技文化發展有限公司(簡稱京城海通),租期18年。已經本公司2018年度第一次臨時股東大會決議審議通過。

9. Fixed assets

9. 固定資產

Item	項目	Closing book value 年末賬面價值	Opening book value 年初賬面價值
Fixed assets	固定資產	707,396,045.56	657,289,324.75
Disposal of fixed assets	固定資產清理	0.00	0.00
Total	合計	707,396,045.56	657,289,324.75

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

9. Fixed assets (Continued) 9. 固定資產(續)

9.1 Fixed assets 9.1 固定資產

(1) Details of fixed assets (1) 固定資產情況

Item	項目	Plant & buildings 房屋建築物	Machinery equipment 機器設備	Transportation equipment 運輸設備	Office equipment 辦公設備	Electrical equipment 電氣設備	Total 合計
I. Original carrying amount	一、賬面原值						
1. Opening balance	1.年初餘額	528,556,947.34	671,493,269.46	24,182,264.43	12,501,580.46	22,594,750.19	1,259,328,811.88
2. Increase in the current year	2.本年增加金額	25,361,721.55	147,104,974.09	2,644,587.75	96,497.02	27,600.00	175,235,380.41
(1) Purchase	(1)購置	0.00	4,865,113.65	964,428.57	71,708.28	27,600.00	5,928,850.50
(2) Transferred from construction in progress	(2)在建工程轉入	25,361,721.55	86,970,947.00	1,680,159.18	15,267.75	0.00	114,028,095.48
(3) Exchange rate changes	(3)匯率變動	0.00	0.00	0.00	9,520.99	0.00	9,520.99
(4) Inventory transfer-in	(4)存貨轉入	0.00	55,268,913.44	0.00	0.00	0.00	55,268,913.44
3. Decrease in the current year	3.本年減少金額	84,491,829.67	183,365,381.17	6,045,310.13	4,611,203.20	18,105,565.55	296,619,289.72
(1) Disposal or scrapping	(1)處置或報廢	10,922,160.28	181,642,433.22	6,045,310.13	3,199,738.08	18,102,161.68	219,911,803.39
(2) Exchange rate changes	(2)匯率變動	0.00	0.00	0.00	-28,493.64	0.00	-28,493.64
(3) Transferred to investment properties	(3)轉投資性房地產	65,425,484.59	0.00	0.00	0.00	0.00	65,425,484.59
(4) Others	(4)其他	8,144,184.80	1,722,947.95	0.00	1,439,958.76	3,403.87	11,310,495.38
4. Closing balance	4.年末餘額	469,426,839.22	635,232,862.38	20,781,542.05	7,986,874.28	4,516,784.64	1,137,944,902.57
II. Accumulated depreciation	二、累計折舊						
1. Opening balance	1.年初餘額	117,787,290.17	404,161,374.55	20,777,493.73	8,733,736.14	15,381,982.86	566,841,877.45
2. Increase in the current year	2.本年增加金額	11,375,814.97	39,005,171.88	561,756.17	748,276.96	518,281.54	52,209,301.52
(1) Provision	(1)計提	11,375,814.97	39,005,171.88	561,756.17	718,620.14	518,281.54	52,179,644.70
(2) Exchange rate changes	(2)匯率變動	0.00	0.00	0.00	29,656.82	0.00	29,656.82
3. Decrease in the current year	3.本年減少金額	51,368,110.34	127,623,338.03	5,389,277.99	3,576,493.97	13,060,110.70	201,017,331.03
(1) Disposal or scrapping	(1)處置或報廢	7,631,108.10	125,584,191.52	5,389,277.99	3,576,493.97	13,060,110.70	155,241,182.28
(2) Others	(2)其他	0.00	2,039,146.51	0.00	0.00	0.00	2,039,146.51
(3) Transferred to investment properties	(3)轉投資性房地產	43,737,002.24	0.00	0.00	0.00	0.00	43,737,002.24
4. Closing balance	4.年末餘額	77,794,994.80	315,543,208.40	15,949,971.91	5,905,519.13	2,840,153.70	418,033,847.94
III. Impairment provision	三、減值準備						
1. Opening balance	1.年初餘額	0.00	32,057,756.41	0.00	0.00	3,139,853.27	35,197,609.68
2. Increase in the current year	2.本年增加金額	0.00	0.00	0.00	0.00	0.00	0.00
3. Decrease in the current year	3.本年減少金額	0.00	19,663,530.04	0.00	0.00	3,019,070.57	22,682,600.61
(1) Disposal or scrapping	(1)處置或報廢	0.00	19,663,530.04	0.00	0.00	3,019,070.57	22,682,600.61
4. Closing balance	4.年末餘額	0.00	12,394,226.37	0.00	0.00	120,782.70	12,515,009.07
IV. Book value	四、賬面價值						
1. Closing book value	1.年末賬面價值	391,631,844.42	307,295,427.61	4,831,570.14	2,081,355.15	1,555,848.24	707,396,045.56
2. Opening book value	2.年初賬面價值	410,769,657.17	235,274,138.50	3,404,770.70	3,767,844.32	4,072,914.06	657,289,324.75

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

9. Fixed assets (Continued)

9. 固定資產(續)

9.1 Fixed assets (Continued)

9.1 固定資產(續)

(1) Details of fixed assets (Continued)

(1) 固定資產情況(續)

Note 1: The Property Ownership Certificate (JZ No. 115031501859) and Certificate of Land Use Right (DHB-32-2) for the plant & buildings of Tianjin Tianhai High Pressure Container Co., Ltd., a subsidiary of the Company, at the end of the year are used as the mortgage to Tianjin Branch of Huaxia Bank, involving RMB 115,587,900.00 of the assessed value. The land is located on No. 268 Jinbin Avenue, Tianjin Port Free Trade Zone, with the area of 50,378.4 square meters. The mortgage contract No. is TJ06 (GD 2 No. 20180216), with the maximum debt limit of RMB 40,000,000.00. The loan period is from November 22, 2018 to November 22, 2019. The Property Ownership Certificate (JZ No. 115021201217) and Certificate of Land Use Right (DHB-31-6) for the plant & buildings are used as mortgage on notes to Tianjin Branch of Huaxia Bank, involving RMB 87,329,500.00 of the assessed value. The land is located on No. 306 Xingang Avenue, Tianjin Port Free Trade Zone, with the area of 45,489.2 square meters. The maximum amount of debt is RMB 40,000,000.00 in the contract No. TJ06 (GD1) 20180216. The loan period is from November 22, 2018 to November 22, 2019.

註1: 本公司之下屬公司天津天海高壓容器有限責任公司期末房屋建築物房地證津字第115031501859號, 土地使用權地號保一32-2, 面積50378.4平方米, 座落於保稅區津濱大道268號, 用於向華夏銀行股份有限公司天津分行提供貸款抵押, 涉及評估價值為11,558.79萬元。抵押合同編號為TJ06(高抵2)20180216號, 最高債權額度為4,000萬元, 貸款期限自2018年11月22日至2019年11月22日。房屋建築物房地證津字第115021201217號, 土地使用權地號保一31-6, 面積45489.2平方米, 座落於保稅區新港大道306號, 用於向華夏銀行天津分行提供票據抵押, 涉及評估價值為8,732.95萬元, 最高債權額度為4,000萬元, 合同編號為TJ06(高抵1)20180216號, 貸款期限自2018年11月22日至2019年11月22日。

Note 2: The Property Ownership Certificate for Kuancheng Manchu Autonomous County (J (2017) No. 0000570) of Kuancheng Tianhai Pressure Container Co., Ltd., a subsidiary of the Company, at the end of the year is used as the mortgage to Chengde Branch of Bank of China Limited, involving the assessed value of RMB 39,556,300.00, the maximum debt limit of RMB 18,000,000.00, the loan contract No. of J-04-2017-077 (D) and the loan period from November 24, 2017 to November 23, 2020. The land is located in Xiaolongxumen Village, Longxumen Town, Kuancheng Manchu Autonomous County, with the area of 30207.04 square meters and the plant & buildings area of 17,772.27 square meters.

註2: 本公司之下屬公司寬城天海壓力容器有限公司年末不動產權證書冀(2017)寬城滿族自治縣不動產權第0000570號, 面積30,207.04平方米, 房屋建築面積: 17,772.27平方米, 座落於寬城滿族自治縣龍鬚門鎮小龍鬚門村, 用於向中國銀行股份有限公司承德分行提供貸款抵押, 涉及評估價值為3,955.63萬元, 最高債權額度為人民幣18,000,000.00萬元, 貸款合同編號為冀-04-2017-077(抵), 貸款期限自2017年11月24日至2020年11月23日。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

9. Fixed assets (Continued)

9. 固定資產(續)

9.1 Fixed assets (Continued)

9.1 固定資產(續)

(1) Details of fixed assets (Continued)

(1) 固定資產情況(續)

Note 3: Fixed assets owned by Beijing Minghui Tianhai Gas Storage and Transportation Sales Co., Ltd., a subsidiary of the Company, at the end of the period include the following: ① plant & buildings, with the Property Certificate J (2017) TBDCQ No. 0029569, an area of 34,727.98 square meters, located at 101, F1-4, No. 1 Courtyard 1, Nansi Street, Huoxian County, Tongzhou district, and an estimated value of RMB 170,670,000; ② plant & buildings, with the Property Certificate J (2017) TBDCQ No. 0029570, an area of 8,893.46 square meters, located at 101, F1-6, No. 2 Courtyard 1, Nansi Street, Huoxian County, Tongzhou district, and an estimated value of RMB 43,710,000; ③ plant & buildings, with the Property Certificate J (2017) TBDCQ No. 0029563, an area of 196.51 square meters, located at 101, F1, No. 4 Courtyard 1, Nansi Street, Huoxian County, Tongzhou district, and an estimated value of RMB 970,000; ④ plant & buildings, with the Property Certificate J (2017) TBDCQ No. 0029564, an area of 368.45 square meters, located at 101, F1, No. 5 Courtyard 1, Nansi Street, Huoxian County, Tongzhou district, and an estimated value of RMB 1,810,000; ⑤ plant & buildings, with the Property Certificate J (2017) TBDCQ No. 0029556, an area of 160.78 square meters, located at 101, F1, No. 6 Courtyard 1, Nansi Street, Huoxian County, Tongzhou district, and an estimated value of RMB 790,000; ⑥ plant & buildings, with the Property Certificate J (2017) TBDCQ No. 0029561, an area of 422.15 square meters, located at 101, F1-2, No. 7 Courtyard 1, Nansi Street, Huoxian County, Tongzhou district, and an estimated value of RMB 2,070,000; ⑦ A land, with the land use right of DHJTG Y (2013 C) No. 00061, an area of 66,167.64 square meters, located in the downtown of Huoxian Town, Tongzhou District. It is used by Beijing Tianhai to provide maximum loan mortgage to Taoran Sub-branch of Bank of Beijing Co., Ltd., involving an estimated value of RMB 220,020,000 in total. The mortgage contract number is 0513051-001, with the maximum debt limit of RMB80,000,000.00, including the loan term of RMB29,999,893.26 is from November 2, 2018, solstice May 6, 2019, and the loan term of RMB49,998,153.04 is from November 6, 2018, solstice November 1, 2019.

註3: 本公司之下屬公司北京明暉天海氣體儲運裝備銷售有限公司期末固定資產①房屋建築物房地證京(2017)通不動產權第0029569號,面積34,727.98平方米,座落於通州區漣縣南四街1號院1號1至4層101,評估價值17,067萬元;②房屋建築物房地證京(2017)通不動產權第0029570號,面積8,893.46平方米,座落於通州區漣縣南四街1號院2號1至6層101,評估價值4371萬元;③房屋建築物房地證京(2017)通不動產權第0029563號,面積196.51平方米,座落於通州區漣縣南四街1號院4號1層101,評估價值97萬;④房屋建築物房地證京(2017)通不動產權第0029564號,面積368.45平方米,座落於通州區漣縣南四街1號院5號1層101,評估價值181萬元;⑤房屋建築物房地證京(2017)通不動產權第0029556號,面積160.78平方米,座落於通州區漣縣南四街1號院6號1層101,評估價值79萬元;⑥房屋建築物房地證京(2017)通不動產權第0029561號,面積422.15平方米,座落於通州區漣縣南四街1號院7號樓1至2層101,評估價值207萬元;⑦土地使用權地號京通國用(2013出)第00061號,面積66,167.64平方米,座落於通州區漣縣鎮中心區,用於北京天海向北京銀行股份有限公司陶然支行提供最高額貸款抵押,共涉及評估價值22,002萬元。抵押合同編號為0513051-001號,最高債權額度為8,000萬元,其中29,999,893.26元貸款期限自2018年11月2日至2019年5月6日,49,998,153.04元貸款期限自2018年11月6日至2019年11月1日。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

9. Fixed assets (Continued)

9.1 Fixed assets (Continued)

(1) Details of fixed assets (Continued)

Note 4: The transfer of RMB 55,268,913.44 from inventory in this period was a transfer of natural gas tank container from Beijing Tianhai Cryogenic Equipment Co., Ltd., a subsidiary of the Company, for the purpose of operating lease business.

Note 5: Other decreases in fixed assets are adjusted to the original provisional valuation value according to the final amount of completion and actual cost, of which RMB 1,494,045.36 is transferred to intangible assets.

(2) The Group has no temporary idle fixed asset at the end of the year.

(3) The Group has no fixed assets acquired by finance lease at the end of the year.

(4) The Group has no fixed asset acquired by operating lease at the end of the year.

(5) The Group has no fixed assets in the process of title certificate handling at the end of the year.

(6) The amount of depreciation for fixed assets recognized as profits or losses is RMB 52,179,644.70 (amount of previous year: RMB 68,067,029.52) in the current year.

(7) Increase of fixed assets of the current year includes RMB 114,028,095.48 transferred from construction in progress.

(8) The gain from sale of fixed assets in the current year is RMB 8,596,214.61.

9. Fixed assets (Continued)

9.1 Fixed assets (Continued)

(1) Fixed assets situation (Continued)

註4：本期從存貨轉入55,268,913.44元，系本公司之下屬公司北京天海低溫設備有限公司天然氣罐式集裝箱轉入，用於經營租賃業務。

註5：固定資產其他減少為根據竣工決算金額，按實際成本調整原來的暫估價值，其中1,494,045.36元轉入無形資產。

(2) 本集團年末無暫時閒置的固定資產。

(3) 本集團年末無通過融資租賃租入的固定資產。

(4) 本集團年末無通過經營租賃租出的固定資產。

(5) 本集團年末無未辦妥產權證書的固定資產。

(6) 本年確認為損益的固定資產的折舊為52,179,644.70元(上年金額：68,067,029.52元)。

(7) 本年增加的固定資產中，由在建工程轉入的金額為114,028,095.48元。

(8) 本年出售固定資產的利得為8,596,214.61元。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

9. Fixed assets (Continued)

9.1 Fixed assets (Continued)

(9) Analysis of plant & buildings based on location and service life:

Item	項目	Closing balance 期末金額	Opening balance 期初金額
Within China	位於中國境內	391,631,844.42	410,769,657.17
Long-term (more than 50 years)	長期(50年以上)	0.00	0.00
Mid-term (10-50 years)	中期(10-50年)	391,631,844.42	410,769,657.17
Short-term (within 10 years)	短期(10年以內)	0.00	0.00
Outside China	位於中國境外	0.00	0.00
Long-term (more than 50 years)	長期(50年以上)	0.00	0.00
Mid-term (10-50 years)	中期(10-50年)	0.00	0.00
Short-term (within 10 years)	短期(10年以內)	0.00	0.00
Total	合計	391,631,844.42	410,769,657.17

10. Construction in progress

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Construction in progress	在建工程	11,653,942.58	68,468,558.01
Construction materials	工程物資	0.00	0.00
Total	合計	11,653,942.58	68,468,558.01

10.1 Construction in progress

(1) Information of construction in progress

Item	項目	Closing balance 年末餘額			Opening balance 年初餘額		
		Book balance 賬面餘額	Impairment provision 減值準備	Book value 賬面價值	Book balance 賬面餘額	Impairment provision 減值準備	Book value 賬面價值
Buildings under construction and equipment in the process of installation	在建房屋及在安裝設備	9,163,159.80	0.00	9,163,159.80	68,278,969.43	0.00	68,278,969.43
Fatigue explosion laboratory project	疲勞爆破實驗室工程	1,512,559.22	0.00	1,512,559.22	189,588.58	0.00	189,588.58
CNG-IV cylinder (plastic liner composite cylinder)	四型瓶	978,223.56	0.00	978,223.56	0.00	0.00	0.00
Total	合計	11,653,942.58	0.00	11,653,942.58	68,468,558.01	0.00	68,468,558.01

9. Fixed assets (Continued)

9.1 Fixed assets (Continued)

(9) 房屋建築物按所在地區及年限分析如下:

10. 在建工程

10.1 在建工程

(1) 在建工程情況

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

10. Construction in progress (Continued)

10.1 Construction in progress (Continued)

(2) Changes in major projects under construction

Project name 工程名稱	Opening balance 年初餘額	Increase in the current year 本年增加	Transferred- in fixed assets 本年增加	Decrease in the current year 本年減少		Closing balance 其他減少	年末餘額
				Others decreases 轉入固定資產			
Gas cylinder production line of Tianjin Tianhai 天津天海氣瓶生產線	5,346,296.03	16,747,159.03	16,923,452.67	0.00	0.00	5,170,002.39	
Gas cylinder production line of Kuancheng Tianhai 寬城天海氣瓶生產線	41,062,663.62	36,079,255.90	76,263,114.33	0.00	0.00	878,805.19	
Plant of Kuancheng Tianhai 寬城天海廠房	20,841,528.48	0.00	20,841,528.48	0.00	0.00	0.00	
CNG-IV cylinder (plastic liner composite cylinder) 四型瓶	0.00	978,223.56	0.00	0.00	0.00	978,223.56	
Fatigue explosion laboratory project 疲勞爆破實驗室工程	189,588.58	1,322,970.64	0.00	0.00	0.00	1,512,559.22	
Total	合計	67,440,076.71	55,127,609.13	114,028,095.48	0.00	8,539,590.36	

(Con't)

(續表)

Project name 工程名稱	Budget (RMB 10,000) 預算數(萬元)	Proportion of project investment in the budget (%) 工程投入佔 預算比例(%)	Project progress (%) 工程進度(%)	Accumulated amount of capitalized interest 利息資本化 累計金額	Including: amount of capitalized interest in current year 其中:本年利息 資本化金額	Capitalization rate of interest in current year (%) 本年利息 資本化率(%)	Source of funds 資金來源
Gas cylinder production line of Tianjin Tianhai 天津天海氣瓶生產線	3,000.00	69.91	80.00	0.00	0.00	0.00	Self-raised 自籌
Gas cylinder production line of Kuancheng Tianhai 寬城天海氣瓶生產線	7,000.00	99.00	80.00	186,177.51	152,547.83	5.70	Self-raised fund + borrowings 自籌+借款
Plant of Kuancheng Tianhai 寬城天海廠房	4,500.00	100.00	100.00	0.00	0.00	0.00	Self-raised 自籌
CNG-IV cylinder (plastic liner composite cylinder) 四型瓶	5,200.00	1.88	1.88	0.00	0.00	0.00	Self-raised 自籌
Fatigue explosion laboratory project 疲勞爆破實驗室工程	216.98	69.71	99.00	0.00	0.00	0.00	Self-raised 自籌
Total	合計	19,916.98	-	-	-	-	-

(3) Provision for impairment of project under construction in this year

(3) 本年計提在建工程減值準備

Item 項目	Withdrawal in current year 本年計提金額	Reason for provision 計提原因
Construction in progress 位於中國境內 在建工程	0.00	No indication of impairment 不存在減值跡象

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

11. Intangible assets

(1) Breakdown

11. 無形資產

(1) 無形資產明細

Item	項目	Land use right 土地使用權	Patent rights 專利權	Software 軟件	Total 合計
I. Original carrying amount	一、賬面原值				
1. Opening balance	1.年初餘額	154,173,389.08	11,707,050.00	853,162.19	166,733,601.27
2. Increase in the current year	2.本年增加金額	0.00	0.00	2,341,428.76	2,341,428.76
(1) Purchase	(1)購置	0.00	0.00	847,383.40	847,383.40
(2) Fixed assets transferred in	(2)固定資產轉入	0.00	0.00	1,494,045.36	1,494,045.36
3. Decrease in the current year	3.本年減少金額	9,008,627.00	0.00	0.00	9,008,627.00
(1) Transfer-in investment property	(1)轉入投資性房地產	9,008,627.00	0.00	0.00	9,008,627.00
4. Closing balance	4.年末餘額	145,164,762.08	11,707,050.00	3,194,590.95	160,066,403.03
II. Accumulated amortization	二、累計攤銷				
1. Opening balance	1.年初餘額	17,166,991.79	9,136,142.02	680,500.16	26,983,633.97
2. Increase in the current year	2.本年增加金額	3,170,552.14	1,773,275.31	1,384,084.27	6,327,911.72
(1) Provision	(1)計提	3,170,552.14	1,773,275.31	1,384,084.27	6,327,911.72
3. Decrease in the current year	3.本年減少金額	1,771,694.76	0.00	0.00	1,771,694.76
(1) Transferred to investment properties	(1)轉投資性房地產	1,771,694.76	0.00	0.00	1,771,694.76
4. Closing balance	4.年末餘額	18,565,849.17	10,909,417.33	2,064,584.43	31,539,850.93
III. Impairment provision	三、減值準備				
1. Opening balance	1.年初餘額	0.00	0.00	0.00	0.00
2. Increase in the current year	2.本年增加金額	0.00	0.00	0.00	0.00
3. Decrease in the current year	3.本年減少金額	0.00	0.00	0.00	0.00
4. Closing balance	4.年末餘額	0.00	0.00	0.00	0.00
IV. Book value	四、賬面價值				
1. Closing book value	1.年末賬面價值	126,598,912.91	797,632.67	1,130,006.52	128,526,552.10
2. Opening book value	2.年初賬面價值	137,006,397.29	2,570,907.98	172,662.03	139,749,967.30

Note: For the detailed mortgage of the land use right of the Group at the end of the period, refer to Note VI. 9 Fixed Assets.

註：本集團期末土地使用權抵押情況詳見本附註「六、9固定資產」所述。

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|---|---|
| <p>(1) There are no intangible assets formed through internal R&D in the Company at the end of the year.</p> <p>(2) There is no land use right for property that certificate of title has not been handled at the end of the year.</p> <p>(3) The amount of amortization for intangible assets recognized as profits or losses is RMB 6,327,911.72 (amount of previous year: RMB 4,712,683.38) in the current year.</p> | <p>(1) 本年末無通過公司內部研發形成的無形資產。</p> <p>(2) 年末無未辦妥產權證書的土地使用權。</p> <p>(3) 本年確認為損益的無形資產的攤銷額為6,327,911.72元(上年金額：4,712,683.38元)。</p> |
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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

11. Intangible assets (Continued)

(1) Breakdown (Continued)

(4) Analysis of land use right based on location and service life:

Item	項目	Closing amount 年末金額	Opening amount 年初金額
Within China	位於中國境內	126,598,912.91	137,006,397.29
Long-term (more than 50 years)	長期(50年以上)	0.00	0.00
Mid-term (10-50 years)	中期(10-50年)	126,598,912.91	137,006,397.29
Short-term (within 10 years)	短期(10年以內)	0.00	0.00
Outside China	位於中國境外	0.00	0.00
Long-term (more than 50 years)	長期(50年以上)	0.00	0.00
Mid-term (10-50 years)	中期(10-50年)	0.00	0.00
Short-term (within 10 years)	短期(10年以內)	0.00	0.00
Total	合計	126,598,912.91	137,006,397.29

12. Goodwill

(1) Original value

Name of the investee	被投資單位名稱	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額
BTIC AMERICA CORPORATION	天海美洲公司	6,562,344.06	0.00	0.00	6,562,344.06

(2) Provision for impairment of goodwill

Name of the investee	被投資單位名稱	Opening balance 期初餘額	Provision in current period 本期計提	Disposal in the Current Period 本期處置	Ending balance 期末餘額
BTIC AMERICA CORPORATION	天海美洲公司	2,882,689.66	3,679,654.40	0.00	6,562,344.06

On the balance sheet date, Beijing Tianhai, a subsidiary of the Company, has conducted the impairment test for the goodwill and adopted the asset groups related to the goodwill to estimate the present value of future cash flow when the estimated input cost can be recovered. All assets of BTIC AMERICA CORPORATION were identified as an asset group of RMB 68,162,500, which was consistent with the asset group determined at the purchase date and the previous year's goodwill impairment test.

11. 無形資產(續)

(1) 無形資產明細(續)

(4) 土地使用權按所在地區及年限分析如下:

12. 商譽

(1) 商譽原值

(2) 商譽減值準備

資產負債表日，本公司之子公司北京天海對商譽進行減值測試，在預計投入成本可回收金額時，採用了與商譽有關的資產組來預計未來現金流量現值。天海美洲公司的所有資產6,816.25萬元被認定為一個資產組，該資產組與購買日、以前年度商譽減值測試時所確定的資產組一致。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

12. Goodwill (Continued)

(2) Provision for impairment of goodwill (Continued)

Recoverable amounts of the asset group are calculated by the cash flow forecasting method in the stable operation period from the sixth year based on the five-year budget approved by the management. Other key assumptions adopted in the impairment test include estimated selling price, sales volume, other related expenses, etc. of products. The management determines the above key assumptions as per the historical experience and forecast to market development. The management adopts the pretax rate of 12% which can reflect the specific risks of relevant asset groups as the discount rate. The above assumptions are used to analyze recoverable amounts of each asset group. The management believes that any material change in these key assumptions may cause the carrying amount of a single asset group to exceed its recoverable amount.

The management believes that the provision for impairment for the goodwill is RMB 3,679,654.40 based on the above assessment.

12. 商譽(續)

(2) 商譽減值準備(續)

資產組的可收回金額是依據管理層批准的資產組和資產組組合五年期預算,從第六年起為經營穩定期,採用現金流量預測方法計算。減值測試中採用的其他關鍵假設包括:產品預計售價、銷量、其他相關費用等。管理層根據歷史經驗及對市場發展的預測確定上述關鍵假設。管理層採用能夠反映相關資產組的特定風險的稅前利率12%為折現率。上述假設用以分析各資產組的可收回金額。管理層相信這些重要假設的任何重大變化都有可能引起單個資產組的賬面價值超過其可收回金額。

管理層認為,基於上述評估對商譽計提減值準備3,679,654.40元。

13. Long-term deferred expenses

13. 長期待攤費用

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加	Amortization in the current year 本年攤銷	Other decreases in the current year 本年其他減少	Closing balance 年末餘額
Amortization of turnover fees	周轉瓶攤銷	14,503,535.42	0.00	4,198,932.49	88,061.34	10,216,541.59
Property comprehensive insurance	財產綜合險	11,221.08	0.00	11,221.08	0.00	0.00
Amortization of installation cost of power transmission and distribution projects	配變電工程安裝費攤銷	0.00	95,080.80	13,205.67	0.00	81,875.13
Total	合計	14,514,756.50	95,080.80	4,223,359.24	88,061.34	10,298,416.72

Note: Other decreases this year lie in turnover bottles sold abroad.

註: 本年其他減少為周轉瓶對外銷售。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

14. Deferred income tax assets and deferred income tax liabilities

14. 遞延所得稅資產和遞延所得稅負債

(1) Deferred income tax assets not offset

(1) 未經抵銷的遞延所得稅資產

Item	項目	Closing balance 年末餘額		Opening balance 年初餘額	
		Deferred income tax assets 遞延所得稅資產	Deductible temporary difference 可抵扣暫時性差異	Deferred income tax assets 遞延所得稅資產	Deductible temporary difference 可抵扣暫時性差異
Amortization of turnover fees	資產減值準備	249,398.34	997,593.36	245,175.04	980,700.16
Property comprehensive insurance	折舊年限差異	113,688.91	324,825.46	43,014.64	122,898.97
Total	合計	363,087.25	1,322,418.82	288,189.68	1,103,599.13

(2) Details of unrecognized deferred income tax assets

(2) 未確認遞延所得稅資產明細

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Deductible temporary difference	可抵扣暫時性差異	-	-
Deductible loss	可抵扣虧損	511,905,405.39	371,586,864.43
Provision for assets impairment	資產減值準備	120,025,893.36	102,674,424.97
Total	合計	631,931,298.75	474,261,289.40

(3) Deductible loss of the unrecognized deferred income tax assets will be due in the following years

(3) 未確認遞延所得稅資產的可抵扣虧損將於以下年度到期

Year	年份	Closing amount 年末金額	Opening amount 年初金額	Remarks 備註
2018	2018年度	0.00	21,180,571.48	-
2019	2019年度	14,347,457.83	41,532,934.11	-
2020	2020年度	116,010,136.26	145,886,603.24	-
2021	2021年度	100,450,155.59	112,635,194.39	-
2022	2022年度	34,552,762.03	50,351,561.21	-
2023	2023年度	246,544,893.68	0.00	-
Total	合計	511,905,405.39	371,586,864.43	-

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

15. Short-term borrowings 15. 短期借款

(1) Classification (1) 短期借款分類

Category	借款類別	Closing balance 年末餘額	Opening balance 年初餘額
Mortgage borrowing	抵押借款	119,998,046.30	110,000,000.00
Guaranteed borrowing	保證借款	158,000,000.00	175,000,000.00
Total	合計	277,998,046.30	285,000,000.00

1) On May 10, 2018, Beijing Tianhai, a subsidiary of the Company, signed a working capital loan contract (No. YYB1210120180063) with Beijing Guanghua Sub-branch of Huaxia Bank, with the loan amount of RMB 30,000,000.00, lasting from May 10, 2018 to May 10, 2019 and with the loan rate of 6.09%. Beijing Jingcheng Machinery Electric Holding Co., Ltd. will provide the maximum amount guarantee from the effective date of the main contract to the date of expiry of two years after the date of expiry of the debt performance under the main contract. By the end of the period, the bank has lent RMB 30,000,000.00.

2) On May 23, 2018, Beijing Tianhai signed a working capital loan contract (No. YYB1210120180052) with Beijing Guanghua Sub-branch of Huaxia Bank, with the loan amount of RMB 20,000,000.00, lasting from May 23, 2018 to May 23, 2019 and with the loan rate of 6.09%. Beijing Jingcheng Machinery Electric Holding Co., Ltd. will provide the maximum amount guarantee from the effective date of the main contract to the date of expiry of two years after the date of expiry of the debt performance under the main contract. By the end of the period, the bank has lent RMB 20,000,000.00.

1) 2018年5月10日,本公司之子公司北京天海與華夏銀行股份有限公司北京光華支行簽訂編號為YYB1210120180063的流動資金借款合同,借款金額為3,000萬元,借款期間自2018年5月10日起至2019年5月10日止,借款利率為6.09%。由北京京城機電控股有限責任公司提供最高額保證,保證期限為主合同生效之日起至主合同項下債務履行期限屆滿之日後兩年。截止期末銀行已放借款3,000.00萬元。

2) 2018年5月23日,北京天海與華夏銀行股份有限公司北京光華支行簽訂編號為YYB1210120180052的流動資金借款合同,借款金額為2,000萬元,借款期間自2018年5月23日起至2019年5月23日止,借款利率為6.09%。由北京京城機電控股有限責任公司提供最高額保證,保證期限為主合同生效之日起至主合同項下債務履行期限屆滿之日後兩年。截止期末銀行已放借款2,000.00萬元。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

15. Short-term borrowings (Continued)

(1) Classification (Continued)

- 3) On June 22, 2018, Beijing Tianhai signed a working capital loan contract (No. YYB1210120180047) with Beijing Guanghua Sub-branch of Huaxia Bank, with the loan amount of RMB 30,000,000.00, lasting from June 22, 2018 to June 22, 2019 and with the loan rate of 6.09%. Beijing Jingcheng Machinery Electric Holding Co., Ltd. will provide the maximum amount guarantee from the effective date of the main contract to the date of expiry of two years after the date of expiry of the debt performance under the main contract. By the end of the period, the bank has lent RMB 30,000,000.00.
- 4) On October 23, 2018, Beijing Tianhai signed a working capital loan contract (No. YYB1210120180145) with Beijing Guanghua Sub-branch of Huaxia Bank, with the loan amount of RMB 28,000,000.00, lasting from October 23, 2018 to October 23, 2019 and with the loan rate of 6.09%. Beijing Jingcheng Machinery Electric Holding Co., Ltd. will provide the maximum amount guarantee from the effective date of the main contract to the date of expiry of two years after the date of expiry of the debt performance under the main contract. By the end of the period, the bank has lent RMB 28,000,000.00.
- 5) On November 16, 2018, Beijing Tianhai signed a working capital loan contract (No. YYB1210120180153) with Beijing Guanghua Sub-branch of Huaxia Bank, with the loan amount of RMB 20,000,000.00, lasting from November 16, 2018 to November 04, 2019 and with the loan rate of 6.09%. Beijing Jingcheng Machinery Electric Holding Co., Ltd. will provide the maximum amount guarantee from the effective date of the main contract to the date of expiry of two years after the date of expiry of the debt performance under the main contract. By the end of the period, the bank has lent RMB 20,000,000.00.

15. 短期借款(續)

(1) 短期借款分類(續)

- 3) 2018年6月22日，北京天海與華夏銀行股份有限公司北京光華支行簽訂編號為YYB1210120180047的流動資金借款合同，借款金額為3,000萬元，借款期間自2018年6月22日起至2019年6月22日止，借款利率為6.09%。由北京京城機電控股有限責任公司提供最高額保證，保證期限為主合同生效之日起至主合同項下債務履行期限屆滿之日後兩年。截止期末銀行已放借款3,000.00萬元。
- 4) 2018年10月23日，北京天海與華夏銀行股份有限公司北京光華支行簽訂編號為YYB1210120180145的流動資金借款合同，借款金額為2,800萬元，借款期間自2018年10月23日起至2019年10月23日止，借款利率為6.09%。由北京京城機電控股有限責任公司提供最高額保證，保證期限為主合同生效之日起至主合同項下債務履行期限屆滿之日後兩年。截止期末銀行已放借款2,800.00萬元。
- 5) 2018年11月16日，北京天海與華夏銀行股份有限公司北京光華支行簽訂編號為YYB1210120180153的流動資金借款合同，借款金額為2,000萬元，借款期間自2018年11月16日起至2019年11月4日止，借款利率為6.09%。由北京京城機電控股有限責任公司提供最高額保證，保證期限為主合同生效之日起至主合同項下債務履行期限屆滿之日後兩年。截止期末銀行已放借款2,000.00萬元。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

15. Short-term borrowings (Continued)

(1) Classification (Continued)

- 6) On October 10, 2018, Beijing Tianhai signed a working capital loan contract (No. YYB 1210120180134) with Beijing Guanghua Sub-branch of Huaxia Bank, with the loan amount of RMB 30,000,000.00, lasting from October 10, 2018 to October 10, 2019 and with the loan rate of 6.09%. Beijing Jingcheng Machinery Electric Holding Co., Ltd. will provide the maximum amount guarantee from the effective date of the main contract to the date of expiry of two years after the date of expiry of the debt performance under the main contract. By the end of the period, the bank has lent RMB 30,000,000.00.
- 7) On October 22, 2018, Beijing Tianhai signed a comprehensive credit contract NO. 0513051 with Taoran Sub-branch of Bank of Beijing Co., Ltd. The credit line is RMB 80,000,000.00. The validity period is one year from the date of contract conclusion, and the loan interest rate is 4.35%. See "VI. 9.1 Fixed Assets" for details of the collateral. By the end of the period, the bank has lent RMB 79,998,000.00.
- 8) On November 21, 2018, the Property Ownership Certificate (JZ No. 115031501859) and Certificate of Land Use Right (DHB-32-2) for the fixed assets (plant & buildings) of Tianjin Tianhai High Pressure Container Co., Ltd., a subsidiary of the Company, at the end of the year are used as the mortgage to Tianjin Branch of Huaxia Bank, involving RMB 115,587,900.00 of the assessed value. The land is located on No. 268 Jinbin Avenue, Tianjin Port Free Trade Zone, with the area of 50,378.4 square meters. The mortgage contract No. is TJ06 (GD 2) No. 20180216, with the maximum debt limit of RMB 40,000,000.00. The loan period is from November 22, 2018 to November 22, 2019. By the end of the period, the bank has lent RMB 40,000,000.00.

- (2) There is no short-term borrowing due but unpaid at the end of the year.
- (3) The weighted average annual interest rate of short-term borrowings at the end of the year is 5.65% (5.37% at the end of previous year).

15. 短期借款(續)

(1) 短期借款分類(續)

- 6) 2018年10月10日,北京天海與華夏銀行股份有限公司北京光華支行簽訂編號為YYB 1210120180134的流動資金借款合同,借款金額為3,000萬元,借款期間自2018年10月10日起至2019年10月10日止,借款利率為6.09%。由北京京城機電控股有限責任公司提供最高額保證,保證期限為主合同生效之日起至主合同項下債務履行期限屆滿之日後兩年。截止期末銀行已放借款3,000.00萬元。
- 7) 2018年10月22日,北京天海與北京銀行股份有限公司陶然支行簽訂編號為0513051的綜合授信合同,授信額度人民幣8,000萬元,額度有效期自合同訂立日起1年,借款利率為4.35%。抵押物情況詳見「六、9.1 固定資產」所述。截止期末銀行已放借款7,999.80萬元。
- 8) 2018年11月21日,本公司之下屬公司天津天海高壓容器有限責任公司期末固定資產房屋建築物房地證津字第115031501859號,土地使用權地號保一32-2,面積50378.4平方米,座落於保稅區津濱大道268號,用於向華夏銀行股份有限公司天津分行提供貸款抵押,涉及評估價值為11,558.79萬元。抵押合同編號為TJ06(高抵2)20180216號,最高債權額度為4,000萬元,貸款期限自2018年11月22日至2019年11月22日。截止期末銀行已放借款4,000.00萬元。

- (2) 年末不存在已逾期未償還的短期借款。
- (3) 本年末短期借款的加權平均年利率為5.65%(上年末:5.37%)。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

16. Notes payable and accounts payable

16. 應付票據及應付帳款

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Notes payable	應付票據	30,000,000.00	3,000,000.00
Accounts payable	應付帳款	234,374,639.10	257,850,663.86
Total	合計	264,374,639.10	260,850,663.86

16.1 Notes payable

16.1 應付票據

Type of notes	票據種類	Closing balance 年末餘額	Opening balance 年初餘額
Bank acceptance notes	銀行承兌匯票	3,000,000.00	30,000,000.00

Note: On November 21, 2018, Tianjin Tianhai High Pressure Container Co., Ltd., a subsidiary of the Company, signed a note mortgage contract (No.: TJ06 (GD 1) 20180216) with Tianjin Branch of Huaxia Bank Co., Ltd, lasting from November 22, 2018 to the date of expiry of performing liability under items of the main contract. Tianjin Tianhai High Pressure Container Co., Ltd. took the house property and land with an assessed value of RMB 87,329,500 as the mortgage, and the House Property Ownership Certificate No. is FDZJ #115021201217 and the parcel No. of the land use right is B-31-6. And the maximum debt limit is RMB 40 million, with the loan period from November 22, 2018 to November 22, 2019.

註：2018年11月21日，本公司之下屬公司天津天海高壓容器有限責任公司與華夏銀行股份有限公司天津分行簽訂編號為TJ06(高抵1)20180216號票據抵押合同，由天津天海高壓容器有限責任公司以評估價值為8,732.95萬元的房產和土地進行抵押，房屋建築物房地證津字第115021201217號，土地使用權地號保-31-6，抵押期限自2018年11月22日起至主合同項下債務履行期限屆滿之日。最高債權額度為4,000萬元，貸款期限自2018年11月22日至2019年11月22日。

- (1) There is no note payable due but unpaid at the end of the year.
- (2) The closing payable notes of the Group mentioned above are aged within 365 days.

- (1) 年末無已到期未支付的應付票據。
- (2) 本集團上述年末應付票據的賬齡在365天之內。

16.2 Accounts payable

(1) Presentation of accounts payable

16.2 應付帳款

(1) 應付帳款列示

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Material payment, etc.	材料款等	228,858,941.62	247,106,828.24
Project payment	工程款	5,515,697.48	10,743,835.62
Total	合計	234,374,639.10	257,850,663.86

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

16. Notes payable and accounts payable (Continued)

16. 應付票據及應付帳款(續)

16.2 Accounts payable (Continued)

16.2 應付帳款(續)

(2) Significant payables with the aging over 1 year:

(2) 賬齡超過1年的重要應付帳款

Company name 單位名稱	Closing balance 年末餘額	Reasons for unrepayment or carrying over 未償還或結轉的原因
Tianjin Seamless Investment Co., Ltd. 天津大無縫投資有限公司	2,582,070.00	Unsettled 尚未結算
First Branch of Beijing Jingcheng Industrial Logistics Co., Ltd. 北京京城工業物流有限公司第一分公司	902,227.27	Unsettled 尚未結算
Hangzhou Xinya Cryogenic Technology Co., Ltd. 杭州新亞低溫科技有限公司	877,466.00	Unsettled 尚未結算
Tancy Instrument Group Co., Ltd. 天信儀錶集團有限公司	593,090.00	Unsettled 尚未結算
Beijing VCA Technology Co., Ltd. 北京市維思技術服務有限公司	572,548.00	Unsettled 尚未結算
Total 合計	5,527,401.27	-

(3) Presentation of accounts payable as per age

(3) 應付帳款按賬齡列示

Item	項目	Closing balance 年末金額	Opening balance 年初金額
Within 1 year (including 1 year)	1年以內(含1年)	216,935,540.14	192,243,087.10
1-2 years	1-2年	12,401,987.78	8,401,700.79
2-3 years	2-3年	1,467,709.80	53,054,070.96
Over 3 years	3年以上	3,569,401.38	4,151,805.01
Total	合計	234,374,639.10	257,850,663.86

17. Contractual liabilities

17. 合同負債

(1) Contractual liabilities

(1) 合同負債情況

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Goods payment received in advance	預收貨款	48,104,438.48	45,878,250.70
Including: more than one year	其中: 1年以上	14,130,097.95	9,233,227.30

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

17. Contractual liabilities (Continued)

17. 合同負債(續)

(2) Significant changes in the book value of contract liabilities in the current year

(2) 合同負債的賬面價值在本年發生的重大變動情況

Item 項目	Amount changed 變動金額	Reason of change 變動原因
LEEBUCC TIANJIN HYDRAULICS EQUIPMENT CO.,LTD. 巴克立偉(天津)液壓設備有限公司	-2,193,481.53	Contract fulfilled 合同已履行
Jincheng Huayunda New Energy Co., Ltd. 晉城華運達新能源有限公司	-2,720,000.00	Contract fulfilled 合同已履行
Liuyang Binhai Gas Co., Ltd. 瀏陽濱海燃氣有限公司	2,272,000.00	New contract not performed 新增合同未履行
Gaobeidian Huayu Gas Development Co., Ltd. 高碑店市華宇燃氣開發有限公司	-3,486,000	Contract fulfilled 合同已履行
Total 合計	-6,127,481.53	-

(3) Significant contractual liabilities aged over 1 year

(3) 賬齡超過1年的重要合同負債

Company name 單位名稱	Closing balance 年末餘額	Reasons for unrepayment or carrying over 未償還或結轉的原因
WESTPORTPOWERINC. WESTPORTPOWERINC.	4,340,736.03	The contract has not been completely fulfilled. 合同未履行完畢
Hejin Xinchao Yue Gas Co., Ltd. 天津市鑫超越燃氣有限公司	2,700,000.00	The contract has not been completely fulfilled. 合同未履行完畢
Tangshan Cao Feidian District Huarui Gas Co., Ltd. 唐山曹妃甸區華瑞燃氣有限公司	980,000.00	The contract has not been completely fulfilled. 合同未履行完畢
EUROTECH CYLINDERS PVT.LTD EUROTECH CYLINDERS PVT.LTD	670,651.13	The contract has not been completely fulfilled. 合同未履行完畢
Zhangjiagang Furui CIT Co., Ltd. 張家港富瑞氬能裝備有限公司	596,000.00	The contract has not been completely fulfilled. 合同未履行完畢
Total 合計	9,287,387.16	-

18. Employee benefits payable

18. 應付職工薪酬

(1) Classification

(1) 應付職工薪酬分類

Item 項目	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額
Short-term benefits 短期薪酬	31,787,304.98	191,822,324.80	204,920,890.95	18,688,738.83
Post-employment benefits-defined contribution plan 離職後福利-設定提存計劃	1,044,939.43	24,737,472.26	24,589,605.02	1,192,806.67
Dismissal welfare 辭退福利	0.00	1,661,784.50	1,661,784.50	0.00
Current portion of other welfare 一年內到期的其他福利	4,030,298.15	2,185,350.79	3,167,370.65	3,048,278.29
Total	36,862,542.56	220,406,932.35	234,339,651.12	22,929,823.79

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

18. Employee benefits payable (Continued)

18. 應付職工薪酬(續)

(2) Short-term benefits

(2) 短期薪酬

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額
Salary, bonus, allowance and subsidy	工資、獎金、津貼和補貼	23,417,020.56	157,790,600.08	169,676,818.63	11,530,802.01
Employee welfare expenses	職工福利費	0.00	4,392,857.74	4,392,857.74	0.00
Social insurance premium	社會保險費	822,794.07	15,249,130.17	15,133,763.88	938,160.36
Including: Medical insurance premium	其中: 醫療保險費	737,206.18	13,304,412.30	13,206,016.68	835,601.80
Work injury insurance premium	工傷保險費	42,754.24	1,051,496.49	1,043,692.24	50,558.49
Childbearing insurance premium	生育保險費	42,833.65	893,221.38	884,054.96	52,000.07
Housing provident fund	住房公積金	125,855.00	9,652,230.60	9,652,230.60	125,855.00
Labor union expenditure & personnel education fund	工會經費和職工教育經費	5,488,495.35	4,160,866.21	5,307,180.10	4,342,181.46
Housing allowance	住房補貼	1,933,140.00	576,640.00	758,040.00	1,751,740.00
Total	合計	31,787,304.98	191,822,324.80	204,920,890.95	18,688,738.83

(3) Defined contribution plan

(3) 設定提存計劃

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額
Basic endowment insurance	基本養老保險	1,007,829.37	23,890,964.27	23,743,587.74	1,155,205.90
Unemployment insurance premium	失業保險費	37,110.06	846,507.99	846,017.28	37,600.77
Total	合計	1,044,939.43	24,737,472.26	24,589,605.02	1,192,806.67

The Group has participated in the social insurance program established by government authorities as stipulated. As per the program, the Group will contribute to the program in accordance with relevant regulations of the local government. Besides the contribution above, the Group will not assume any obligations for payment. Relevant expenditures shall be recorded into current profits and losses.

本集團按規定參加政府機構設立的社會保險計劃。根據計劃,本集團按照當地政府的有關規定向該等計劃繳存費用。除上述繳存費用外,本集團不再承擔進一步支付義務。相應的支出於發生時計入當期損益。

The Group shall pay RMB 24,737,472.26 (PRIOR YEAR AMOUNT: RMB 22,240,808.05) into the defined contribution plan for the year in which it participates. On December 31, 2018, the Group still has RMB 1,192,806.67 (last year's amount: RMB 1,044,939.43) for deposit, which are due and unpaid during the reporting period. The relevant deposit fees have been deposited after the reporting period.

本集團本年應向參與的設定提存計劃繳存費用人民幣24,737,472.26(上年金額:22,240,808.05元)。於2018年12月31日,本集團尚有人民幣1,192,806.67元(上年金額:1,044,939.43元)的應繳存費用,是於本報告期間到期而未繳存的,有關應繳存費用已於報告期後繳存。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

19. Taxes payable 19. 應交稅費

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Value-added tax	增值稅	10,821,378.77	7,692,584.40
Corporate income tax	企業所得稅	1,700,302.30	6,159,843.56
Individual income tax	個人所得稅	1,626,473.04	1,243,061.32
City maintenance and construction tax	城市維護建設稅	641,751.15	731,604.46
Property tax	房產稅	86,238.15	86,238.09
Education surcharge	教育費附加	292,625.36	337,651.85
Local education surcharge	地方教育費附加	169,149.49	191,360.94
Stamp duty	印花稅	384,853.32	217,479.11
Flood prevention charge	防洪費	86,608.90	23,386.24
Environmental protection tax	環境保護稅	12,704.44	0.00
Total	合計	15,822,084.92	16,683,209.97

There is no Hong Kong profits tax payable in the taxes payable at the end of the year.

年末應交稅費中無應交香港利得稅。

20. Other payables 20. 其他應付款

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Interests payable	應付利息	72,000.00	446,534.71
Other payables	其他應付款	80,552,608.94	90,542,182.64
Total	合計	80,624,608.94	90,988,717.35

20.1 Interests payable (1) Classification

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Interest payable of short-term borrowing	短期借款應付利息	72,000.00	446,534.71

(2) There is no overdue unpaid interest at the end of the year

20.1 應付利息 (1) 應付利息分類

(2) 年末無已逾期末支付的利息

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

20. Other payables (Continued)

20.2 Other payables

(1) Classification of other payables by nature

Nature of amount	款項性質	Closing balance 年末餘額	Opening balance 年初餘額
Related party borrowing	關聯方借款	47,233,297.95	45,000,000.00
Funds disbursed for others, etc.	代墊款項等	26,123,097.49	38,818,094.18
Interchange funds among related parties	關聯方往來款	6,704,203.53	5,000,000.00
Rental fees	租賃費	487,359.09	1,712,380.96
Return of Social Insurance	社保金返還	4,650.88	11,707.50
Total	合計	80,552,608.94	90,542,182.64

(2) Payables with significant amount and aged of over 1 year

Company name 單位名稱
Tianjin Seamless Investment Co., Ltd. 天津大無縫投資有限責任公司

Closing balance
年末餘額

1,704,203.53

Reasons for unrepayment
or carrying over
未償還或結轉的原因

Unsettled
尚未結算

(2) 賬齡超過1年的重要其他應付款

21. Current portion of non-current liabilities

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額	Remarks 備註
Special payables due within one year	一年內到期的專項應付款	11,000,000.00	11,000,000.00	-
Including: Skid-mounted Fueling Station for Liquefied Natural Gas	其中: 撬裝式液化天然氣(LNG)加氣站產品	5,000,000.00	5,000,000.00	Note 1 註1
Self-compression-adding Liquefied Natural Gas (LNG) Welding Thermal Insulation Cylinder Products for Motor Vehicles	自增壓型機動車用液化天然氣焊接絕熱氣瓶產品	2,000,000.00	2,000,000.00	Note 2 註2
Liquefied Natural Gas Low Temperature Storage Tank Product for HPDI-T6 Motor Vehicles	HPDI-T6型機動車用液化天然氣低溫貯罐產品	4,000,000.00	4,000,000.00	Note 3 註3
Current portion of long-term borrowings	一年內到期的長期借款	7,000,000.00	0.00	Note 4 註4
Total	合計	18,000,000.00	11,000,000.00	

Note 1: On December 25, 2012, Beijing Tianhai Industry Co., Ltd. and Jingcheng Holding signed a Contract of Supporting Funds on Jingcheng Holding Strategic and Technologic Research and Development Projects. Jingcheng Holding granted a supporting fund of RMB 5,000,000.00 on skid-mounted liquefied natural gas (LNG) refilling stations of Beijing Tianhai Industry Co., Ltd.. Beijing Tianhai Industry Co., Ltd. would make a lump-sum repayment to Jingcheng Holding within the first 10 working days effective from December 1, 2014. The repayment, however, has not been made at the end of the period.

21. 一年內到期的非流動負債

註1: 北京天海工業有限公司與京城控股於2012年12月25日簽訂了「京城控股戰略產品與技術研發項目資金支持合同」,京城控股對北京天海工業有限公司的撬裝式液化天然氣(LNG)加氣站產品開發給予資金支持500萬元。北京天海工業有限公司將於2014年12月1日開始的10個工作日內一次性向京城控股返還資金,期末尚未歸還。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

21. Current portion of non-current liabilities (Continued)

Note 2: On December 22, 2011, Beijing Tianhai Industry Co., Ltd. and Jingcheng Holding signed a Contract of Supporting Funds on Jingcheng Holding Strategic and Technologic Research and Development Projects. Jingcheng Holding granted Beijing Tianhai Industry Co., Ltd. a supporting fund of RMB 2,000,000.00 on the development of self-compression-adding liquefied natural gas (LNG) welding thermal insulation cylinder products for motor vehicles. Beijing Tianhai Industry Co., Ltd. would make a lump-sum repayment to Jingcheng Holding within the first 10 working days effective from December 1, 2014. The repayment, however, has not been made at the end of the period.

Note 3: On December 22, 2011, Beijing Tianhai Industry Co., Ltd. and Jingcheng Holding signed a Contract of Supporting Funds on Jingcheng Holding Strategic and Technologic Research and Development Projects. Jingcheng Holding granted Beijing Tianhai Industry Co., Ltd. a supporting fund of RMB 4,000,000.00 on the development of liquefied natural gas low temperature storage tank product for HPDI-T6 motor vehicles. Beijing Tianhai Industry Co., Ltd. will make RMB 1,200,000 and RMB 2,800,000 repayment of the non-current liability not repaid at the end of the year that has been adjusted to current portion of non-current liabilities, to Jingcheng Holding within the first 10 working days effective from December 1, 2014 and December 1, 2015, respectively. Such non-current liability has not been repaid at the end of the period.

Note 4: On December 07, 2017, Kuancheng Tianhai Pressure Container Co., Ltd., a subsidiary of the Company, signed a loan contract (No. J-04-2017-077) with Chengde Branch of Bank of China Limited, with the loan amount of RMB 18,000,000.00, lasting for 36 months from December 28, 2017 to December 27, 2020 and with the loan rate of 5.70%. The Company took its property and land (Real Property Ownership Certificate of Land Use Right for Kuancheng Manchu Autonomous County (J (2017) No. 0000570)) worthy of RMB 39,556,300.00 as assessed in total for mortgage from December 28, 2017 to the date of expiry of the debt performance under the main contract. As of the end of the period, the bank has made a loan of RMB 18,000,000.00.

22. Other current liabilities

Item	項目
Pending changeover VAT on sales	待轉銷項稅額

六、合併財務報表主要項目註釋(續)

21. 一年內到期的非流動負債(續)

註2: 北京天海工業有限公司與京城控股於2011年12月22日簽訂了「京城控股戰略產品與技術研發項目資金支持合同」,京城控股對北京天海工業有限公司的自增壓型機動車用液化天然氣焊接絕熱氣瓶產品開發給予資金支持200萬元。北京天海工業有限公司將於2014年12月1日開始的10個工作日內一次性向京城控股返還資金,期末尚未歸還。

註3: 北京天海工業有限公司與京城控股於2011年12月22日簽訂了「京城控股戰略產品與技術研發項目資金支持合同」,對北京天海工業有限公司的HPDI-T6型機動車用液化天然氣低溫貯罐產品開發給予資金支持400萬元。北京天海工業有限公司將年末尚未歸還,調至一年內到期的非流動負債於2014年12月1日開始的10個工作日內和2015年12月1日開始的十個工作日內,分兩期向京城控股返還資金,分別返還120萬元和280萬元,期末尚未歸還。

註4: 2017年12月7日,本公司之下屬公司寬城天海壓力容器有限公司與中國銀行股份有限公司承德分行簽訂合同編號冀一04-2017-077貸款協議,借款金額為1,800.00萬元,借款期限36個月,從2017年12月28日起至2020年12月27日止,借款利率為5.70%。本公司以評估價值為3,955.63萬元的房產和土地進行抵押,不動產權編號冀(2017)寬城滿族自治縣不動產權第0000570號,抵押期限為2017年12月28日起至主合同項下債務履行期限屆滿之日,截止期末銀行已放借款1,800.00萬元。

22. 其他流動負債

Closing balance 年末餘額	Opening balance 年初餘額
286,545.11	5,380,893.08

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

23. Long-term borrowings

(1) Classification of long-term borrowings

Category	借款類別	Closing balance 年末餘額	Opening balance 年初餘額
Mortgage borrowing	抵押借款	11,000,000.00	5,060,000.00

On December 07, 2017, Kuancheng Tianhai Pressure Container Co., Ltd., a subsidiary of the Company, signed a loan contract (No. J-04-2017-077) with Chengde Branch of Bank of China Limited, with the loan amount of RMB 18,000,000.00, lasting for 36 months from December 28, 2017 to December 27, 2020 and with the loan rate of 5.70%. The Company took its property and land (Real Property Ownership Certificate of Land Use Right for Kuancheng Manchu Autonomous County (J (2017) No. 0000570)) worthy of RMB 39,556,300.00 as assessed in total for mortgage from December 28, 2017 to the date of expiry of the debt performance under the main contract. As of the end of the period, the bank has made a loan of RMB 18,000,000.00.

2017年12月7日,本公司之下屬公司寬城天海壓力容器有限公司與中國銀行股份有限公司承德分行簽訂合同編號冀-04-2017-077貸款協議,借款金額為1,800.00萬元,借款期限36個月,從2017年12月28日起至2020年12月27日止,借款利率為5.70%。本公司以評估價值為3,955.63萬元的房產和土地進行抵押,不動產權編號冀(2017)寬城滿族自治縣不動產權第0000570號,抵押期限為2017年12月28日起至主合同項下債務履行期限屆滿之日,截止期末銀行已放借款1,800.00萬元。

The Group's long-term borrowing rate is 5.70%.

本集團長期借款利率為5.70%。

(2) Analysis on maturity dates of long-term borrowings:

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
One to two years	一至二年	0.00	0.00
Two to five years	二至五年	11,000,000.00	5,060,000.00
More than five years	五年以上	0.00	0.00
Total	合計	11,000,000.00	5,060,000.00

Note: The current portion of long-term borrowings is reclassified as the current portion of non-current liability in this year.

(2) 長期借款到期日分析如下:

註: 一年內到期的長期借款已重分類至「一年內到期的非流動負債」。

24. Long-term payables

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Long-term payables	長期應付款	39,200,000.00	0.00
Special payables	專項應付款	103,900,000.00	103,900,000.00
Total	合計	143,100,000.00	103,900,000.00

24. 長期應付款

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

24. Long-term payables (Continued)

24.1 Long-term payables

(1) Long-term payables classified by nature of payments

Nature of amount	款項性質	Closing balance 年末餘額	Opening balance 年初餘額
Subscribed capital contribution	認繳出資款	39,200,000.00	0.00

Note: The subscribed capital contribution is the equity contribution committed by Beijing Tianhai, a subsidiary of the Company, to Jingcheng Haitong.

Jingcheng Haitong was jointly established by Beijing Tianhai and Beijing Neutron Leasing Co., Ltd. on August 30, 2018. It is mainly engaged in the operation and management of a comprehensive industrial park with garden-style high-end technological innovation, cultural creativity and business office as its main functions. The registered capital of Jingcheng Haitong was RMB 80.00 million. Beijing Tianhai subscribed RMB 39.20 million in cash, holding 49% of the shares, and the subscription date is before September 01, 2021. Article 5.5 of the Jingcheng Haitong Shareholders' Cooperation Agreement stipulates: "In the event of losses at the initial stage of the establishment and operation of the Company, the parties shall bear the losses according to their respective equity proportions" and "the shareholders shall distribute the profits made by the Company according to the equity proportions". Beijing Tianhai recognized long-term equity investment and long-term payables by committing capital contribution.

(2) Analysis on maturity dates of long-term payables

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
One to two years	一至二年	0.00	0.00
Two to five years	二至五年	39,200,000.00	0.00
More than five years	五年以上	0.00	0.00
Total	合計	39,200,000.00	0.00

24. 長期應付款(續)

24.1 長期應付款

(1) 長期應付款按款項性質分類

Closing balance 年末餘額	Opening balance 年初餘額
39,200,000.00	0.00

註：認繳出資款為本公司之子公司北京天海對京城海通承諾認繳的股權出資。

京城海通是由北京天海和北京能通租賃公司於2018年8月30日共同設立，主要從事園林式高端科技創新、文化創意及商務辦公為主要功能的綜合性聚集產業園區的運營管理。註冊資本8,000萬元，北京天海以貨幣形式認繳3,920萬元，持股49%，認繳出資日期為2021年9月1日前。京城海通股東合作協議第5.5條約定：「公司成立初期及運營階段如出現虧損，由各方按照各自股權比例予以承擔」、「公司盈利，股東按照股權比例進行利潤分配」。北京天海按承諾認繳出資確認長期股權投資和長期應付款。

(2) 長期應付款到期日分析

Closing balance 年末餘額	Opening balance 年初餘額
0.00	0.00
39,200,000.00	0.00
0.00	0.00
39,200,000.00	0.00

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

24. Long-term payables (Continued)

24.2 Special payables

24. 長期應付款(續)

24.2 專項應付款

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額	Cause 形成原因
Project of Aluminum Lined Fully-wrapped Composite Gas Cylinder for Tianhai Vehicles	天海車用鋁內膽全纏繞複合氣瓶項目	3,900,000.00	0.00	0.00	3,900,000.00	Note 1 註1
Project of Production Base Construction for Gas Storage and Transportation Equipment	天然氣儲運設備生產基地建設項目	100,000,000.00	0.00	0.00	100,000,000.00	Note 2 註2
Total	合計	103,900,000.00	0.00	0.00	103,900,000.00	

Note 1: Beijing Tianhai signed Fund Supporting Contract for Jingcheng Holding's Strategic Products and Technical R&D with Jingcheng Holding in 2009; and Jingcheng Holding provided RMB 10,000,000.00 for supporting the Project of Aluminum Lined Fully-wrapped Composite Gas Cylinder for Tianhai Vehicles of Beijing Tianhai. The closing balance unpaid is RMB 3.9 million.

註1: 北京天海與京城控股於2009年簽訂了「京城控股戰略產品與技術研發項目資金支持合同」,對北京天海的天海車用鋁內膽全纏繞複合氣瓶項目給予資金支持1,000萬元。期末尚未歸還的餘額為390萬元。

Note 2: State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality issued Notice about Appropriation of 2013 State-owned Capital Operation Budget on June 04, 2013 (JGZ [2013] No.96) to Jingcheng Holding and notified to arrange RMB 100,000,000.00 for the Project of Production Base Construction for Gas Storage and Transportation Equipment. Beijing Tianhai received the above funds in August 2013.

註2: 北京市人民政府國有資產監督管理委員會2013年6月4日向京城控股下發了《關於撥付2013年國有資本經營預算資金的通知》(京國資[2013]96號),通知安排1億元用於天然氣儲運設備生產基地建設項目。北京天海於2013年8月收到上述資金。

25. Long-term employee benefits payable

(1) Classification

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Net liabilities of post-employment benefits – defined benefit plan	離職後福利 – 設定受益計劃淨負債	24,637,440.48	32,871,892.94

25. 長期應付職工薪酬

(1) 長期應付職工薪酬分類

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

25. Long-term employee benefits payable (Continued)

(2) Changes in defined benefit plan – present value of obligations in defined benefit plan

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Opening balance	年初餘額	36,902,191.09	35,367,897.77
Defined benefit cost included in current profits and losses	計入當期損益的設定受益成本	-6,049,101.67	3,684,430.78
1. Current service cost	1. 當期服務成本	1,244,276.71	2,358,134.61
2. Previous service cost	2. 過去服務成本	-8,677,210.55	0.00
3. Settlement gains (losses to be listed with "-")	3. 結算利得(損失以「-」表示)	0.00	0.00
4. Net interests	4. 利息淨額	1,383,832.17	1,326,296.17
Defined benefit cost included in other comprehensive incomes	計入其他綜合收益的設定收益成本	0.00	0.00
1. Actuarial gains (losses to be listed with "-")	1. 精算利得(損失以「-」表示)	0.00	0.00
Other changes	其他變動	-3,167,370.65	-2,150,137.46
1. Liabilities eliminated when settling	1. 結算時消除的負債	0.00	0.00
2. Paid welfare	2. 已支付的福利	-3,167,370.65	-2,150,137.46
Closing balance	年末餘額	27,685,718.77	36,902,191.09
Less: current portion of welfare	減：將於1年內到期的福利	3,048,278.29	4,030,298.15
Closing balance of welfare with current portion deducted	扣除1年內到期後的年末餘額	24,637,440.48	32,871,892.94

(3) Change of defined benefit plan-net liabilities in defined benefit plan (net assets)

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Opening balance	年初餘額	36,902,191.09	35,367,897.77
Defined benefit cost included in current profits and losses	計入當期損益的設定受益成本	-6,049,101.67	3,684,430.78
Defined benefit cost included in other comprehensive incomes	計入其他綜合收益的設定收益成本	0.00	0.00
Other changes	其他變動	-3,167,370.65	-2,150,137.46
Closing balance	年末餘額	27,685,718.77	36,902,191.09

(4) Explanations on contents of defined benefit plan and influence from the related risks to future cash flow, time and uncertainty of the Company:

Obligations incurred from defined benefit plan are discounted as per the discount rate in the defined benefit plan, to determine the present value of obligations in the defined benefit plan and current service cost. The discount rate adopted for discounting is confirmed as per the market profitability matching to period of obligations in the defined benefit plan and amount on the balance sheet date.

(5) Explanations on significant actuarial assumptions and results of sensitive analysis for defined benefit plan:

For the defined benefit plan, the Group shall make estimate on the demographic variables and financial variables, measure obligations for set benefit plan and recognize the belonging period of related obligations through consistent actuarial assumptions without prejudice as per the estimated cumulative welfare institutions method according to the modified Accounting Standards for Business Enterprises No. 9 – Employee Benefits.

25. 長期應付職工薪酬(續)

(2) 設定受益計劃變動情況－設定受益計劃義務現值

Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
36,902,191.09	35,367,897.77
-6,049,101.67	3,684,430.78
1,244,276.71	2,358,134.61
-8,677,210.55	0.00
0.00	0.00
1,383,832.17	1,326,296.17
0.00	0.00
0.00	0.00
-3,167,370.65	-2,150,137.46
0.00	0.00
-3,167,370.65	-2,150,137.46
27,685,718.77	36,902,191.09
3,048,278.29	4,030,298.15
24,637,440.48	32,871,892.94

(3) 設定受益計劃變動情況－設定受益計劃淨負債(淨資產)

Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
36,902,191.09	35,367,897.77
-6,049,101.67	3,684,430.78
0.00	0.00
-3,167,370.65	-2,150,137.46
27,685,718.77	36,902,191.09

(4) 設定受益計劃的內容及與之相關風險、對公司未來現金流量、時間和不確定性的影響說明：

設定受益計劃按照折現率將設定受益計劃所產生的義務予以折現，以確定設定受益計劃義務的現值和當期服務成本。折現時所採用的折現率根據資產負債表日與設定受益計劃義務期限和幣種相匹配的國債的市場收益率確定。

(5) 設定受益計劃重大精算假設及敏感性分析結果說明

根據修訂的《企業會計準則第9號－職工薪酬》規定，對於設定受益計劃，根據預期累計福利單位法，採用無偏且相互一致的精算假設對有關人口統計變量和財務變量等做出估計，計量設定受益計劃所產生的義務，並確定相關義務的歸屬期間。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

26. Provisions

26. 預計負債

Item 項目	Closing balance 年末餘額	Opening balance 年初餘額	Cause 形成原因
Product quality assurance 產品質量保證	3,251,807.32	4,243,554.25	Quality bond 質量保證金

Note: The management withdraws Product Quality Assurance at 4.25% by taking the annual income of LNG products as the baseline based on the years of assumption of quality bond and historical data in the sales contract.

註: 管理層基於銷售合同中對質量保證責任的承擔年限和歷史數據,以LNG產品的年度收入為基數,按照4.25%的比例計提年度產品質量保證金。

27. Deferred income

27. 遞延收益

(1) Classification

(1) 遞延收益分類

Item 項目	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額	Cause 形成原因
Government subsidies 政府補助	2,000,000.00	2,000,000.00	1,912,539.64	2,087,460.36	Note 1 註1

(2) Projects using government subsidies

(2) 政府補助項目

Projects using government subsidies 政府補助項目	Opening balance 年初餘額	Amount of new grants in current year 本年新增補助金額	Amount included in other gains in the current year 本年計入其他收益金額	Amount of costs and expenses offset 沖減成本費用金額	Closing balance 年末餘額	Asset-related/ revenue-related 與資產相關/ 與收益相關
70MPa hydrogen cylinder development project 70MPa氫氣瓶開發項目	2,000,000.00	0.00	0.00	1,192,907.73	807,092.27	Revenue-related 與收益相關
Provincial industrial transformation and upgrading projects in 2018 2018年省級工業轉型升級項目	0.00	2,000,000.00	719,631.91	0.00	1,280,368.09	Revenue-related 與收益相關
Total 合計	2,000,000.00	2,000,000.00	719,631.91	1,192,907.73	2,087,460.36	-

Note 1: The source of 70MPa hydrogen cylinder development project: Beijing Municipal Science and Technology Commission has developed and certified 70MPa hydrogen cylinder for fuel cell car.

註1: 70MPa氫氣瓶開發項目來源北京市科學技術委員會對燃料電池轎車用70MPa氫氣瓶開發及認證。

Note 2: The 2018 provincial industrial transformation and upgrading project is sourced from the Notice on the Special Fund for the Provincial Industrial Transformation and Upgrade (Technical Reform) in 2018 issued by Chengde Municipal Finance Bureau.

註2: 2018年省級工業轉型升級項目來源承德市財政局《關於下達2018年省級工業轉型升級(技改)專項資金的通知》。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

28. Share capital

The change of the legal, issued and paid share capital of the Company is as follows. All the shares of the Company are ordinary one with the book value of RMB 1 per share.

(Unit: RMB 1000)

Item	Amount 項目	Opening amount 年初金額			Changes in the current year 本年變動				Closing amount 年末金額	
		Proportion (%) 金額	Issuing 比例(%)	New shares 發行新股	Bonus shares 送股	Transfer from capital surplus to share capital 公積金轉股	Others 其他	Subtotal 小計	Amount 金額	Proportion (%) 比例(%)
Total restricted shares	有限售條件股份合計	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrestricted shares	無限售條件股份	-	-	-	-	-	-	-	-	-
RMB ordinary shares	人民幣普通股	322,000.00	76.30	0.00	0.00	0.00	0.00	0.00	322,000.00	76.30
Overseas listed foreign share	境外上市外資股	100,000.00	23.70	0.00	0.00	0.00	0.00	0.00	100,000.00	23.70
Total unrestricted shares	無限售條件股份合計	422,000.00	100.00	0.00	0.00	0.00	0.00	0.00	422,000.00	100.00
Total shares	股份總額	422,000.00	100.00	0.00	0.00	0.00	0.00	0.00	422,000.00	100.00

28. 股本

本公司的法定、已發行及繳足股本的變動表如下。所有本公司的股份均為每股面值人民幣1元的普通股。

(單位：千元)

29. Capital reserve

29. 資本公積

Item	項目	Opening balance 年初金額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末金額
Share premiums	股本溢價	561,384,250.65	0.00	0.00	561,384,250.65
Other capital reserves	其他資本公積	125,964,838.95	0.00	0.00	125,964,838.95
Total	合計	687,349,089.60	0.00	0.00	687,349,089.60

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

30. Other comprehensive income

30. 其他綜合收益

Item	項目	Opening balance 年初餘額	Amount incurred before income tax in current year 本年所得稅前發生額	Amount incurred in current year 本年發生額			Attributable to parent company after tax 稅後歸屬於母公司	Attributable to minority shareholders after tax 稅後歸屬於少數股東	Closing balance 年末餘額
				Less: amount included in other comprehensive incomes in the previous period and carried over to profit or loss in the current period 減: 前期計入其他綜合收益當期轉入損益	Less: income tax expenses 減: 所得稅費用	Less: amount included in other comprehensive incomes in the previous period and carried over to profit or loss in the current period 減: 前期計入其他綜合收益當期轉入損益			
I. Other comprehensive income that cannot be reclassified through profit or loss in the future Including: changes arising from re-measurement of net liabilities or net assets of defined benefit plan	一、以後不能重分類進損益的其他綜合收益 其中: 重新計算設定受益計劃淨負債和淨資產的變動	160,000.00	0.00	0.00	0.00	0.00	0.00	160,000.00	
II. Other comprehensive incomes that will be re-classified into profits and losses	二、以後將重分類進損益的其他綜合收益	994,074.87	2,252,331.17	0.00	0.00	1,153,925.70	1,098,405.47	2,148,000.57	
Translated balance in foreign currency financial statements	外幣財務報表折算差額	994,074.87	2,252,331.17	0.00	0.00	1,153,925.70	1,098,405.47	2,148,000.57	
Total of other comprehensive incomes	其他綜合收益合計	1,154,074.87	2,252,331.17	0.00	0.00	1,153,925.70	1,098,405.47	2,308,000.57	

31. Surplus reserve

31. 盈餘公積

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加		Decrease in the current year 本年減少	Closing balance 年末餘額
Statutory surplus reserve	法定盈餘公積	41,838,334.73	0.00	0.00	0.00	41,838,334.73
Discretionary surplus reserve	任意盈餘公積	2,906,035.91	0.00	0.00	0.00	2,906,035.91
Reserve funds	儲備基金	460,638.52	0.00	0.00	0.00	460,638.52
Enterprise expansion fund	企業發展基金	460,638.52	0.00	0.00	0.00	460,638.52
Total	合計	45,665,647.68	0.00	0.00	0.00	45,665,647.68

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

32. Undistributed profit

32. 未分配利潤

Item	項目	Current year 本年	Previous year 上年
Closing balance for the previous period	上期期末餘額	-567,793,525.60	-588,661,889.61
Add: adjustment of beginning undistributed profit	加：期初未分配利潤調整數	-16,451,532.69	0.00
Including: Retroactive adjustment as newly stipulated in Accounting Standards for Business Enterprises	其中：《企業會計準則》新規定追溯調整	-16,451,532.69	0.00
Changes in accounting policies	會計政策變更	0.00	0.00
Correction of major early errors	重要前期差錯更正	0.00	0.00
Change in scope of consolidation under the common control	同一控制合併範圍變更	0.00	0.00
Other adjustment factors	其他調整因素	0.00	0.00
Beginning balance in the current period	本年期初餘額	-584,245,058.29	-588,661,889.61
Add: net profits attributable to owners of parent company in current period	加：本期歸屬於母公司所有者的淨利潤	-93,936,155.30	20,868,364.01
Less: appropriation of statutory surplus reserve	減：提取法定盈餘公積	0.00	0.00
Appropriation of discretionary surplus reserves	提取任意盈餘公積	0.00	0.00
Appropriation of general risk provision	提取一般風險準備	0.00	0.00
Ordinary share dividends payable	應付普通股股利	12,265,217.32	0.00
Ordinary share dividends transferred into share capital	轉作股本的普通股股利	0.00	0.00
Ending balance in the current period	本期末餘額	-690,446,430.91	-567,793,525.60

Note: In this year, Langfang Tianhai High Pressure Container Co., Ltd., a subsidiary of the company, completed liquidation and cancellation, and distributed the remaining property available to shareholders, among which the distribution to minority shareholders was RMB 12,265,217.32.

註：本年本公司之下屬公司廊坊天海高壓容器有限公司完成清算註銷，將可供分配的剩餘財產對股東進行分配，其中對少數股東分配為12,265,217.32元。

33. Net current assets

33. 淨流動資產

Item	項目	Closing balance 年末金額	Opening balance 年初金額
Current assets	流動資產	763,624,870.14	953,189,215.81
Less: Current Liabilities	減：流動負債	728,140,186.64	752,644,277.52
Net Current Assets	淨流動資產	35,484,683.50	200,544,938.29

34. Total assets minus current liabilities

34. 總資產減流動負債

Item	項目	Closing balance 年末金額	Opening balance 年初金額
Total assets	資產總計	1,775,485,766.32	1,908,874,148.92
Less: Current Liabilities	減：流動負債	728,140,186.64	752,644,277.52
Total assets minus current liabilities	總資產減流動負債	1,047,345,579.68	1,156,229,871.40

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

35. Debit/credit

The loan of the Group is summarized as follows:

Item	項目	Closing balance 年末金額	Opening balance 年初金額
Short-term bank loan	短期銀行借款	277,998,046.30	285,000,000.00
Current portion of special payables	1年內到期的專項應付款	11,000,000.00	11,000,000.00
Long-term bank loan	長期銀行借款	18,000,000.00	5,060,000.00
Special payables	專項應付款	103,900,000.00	103,900,000.00
Borrowing from Jingcheng Holding	京城控股借款	45,000,000.00	50,000,000.00
Total	合計	455,898,046.30	454,960,000.00

(1) Analysis of debit and credit

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Bank loan:	銀行借款		
– Need to repay within one year	– 須在一年內償還	277,998,046.30	285,000,000.00
– Need to repay after one year	– 須在一年以後償還	18,000,000.00	5,060,000.00
Subtotal	小計	295,998,046.30	290,060,000.00
Other loans:	其他借款	0.00	0.00
– Need to repay within one year or as required	– 須在一年內償還或按 要求償還	159,900,000.00	164,900,000.00
– Need to repay after one year	– 須在一年以後償還	0.00	0.00
Subtotal	小計	159,900,000.00	164,900,000.00
Total	合計	455,898,046.30	454,960,000.00

(2) Analysis of due date of debit and credit

Bank loan:

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Repay as required or repay within one year	按要求償還或一年以內	277,998,046.30	285,000,000.00
One to two years	一至二年	0.00	0.00
Two to five years	二至五年	18,000,000.00	5,060,000.00
More than five years	五年以上	0.00	0.00
Total	合計	295,998,046.30	290,060,000.00

Other loans:

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Repay as required or repay within one year	按要求償還或一年以內	159,900,000.00	164,900,000.00
One to two years	一至二年	0.00	0.00
Two to five years	二至五年	0.00	0.00
More than five years	五年以上	0.00	0.00
Total	合計	159,900,000.00	164,900,000.00

35. 借貸

本集團借貸匯總如下：

(1) 借貸的分析

(2) 借貸的到期日分析 銀行借款：

其他借款：

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

36. Operating revenues and operating costs

36. 營業收入、營業成本

(1) Operating revenue and costs

(1) 營業收入和營業成本情況

Item	項目	Amount incurred in current year 本年發生額		Amount incurred in previous year 上年發生額	
		Revenue 收入	Cost 成本	Revenue 收入	Cost 成本
Prime businesses	主營業務	1,064,319,563.53	970,849,966.13	1,166,472,219.97	981,446,350.91
Other businesses	其他業務	57,244,685.62	45,917,651.55	37,024,735.05	27,487,347.84
Total	合計	1,121,564,249.15	1,016,767,617.68	1,203,496,955.02	1,008,933,698.75

(2) Revenue arising from the contract

(2) 合同產生的收入的情況

Contract classification	合同分類	2018 2018年度		2017 2017年度	
		Revenue 收入	Cost 成本	Revenue 收入	Cost 成本
Classification by commodity type	按商品類型分類				
Including: Seamless steel gas cylinder	其中：鋼質無縫氣瓶	451,822,363.07	352,633,205.81	487,850,148.57	402,833,894.13
Full-wrapped cylinder	纏繞瓶	200,284,106.42	192,212,437.19	199,270,780.58	175,840,651.75
Cryogenic cylinder	低溫瓶	116,136,013.97	121,243,981.48	134,008,683.64	118,928,669.76
Cryogenic storage and transportation equipment	低溫儲運裝備	107,310,711.54	123,168,948.78	228,314,625.38	174,746,644.61
Others	其他	188,766,368.53	181,591,392.87	117,027,981.80	109,096,490.66
Classification by business area	按經營地區分類				
Including: at home	其中：國內	648,135,555.43	618,197,096.83	806,603,501.91	659,577,680.02
Overseas	國外	416,184,008.10	352,652,869.30	359,868,718.06	321,868,670.89
Total	合計	1,064,319,563.53	970,849,966.13	1,166,472,219.97	981,446,350.91

(3) Information relating to performance obligations

The Group shall normally perform its obligations within three months and sell products directly as the principal responsible person. Generally, the goods are delivered at the place designated by the customer or in the factory, and the control right over the products is transferred. The payment methods usually includes the following three situations: the goods with credit line are delivered within the credit line of the Group; the customers without credit line receive full payment before delivery, or arrange delivery after receiving a certain proportion of money according to the relevant clauses of the contract. At the same time of delivery or when the goods are delivered to the destination designated by the customer, the control right over the goods is transferred to the customer, and the Group obtains unconditional payment right. The Group does not assume similar obligations such as expected refunds to customers, and its product quality assurance is carried out in accordance with statutory product quality requirements.

(3) 與履約義務相關的信息

本集團履約義務通常的履行時間在3個月以內，本集團作為主要責任人直接進行銷售。一般在產品送達客戶指定地點或在工廠內進行交貨，轉移對產品的控制權，付款方式通常有以下三種情況：有授信額度的在本集團授信額度內進行發貨，無授信額度的客戶，在發貨前全額收款，或者根據合同相關條款收取一定比例的款項後安排發貨，在發貨的同時或者將貨物送達客戶指定的目的地，商品控制權轉移給客戶，本集團取得無條件收款權利。本集團不承擔預期將退還給客戶的款項等類似義務，其產品質量保證按照法定的產品質量要求執行。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

36. Operating revenues and operating costs (Continued)

(4) Information relating to transaction price allocated to the remaining performance obligation

The Group evaluated the contract on the contract start date and considered that the commitment to transfer the goods to the customer cannot be separately distinguished from other commitments in the contract. Each contract should be treated as a single performance obligation.

(5) Gross profits from prime businesses

Item	項目
Prime business income	主營業務收入
Prime business cost	主營業務成本
Gross margin	毛利

(6) Total operating revenue from the top 5 customers of the Group is RMB 279,043,264.49, which represents 24.87% of the total operating revenue in the year. (Previous year: 28.06%), as listed below:

Company name	單位名稱
LEEBUCC TIANJIN HYDRAULICS EQUIPMENT CO.,LTD.	巴克立偉(天津)液壓設備有限公司
Cyl-Tec, Inc.	Cyl-Tec, Inc.
Western International Gas and Cylinders	Western International Gas and Cylinders
Shaanxi Heavy Duty Automobile Co., Ltd.	陝西重型汽車有限公司
Sinochem International Logistics Co., Ltd.	中化國際物流有限公司
Total	合計

36. 營業收入、營業成本(續)

(4) 與分攤至剩餘履約義務的交易價格相關的信息

本集團於合同開始日對合同進行評估,認為向客戶轉讓商品的承諾與合同中其他承諾不可單獨區分,應將每個合同整體作為一個單項履約義務。

(5) 主營業務毛利

Amount in current year 本年金額	Amount in previous year 上年金額
1,064,319,563.53	1,166,472,219.97
970,849,966.13	981,446,350.91
93,469,597.40	185,025,869.06

(6) 本期本集團前五名客戶營業收入總額279,043,264.49元,佔本年全部營業收入總額的24.87%(上年:28.06%),具體情況如下:

Operating revenue 營業收入	Proportion to total operating revenues (%) 佔全部業務收入總額的比例(%)
75,136,084.70	6.70
68,983,726.19	6.15
45,219,919.67	4.03
44,908,559.46	4.00
44,794,974.47	3.99
279,043,264.49	24.87

37. Taxes and surcharges

Item	項目
City maintenance and construction tax	城市維護建設稅
Education surcharge	教育費附加
Local education surcharge	地方教育費附加
Property tax	房產稅
Land use tax	土地使用稅
Vehicle and vessel use tax	車船使用稅
Riverway management charge	河道費
Stamp duty	印花稅
Security funds for the disabled	殘疾人保障金
Flood prevention tax	防洪稅
Others	其他
Resource tax	資源稅
Environmental protection tax	環境保護稅
Total	合計

37. 稅金及附加

Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
2,526,131.33	3,989,764.51
1,136,247.48	1,757,113.42
729,933.06	1,171,408.99
3,678,138.52	6,160,277.85
948,220.43	1,594,754.66
1,915.76	2,486.80
0.00	19,822.75
986,518.46	589,011.75
639,570.42	934,878.43
156,549.75	223,755.42
12,726.81	0.00
27,392.59	0.00
59,540.20	0.00
10,902,884.81	16,443,274.58

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

38. Selling expenses

38. 銷售費用

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Employee compensation	職工薪酬	21,806,057.19	22,555,052.24
Operational funds	業務經費	2,017,822.32	3,407,467.00
Transportation expenses	運輸費	11,920,446.42	19,648,970.49
Warehousing and maintenance fees	倉儲保管費	1,563,339.59	1,539,301.73
Exhibition fees	展覽費	362,071.82	799,029.64
After-sales service charges	售後服務費	6,006,895.05	10,411,057.75
Repair cost	修理費	1,312,597.56	427,132.04
Office fees	辦公費	401,149.24	725,834.91
Traveling expenses	差旅費	3,471,325.81	4,065,265.54
Others	其他	2,074,781.91	1,825,212.46
Total	合計	50,936,486.91	65,404,323.80

39. General and administrative expenses

39. 管理費用

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Office fees	辦公費	4,926,576.38	4,017,633.11
Traveling expenses	差旅費	1,484,207.02	1,103,154.92
Energy bills	能源費	2,175,687.40	2,020,840.25
Repair cost	修理費	958,116.54	1,013,982.30
Depreciation expense	折舊費	5,110,087.05	5,005,402.45
Employee compensation	職工薪酬	69,930,933.52	74,336,666.16
Vehicle fees	車輛費用	2,272,822.00	1,915,610.06
Publicity expenses	業務宣傳費	614,891.11	792,426.21
Business entertainment expenses	業務招待費	900,554.38	650,253.23
Amortization of intangible assets	無形資產攤銷	3,372,473.82	3,189,601.75
Fees for employing intermediary organs	聘請中介機構費	10,534,032.18	5,331,491.28
- Audit service fees	- 審計服務費用	3,970,696.98	1,983,544.54
- Tax service fees	- 稅務服務費用	80,000.00	67,866.87
- Other service fees	- 其他服務費用	2,769,260.10	1,697,050.49
- Lawyer service fees	- 律師服務費	3,714,075.10	1,583,029.38
Others	其他	10,068,459.07	9,297,442.36
Total	合計	112,348,840.47	108,674,504.08

The audit fee is RMB 900,000.00 in current year (previous year: RMB 900,000.00).

本年度年報審計收費為900,000.00元(上年度為900,000.00元)。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

40. R&D expenses

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
R&D costs	研發費用	11,827,458.65	10,640,445.25

41. Financial expenses

(1) Breakdown of financial expenses

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Interest expenses	利息支出	25,636,482.12	21,325,865.23
Less: interest incomes	減: 利息收入	1,183,368.56	281,670.69
Add: exchange losses	加: 匯兌損失	-459,583.33	2,901,513.20
Add: other expenditures	加: 其他支出	493,618.90	493,785.33
Total	合計	24,487,149.13	24,439,493.07

(2) Breakdown of interest expenses

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Bank loans and overdraft interests	銀行借款、透支利息	21,968,602.00	13,935,247.67
Other interests	其他利息	2,284,047.95	6,064,321.39
Other loan interests that shall be due and repaid within five years	須於五年內到期償還的其他借款利息	2,284,047.95	6,064,321.39
Other loan interests that shall be due and repaid after five years	須於五年後到期償還的其他借款利息	0.00	0.00
Interest of long-term employee benefits payable withdrawn at the effective interest rate	按實際利率計提的長期應付職工薪酬利息	1,383,832.17	1,326,296.17
Subtotal	小計	25,636,482.12	21,325,865.23
Less: capitalized interests	減: 資本化利息	0.00	0.00
Total	合計	25,636,482.12	21,325,865.23

(3) Breakdown of interest incomes

Item	項目	Amount incurred in current year 本年金額	Amount incurred in previous year 上年金額
Income from bank deposit interests	銀行存款利息收入	1,183,368.56	281,670.69
Interest incomes from receivables	應收款項的利息收入	0.00	0.00
Interest incomes withdrawn at the effective interest rate	按實際利率計提的利息收入	0.00	0.00
Interest incomes from amount of financial lease	融資租賃款利息收入	0.00	0.00
Interest incomes from financial assets that have been impaired	已發生減值的金融資產產生的利息收入	0.00	0.00
Total	合計	1,183,368.56	281,670.69

40. 研發費用

41. 財務費用

(1) 財務費用明細

(2) 利息支出明細

(3) 利息收入明細

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

42. Assets impairment losses

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Inventory depreciation loss and contract performance cost impairment loss	存貨跌價損失及合同履約成本減值損失	32,761,052.95	13,979,858.13
Goodwill impairment	商譽減值損失	3,679,654.40	0.00
Total	合計	36,440,707.35	13,979,858.13

43. Credit impairment losses

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Loss on bad debts of notes receivable and receivables	應收票據及應收賬款壞賬損失	2,872,036.60	12,883,578.22
Loss on bad debts of other receivables	其他應收款壞賬損失	-854,702.11	618,688.08
Total	合計	2,017,334.49	13,502,266.30

44. Other incomes

Sources of other incomes	產生其他收益的來源	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Transferring-in of deferred revenue	遞延收益轉入	719,631.91	0.00

45. Investment incomes

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Long-term equity investment incomes calculated at equity method	權益法核算的長期股權投資收益	-3,275,533.08	-4,586,130.02

The investment income in the current year generated from the listed investments for RMB 883,548.23 and non-listed investments for RMB-4,159,081.31.

42. 資產減值損失

43. 信用減值損失

44. 其他收益

45. 投資收益

本期產生的投資收益來源於上市類投資883,548.23元,非上市類投資-4,159,081.31元。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

46. Incomes from disposal of assets

46. 資產處置收益

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額	Amount included in non-recurring profits and losses in the current year 計入本年非經常性損益的金額
Incomes from disposal of disposal groups held for sale	持有待售處置組處置收益	-	-	-
Gains from disposal of non-current assets	非流動資產處置收益	8,596,214.61	66,140,181.07	8,596,214.61
Including incomes from disposal of non-current assets classified as the held-for-sale assets	其中:劃分為持有待售的非流動資產處置收益	0.00	0.00	0.00
Incomes from disposal of non-current assets not classified as the held-for-sale assets	未劃分為持有待售的非流動資產處置收益	8,596,214.61	66,140,181.07	0.00
Including incomes from disposal of fixed assets	其中:固定資產處置收益	8,596,214.61	44,445,976.04	8,596,214.61
Incomes from disposal of intangible assets	無形資產處置收益	0.00	21,694,205.03	0.00
Incomes from exchange of non-monetary assets	非貨幣性資產交換收益	0.00	0.00	0.00
Incomes from disposal of non-current assets in the debt restructuring	債務重組中因處置非流動資產收益	0.00	0.00	0.00
Total	合計	8,596,214.61	66,140,181.07	8,596,214.61

(1) RMB 8,596,214.61 is included in non-recurring profit and loss in current year (previous year: RMB 66,140,181.07).

(1) 本年計入非經常性損益金額為8,596,214.61元(上年:66,140,181.07元)。

(2) The incomes from disposal of assets in the current year include the profits from sale of properties of RMB 0.00 (previous year: RMB 60,327,941.31).

(2) 本年度資產處置收益包括出售物業的利潤0.00元(上年發生額60,327,941.31元)。

47. Non-operating revenues

47. 營業外收入

(1) Details of non-operating revenues

(1) 營業外收入明細

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額	Amount included in non-recurring profits and losses in the current year 計入本年非經常性損益的金額
Gains from debt restructuring	債務重組利得	8,063,997.38	13,998,858.16	8,063,997.38
Government subsidies	政府補助	3,482,557.00	18,578,401.03	3,482,557.00
Return compensation	騰退補償款	0.00	14,285,714.28	0.00
Unpayable funds	無法支付的款項	260.00	0.00	260.00
Income from breach indemnity	違約賠償收入	97,335.00	0.00	97,335.00
Others	其他	1,370,600.59	1,567,056.20	1,370,600.59
Total	合計	13,014,749.97	48,430,029.67	13,014,749.97

RMB 13,014,749.97 is included in non-recurring profit and loss in current year (previous year: RMB 48,430,029.67).

本年計入非經常性損益金額為13,014,749.97元(上年:48,430,029.67元)。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued)

六、合併財務報表主要項目註釋(續)

47. Non-operating revenues (Continued)

47. 營業外收入(續)

(2) Government subsidy included in current profits and losses

(2) 計入當年損益的政府補助

Item	Issuing body	Reason	Type of nature	Do the grants affect the profits or losses in current year	Are there any special grants	Amount incurred in current year	Amount Incurred in Previous year	Asset-related/revenue-related
補助項目	發放主體	發放原因	性質類型	補貼是否影響當年盈虧	是否有特殊補貼	本年發生金額	上年發生金額	與資產相關/與收益相關
Fund reward from Beijing Municipal Commission of Commerce	Beijing Municipal Commission of Commerce	Fund reward from Beijing Municipal Commission of Commerce	Free appropriation	No	No	941,177.00	250,256.00	Revenue-related
北京市商務委員會資金獎勵	北京市商務委員會	北京商委會資金獎勵	無償撥款	否	否			與收益相關
Assessment fund for energy conservation goal of Chaoyang District Development and Reform Commission of Beijing Municipality	Beijing Municipal Commission of Development and Reform (Chaoyang District)	Assessment fund for energy conservation goal of Chaoyang District Development and Reform Commission of Beijing Municipality	Free appropriation	No	No	200,000.00	0.00	Revenue-related
北京市朝陽區發改委節能目標考核資金	北京市朝陽區發改委	北京市朝陽區發改委節能目標考核資金	無償撥款	否	否			與收益相關
Patent Award issued by the Science Technology Commission of Chaoyang District Beijing China	Science and Technology Commission of Chaoyang District, Beijing Municipality	Patent Award issued by the Science Technology Commission of Chaoyang District Beijing China	Free appropriation	No	No	4,880.00	0.00	Revenue-related
北京市朝陽區科學技術委員會專利獎勵	北京市朝陽區科學技術委員會	北京市朝陽區科學技術委員會專利獎勵	無償撥款	否	否			與收益相關
Grants of Science and Technology Commission of Chaoyang District, Beijing Municipality	Science and Technology Commission of Chaoyang District, Beijing Municipality	Grants of Science and Technology Commission of Chaoyang District, Beijing Municipality	Free appropriation	No	No	22,500.00	54,000.00	Revenue-related
北京市朝陽區科學技術委員會資助金	北京市朝陽區科學技術委員會	北京市朝陽區科學技術委員會資助金	無償撥款	否	否			與收益相關
Special fund for independent innovation of Zhongguancun, Beijing	China Aero-Polytechnology Establishment	Special fund for independent innovation of Zhongguancun, Beijing	Free appropriation	No	No	682,000.00	0.00	Revenue-related
北京中關村自主創新專項資金	中國航空綜合技術研究所	北京中關村自主創新專項資金	無償撥款	否	否			與收益相關
Patent grants of Intellectual Property Office of Beijing	Beijing Intellectual Property Office	Patent grants of Intellectual Property Office of Beijing	Free appropriation	No	No	3,000.00	0.00	Revenue-related
北京市知識產權局專利資助金	北京市知識產權局	北京市知識產權局專利資助金	無償撥款	否	否			與收益相關
Rewards for Assessment of energy conservation of Science and Technology Commission of Chaoyang District, Beijing	Science and Technology Commission of Chaoyang District, Beijing Municipality	Rewards for Assessment of energy conservation of Science and Technology Commission of Chaoyang District, Beijing	Free appropriation	No	No	200,000.00	0.00	Revenue-related
北京市朝陽區科學技術委員會節能考評獎勵金	北京市朝陽區科學技術委員會	北京市朝陽區科學技術委員會節能考評獎勵金	無償撥款	否	否			與收益相關
Gas (oil) boiler low nitrogen transformation project	Beijing Tongzhou District Huoxian Town People's Government	Rewards for gas (oil) boiler low nitrogen transformation project	Free appropriation	No	No	327,000.00	0.00	Revenue-related
燃氣(油)鍋爐低氮改造項目	北京市通州區瀾鎮人民政府	燃氣(油)鍋爐低氮改造項目獎勵	無償撥款	否	否			與收益相關
R&D and application for large container LNG bottles for automobiles	Beijing Tongzhou District Municipal Science & Technology Commission	R&D and application rewards for large container LNG bottles for automobiles	Free appropriation	No	No	400,000.00	0.00	Revenue-related
汽車用大容量液化天然氣瓶的研發及應用	北京市通州區科學技術委員會	汽車用大容量液化天然氣瓶的研發及應用獎勵	無償撥款	否	否			與收益相關
Post steady subsidies	Tianjin Human Resources and Social Security Bureau	Subsidies for the no layoffs and less layoffs due to the solution of excess capacity	Free appropriation	No	No	648,000.00	507,600.00	Revenue-related
穩崗補貼	天津市人力資源和社會保障局	因化解過剩產能工作實施不裁員、少裁員的補貼	無償撥款	否	否			與收益相關
Total 合計	-	-	-	-	-	3,482,557.00	811,856.00	-

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

47. Non-operating revenues (Continued)

(3) Details of government subsidies

47. 營業外收入(續)

(3) 政府補助明細

Item 項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額	Source and basis 來源和依據	Assets related/ Revenue-related 與資產相關/與收益相關
Award funds from Beijing Municipal Commission of Commerce 北京市商委會獎勵資金	941,177.00	250,256.00	Grants from Beijing Municipal Commission of Commerce 來自北京市商務委員會的撥款	Revenue-related 與收益相關
Assessment fund for energy conservation goal of Chaoyang District Development and Reform Commission of Beijing Municipality 北京市朝陽區發改委節能目標考核資金	200,000.00	0.00	Funds Management Methods for Guiding Energy-saving Development in Chaoyang District 《朝陽區節能發展引導資金管理辦法》	Revenue-related 與收益相關
Subsidies for Technical Standards from the Science Technology Commission Of Chaoyang District, Beijing, China	22,500.00	0.00	Notice of the Intellectual Property Office of the Quality and Technical Supervision Bureau of ChaoYang District, Beijing on the Announcement of the Evaluation Results of 2018 Technical Standard Formulation (revision) Funded Projects 《北京市朝陽區質量技術監督局知識產權局關於公布2018年 朝陽區技術標準制(修)訂資助項目評審結果的通知》	Revenue-related 與收益相關
北京朝陽科學技術委員會技術標準資助				
Patent Award issued by the Science Technology Commission of Chaoyang District Beijing China 北京市朝陽區科學技術委員會專利獎勵	4,880.00	0.00	(CZW) [2016] No. 7: Detailed Rules for the Implementation of Patent Subsidy and Reward Measures in Chaoyang District 朝知文[2016]7號:《朝陽區專利資助及獎勵辦法實施細則》	Revenue-related 與收益相關
Rewards and subsidy for steam	54,000.00	0.00	Notice on Receiving Steam Subsidy for the Second Half of 2017 (Tianjin Port Bonded Zone Development and Reform Zone) 關於領取2017年下半年蒸汽補貼的通知(天津港保稅區發改區)	Revenue-related 與收益相關
蒸汽獎補				
Special fund for independent innovation of Zhongguancun, Beijing	682,000.00	0.00	Notice on the Administration of Special Funds for Technological Innovation Capacity Building in Zhongguancun National Independent Innovation Demonstration Zone, Notice on Disbursing the Special Fund for Technical Innovation Capacity Building of Zhongguancun in 2017 (Technical Standards) 《中關村國家自主創新示範區技術創新能力建設專項資金管理 辦法》《關於撥付2017年度中關村技術創新能力建設專項 資金(技術標準部分)的通知》	Revenue-related 與收益相關
北京中關村自主創新專項資金				
Patent grants of Intellectual Property Office of Beijing 北京市知識產權局專利資助金	3,000.00	0.00	Notice on Declaring the 2018 Beijing Patent Grants and Publication of Beijing Patent Grant Funds for 2018 《關於申報2018年北京市專利資助金的通知》《2018年北京 專利資助金審核結果公示》	Revenue-related 與收益相關
Rewards for Assessment of energy conservation of Science and Technology Commission of Chaoyang District, Beijing	200,000.00	0.00	Notice of the Office of the Leading Group for Energy Conservation Work of Chaoyang District, Beijing, on Launching the 2017 Responsibility Assessment of Energy Conservation Projects. 《北京市朝陽區節能工作領導小組辦公室關於開展2017年度 節能項目目標責任考評工作的通知》	Revenue-related 與收益相關
北京市朝陽區科學技術委員會節能考評獎勵金				
Gas boiler low nitrogen transformation replaced funds with rewards	327,000.00	0.00	Gas (oil) boiler low nitrogen transformation project overview table 燃氣(油)鍋爐低氮改造項目概況表	Revenue-related 與收益相關
燃氣鍋爐低氮改造以獎代補資金				
Science and technology project funds form of Science and Technology Commission of Tongzhou District, Beijing 北京市通州區科學技術委員會科技項目撥款單	400,000.00	0.00	Beijing Tongzhou District Municipal Science & Technology Commission 北京市通州區科學技術委員會	Revenue-related 與收益相關
Subsidies for employment of redundant employees from iron and steel enterprises with excessive manufacturing capacity	648,000.00	25,000.00	Notice of the Municipal Bureau of Human Resources and Social Security on the work of resolving the resettlement of enterprise personnel for excessive steel production capacity. 市人社局財政局關於做好化解鋼鐵過剩產能企業人員安置的工 作的通知	Revenue-related 與收益相關
化解鋼鐵過剩產能企業人員安置補貼				
Reconstruction and renovation award of state-owned enterprises	0.00	15,839,237.09	Notice on Appropriating 2017 State-Owned Capital Management Budget Fund 《關於撥付2017年國有資本經營預算資金的通知》	Revenue-related 與收益相關
國有企業疏解整治獎補				
Allowances for production suspension	0.00	1,383,800.00	Bureau of Finance of Langfang Economic and Technological Development Zone 廊坊市經濟技術開發區財政局	Revenue-related 與收益相關
停產補貼費用				
Allowances for vocational training benefit plan 職業培訓福利計劃補貼	0.00	507,600.00	JRSJF [2015] No. 6, JZF [2014] No. 31 津人社局發[2015]6號、津政發[2014]31號	Revenue-related 與收益相關

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

47. Non-operating revenues (Continued)

(3) Details of government subsidies (Continued)

Item 項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額	Source and basis 來源和依據	Assets related/ Revenue-related 與資產相關/與收益相關
Allowances for outstanding enterprises and technology innovation teams 突出企業和科技創新團隊補貼	0.00	200,000.00	LKG [2017] No. 13	Revenue-related 與收益相關
Subsidies for updating and eliminating old vehicles from Beijing Municipal Environmental Protection Bureau 北京環保局老舊車更新淘汰補助	0.00	85,500.00	Schemes of Beijing for Further Promoting the Elimination and Update of Old Motor Vehicles (《北京市進一步促進老舊機動車淘汰更新方案》)	Revenue-related 與收益相關
Rewards and subsidies for economic growth of industrial enterprises in the first half of 2017 2017上半年工業企業經濟增長獎補資金	0.00	67,000.00	JBFGB [2017] No. 71	Revenue-related 與收益相關
Subsidies for Technical Standards from the Science Technology Commission Of Chaoyang District, Beijing, China 北京朝陽科學技術委員會技術標準資助	0.00	54,000.00	津保發改報(2017)71號 Notice of Intellectual Property Office Chaoyang District Beijing China on issuance of the Chaoyang District Subsidies for the Formulation (Revision) of Technical Standards 北京市朝陽區知識產權局關於印發《朝陽區技術標準制(修)訂資助辦法》的通知	Revenue-related 與收益相關
Outstanding Contribution Award on Solving Employment of Labor Force 解決勞動力就業突出貢獻獎	0.00	50,000.00	Tongzhou District Huoxian Town People's Government	Revenue-related 與收益相關
Post subsidies for employment of the disabled in 2015-2016 2015-2016年安置殘疾人崗位補貼	0.00	41,000.00	Grants to Disabled Persons' Federation of Beijing Chaoyang District 北京市朝陽區殘疾人聯合會撥款	Revenue-related 與收益相關
Subsidies for employment of college students 大學生就業補助	0.00	35,007.94	JRSF [2015] No. 57 冀人社發[2015]57號	Revenue-related 與收益相關
Allowances for vocational training benefit plan and talent training benefit plan 職業培訓福利計劃補貼、人才培訓福利計劃補貼	0.00	25,000.00	JRSJF [2015] No. 6, JZF [2014] No. 31	Revenue-related 與收益相關
Award funds for energy saving 節能獎勵基金	0.00	15,000.00	津人社局發(2015)6號、津政發(2014)31號 Beijing Energy Conservation and Environmental Protection Center 北京節能環保中心	Revenue-related 與收益相關
Total 合計	3,482,557.00	18,578,401.03	-	-

47. 營業外收入(續)

(3) 政府補助明細(續)

48. Non-operating expenses

Item 項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額	Amount included in non-recurring profits and losses in the current year 計入本年 非經常性損益的金額
Losses from damage and scrapping of non-current assets Including: Loss from write-off and retirement of fixed assets	123,034.31	7,036,823.56	123,034.31
Liquidated damages, fines and overdue fines	85,250.00	4,393,152.50	85,250.00
Personnel placement	0.00	8,000,000.00	0.00
Others	237,309.59	396,878.10	237,309.59
Total 合計	445,593.90	19,826,854.16	445,593.90

RMB 445,593.90 is included in non-recurring profit and loss in current year (previous year: RMB 19,826,854.16).

本年計入非經常性損益金額為445,593.90元(上年:19,826,854.16元)

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

49. Income tax expenses

(1) Income tax expense

Item	項目	Amount in current year 本年年金額	Amount in previous year 上年金額
Income tax expense for the current period-corporate income	當期所得稅費用—企業所得稅	7,094,094.19	8,496,222.40
1. Mainland China corporate income tax	1. 中國大陸企業所得稅	5,889,940.34	7,012,223.88
2. Hong Kong income tax	2. 香港利得稅	0.00	0.00
3. Macau income tax	3. 澳門利得稅	0.00	0.00
4. Other regions (USA)	4. 其他地區(美國)	2,133,913.35	1,464,427.75
5. Over-measurement in the previous years (under-measurement)	5. 以前年度多計(少計)	-929,759.50	19,570.77
Deferred income tax expenses	遞延所得稅費用	-4,223.30	-5,537.68
Total	合計	7,089,870.89	8,490,684.72

(2) Adjustment process of accounting profits and tax expenses

Item	項目	Amount in current year 本年年金額	Amount in previous year 上年金額
Consolidated gross profits in the current year	本年合併利潤總額	-125,554,760.83	31,636,317.62
Income taxes expense calculated at legal or applicable tax rate	按法定/適用稅率計算的所得稅費用	-31,388,690.21	7,909,079.41
Effect from application of different tax rate to subsidiaries	子公司適用不同稅率的影響	-3,520,236.41	743,329.92
Effect from adjustment of income tax in the previous period	調整以前期間所得稅的影響	-929,759.50	19,570.77
Effect from costs, expenses and losses that cannot be deducted	不可抵扣的成本、費用和損失的影響	8,179,892.90	845,614.81
Effect from using the deductible losses of unrecognized deferred income tax assets	使用前期未確認遞延所得稅資產的可抵扣虧損的影響	-1,964,028.67	-11,476,108.51
Effect from deductible temporary difference or deductible losses of deferred income tax assets unrecognized in the current year	本年未確認遞延所得稅資產的可抵扣暫時性差異或可抵扣虧損的影響	36,712,692.78	10,449,198.32
Total	合計	7,089,870.89	8,490,684.72

49. 所得稅費用

(1) 所得稅費用

Amount in current year 本年年金額	Amount in previous year 上年金額
7,094,094.19	8,496,222.40
5,889,940.34	7,012,223.88
0.00	0.00
0.00	0.00
2,133,913.35	1,464,427.75
-929,759.50	19,570.77
-4,223.30	-5,537.68
7,089,870.89	8,490,684.72

(2) 會計利潤與所得稅費用調整過程

Amount in current year 本年年金額	Amount in previous year 上年金額
-125,554,760.83	31,636,317.62
-31,388,690.21	7,909,079.41
-3,520,236.41	743,329.92
-929,759.50	19,570.77
8,179,892.90	845,614.81
-1,964,028.67	-11,476,108.51
36,712,692.78	10,449,198.32
7,089,870.89	8,490,684.72

50. Other comprehensive income

See "VI. 30 Other Comprehensive Income" in the Notes for details.

50. 其他綜合收益

詳見本附註「六、30其他綜合收益」所述。

51. Depreciation and amortization

The depreciation/amortization recognized in the income statement is RMB 62,932,427.67 in the current year (previous year: RMB 77,126,658.82).

51. 折舊及攤銷

本年確認為在利潤表的折舊/攤銷為62,932,427.67元(上年為77,126,658.82元)。

52. Expenditures for operating lease

The expenditure for operating lease in the current year is RMB 1,150,975.10 (previous year: RMB 1,340,000.00), without expenditures for rents for industrial equipment and machinery.

52. 營業租金支出

本年的營業租金支出為1,150,975.10元(上年為1,340,000.00元),無工業裝置及機械的租金支出。

53. Rental income

The rental income from the land and buildings is RMB 5,287,026.20 in this year, as described in "VI. 8 Investment properties" in the Note.

53. 租金收入

本年來自土地和建築物的租金收入為5,287,026.20元,詳見本附註「六、8投資性房地產」所述。

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

54. Items of cash flow statement

(1) Other cash received/paid relating to operating/investment/financing activities

1) Other cash received relating to operating activities

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Margins, deposits and pretty cash recovered	收回保證金、押金及備用金	4,618,374.42	34,008,247.39
Interest income	利息收入	1,190,316.72	280,869.90
Government subsidies	政府補助	5,482,557.00	20,578,401.03
Intercourse funds	往來款	1,858,102.06	9,487,996.84
Penalty	罰款	188,418.46	0.00
Others	其他	3,046.06	0.00
Total	合計	13,340,814.72	64,355,515.16

2) Other cash paid relating to operating activities

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
General expenses	各項費用	54,934,138.00	53,766,876.27
Margin and deposit	保證金、押金	17,560,056.24	51,380,976.84
Intercourse funds	往來款	2,689,258.67	47,843,616.25
Handling charge	手續費	452,499.16	493,785.33
Penalty	罰款	270,000.00	0.00
Others	其他	279.74	0.00
Total	合計	75,906,231.81	153,485,254.69

3) Other cash received relating to financing activities

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Jingcheng Holding borrowings, etc.	京城控股借款等	110,000,000.00	30,000,000.00

4) Other cash paid relating to financing activities

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Borrowing from Jingcheng Holding repaid	歸還京城控股借款	110,000,000.00	114,222,833.33

54. 現金流量表項目

(1) 收到/支付的其他與經營/投資/籌資活動有關的現金

1) 收到的其他與經營活動有關的現金

2) 支付的其他與經營活動有關的現金

3) 收到的其他與籌資活動有關的現金

4) 支付的其他與籌資活動有關的現金

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

54. Items of cash flow statement (Continued)

(2) Supplementary information to consolidated cash flow statement

54. 現金流量表項目(續)

(2) 合併現金流量表補充資料

Item	項目	Amount in current year 本年年金額	Amount in previous year 上年金額
1. Reconciliation from net profit to cash flows from operating activities:	1. 將淨利潤調節為經營活動現金流量:		
Net profit	淨利潤	-132,644,631.72	23,145,632.90
Add: provision for assets impairment	加: 資產減值準備	36,440,707.35	13,979,858.13
Credit impairment provision	信用減值準備	2,017,334.49	13,502,266.30
Investment properties depreciation and amortization	投資性房地產折舊和攤銷	201,512.01	0.00
Depreciation of fixed assets	固定資產折舊	52,179,644.70	68,067,029.52
Amortization of intangible assets	無形資產攤銷	6,327,911.72	4,712,683.38
Amortization of long-term deferred expenses	長期待攤費用攤銷	4,223,359.24	4,346,945.92
Loss from disposal of fixed assets, intangible assets and other long-term assets (gains to be listed with "-")	處置固定資產、無形資產和其他長期資產的損失(收益以[-]填列)	-8,596,214.61	-66,140,181.07
Losses on retirement of fixed assets (gains to be listed with "-")	固定資產報廢損失(收益以[-]填列)	96,347.31	7,036,823.56
Profits and losses of changes in fair value (gains to be listed with "-")	公允價值變動損益(收益以[-]填列)	0.00	0.00
Financial expenses (gains to be listed with "-")	財務費用(收益以[-]填列)	25,369,844.60	21,325,865.23
Losses on investment (gains to be listed with "-")	投資損失(收益以[-]填列)	3,275,533.08	4,586,130.02
Decrease on deferred income tax asset (increases to be listed with "-")	遞延所得稅資產的減少(增加以[-]填列)	-4,223.30	-5,537.68
Increases in deferred income tax liabilities (decreases to be listed with "-")	遞延所得稅負債的增加(減少以[-]填列)	0.00	0.00
Decreases on inventory (increases to be listed with "-")	存貨的減少(增加以[-]填列)	45,236,775.72	-45,388,183.08
Decreases on operating receivables (increases to be listed with "-")	經營性應收項目的減少(增加以[-]填列)	88,766,433.44	-169,249,238.85
Increase on operating payables (decreases to be listed with "-")	經營性應付項目的增加(減少以[-]填列)	-111,674,344.67	-106,578,559.23
Others	其他	0.00	0.00
Net cash flows from operating activities	經營活動產生的現金流量淨額	11,215,989.36	-226,658,464.95
2. Significant investing and financing activities that do not involve cash receipts and payments:	2. 不涉及現金收支的重大投資和籌資活動:		
Translation of debt into capital	債務轉為資本	0.00	0.00
Current portion of convertible corporate bonds	一年內到期的可轉換公司債券	0.00	0.00
Fixed assets acquired under finance leases	融資租入固定資產	0.00	0.00
3. Net change in cash and cash equivalents:	3. 現金及現金等價物淨變動情況:		
Closing balance of cash	現金的年末餘額	46,662,121.34	76,867,503.16
Less: opening balance of cash	減: 現金的年初餘額	76,867,503.16	102,580,611.77
Add: closing balance of cash equivalents	加: 現金等價物的年末餘額	0.00	0.00
Less: opening balance of cash equivalents	減: 現金等價物的年初餘額	0.00	0.00
Net increase in cash and cash equivalents	現金及現金等價物淨增加額	-30,205,381.82	-25,713,108.61

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

54. Items of cash flow statement (Continued)

(3) Cash and cash equivalents

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Cash	現金	46,662,121.34	76,867,503.16
Including: cash on hand	其中：庫存現金	92,197.03	123,064.28
Cash at bank available for payment at any time	可隨時用於支付的銀行存款	46,569,924.31	76,744,438.88
Other cash balances available for payment at any time	可隨時用於支付的其他貨幣資金	0.00	0.00
Cash equivalents	現金等價物	0.00	0.00
Including: bond investment due within three months	其中：三個月內到期的債券投資	0.00	0.00
Closing balance of cash and cash equivalents	年末現金和現金等價物餘額	46,662,121.34	76,867,503.16
Including: cash and cash equivalents that parent company or subsidiaries of the Group are limited to use	其中：母公司或集團內子公司使用受限制的現金和現金等價物	0.00	0.00

54. 現金流量表項目(續)

(3) 現金和現金等價物

55. Items in statement of changes in shareholders' equity

In this year, the "other" item in the statement of changes in shareholders' equity was the completion of liquidation and cancellation for Langfang Tianhai High Pressure Container Co., Ltd. with its remaining properties allocated to shareholders, including RMB 12,265,217.32 for minority shareholders and RMB 14,493,252.14 reduced for minority interests due to changes in scope of consolidation.

55. 股東權益變動項目

本年股東權益變動表中「其他」項為本年廊坊天海高壓容器有限公司完成清算註銷，將剩餘財產對股東進行分配，其中對少數股東分配為12,265,217.32元，以及因合併範圍變化減少少數股東權益14,493,252.14元。

56. Assets with restricted ownership or use right

Item 項目	Closing book value 年末賬面價值	Reasons 受限原因
Cash at bank and on hand 貨幣資金	14,500,000.00	Guarantee deposits for notes 票據保證金
Fixed assets 固定資產	250,944,555.51	Pledge for obtaining bank loans 為取得銀行借款抵押
Intangible assets 無形資產	68,854,443.19	Pledge for obtaining bank loans 為取得銀行借款抵押
Total 合計	334,298,998.70	-

56. 所有權或使用權受到限制的資產

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VI. Notes to Main Items in Consolidated Financial Statements (Continued) 六、合併財務報表主要項目註釋(續)

57. Monetary items in foreign currency

(1) Monetary Items for Foreign Currency

Item	項目	Closing balance foreign currency 年末外幣餘額	Exchange rate for translation 折算匯率	Closing balance in RMB (equivalent) 年末折算人民幣餘額
Cash at bank and on hand	貨幣資金	-	-	15,511,559.84
Including: USD	其中：美元	2,256,508.49	6.8632	15,486,869.07
EUR	歐元	686.21	7.8473	5,384.90
HKD	港幣	22,033.63	0.8762	19,305.87
Accounts receivable	應收賬款	-	-	26,559,259.55
Including: USD	其中：美元	3,705,433.70	6.8632	25,431,132.57
EUR	歐元	143,759.89	7.8473	1,128,126.98
Accounts payable	應付賬款	-	21,424,456.19	-
Including: USD	其中：美元	3,121,637.07	6.8632	21,424,419.54
EUR	歐元	4.67	7.8473	36.65
Other payables	其他應付款	-	-	7,967.01
Including: USD	其中：美元	1,160.83	6.8632	7,967.01

(2) Oversea business entity

BTIC AMERICA CORPORATION, a subsidiary of the Company, is registered in Houston, USA, with USD as the recording currency. Jingcheng Holding (Hong Kong) Co., Ltd, the subsidiary of the Company was registered in Hong Kong, with USD as the recording currency.

(2) 境外經營實體

本公司之下屬公司天海美洲公司註冊地為美國休斯頓，公司以美元為記帳本位幣。本公司之子公司京城控股(香港)有限公司註冊地為香港，公司以美元為記帳本位幣。

58. Government subsidy

(1) Basic information about government subsidies

Category 種類	Balances in the current year/at the end of the year 本年發生/年末餘額	Item presented 列報項目	Amount included in the current profits or losses 計入當期損益的金額
Revenue-related 與收益相關	3,482,557.00	Non-operating incomes 營業外收入	3,482,557.00
Related to assets 與資產相關	1,280,368.09	Deferred incomes 遞延收益	719,631.91
Revenue-related 與收益相關	807,092.27	Deferred incomes 遞延收益	1,192,907.73

(2) Refund of government subsidies

The Group has no refund of government grants in the current year

(2) 政府補助退回情況

本年本集團無政府補助退回的情況

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VII. Changes in Consolidation Scope

1. Business merger under different control

There is no business merger under the different control in the current period.

2. Business merger under common control

There is no business merger under the common control in the current period.

3. Disposal of subsidiaries

Name of subsidiary	Disposal price of equity	Disposal proportion of equity (%)	Disposal method of equity	Time point for loss of control	Basis for determining time point for loss of control	Difference between the consideration received and the corresponding proportion of the subsidiary's net assets	Proportion of remaining equity on the date of loss of control	Carrying value of remaining equity on the date of loss of control	Fair Value of remaining equity on the date of loss of control	Gains and losses caused by recalculation of remaining equity according to fair value	Determining method of remaining equity fair value on the date of loss of control	Amount of profit and loss on investment transferred from other comprehensive income in connection with equity investment of the original subsidiary
子公司名稱	股權處置價款	股權處置比例(%)	股權處置方式	喪失控制權的時點	喪失控制權時點的確定依據	處置價款與處置投資對應的合併財務報表層面享有該子公司淨資產份額的差額	喪失控制權之日剩餘股權的比例	喪失控制權之日剩餘股權的賬面價值	喪失控制權之日剩餘股權的公允價值	按照公允價值重新計量剩餘股權產生的利得或損失	喪失控制權之日剩餘股權公允價值的確定方法及主要假設	與原子公司股權投資相關的其他綜合收益轉入投資損益的金額
Langfang Tianhai High Pressure Container Co., Ltd. 廊坊天海高壓容器有限公司	0.00	86.95	Liquidation and cancellation 清算註銷	2018.10.9	Business cancellation 工商註銷	0.00	0.00%	0.00	0.00	0.00	N/A 不適用	0.00

4. Changes in consolidation scope for other reasons

Langfang Tianhai High Pressure Container Co., Ltd., a subsidiary of the Company, was liquidated and canceled on October 9, 2018.

七、合併範圍的變化

1. 非同一控制下企業合併

本期未發生非同一控制下企業合併。

2. 同一控制下企業合併

本期未發生同一控制下企業合併。

3. 處置子公司

4. 其他原因的合併範圍變動

本年本公司之下屬公司廊坊天海高壓容器有限公司於2018年10月9日清算註銷。

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VIII. Interests in Other Entities

1. Interests in subsidiaries

(1) Composition of the Group

八、在其他主體中的權益

1. 在子公司中的權益

(1) 企業集團的構成

Name of subsidiary 子公司名稱	Principal place of business 主要經營地	Registration place 註冊地	Nature of business 業務性質
Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	Chaoyang District, Beijing 北京市朝陽區	Chaoyang District, Beijing 北京市朝陽區	Production 生產
Tianjin Tianhai High Pressure Container Co., Ltd. 天津天海高壓容器有限責任公司	Tianjin Port Free Trade Zone 天津港保稅區	Tianjin Port Free Trade Zone 天津港保稅區	Production 生產
Shanghai Tianhai Composite Cylinders Co., Ltd. 上海天海複合氣瓶有限公司	Songjiang District, Shanghai 上海市松江區	Songjiang District, Shanghai 上海市松江區	Production 生產
Beijing Tianhai Cryogenic Equipment Co., Ltd. 北京天海低溫設備有限公司	Tongzhou District, Beijing 北京市通州區	Tongzhou District, Beijing 北京市通州區	Production 生產
Beijing Pioneer Up Lifter Co., Ltd. 北京攀尼高空作業設備有限公司	Tongzhou District, Beijing 北京市通州區	Tongzhou District, Beijing 北京市通州區	Production 生產
Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd. 北京明暉天海氣體儲運裝備銷售有限公司	Tongzhou District, Beijing 北京市通州區	Tongzhou District, Beijing 北京市通州區	Production 生產
BTIC AMERICA CORPORATION 天海美洲公司	Houston, the USA 美國休斯頓	Houston, the USA 美國休斯頓	Sales 銷售
Kuancheng Tianhai Pressure Container Co., Ltd. 寬城天海壓力容器有限公司	Chengde, Hebei 河北省承德市	Chengde, Hebei 河北省承德市	Production 生產
Jingcheng Holding (Hong Kong) Co., Ltd. 京城控股(香港)有限公司	Hong Kong 香港	Hong Kong 香港	Trading, investment 貿易、投資

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VIII. Interests in Other Entities

1. Interests in subsidiaries

(1) Composition of the Group (Continued) (Con't)

Name of subsidiary 子公司名稱	Registered capital 註冊資本	Shareholding proportion (%) 持股比例 (%)		Acquisition method 取得方式
		Direct 直接	Indirect 間接	
Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	USD 61,401,800.00 6,140.18萬美元	100.00	0.00	Business merger under common control 同一控制下企業合併
Tianjin Tianhai High Pressure Container Co., Ltd. 天津天海高壓容器有限責任公司	RMB 225,578,400.00 22,557.84萬元	0.00 0.00	55.00 55.00	Establishment 設立
Shanghai Tianhai Composite Cylinders Co., Ltd. 上海天海複合氣瓶有限公司	USD 3,017,400.00 301.74萬美元	0.00 0.00	87.84 87.84	Business merger under common control 同一控制下企業合併
Beijing Tianhai Cryogenic Equipment Co., Ltd. 北京天海低溫設備有限公司	RMB 40,000,000.00 4,000.00萬元	0.00 0.00	75.00 75.00	Establishment 設立
Beijing Pioneer Up Lifter Co., Ltd. 北京攀尼高空作業設備有限公司	RMB 20,000,000.00 2,000.00萬元	0.00 0.00	100.00 100.00	Business merger under common control 同一控制下企業合併
Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd. 北京明暉天海氣體儲運裝備銷售有限公司	RMB 545,225,228.00 54,522.5228萬元	0.00 0.00	38.51 38.51	Establishment 設立
BTIC AMERICA CORPORATION 天海美洲公司	1,200 shares 1,200股	0.00 0.00	51.00 51.00	Business merger under different control 非同一控制下企業合併
Kuancheng Tianhai Pressure Container Co., Ltd. 寬城天海壓力容器有限公司	RMB 81,584,000.00 8,158.40萬元	0.00 0.00	61.10 61.10	Establishment 設立
Jingcheng Holding (Hong Kong) Co., Ltd. 京城控股(香港)有限公司	HKD 1,000 1,000港幣	100.00 100.00	0.00 0.00	Business merger under common control 同一控制下企業合併

八、在其他主體中的權益

1. 在子公司中的權益

(1) 企業集團的構成 (續表)

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VIII. Interests in Other Entities (Continued)

1. Interests in subsidiaries (Continued)

(2) Important non-wholly-owned subsidiaries

八、在其他主體中的權益(續)

1. 在子公司中的權益(續)

(2) 重要的非全資子公司

Name of subsidiary	子公司名稱	Shareholding proportion of non-controlling shareholders (%) 少數股東持股比例 (%)	Profit and loss attributable to minority shareholders in current period 本期歸屬於少數股東的損益	Dividends declared to minority shareholders in current period 本期向少數股東宣告分派的股利	Closing Minority Interest Balance of equity 期末少數股權益餘額
Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd.	北京明暉天海氣體儲運裝備銷售有限公司	61.49	-32,646,528.89	0.00	235,711,277.29
Beijing Tianhai Cryogenic Equipment Co., Ltd.	北京天海低溫設備有限公司	25.00	-9,139,917.69	0.00	1,983,451.23
Langfang Tianhai High Pressure Container Co., Ltd.	廊坊天海高壓容器有限公司	13.05	2,343,551.27	12,265,217.32	0.00
BTIC AMERICA CORPORATION	天海美洲公司	49.00	3,864,833.55	0.00	24,893,477.15
Shanghai Tianhai Composite Cylinders Co., Ltd.	上海天海複合氣瓶有限公司	12.16	478,247.12	0.00	5,734,045.03
Tianjin Tianhai High Pressure Container Co., Ltd.	天津天海高壓容器有限責任公司	45.00	1,544,136.33	0.00	101,616,215.89
Kuancheng Tianhai Pressure Container Co., Ltd.	寬城天海壓力容器有限公司	38.90	-5,152,798.11	0.00	26,454,097.99
Total	合計	-	-38,708,476.42	12,265,217.32	396,392,564.58

Beijing Minghui Tianhai Gas Storage and Transportation Sales Co., Ltd. was established on November 27, 2012, with a registered capital of RMB 10 million wholly contributed by Beijing Tianhai Industry Co., Ltd. After two capital increases, as at June 30, 2018, the registered capital of Beijing Minghui Tianhai Gas Storage and Transportation Sales Co., Ltd. has been increased to RMB 545,225,200, including RMB 210,000,000 (38.51%) contributed by Beijing Tianhai Industry Co., Ltd., RMB 170,412,703.00 (31.26%) contributed by Beijing Jingguofa Venture Investment Fund (LLP) and RMB 164,812,525.00 (30.23%) contributed by Beijing Bashi Media Co., Ltd.

According to the Articles of Association of Beijing Minghui Tianhai Gas Storage and Transportation Sales Co., Ltd., it has 5 directors in the Board of Directors, of which Beijing Tianhai Industry Co., Ltd. nominates 3 and Beijing Jingguofa Venture Investment Fund (LLP) and Beijing Bashi Media Co., Ltd. nominate 1 respectively. Apart from major matters such as selling all assets of the company that should be subject to approval of two-thirds vote of the Board of Directors, matters such as approving business plan and investment plan of the company and determining setting of internal management departments of the company must be approved by more than half of all the directors. The management shall also be assigned by Beijing Tianhai Industry Co., Ltd.. Beijing Tianhai Industry Co., Ltd. can exert control over Beijing Minghui Tianhai Gas Storage and Transportation Sales Co., Ltd. and, thus, include it in the scope of consolidated financial statements.

北京明暉天海氣體儲運裝備銷售有限公司成立於2012年11月27日,成立時註冊資本為1,000萬元,全部由北京天海工業有限公司出資。經過兩次增資,截止2018年6月30日北京明暉天海氣體儲運裝備銷售有限公司註冊資本為54,522.52萬元,其中北京天海工業有限公司出資210,000,000元,佔註冊資本的38.51%,北京京國發股權投資基金(有限合夥)出資170,412,703.00元,佔註冊資本的31.26%,北京巴士傳媒股份有限公司出資164,812,525.00元,佔註冊資本的30.23%。

根據北京明暉天海氣體儲運裝備銷售有限公司的公司章程規定:北京明暉天海氣體儲運裝備銷售有限公司共有5名董事,其中北京天海工業有限公司提名3名,北京京國發股權投資基金(有限合夥)和北京巴士傳媒股份有限公司各提名1名,除出售公司全部資產等重大事項需要董事會三分之二以上表決外,審定公司的經營計劃和投資方案、決定公司內部管理機構的設置等事項由全體董事中過半數的董事同意。管理層也均由北京天海工業有限公司派出。北京天海工業有限公司可以對北京明暉天海氣體儲運裝備銷售有限公司實施控制,因此將其納入合併報表範圍。

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VIII. Interests in Other Entities (Continued)

1. Interests in subsidiaries (Continued)

(3) Main financial information of important non-wholly-owned subsidiaries

Name of subsidiary	子公司名稱	Closing balance					
		Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
		流動資產	非流動資產	資產合計	流動負債	非流動負債	負債合計
Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd.	北京明暉天海氣體儲運裝備銷售有限公司	168,754,944.54	467,229,747.45	635,984,691.99	252,436,035.09	3,251,807.32	255,687,842.41
Beijing Tianhai Cryogenic Equipment Co., Ltd.	北京天海低溫設備有限公司	110,415,206.85	70,189,957.24	180,605,164.09	172,671,359.14	0.00	172,671,359.14
Langfang Tianhai High Pressure Container Co., Ltd.	廊坊天海高壓容器有限公司	0.00	0.00	0.00	0.00	0.00	0.00
BTIC AMERICA CORPORATION	天海美洲公司	67,902,170.75	260,287.21	68,162,457.96	17,359,443.35	0.00	17,359,443.35
Shanghai Tianhai Composite Cylinders Co., Ltd.	上海天海複合氣瓶有限公司	30,111,868.21	16,707,265.45	46,819,133.66	2,698,694.70	0.00	2,698,694.70
Tianjin Tianhai High Pressure Container Co., Ltd.	天津天海高壓容器有限責任公司	180,094,179.14	191,772,750.15	371,866,929.29	143,753,731.73	0.00	143,753,731.73
Kuancheng Tianhai Pressure Container Co., Ltd.	寬城天海壓力容器有限公司	55,095,331.98	115,902,236.49	170,997,568.47	90,485,284.58	12,280,368.09	102,765,652.67

(Con't 1)

(續表 1)

Name of subsidiary	子公司名稱	Opening balance					
		Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
		流動資產	非流動資產	資產合計	流動負債	非流動負債	負債合計
Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd.	北京明暉天海氣體儲運裝備銷售有限公司	218,058,983.16	504,216,623.21	722,275,606.37	284,642,782.81	4,243,554.25	288,886,337.06
Beijing Tianhai Cryogenic Equipment Co., Ltd.	北京天海低溫設備有限公司	242,117,079.60	11,097,788.40	253,214,868.00	208,721,392.30	0.00	208,721,392.30
Langfang Tianhai High Pressure Container Co., Ltd.	廊坊天海高壓容器有限公司	109,019,091.93	27,676,626.13	136,695,718.06	34,247,348.16	0.00	34,247,348.16
BTIC AMERICA CORPORATION	天海美洲公司	50,204,927.64	235,428.92	50,440,356.56	9,766,401.17	0.00	9,766,401.17
Shanghai Tianhai Composite Cylinders Co., Ltd.	上海天海複合氣瓶有限公司	25,787,111.28	17,369,773.96	43,156,885.24	2,515,123.01	0.00	2,515,123.01
Tianjin Tianhai High Pressure Container Co., Ltd.	天津天海高壓容器有限責任公司	163,864,239.73	193,017,034.90	356,881,274.63	130,728,569.45	0.00	130,728,569.45
Kuancheng Tianhai Pressure Container Co., Ltd.	寬城天海壓力容器有限公司	20,926,537.92	88,335,429.79	109,261,967.71	22,950,368.47	5,060,000.00	28,010,368.47

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VIII. Interests in Other Entities (Continued)

1. Interests in subsidiaries (Continued)

(3) Main financial information of important non-wholly-owned subsidiaries (Continued) (Con't 2)

Name of subsidiary	子公司名稱	Amount incurred in current year 本年發生額			Cash flow generated from operating activities 經營活動現金流量
		Operating revenue 營業收入	Net profit 淨利潤	Total comprehensive incomes 綜合收益總額	
Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd.	北京明暉天海氣體儲運裝備銷售有限公司	147,173,919.30	-53,092,419.73	-53,092,419.73	-2,111,432.43
Beijing Tianhai Cryogenic Equipment Co., Ltd.	北京天海低溫設備有限公司	110,334,948.77	-36,559,670.75	-36,559,670.75	-18,595,664.91
Langfang Tianhai High Pressure Container Co., Ltd.	廊坊天海高壓容器有限公司	15,316,753.22	8,646,788.21	8,646,788.21	-15,570,385.67
BTIC AMERICA CORPORATION	天海美洲公司	214,313,960.02	7,887,415.40	10,129,059.22	-603,904.17
Shanghai Tianhai Composite Cylinders Co., Ltd.	上海天海複合氣瓶有限公司	47,449,551.54	3,478,676.73	3,478,676.73	2,164,798.57
Tianjin Tianhai High Pressure Container Co., Ltd.	天津天海高壓容器有限責任公司	554,390,620.94	1,960,492.38	1,960,492.38	10,923,801.31
Kuancheng Tianhai Pressure Container Co., Ltd.	寬城天海壓力容器有限公司	71,998,482.00	-13,019,683.44	-13,019,683.44	-14,282,431.13

(Con't 3)

(續表 3)

Name of subsidiary	子公司名稱	Amount incurred in previous year 上年發生額			Cash flow generated from operating activities 經營活動現金流量
		Operating revenue 營業收入	Net profit 淨利潤	Total comprehensive incomes 綜合收益總額	
Beijing Minghui Tianhai Gas Storage Equipment Sales Co., Ltd.	北京明暉天海氣體儲運裝備銷售有限公司	170,909,090.66	-31,292,216.77	-31,292,216.77	7,761,554.89
Beijing Tianhai Cryogenic Equipment Co., Ltd.	北京天海低溫設備有限公司	235,408,551.64	35,350,158.41	35,350,158.41	-47,050,535.54
Langfang Tianhai High Pressure Container Co., Ltd.	廊坊天海高壓容器有限公司	158,039,441.04	19,892,605.98	19,892,605.98	-184,620,437.05
BTIC AMERICA CORPORATION	天海美洲公司	192,805,499.65	2,749,628.58	325,099.68	-5,113,086.64
Shanghai Tianhai Composite Cylinders Co., Ltd.	上海天海複合氣瓶有限公司	48,482,211.16	3,448,470.79	3,448,470.79	848,629.30
Tianjin Tianhai High Pressure Container Co., Ltd.	天津天海高壓容器有限責任公司	486,892,743.65	25,254,281.91	25,254,281.91	-16,650,435.51
Kuancheng Tianhai Pressure Container Co., Ltd.	寬城天海壓力容器有限公司	0.00	-332,400.76	-332,400.76	3,345,200.14

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VIII. Interests in Other Entities (Continued)

2. Conditions of the owner's equity portion variation in the subsidiaries and the subsidiaries still being under control

None.

3. Interests in joint ventures or associated enterprises

(1) Joint ventures or associated enterprises

Name	Principal place of business	Registration place	Nature of business	Shareholding proportion (%)		Accounting treatment method of joint ventures or associated enterprises 對合營企業或聯營企業投資的會計處理方法
				Direct 持股比例 (%)	Indirect 間接	
Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	Shandong Province Linyi 山東省臨沂市	Shandong Province Linyi 山東省臨沂市	Production 生產		51.00	Equity method 權益法
Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	Zhenjiang, Jiangsu Province 江蘇省鎮江市	Zhenjiang, Jiangsu Province 江蘇省鎮江市	Production 生產		35.00	Equity method 權益法
Beijing Bolken Energy Technology Inc. 北京伯肯節能科技股份有限公司	Beijing Municipality 北京市	Beijing Municipality 北京市	Production 生產		10.91	Equity method 權益法
Beijing Jingcheng Haitong Technology and Culture Development Co., Ltd. 北京京城海通科技文化發展有限公司	Beijing Municipality 北京市	Beijing Municipality 北京市	Leasing 租賃		49.00	Equity method 權益法

1) Shandong Tianhai High Pressure Container Co., Ltd. (hereinafter referred to as Shandong Tianhai) was established on June 12, 2014, with a registered capital of RMB 30,000,000.00. Beijing Tianhai contributed RMB 15,300,000.00 (51%) and Shandong Yongan Heli Steel Cylinder Co., Ltd. (hereinafter referred to as Yongan Heli) contributed RMB 14,700,000.00 (49%). After capital increments, the registered capital of Shandong Tianhai was increased to RMB 114,550,000.00, including RMB 58,420,500.00 (51%) and RMB 56,129,500.00 (49%) contributed by Beijing Tianhai and Yongan Heli respectively. According to the Articles of Association of Shandong Tianhai, the Board of Directors consists of 5 directors, and of which 3 directors are nominated by Beijing Tianhai, while 2 directors are nominated by Yongan Heli. Decisions of the Board of Directors on all proposals will be valid only after being approved by more than four-fifths of directors. The daily management of Shandong Tianhai is performed by personnel deployed by Yongan Heli, so Beijing Tianhai will not control Shandong Tianhai and include it into the scope of consolidated statements, but to calculate in an equity method.

八、在其他主體中的權益(續)

2. 在子公司的所有者權益份額發生變化且仍控制子公司的情况

無。

3. 在合營企業或聯營企業中的權益

(1) 合營企業或聯營企業

1) 山東天海高壓容器有限公司(以下簡稱山東天海)成立於2014年6月12日，成立時註冊資本為3,000萬元，其中北京天海出資1,530萬元，佔51%，山東永安合力鋼瓶有限公司(以下簡稱永安合力)出資1,470萬元，佔49%。經過增資，山東天海註冊資本變更為11,455萬元，其中北京天海出資5,842.05萬元，佔51%，永安合力出資5,612.95萬元，佔49%。根據山東天海的公司章程規定，公司董事會由5名董事組成，其中北京天海提名3名，永安合力提名2名，董事會對所議事項作出的決定應當經全體董事五分之四以上的董事同意方為有效。山東天海的日常管理主要由永安合力派出的人員負責，因此北京天海不能對山東天海實施控制，未將其納入合併報表範圍，採取權益法核算。

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VIII. Interests in Other Entities (Continued)

3. Interests in joint ventures or associated enterprises (Continued)

(1) Joint ventures or associated enterprises (Continued)

- 2) Bolken Energy was established in March 2005 with a registered capital of RMB 63 million. On July 29, 2015, it was listed on National Equities Exchange and Quotations, with the code of 833077. On August 15, 2018, Shaanxi Aerospace Science and Technology Corporation (hereinafter referred to as "Aerospace Science and Technology") listed its shareholding in Beacon Energy's 10.91% equity (6,876,000 shares) for transfer. Beijing Tianhai received the equity mentioned above by the mode of transfer agreement on September 6, 2018, and paid the full price on October 30. The equity change registration was completed at China Securities Depository and Clearing Corporation Limited on November 7, 2018, as well as procedures for industrial and commercial registration of changes on February 22, 2019.

Beijing Tianhai sent delegates in the Bolken Energy Board of Directors on December 7, 2018, and participated in making financial and business policies of Bolken Energy to exert significant influence on it and used the equity method to account.

- 3) The registered capital of Jingcheng Haitong was RMB 80.00 million. Beijing Tianhai subscribed RMB 39.20 million in cash, holding 49% of the shares, and the subscription date is before September 01, 2021. Beijing Neutron Leasing Co., Ltd. subscribed RMB 40.80 million in cash, holding 51% of the shares. The subscription date was October 15, 2018 for RMB 20.40 million, and March 01, 2019 for RMB 20.10 million. Up to the date of the report, Beijing Neutron Leasing Co., Ltd. has already fulfilled all its capital contribution obligations.

Article 5.5 of the Jingcheng Haitong Shareholders' Cooperation Agreement stipulates: "In the event of losses at the initial stage of the establishment and operation of the Company, the parties shall bear the losses according to their respective equity proportions" and "the shareholders shall distribute the profits made by the Company according to the equity proportions". Beijing Tianhai confirmed the long-term equity investments and long-term payables on the basis of the subscribed capital for commitments, and that it shall enjoy the net profit of Jingcheng Haitong according to the proportion of the shareholding.

八、在其他主體中的權益(續)

3. 在合營企業或聯營企業中的權益(續)

(1) 合營企業或聯營企業(續)

- 2) 伯肯節能成立於2005年3月，註冊資本6,300萬元，2015年7月29日在全國中小企業股份轉讓系統掛牌，代碼833077。2018年8月15日，陝西航天科技集團有限公司(簡稱航天科技)將其持有的伯肯節能10.91%股權(6,876,000股)掛牌轉讓，2018年9月6日，北京天海通過協議轉讓的方式受讓了上述股權，並於10月30日支付了全部價款。2018年11月7日，在中國證券登記結算有限公司完成股權變更登記，2019年2月22日完成工商變更登記手續。

北京天海於2018年12月7日在伯肯節能董事會中派駐代表，參與伯肯節能財務和經營政策的制定，達到對伯肯節能施加重大影響，採用權益法核算。

- 3) 京城海通註冊資本8,000萬元，北京天海以貨幣形式認繳3,920萬元，持股49%，認繳出資日期為2021年9月1日前。北京能通租賃公司以貨幣形式認繳4,080萬元，持股51%，認繳出資日期為2018年10月15日2,040萬元、2019年3月1日2,010萬元。截至報告日，北京能通租賃公司已履行了全部出資義務。

京城海通股東合作協議第5.5條約定：「公司成立初期及運營階段如出現虧損，由各方按照各自股權比例予以承擔」、「公司盈利，股東按照股權比例進行利潤分配」。北京天海按承諾認繳出資確認長期股權投資和長期應付款，並按照認繳持股比例確認應享有京城海通的淨利潤。

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VIII. Interests in Other Entities (Continued)

3. Interests in joint ventures or associated enterprises (Continued)

(2) Main financial information of important joint venture

Shandong Tianhai	山東天海	Closing balance/ Amount incurred in current year 年末餘額/ 本年發生額	Opening balance/ Amount incurred in previous year 期初餘額/ 上年發生額
Current assets	流動資產	125,108,151.40	141,174,431.20
Including: cash and cash equivalents	其中：現金和現金等價物	3,701,153.41	12,529,876.48
Non-current assets	非流動資產	120,047,456.14	124,367,470.55
Total assets	資產合計	245,155,607.54	265,541,901.75
Current liabilities	流動負債	131,704,324.84	154,529,075.14
Non-current liabilities	非流動負債	0.00	662,598.90
Total liabilities	負債合計	131,704,324.84	155,191,674.04
Non-controlling interest	少數股東權益	0.00	0.00
Equity attributable to shareholders of the parent company	歸屬於母公司股東權益	113,451,282.70	110,350,227.71
Net assets share calculated at shareholding proportion	按持股比例計算的淨資產份額	57,860,154.18	56,278,616.13
Adjustments	調整事項	-5,290,078.43	-6,213,295.80
- Goodwill	- 商譽	0.00	0.00
- Unrealized profit of internal transaction	- 內部交易未實現利潤	-5,290,078.43	-6,213,295.80
- Others	- 其他	0.00	0.00
Book value of equity investment to joint ventures	對合營企業權益投資的賬面價值	52,570,075.75	50,065,320.33
Fair value of joint venture equity investments with public offer	存在公開報價的合營企業權益投資的公允價值	0.00	0.00
Operating revenue	營業收入	791,708,840.18	677,174,387.46
Financial expenses	財務費用	2,280,294.72	1,126,466.27
Income tax expenses	所得稅費用	0.00	0.00
Net profit	淨利潤	4,911,285.14	-8,509,054.79
Net profits from termination of operation	終止經營的淨利潤	0.00	0.00
Other comprehensive incomes	其他綜合收益	0.00	0.00
Total comprehensive incomes	綜合收益總額	4,911,285.14	-8,509,054.79
Dividends received from joint ventures of the current year	本年度收到的來自合營企業的股利	0.00	8,756,869.09

八、在其他主體中的權益(續)

3. 在合營企業或聯營企業中的權益(續)

(2) 重要的合營企業的主要財務信息

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VIII. Interests in Other Entities (Continued)

3. Interests in joint ventures or associated enterprises (Continued)

(3) Main financial information of important associated enterprises

1) Jiangsu Tianhai (associated enterprise)

八、在其他主體中的權益(續)

3. 在合營企業或聯營企業中的權益(續)

(3) 重要的聯營企業的主要財務信息

1) 江蘇天海(聯營企業)

Item	項目	Closing balance/ Amount incurred in current year 年末餘額/ 本年發生額	Opening balance/ Amount incurred in previous year 期初餘額/ 上年發生額
Current assets	流動資產	43,058,277.20	34,607,595.29
Including: cash and cash equivalents	其中：現金和現金等價物	6,877,818.99	10,070,410.03
Non-current assets	非流動資產	79,138,310.35	80,638,324.51
Total assets	資產合計	122,196,587.55	115,245,919.80
Current liabilities	流動負債	29,520,895.97	32,199,013.95
Non-current liabilities	非流動負債	400,000.00	0.00
Total liabilities	負債合計	29,920,895.97	32,199,013.95
Non-controlling interest	少數股東權益	0.00	0.00
Equity attributable to shareholders of the parent company	歸屬於母公司股東權益	92,275,691.58	83,046,905.85
Net assets share calculated at shareholding proportion	按持股比例計算的淨資產份額	32,296,492.05	29,066,417.05
Adjustments	調整事項	-6,716,680.41	-7,437,254.91
- Goodwill	- 商譽	0.00	0.00
- Unrealized profit of internal transaction	- 內部交易未實現利潤	-6,594,918.64	-7,593,083.42
- Others	- 其他	-121,761.77	155,828.51
Book value of equity investment to associated enterprises	對聯營企業權益投資的賬面價值	25,579,811.64	21,629,162.14
Fair value of equity investment in associated enterprises with public offer	存在公開報價的聯營企業權益投資的公允價值	0.00	0.00
Operating revenue	營業收入	111,010,332.36	64,999,206.62
Financial expenses	財務費用	-499,321.26	60,205.91
Income tax expenses	所得稅費用	1,577,078.70	0.00
Net profit	淨利潤	8,435,670.63	3,293,871.74
Net profits from termination of operation	終止經營的淨利潤	0.00	0.00
Other comprehensive incomes	其他綜合收益	0.00	0.00
Total comprehensive incomes	綜合收益總額	8,435,670.63	3,293,871.74
Dividends received from associated enterprises in the current year	本年度收到的來自聯營企業的股利	0.00	0.00

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VIII. Interests in Other Entities (Continued)

3. Interests in joint ventures or associated enterprises (Continued)

(3) Main financial information of important associated enterprises (Continued)

2) Jingcheng Haitong (associated enterprise)

八、在其他主體中的權益(續)

3. 在合營企業或聯營企業中的權益(續)

(3) 重要的聯營企業的主要財務信息(續)

2) 京城海通(聯營企業)

Item	項目	Closing balance/ Amount incurred in current year 年末餘額/ 本年發生額	Opening balance/ Amount incurred in previous year 期初餘額/ 上年發生額
Current assets	流動資產	4,346,461.11	-
Including: cash and cash equivalents	其中：現金和現金等價物	2,087,379.22	-
Non-current assets	非流動資產	16,484,492.84	-
Total assets	資產合計	20,830,953.95	-
Current liabilities	流動負債	22,093,170.74	-
Non-current liabilities	非流動負債	0.00	-
Total liabilities	負債合計	22,093,170.74	-
Non-controlling interest	少數股東權益	0.00	-
Equity attributable to shareholders of the parent company	歸屬於母公司股東權益	-1,262,216.79	-
Net assets share calculated at shareholding proportion	按持股比例計算的淨資產份額	-618,486.23	-
Adjustments	調整事項	29,204,000.00	-
- Goodwill	- 商譽	0.00	-
- Unrealized profit of internal transaction	- 內部交易未實現利潤	0.00	-
- Others	- 其他	29,204,000.00	-
Book value of equity investment to associated enterprises	對聯營企業權益投資的賬面價值	28,585,513.77	-
Fair value of equity investment in associated enterprises with public offer	存在公開報價的聯營企業權益投資的公允價值	0.00	-
Operating revenue	營業收入	0.00	-
Financial expenses	財務費用	-6,077.85	-
Income tax expenses	所得稅費用	0.00	-
Net profit	淨利潤	-21,662,216.79	-
Net profits from termination of operation	終止經營的淨利潤	0.00	-
Other comprehensive incomes	其他綜合收益	0.00	-
Total comprehensive incomes	綜合收益總額	-21,662,216.79	-
Dividends received from associated enterprises in the current year	本年度收到的來自聯營企業的股利	0.00	-

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VIII. Interests in Other Entities (Continued)

3. Interests in joint ventures or associated enterprises (Continued)

(4) financial information of non-important associated enterprise

Item	項目
Associated enterprise	聯營企業:
Book value of equity investment in total	投資賬面價值合計
Calculated by shareholding proportion	下列各項按持股比例計算的
of following items in total:	合計數
- Net profit	- 淨利潤
- Other comprehensive incomes	- 其他綜合收益
- Total comprehensive incomes	- 綜合收益總額

- (5) The Group does not have any significant restrictions on the ability of joint venture and associated enterprise to transfer funds to the Company.
- (6) The Group does not have any excess loss for associated enterprise.
- (7) The Group does not have any unconfirmed commitments related to joint venture investment.
- (8) The Group does not have contingent liabilities related to investment in joint ventures or associated enterprises.

八、在其他主體中的權益(續)

3. 在合營企業或聯營企業中的權益(續)

(4) 不重要的聯營企業的匯總財務信息

Closing balance/ Amount incurred in current year 年末餘額/ 本年發生額	Opening balance/ Amount incurred in previous year 年初餘額/ 上年發生額
-	-
18,163,548.23	-
-	-
883,548.23	-
0.00	-
883,548.23	-

- (5) 本集團不存在合營企業或聯營企業向公司轉移資金能力存在的重大限制。
- (6) 本集團不存在聯營企業發生超額虧損情況。
- (7) 本集團不存在與合營企業投資相關的未確認承諾。
- (8) 本集團不存在與合營企業或聯營企業投資相關的或有負債。

IX. Risks Related to Financial Instruments

The main financial instruments of the Group include loans, receivables, payables, etc; refer to Note VI for detailed information of all financial instruments. The risks concerning these financial instruments, as well as the risk management measures applied to mitigate these risks are stated as follows. The management of the Group manages and supervises these risk exposures to ensure that the above risks are controlled in the limited scope.

1. Risk management objectives and policies

The objective of the risk management activities of the Group is to achieve a proper balance between risk and benefit, so as to minimize the negative effect of risks on the business performance of the Group and to maximize interest of shareholders and other equity investors. Based on the objective of risk management, the basic strategy of risk management of the Group is to determine and analyze all risks the Group faces and to set up suitable bottom line of risk standing and to manage risks, as well as to timely and reliably supervise all risks and control the risk into the limited scope.

九、與金融工具相關風險

本集團的主要金融工具包括借款、應收款項、應付款項等，各項金融工具的詳細情況說明見本附註六。與這些金融工具有關的風險，以及本集團為降低這些風險所採取的風險管理政策如下所述。本集團管理層對這些風險敞口進行管理和監控以確保將上述風險控制在限定的範圍之內。

1. 各類風險管理目標和政策

本集團從事風險管理的目標是在風險和收益之間取得適當的平衡，將風險對本集團經營業績的負面影響降低到最低水平，使股東及其他權益投資者的利益最大化。基於該風險管理目標，本集團風險管理的基本策略是確定和分析本集團所面臨的各種風險，建立適當的風險承受底線並進行風險管理，並及時可靠地對各種風險進行監督，將風險控制在限定的範圍之內。

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IX. Risks Related to Financial Instruments (Continued)

1. Risk management objectives and policies

(Continued)

(1) Market risk

1) Exchange rate risk

Foreign exchange risk refers to risk of loss caused by change of exchange rate. Foreign exchange risks assumed by the Group are mainly related to USD. Apart from BTIC AMERICA CORPORATION and Jingcheng Holding (Hong Kong) Co., Ltd., subsidiaries of the Company that uses USD to purchase and sell, other prime business activities of the Group are priced and settled in RMB. On December 31, 2018, expect balances expressed at USD, EUR, KHD and GBP of the assets and liabilities mentioned below, the balances of assets and liabilities of the Group are expressed at RMB. Foreign exchange risk of assets and liabilities of such foreign currency balances might influence the business performance of the Group.

九、與金融工具相關風險(續)

1. 各類風險管理目標和政策(續)

(1) 市場風險

1) 匯率風險

外匯風險指因匯率變動產生損失的風險。本集團承受外匯風險主要與美元有關，除本公司的下屬子公司天海美洲公司、京城控股(香港)有限公司以美元進行採購和銷售外，本集團的其他主要業務活動以人民幣計價結算。於2018年12月31日，除下表所述資產及負債的美元餘額和零星的歐元、港幣和英鎊餘額外，本集團的資產及負債均為人民幣餘額。該等外幣餘額的資產和負債產生的外匯風險可能對本集團的經營業績產生影響。

Item	項目	Closing amount 年末金額		Opening amount 年初金額	
		Original currency 原幣	Equivalent to RMB 折合人民幣	Original currency 原幣	Equivalent to RMB 折合人民幣
Cash at bank and on hand	貨幣資金	-	15,511,559.84	-	9,775,979.39
USD	美元	2,256,508.49	15,486,869.07	1,228,160.90	8,025,048.95
EUR	歐元	686.21	5,384.90	221,507.33	1,728,266.64
HKD	港幣	22,033.63	19,305.87	27,113.05	22,663.80
Accounts receivable	應收賬款	-	26,559,259.55	-	29,841,649.93
USD	美元	3,705,433.70	25,431,132.57	4,301,861.62	28,109,224.20
EUR	歐元	143,759.89	1,128,126.98	222,040.39	1,732,425.73
Advances to suppliers	預付款項	-	6,996,267.27	-	4,749,244.27
USD	美元	950,230.00	6,521,618.54	724,183.86	4,731,962.18
EUR	歐元	60,485.61	474,648.73	2,215.00	17,282.09
Accounts payable	應付賬款	-	21,424,456.19	-	18,774,168.24
USD	美元	3,121,637.07	21,424,419.54	1,647,140.69	10,762,746.70
EUR	歐元	4.67	36.65	1,026,802.55	8,011,421.54
Advances from customers	預收款項	-	22,521,389.53	-	18,225,952.95
USD	美元	3,259,483.53	22,370,487.36	2,766,336.00	18,075,792.69
EUR	歐元	19,229.82	150,902.17	19,245.64	150,160.26
Other payables	其他應付款	-	7,967.01	-	7,585.10
USD	美元	1,160.83	7,967.01	1,160.83	7,585.10

The Group pays close attention to the influence from change of foreign exchange to the Group.

本集團密切關注匯率變動對本集團的影響。

2) Interest rate risk

Loans of the Group are all with fixed interest rate.

2) 利率風險

本集團全部為固定利率借款。

3) Price risk

The Group sells products at market price; therefore, it will be influenced by fluctuation of the price.

3) 價格風險

本集團以市場價格銷售產品，因此受到此等價格波動的影響。

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IX. Risks Related to Financial Instruments (Continued)

1. Risk management objectives and policies

(Continued)

(2) Credit risk

At the end of the year, the greatest credit risk exposure causing the financial loss of the Group is mainly from loss of the financial assets of the Group due to that one party of the contract failed to perform obligations.

In order to reduce credit risk, the Company organized a group to control credit line, conduct credit approval and other supervision procedures to ensure to adopt necessary measures to recover overdue creditor's rights. Besides, the Group reviews the recovery situation of each single receivable on each balance sheet date, to ensure drawing of sufficient provision for bad debts for irrecoverable amount. Therefore, the management of the Company considers that credit risks assumed by the Group have been greatly reduced.

Current funds of the Group are deposited at the bank with higher credit grading, therefore, the credit risk of the current funds is relatively low.

Since the risk exposure of the Group is distributed at multiple contract parties and multiple customers, 12.07% (30.58% for the previous year) and 30.23% (43.11% for the previous year) balances of accounts receivable of the Group are respectively from the top one customer and the top five customers of the Group at the end of the year. At the end of this year, Shaanxi Heavy Duty Automobile Co., Ltd, the biggest client for the account receivable balance, has been a high quality company and established a long-term cooperative relationship with the Group. Thus, the Group has no significant credit risk.

The top five receivables total to RMB 83,015,731.51.

(3) Liquidity risk

The Group has managed the liquidity risk in a way by ensuring sufficient financial liquidity to perform due debts, so as to avoid causing unacceptable loss or causing damage to enterprise reputation. The Group has analyzed the liability structure and duration on a regular basis, so as to ensure sufficient fund. The Management of the Group supervises the usage of the bank loans and ensures to obey the loan agreement. Meanwhile, the Group has made financing negotiation with financial institutions, so as to maintain certain credit line and reduce liquidity risk.

The Group takes bank loans as the main sources of funds. As at December 31, 2018, the unused bank borrowing limit of the Group was RMB 80,802,000.00 (RMB 120,075,500.00 as at December 31, 2017) and was all the limit of short-term borrowings.

九、與金融工具相關風險(續)

1. 各類風險管理目標和政策(續)

(2) 信用風險

於年末,可能引起本集團財務損失的最大信用風險敞口主要來自於合同另一方未能履行義務而導致本集團金融資產產生的損失。

為降低信用風險,本公司成立了一個小組負責確定信用額度、進行信用審批,並執行其他監控程序以確保採取必要的措施回收過期債權。此外,本集團於每個資產負債表日審核每一單項應收款的回收情況,以確保就無法回收的款項計提充分的壞賬準備。因此,本公司管理層認為本集團所承擔的信用風險已經大為降低。

本集團的流動資金存放在信用評級較高的銀行,故流動資金的信用風險較低。

由於本集團的風險敞口分布在多個合同方和多個客戶,於年末,本集團12.07%(上年:30.58%)和30.23%(上年:43.11%)應收賬款餘額分別來自本集團最大的客戶和前五大客戶。年末應收賬款餘額最大客戶陝西重型汽車有限公司,客戶質量優質且與本集團建立長期合作關係,因此本集團沒有重大的信用風險。

應收賬款前五名金額合計:83,015,731.51元。

(3) 流動風險

本集團管理流動性風險的方法是確保有足夠的資金流動性來履行到期債務,而不至於造成不可接受的損失或對企業信譽造成損害。本集團定期分析負債結構和期限,以確保有充裕的資金。本集團管理層對銀行借款的使用情況進行監控並確保遵守借款協議。同時與金融機構進行融資磋商,以保持一定的授信額度,減低流動性風險。

本集團將銀行借款作為主要資金來源。於2018年12月31日,本集團尚未使用的銀行借款額度為8,080.20萬元(2017年12月31日:12,007.55萬元),全部為短期借款額度。

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IX. Risks Related to Financial Instruments (Continued)

1. Risk management objectives and policies

(Continued)

(3) Liquidity risk (Continued)

Financial assets and financial liabilities held by the Group are analyzed as follows as per the expiration of undiscounted remaining contractual obligations:

Amount as at December 31, 2018

Item	項目	Within one year 一年以內	One to two years 一到二年	Two to five years 二到五年	More than five years 五年以上	Total 合計
Financial Assets	金融資產					
Cash at bank and on hand	貨幣資金	61,162,121.34	0.00	0.00	0.00	61,162,121.34
Notes receivable and accounts receivable	應收票據及應收賬款	246,254,665.67	0.00	0.00	0.00	246,254,665.67
Other receivables	其他應收款	20,470,775.75	0.00	0.00	0.00	20,470,775.75
Financial liabilities	金融負債					
Short-term borrowings	短期借款	277,998,046.30	0.00	0.00	0.00	277,998,046.30
Notes payable and accounts payable	應付票據及應付賬款	264,374,639.10	0.00	0.00	0.00	264,374,639.10
Other payables	其他應付款	80,624,608.94	0.00	0.00	0.00	80,624,608.94
Employee benefits payable	應付職工薪酬	22,929,823.79	0.00	0.00	0.00	22,929,823.79
Current portion of non-current liabilities	一年內到期的非流動負債	18,000,000.00	0.00	0.00	0.00	18,000,000.00
Long-term payables	長期應付款	103,900,000.00	0.00	39,200,000.00	0.00	143,100,000.00
Long-term borrowings	長期借款	0.00	18,000,000.00	0.00	0.00	18,000,000.00

九、與金融工具相關風險(續)

1. 各類風險管理目標和政策(續)

(3) 流動風險(續)

本集團持有的金融資產和金融負債按未折現剩餘合同義務的到期期限分析如下：

2018年12月31日金額：

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X. Related Parties and Related Party Transactions

十、關聯方及關聯交易

(I) Relationship of related parties

(一) 關聯方關係

1. Controlling shareholder and ultimate controlling party (1) Controlling shareholder and ultimate controlling party

1. 控股股東及最終控制方 (1) 控股股東及最終控制方

Name of controlling shareholder and ultimate controlling party	Registration place	Nature of business	Registered capital	Shareholding proportion (%) to the Company 對本公司的持股比例(%)	Proportion (%) of voting right to the Company 對本公司的表決權比例(%)
控股股東及最終控制方名稱	註冊地	業務性質	註冊資本		
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Chaoyang District, Beijing 北京市朝陽區	State-owned assets 國有資產	RMB 2,044,687,100.00 204,468.71萬元	43.30	43.30

(2) Registered capital of controlling shareholder and the changes (Unit: RMB 10,000)

(2) 控股股東的註冊資本及其變化(單位:萬元)

Controlling shareholder	控股股東	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額
Beijing Jingcheng Machinery Electric Holding Co., Ltd.	北京京城機電控股有限責任公司	204,468.71	0.00	0.00	204,468.71

(3) Shareholding or equity of controlling shareholder and the changes (Unit: RMB 10,000)

(2) 控股股東的所持股份或權益及其變化(單位:萬元)

Controlling shareholder	控股股東	Amount of shareholding 持股金額		Shareholding proportion (%) 持股比例(%)	
		Ending balance 期末餘額	Opening balance 期初餘額	Closing proportion 期末比例	Opening proportion 期初比例
Beijing Jingcheng Machinery Electric Holding Co., Ltd.	北京京城機電控股有限責任公司	18,273.5052	18,273.5052	43.30	43.30

2. Subsidiaries

For details of subsidiaries, please refer to contents of "VIII. 1. (1) Composition of the Group" in the Notes.

2. 子公司
子公司情況詳見本附註「八、1.(1) 企業集團的構成」所述。

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(I) Relationship of related parties (Continued)

3. Joint ventures and associated enterprises

For details of important joint ventures or associated enterprises of the Company, please refer to contents of "VIII. 3. (1) Important joint ventures or associated enterprises" in the Notes. The information of other joint ventures or associated enterprises which produced balance for conducting related-party transaction with the Company in this year or in the earlier period is shown as follows:

Name of joint venture or associated enterprise 合營或聯營企業名稱

Relationship with the Company 與本公司關係

Shandong Tianhai High Pressure Container Co., Ltd.
山東天海高壓容器有限公司
Jiangsu Tianhai Special Equipment Co., Ltd.
江蘇天海特種裝備有限公司
Beijing Bolken Energy Technology Inc.
北京伯肯節能科技股份有限公司
Beijing Jingcheng Haitong Technology and Culture
Development Co., Ltd.
北京京城海通科技文化發展有限公司

Joint Venture
合營企業
Associated enterprise
聯營企業
Associated enterprise
聯營企業
Associated enterprise
聯營企業

4. Other related parties

4. 其他關聯方

Name of other related parties 其他關聯方名稱

Relationship with the Company 與本公司關係

Beijing Jingcheng Machinery Electric Assets
Management Co., Ltd.
北京京城機電資產管理有限責任公司
Beijing First Machine Tool Plant
北京第一機床廠
Beijing Jingcheng Industrial Logistics Co., Ltd.
北京京城工業物流有限公司
Tianjin Steel Pipe & Steel Trading Co., Ltd.
天津鋼管鋼鐵貿易有限公司
Tianjin Seamless Investment Co., Ltd.
天津大無縫投資有限責任公司

Other enterprises under the control of the same
controlling shareholder and ultimate controller
受同一控股股東及最終控制方控制的其他企業
Other enterprises under the control of the same
controlling shareholder and ultimate controller
受同一控股股東及最終控制方控制的其他企業
Other enterprises under the control of the same
controlling shareholder and ultimate controller
受同一控股股東及最終控制方控制的其他企業
Related party of minority shareholders of subsidiary
子公司少數股東的關聯方
Minority shareholders of the subsidiary
子公司的少數股東

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(II) Related party transaction

1. Related party transactions of purchasing or selling goods and rendering or receiving services

(1) Purchasing goods/receiving services

Related party 關聯方	Content of related transactions 關聯交易內容	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Tianjin Steel Pipe & Steel Trading Co., Ltd. 天津鋼管鋼鐵貿易有限公司	Purchasing goods 採購商品	107,672,825.07	119,774,343.91
Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	Purchasing goods/receiving services 採購商品、接受勞務	2,021,938.96	6,890,134.22
Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	Purchasing goods 採購商品	63,950,731.05	10,043,997.39
Total 合計	—	173,645,495.08	136,708,475.52

(二) 關聯交易

1. 購銷商品、提供和接受勞務的關聯交易

(1) 採購商品/接受勞務

(2) Selling goods/rendering services

(2) 銷售商品/提供勞務

Related party 關聯方	Content of related transactions 關聯交易內容	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	Selling goods 銷售商品	36,582,287.34	35,322,819.92
Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	Selling goods/rendering services 銷售商品、提供勞務	0.00	2,646,180.91
Beijing Bolken Energy Technology Inc. 北京伯肯節能科技股份有限公司	Selling goods 銷售商品	109,241.38	—
Total 合計	—	36,691,528.72	37,969,000.83

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(II) Related party transaction (Continued)

2. Related lease (1) Lease

Name of lessor 出租方名稱	Name of lessee 承租方名稱	Category of leased assets Category 租賃資產種類	Recognized leasing income of this year 本年確認的租賃收益	Recognized leasing income of last year of last year 上年確認的租賃收益
Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	Beijing Jingcheng Haitong Technology and Culture Development Co., Ltd. 北京京城海通科技文化發展有限公司	Land and buildings 土地、房屋	5,287,026.20	0.00

(2) Leasing conditions

Name of lessor 出租方名稱	Name of lessee 承租方名稱	Type of leased assets 租賃資產種類 種類	Rental fees recognized in current year 本年確認的租賃費	Rental fees recognized in previous year of previous year 上年確認的租賃費
Beijing First Machine Tool Plant 北京第一機床廠	Beijing Pioneer Up Lifter Co., Ltd. 北京攀尼高空作業設備有限公司	Houses 房屋	160,000.00	160,000.00
Beijing Jingcheng Machinery Electric Assets Management Co., Ltd. 北京京城機電資產管理有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	Houses 房屋	0.00	680,000.00
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	The Company 本公司	Houses 房屋	272,385.71	0.00
Total 合計	-	-	432,385.71	840,000.00

(二) 關聯交易(續)

2. 關聯租賃情況 (1) 出租情況

(2) 承租情況

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(II) Related party transaction (Continued)

(二) 關聯交易(續)

3. Related party guarantees

3. 關聯擔保情況

Guarantor	Name of the guaranteed	Guaranteed amount	Start date	Due date	Whether the guarantee has been fulfilled
擔保方名稱	被擔保方名稱	擔保金額	起始日	到期日	擔保是否已經履行完畢
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	30,000,000.00	2017-1-16	2020-1-16	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	25,000,000.00	2017-4-12	2020-4-12	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	50,000,000.00	2017-5-16	2020-5-16	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	20,000,000.00	2017-5-11	2020-5-10	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	30,000,000.00	2018-1-8	2020-12-5	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	30,000,000.00	2018-1-17	2020-12-5	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	28,000,000.00	2018-4-13	2020-10-18	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	30,000,000.00	2018-5-10	2021-5-10	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	20,000,000.00	2018-5-23	2021-5-23	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	30,000,000.00	2018-6-22	2021-6-22	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	30,000,000.00	2018-10-10	2021-10-10	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	28,000,000.00	2018-10-23	2021-10-23	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	20,000,000.00	2018-11-16	2021-11-16	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	The Company 本公司	50,000,000.00	2017-7-5	2020-7-4	No 否
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	本公司	50,000,000.00	2017-7-5	2020-7-4	No 否

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(II) Related party transaction (Continued)

(二) 關聯交易(續)

4. Capital lending between related parties

4. 關聯方資金拆借

Name of related party 關聯方名稱	Borrowing/lending 拆入/拆出	Amount of lending/ borrowing 拆借金額	Start date 起始日	Due date 到期日	Remarks 備註
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	45,000,000.00	2017-5-9	2018-5-9	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	45,000,000.00	2017-5-9	2018-5-9	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	45,000,000.00	2018-4-26	2018-10-25	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	45,000,000.00	2018-4-26	2018-10-25	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	25,000,000.00	2018-10-26	2019-10-25	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	25,000,000.00	2018-10-26	2019-10-25	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	20,000,000.00	2018-9-3	2019-9-2	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	20,000,000.00	2018-9-3	2019-9-2	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	70,000,000.00	2018-11-1	2018-11-7	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	70,000,000.00	2018-11-1	2018-11-7	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	20,000,000.00	2018-5-11	2018-5-29	-
Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	20,000,000.00	2018-5-11	2018-5-29	-

5. Interest expenses/incomes of related parties

5. 關聯方利息費用/利息收入

Name of related party 關聯方名稱	Amount in current year 本年金額	Amount in previous year 上年金額
Beijing Jingcheng Machinery Electric Holding Co., Ltd. (interest expense) 北京京城機電控股有限責任公司 (利息支出)	2,284,047.95	6,064,321.39

6. Asset transfer and debt restructuring of related parties

6. 關聯方資產轉讓、債務重組情況

Name of related party 關聯方名稱	Transaction type 交易類型	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	Disposal of assets 處置資產	0.00	5,812,611.98
Beijing Jingcheng Haitong Technology and Culture Development Co., Ltd. 北京京城海通科技文化發展有限公司	Assets damage compensation 資產損毀補償	17,080,000.00	-

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(II) Related party transaction (Continued)

7. Remuneration of key management personnel

Project name	項目名稱	Amount in current year 本年年金	Amount in previous year 上年金額
Total compensation	薪酬合計	7,481,012.67	7,718,385.79

(二) 關聯交易(續)

7. 關鍵管理人員薪酬

8. Continuing related party transactions

The related party transactions disclosed in Item 7 "Miscellaneous" of Article 14 "Substantive Connected Transaction" of Section 7 "Important Matters" of the Company's 2018 Annual Report also constitute the related party transactions or continuing related party transactions as defined in Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

8. 持續關連交易

於本公司2018年年度報告「第七節重要事項」之「第十四條重大關聯交易」之「第五項其他」披露的關連交易也構成《香港上市規則》第14A章中定義的關連交易或持續關連交易。

(III) Balance of intercourse funds among related parties

1. Receivables

Project name 項目名稱	Related party 關聯方	Closing balance 年末餘額		Opening balance 年初餘額	
		Book balance 賬面餘額	Bad debt provision 壞賬準備	Book balance 賬面餘額	Bad debt provision 壞賬準備
Accounts receivable 應收賬款	Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	3,148,701.47	35,029.34	12,890,682.94	119,883.35
Other receivables 其他應收款	Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	1,214,221.11	15,110.41	773,683.00	3,287.58
	Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	1,835,922.23	10,753.93	1,751,586.00	1,401.27
	Beijing Jingcheng Haitong Technology and Culture Development Co., Ltd. 北京京城海通科技文化發展有限公司	5,402,186.13	4,321.75	0.00	0.00
Advances to suppliers 預付帳款	Tianjin Steel Pipe & Steel Trading Co., Ltd. 天津鋼管鋼鐵貿易有限公司	7,711,724.37	0.00	0.00	0.00
	Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	664,630.19	0.00	116,650.00	0.00
	Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	1,644,399.33	0.00	0.00	0.00
Dividends receivable 應收股利	Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	6,075,169.12	0.00	8,756,869.09	0.00

(三) 關聯方往來餘額

1. 應收項目

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(III) Balance of intercourse funds among related parties (Continued)

(三) 關聯方往來餘額(續)

2. Payables

2. 應付項目

Project name 項目名稱	Related party 關聯方	Closing balance 年末餘額	Opening balance 年初餘額
Accounts payable 應付帳款	Beijing Jingcheng Industrial Logistics Co., Ltd. 北京京城工業物流有限公司	902,227.27	1,202,227.27
	Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	725,317.28	5,191,239.08
	Shandong Tianhai High Pressure Container Co., Ltd. 山東天海高壓容器有限公司	0.00	1,580,792.28
	Tianjin Steel Pipe & Steel Trading Co., Ltd. 天津鋼管鋼鐵貿易有限公司	0.00	4,060,722.44
	Tianjin Seamless Investment Co., Ltd. 天津大無縫投資有限責任公司	2,590,165.89	0.00
Contractual liabilities 合同負債	Jiangsu Tianhai Special Equipment Co., Ltd. 江蘇天海特種裝備有限公司	100,000.00	0.00
Other payables 其他應付款	Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	52,233,297.95	50,000,000.00
	Beijing First Machine Tool Plant 北京第一機床廠	487,359.09	395,000.00
	Tianjin Seamless Investment Co., Ltd. 天津大無縫投資有限責任公司	1,704,203.53	1,745,879.83
Special payables 專項應付款	Beijing Jingcheng Machinery Electric Holding Co., Ltd. 北京京城機電控股有限責任公司	114,900,000.00	114,900,000.00
Long-term payables 長期應付款	Beijing Jingcheng Haitong Technology and Culture Development Co., Ltd. 北京京城海通科技文化發展有限公司	39,200,000.00	0.00

(IV) Commitment of related parties

The registered capital of Jingcheng Haitong, an associated enterprise of Beijing Tianhai (the Company's subsidiary), was RMB 80.00 million. Beijing Tianhai subscribed RMB 39.20 million in cash, holding 49% of the shares, and the subscription date is before September 01, 2021.

(四) 關聯方承諾

本公司之子公司北京天海的聯營公司京城海通註冊資本8,000萬元，北京天海以貨幣形式認繳3,920萬元，持股49%，認繳出資日期為2021年9月1日前。

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(V) Director, supervisor and employee compensation

(五) 董事、監事及職工薪酬

1. The detailed compensation of directors and supervisors are shown as follows

1. 董事及監事的薪酬詳情如下

Item	項目	Salary and allowance 薪金及津貼	Contribution to retirement fund plan 退休金計劃供款	Bonus 獎金	Share-based payment 股份支付	Total 合計
Amount incurred in current year	本年發生額					
Executive director	執行董事					
Wang Jun	王軍	246,589.00	64,661.64	108,000.00	0.00	419,250.64
Li Junjie	李俊杰	220,000.00	64,661.64	292,277.00	0.00	576,938.64
Zhang Jiheng	張繼恒	220,000.00	64,661.64	292,277.00	0.00	576,938.64
Non-executive director	非執行董事					
Xia Zhonghua	夏中華	348,537.00	64,661.64	108,000.00	0.00	521,198.64
Jin Chunyu	金春玉	207,314.00	64,661.64	107,338.00	0.00	379,313.64
Li Chunzhi	李春枝	231,311.00	64,661.64	87,630.00	0.00	383,602.64
Du Yuexi	杜躍熙	240,906.00	64,661.64	416,271.00	0.00	721,838.64
Independent non-executive director	獨立非執行董事					
Wu Yan	吳燕			60,000.00	0.00	60,000.00
Liu Ning	劉寧			60,000.00	0.00	60,000.00
Yang Xiaohui	楊曉輝			60,000.00	0.00	60,000.00
Fan Yong	樊勇			60,000.00	0.00	60,000.00
Supervisor	監事					
Li Gejun	李革軍	284,331.00	64,661.64	76,194.00	0.00	425,186.64
Li Zhe	李哲	198,000.00	64,661.64	231,205.00	0.00	493,866.64
Liu Guangling	劉廣嶺	110,000.00	64,661.64	211,387.75	0.00	386,049.39
Total	合計	2,306,988.00	646,616.40	2,170,579.75	0.00	5,124,184.15
Amount incurred in previous year	上年發生額					
Executive director	執行董事					
Wang Jun	王軍	262,101.00	59,144.16	336,732.00	0.00	657,977.16
Li Junjie	李俊杰	220,000.00	59,144.16	268,310.00	0.00	547,454.16
Zhang Jiheng	張繼恒	110,000.00	59,144.16	134,155.00	0.00	303,299.16
Non-executive director	非執行董事					
Xia Zhonghua	夏中華	344,148.00	59,144.16	108,000.00	0.00	511,292.16
Jin Chunyu	金春玉	262,926.00	59,144.16	93,771.00	0.00	415,841.16
Li Chunzhi	李春枝	223,981.00	40,116.48	54,000.00	0.00	318,097.48
Du Yuexi	杜躍熙	298,293.00	59,144.16	379,939.00	0.00	737,376.16
Independent non-executive director	獨立非執行董事					
Wu Yan	吳燕			60,000.00	0.00	60,000.00
Liu Ning	劉寧			60,000.00	0.00	60,000.00
Yang Xiaohui	楊曉輝			60,000.00	0.00	60,000.00
Fan Yong	樊勇			60,000.00	0.00	60,000.00
Supervisor	監事					
Li Gejun	李革軍	117,000.00	30,810.24	0.00	0.00	147,810.24
Li Zhe	李哲	99,000.00	59,144.16	119,573.00	0.00	277,717.16
Liu Guangling	劉廣嶺	80,000.00	59,144.16	145,579.00	0.00	284,723.16
Total	合計	2,017,449.00	544,080.00	1,880,059.00	0.00	4,441,588.00

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X. Related Parties and Related Party Transactions 十、關聯方及關聯交易(續)

(Continued)

(V) Director, supervisor and employee compensation

(Continued)

2. Five persons with the highest compensation

Of five persons with the highest compensation for the current year, four persons are directors and supervisors (four persons for the previous period), and their compensation is recorded in the Note "X.(IV). (1)". Compensation for the other 1 (in previous year: 1) is as follows:

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Salary and allowance	薪金及津貼	300,000.00	229,500.00
Social insurance, housing fund and relevant pension costs	社會保險、住房基金及相關退休金成本	64,661.64	59,144.16
Year-end bonus	年終獎金	210,000.00	299,335.00
Total	合計	574,661.64	587,979.16

Scope of compensation:

Item	項目	Number of persons in the current year 本年人數	Number of persons in the previous year 上年人數
Within HKD 1,000,000.00	港幣 1,000,000 以內	5	5
HKD 1,000,001.00 to HKD 1,500,000.00	港幣 1,000,001 至港幣 1,500,000		
HKD 1,500,001.00 to HKD 2,000,000.00	港幣 1,500,001 至港幣 2,000,000		
HKD 2,000,001.00 to HKD 2,500,000.00	港幣 2,000,001 至港幣 2,500,000		

薪酬範圍：

3. During the year, no director of the Company has waived or agreed to waive any remuneration. At the track record period, the Company has not paid any compensation to any director, supervisor or five persons with the highest compensation as the reward for attracting them to join in the Company or reward for them when joining in or as the separation allowance.

4. Compensation for key managers

Compensation for key managers (including the amount which has been paid and shall be paid to directors, supervisors and senior management) is shown as follows:

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Salary and allowance	薪金及津貼	3,332,988.00	3,444,326.00
Contribution to retirement fund plan	退休金計劃供款	959,146.92	928,280.95
Bonus	獎金	3,188,877.75	3,345,778.84
Total	合計	7,481,012.67	7,718,385.79

2. 五位最高薪酬人士

本年度薪酬最高的前五位中4位是董事和監事(上期:4位);其薪酬載於附註「十、(五).(1)」。薪酬已反映在董事及監事的薪酬中。其他1位(上年度:1位)的薪酬如下:

3. 於本年度，公司概無任何董事放棄或同意放棄任何薪酬。於往績記錄期，本公司概無向任何董事、監事或五位最高薪酬人士支付任何薪酬，作為吸引彼等加入或於加入本公司時的獎勵或作為離職補償。

4. 主要管理層薪酬

主要管理層薪酬(包括已付及應付董事、監事及高級管理層的金額)如下:

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X. Related Parties and Related Party Transactions

(Continued)

(VI) Borrowings receivable from directors/director related enterprises

- The Group does not have any Director/Director Related Enterprise borrowings receivable.
- The Group does not have any Director/Director Related Enterprise borrowings for providing guarantee.

XI. Share-based Payment

The Group has no share-based payment as of December 31, 2018.

XII. Contingencies

As at December 31, 2018, the Group has no significant contingency that needs to be disclosed.

XIII. Commitments

1. Significant Commitments

The signed leasing contracts of which the implementation is under way or in ready, and financial influence of the leasing contracts

As at December 31, 2018, the Group, as the lessee, shall bear the summarized minimum rent payable in future in the following duration required for the irrevocable operating lease:

Period	期間
Within one year T+1 years	一年以內T+1年
One to two years T+2 years	一至二年T+2年
Two to three years T+3 years	二至三年T+3年
Over three years (T+3)	三T+3年以後
Total	合計

- Except for the aforesaid commitments, as at June 30, 2018, the Group has no other significant commitments

XIV. EVENTS AFTER BALANCE SHEET DATE

1. Paid amount after the balance sheet date

Item		Paid amount
項目		償還金額
Accounts payable with significant amount and age of over 1 year:	賬齡超過1年的大額應付帳款	0.00
Other payables with significant amount and age of over 1 year	賬齡超過1年的大額其他應付款	0.00

- There are no other significant events after the balance sheet date for the Group to disclose, except for the events after the balance sheet date above.

十、關聯方及關聯交易(續)

(六) 應收董事/董事關連企業借款

- 本集團不存在應收董事/董事關連企業借款。
- 本集團不存在提供擔保的董事/董事關連企業借款。

十一、股份支付

截止2018年12月31日,本集團無股份支付事項。

十二、或有事項

截止2018年12月31日,本集團無需要披露的重大或有事項。

十三、承諾事項

1. 重大承諾事項

已簽訂的正在或準備履行的租賃合同及財務影響

於2018年12月31日,本集團作為承租人就之不可撤銷經營租賃所需於下列期間的未來最低應支付租金匯總承擔款項如下:

Amount in current year	Amount in previous year
本年金額	上年金額
543,850.00	0.00
271,925.00	0.00
0.00	0.00
0.00	0.00
815,775.00	0.00

- 除上述承諾事項外,截止2018年12月31日,本集團無其他重大承諾事項。

十四、資產負債表日後事項

1. 資產負債表日後已償還金額

- 除存在上述資產負債表日後事項披露事項外,本集團無其他重大資產負債表日後事項。

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XV. OTHER SIGNIFICANT MATTERS

- To further optimize the capital structure, seize market opportunities, and enhance sustained profitability and ability to withstand risks, the Company planned the non-public placement of A-shares on December 20, 2018. The number of non-public placement of A-shares was determined by the proceeds divided by the issue price, and no more than 20% of the total share capital of the Company before the issuance, that was 84,400,000 shares, the number of final issuance number was the number of issuance approved by China Securities Regulatory Commission. The proceeds from non-public placement of A-shares will be used for the Company's four-type bottle project, hydrogen energy research and development projects, supplementary liquidity and debt repayment, etc. The non-public placement for this time covers not more than 10 specific targets, including the controlling shareholder of the Company-Beijing Jingcheng Machinery Electric Holding Co., Ltd. or its related parties.
- To promote the implementation of the Company's overall strategy layout, optimize the resources allocation, and improve the operational efficiency of the Company's assets, the Company intends to be pre-listed on the Beijing Equity Exchange and transfers 51% holding shares of the joint venture-Shandong Tianhai High Pressure Container Co., Ltd. The matter was reviewed and approved on December 25, 2018 by the resolution of the tenth extraordinary meeting of the ninth board of directors and the sixteenth meeting of the ninth session of the board of supervisors.
- Termination of operation**
Langfang Tianhai High Pressure Container Co., Ltd. ("Langfang Tianhai"), a subsidiary of the Company, was canceled on October 09, 2018. The termination of business information is as follows:

Item	Revenue	Fee	Total profit	Income tax expenses	Net profit	Profit from termination of operation attributable to owners of the parent company
項目	收入	費用	利潤總額	所得稅費用	淨利潤	歸屬於母公司所有者的終止經營利潤
Langfang Tianhai High Pressure Container Co., Ltd. 廊坊天海高壓容器有限公司	31,736,736.00	23,089,947.79	8,646,788.21	0.00	8,646,788.21	7,518,382.35

- Apart from the above matters, the Group has no other significant matters as at the date of Auditor's Report.

十五、其他重要事項

- 為進一步優化資本結構，抓住市場機遇，增強持續盈利能力和抵禦風險能力，2018年12月20日本公司籌劃非公開發行A股股票事項。本次非公開發行A股股票數量按照募集資金總額除以發行價格確定，且不超過本次發行前本公司總股本的20%，即84,400,000股，最終發行數量以中國證監會核准的發行數量為準。本次非公開發行A股股票募集資金將用於公司四型瓶項目、氫能研發項目、補充流動資金和償還債務等。本次非公開發行的特定對象包括本公司控股股東北京京城機電控股有限責任公司或其關聯方在內的不超過十名特定對象。
- 本公司為推進實施公司整體戰略佈局，優化資源配置，提高公司資產的運營效率，擬在北京產權交易所預掛牌，轉讓所持有的合營企業山東天海高壓容器有限公司51%股權。該事項已於2018年12月25日經公司第九屆董事會第十次臨時會議決議、第九屆監事會第十六次會議審議通過。
- 終止經營**
本年本公司所屬子公司廊坊天海高壓容器有限公司於2018年10月9日註銷，終止經營信息如下：

- 除上述事項外，截止審計報告日，本集團無其他重要事項。

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS

十六、母公司財務報表主要項目註釋

1. Cash at bank and on hand

1. 貨幣資金

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Cash on hand	庫存現金	107.03	107.03
Cash in bank	銀行存款	3,199,696.43	2,638,146.30
Other cash at bank and on hand	其他貨幣資金	0.00	0.00
Total	合計	3,199,803.46	2,638,253.33
Including: total amount deposited abroad	其中: 存放在境外的款項總額	0.00	0.00

2. Advances to suppliers

2. 預付款項

(1) Age of prepayments

(1) 預付款項賬齡

Item	項目	Closing balance 年末餘額		Opening balance 年初餘額	
		Amount 金額	Proportion (%) 比例(%)	Amount 金額	Proportion (%) 比例(%)
Within 1 year	1年以內	280.00	100.00	280.00	100.00

(2) Prepayments with top five ending balance collected as per the prepaid party

(2) 按預付對象歸集的年末餘額前五名的預付款情況

Company name	Closing balance	Aging	Proportion in total closing balance of payments (%) 佔預付款項年末餘額合計數的比例(%)
單位名稱	年末餘額	賬齡	
Beijing Aerospace Jinshui Technology Co., Ltd. 北京航天金稅技術有限公司	280.00	一年以內	100.00

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋

3. Other receivables

(續)

3. 其他應收款

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Interests receivable	應收利息	27,691,396.14	19,845,979.50
Other receivables	其他應收款	345,700,000.00	398,100,000.00
Total	合計	373,391,396.14	417,945,979.50

3.1 Interest receivable (1) Classification of interest receivable

3.1 應收利息 (1) 應收利息分類

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Interest on borrowings between affiliates	關聯公司間的往來借款利息	27,691,396.14	19,845,979.50

(2) No significant overdue interest at the end of the year

(2) 本年末無重要逾期利息

(3) Provision for bad debts of interest receivable

(3) 應收利息壞賬準備計提情況

Interest receivable for the year were received from related parties for borrowings within the scope of consolidation, no credit impairment occurred, and no provision for bad debts was made.

本年應收利息為合併範圍內關聯方借款利息，未發生信用減值，未計提壞賬準備的。

3.2 Other receivables

3.2 其他應收款

Project name	項目名稱	Closing balance 年末餘額	Opening balance 年初餘額
Other receivables	其他應收款	345,700,000.00	398,100,000.00
Less: bad debt provision	減：壞賬準備	0.00	0.00
Net amount	淨額	345,700,000.00	398,100,000.00

(1) Classification of other receivables by nature

(1) 其他應收款按款項性質分類情況

Nature of amount	款項性質	Closing book balance 年末賬面餘額	Opening book balance 年初賬面餘額
Concerned borrowings	關聯借款	340,000,000.00	390,000,000.00
Concerned Intercourse Funds	關聯往來	5,700,000.00	8,100,000.00
Total	合計	345,700,000.00	398,100,000.00

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋

3. Other receivables (Continued)

3. 其他應收款(續)

3.2 Other receivables (Continued)

3.2 其他應收款(續)

(2) Provision for bad debts of other receivables

(2) 其他應收款壞賬準備計提情況

Other receivables for the year were borrowings from related parties within the scope of consolidation, no credit impairment occurred, and no provision for bad debts was made.

本年其他應收款為合併範圍內關聯方借款,未發生信用減值,未計提壞賬準備的。

(3) Presentation of other receivables as per age

(3) 其他應收款按賬齡列示

Aging	賬齡	Closing balance 年末餘額	Opening balance 年初餘額
Within 1 year (including 1 year)	1年以內(含1年)	2,700,000.00	53,000,000.00
1-2 years	1-2年	3,000,000.00	0.00
2-3 years	2-3年	0.00	5,100,000.00
Over 3 years	3年以上	340,000,000.00	340,000,000.00
Including: 3-4 years	其中:3-4年	0.00	340,000,000.00
4-5 years	4-5年	340,000,000.00	0.00
Over 5 years	5年以上	0.00	0.00
Total	合計	345,700,000.00	398,100,000.00

(4) No other receivables actually written off in current year

(4) 本年度無實際核銷的其他應收款。

(5) Other receivables collected as per the debtors at the end of the year

(5) 按欠款方歸集的年末其他應收款情況

Company name	Nature of amount	Closing balance	Aging	Proportion in total closing balance of other receivables (%) 佔其他應收款年末餘額合計數的比例(%)	Closing balance of bad debt provision 壞賬準備年末餘額
單位名稱	款項性質	年末餘額	賬齡		
Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	Concerned borrowings 關聯借款	340,000,000.00	Four to five years 四年至五年	98.35%	0.00
Beijing Tianhai Industry Co., Ltd. 北京天海工業有限公司	Intercourse funds among related parties 關聯方往來款	5,700,000.00	Within two years 二年以內	1.65%	0.00
Total 合計	-	345,700,000.00	-	100.00	0.00

(6) Accounts receivable of the Company in current year without involvement of government subsidies.

(6) 本年末無涉及政府補助的應收款項。

(7) No other receivables derecognized due to transfer of financial assets at the end of the year.

(7) 本年末無因金融資產轉移而終止確認的其他應收款。

(8) No assets and liabilities formed by transfer of other receivables and continuous involvement at the end of the year.

(8) 本年末無轉移其他應收款且繼續涉入形成的資產、負債金額。

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋 (續)

4. Long-term equity investments

4. 長期股權投資

(1) Classification

(1) 長期股權投資分類

Item	項目	Closing balance 年末餘額			Opening balance 年初餘額		
		Book balance 賬面餘額	Impairment provision 減值準備	Book value 賬面價值	Book balance 賬面餘額	Impairment provision 減值準備	Book value 賬面價值
Investment in subsidiaries	對子公司投資	694,842,724.41	0.00	694,842,724.41	694,842,724.41	0.00	694,842,724.41

(2) Investment in subsidiaries

(2) 對子公司投資

Investees	被投資單位	Opening balance	Increase in current period	Decrease in the current period	Ending balance	Impairment provision provided in current period	Closing balance of provision for impairment
		期初餘額	本期增加	本期減少	期末餘額	本期計提 減值準備	期末餘額
Beijing Tianhai Industry Co., Ltd.	北京天海工業有限公司	552,798,696.31	0.00	0.00	552,798,696.31	0.00	0.00
Jingcheng Holding (Hong Kong) Co., Ltd.	京城控股(香港)有限公司	142,044,028.10	0.00	0.00	142,044,028.10	0.00	0.00
Total	合計	694,842,724.41	0.00	0.00	694,842,724.41	0.00	0.00

(3) Analysis of long-term equity investments

(3) 長期股權投資的分析

Item	項目	Closing amount 期末金額	Opening amount 期初金額
Listed	上市		
China (excluding Hong Kong)	中國(香港除外)	0.00	0.00
Hong Kong	香港	0.00	0.00
Other regions	其他地區	0.00	0.00
Subtotal	小計	0.00	0.00
Unlisted	非上市	694,842,724.41	694,842,724.41
Total	合計	694,842,724.41	694,842,724.41

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋

5. Fixed assets

5. 固定資產

(1) Fixed assets

(1) 固定資產情況

Item	項目	Office equipment 辦公設備
I. Original carrying amount	一、賬面原值	
1. Opening balance	1. 年初餘額	29,572.66
2. Increase in the current year	2. 本年增加金額	17,974.13
(1) Purchase	(1) 購置	17,974.13
3. Decrease in the current year	3. 本年減少金額	0.00
4. Closing balance	4. 年末餘額	47,546.79
II. Accumulated depreciation	二、累計折舊	
1. Opening balance	1. 年初餘額	1,412.23
2. Increase in the current year	2. 本年增加金額	5,592.70
(1) Provision	(1) 計提	5,592.70
3. Decrease in the current year	3. 本年減少金額	0.00
4. Closing balance	4. 年末餘額	7,004.93
III. Impairment provision	三、減值準備	
1. Opening balance	1. 年初餘額	0.00
2. Increase in the current year	2. 本年增加金額	0.00
3. Decrease in the current year	3. 本年減少金額	0.00
4. Closing balance	4. 年末餘額	0.00
IV. Book value	四、賬面價值	
1. Closing book value	1. 年末賬面價值	40,541.86
2. Opening book value	2. 年初賬面價值	28,160.43

(2) The amount of depreciation for fixed assets recognized as profits or losses is RMB 5,592.70 (amount of previous year: RMB 1,412.23) in the current year.

(2) 本年確認為損益的固定資產的折舊為5,592.70元(上年金額:1,412.23元)

6. Short-term borrowings

6. 短期借款

(1) Classification

(1) 短期借款分類

Category	借款類別	Closing balance 年末餘額	Opening balance 年初餘額
Guaranteed borrowing	保證借款	0.00	50,000,000.00

(2) There is no short-term borrowing due but unpaid at the end of the year.

(2) 年末不存在已逾期未償還的短期借款。

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋

7. Employee benefits payable

7. 應付職工薪酬

(1) Employee Compensation Payable

(1) 應付職工薪酬分類

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額
Short-term benefits	短期薪酬	1,328,536.41	5,898,281.69	5,563,717.14	1,663,100.96
Post-employment benefits-defined contribution plan	離職後福利—設定提存計劃	23,865.92	675,547.76	642,623.49	56,790.19
Total	合計	1,352,402.33	6,573,829.45	6,206,340.63	1,719,891.15

(2) Short-term benefits

(2) 短期薪酬

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額
Salary, bonus, allowance and subsidy	工資、獎金、津貼和補貼	1,314,253.42	4,948,622.21	4,633,534.58	1,629,341.05
Employee welfare expenses	職工福利費	0.00	58,172.49	58,172.49	0.00
Social insurance premium	社會保險費	14,282.99	404,822.53	385,345.61	33,759.91
Including: Medical insurance premium	其中: 醫療保險費	12,207.70	346,002.10	329,355.20	28,854.60
Work injury insurance premium	工傷保險費	1,098.69	31,140.28	29,642.05	2,596.92
Childbearing insurance premium	生育保險費	976.60	27,680.15	26,348.36	2,308.39
Housing provident fund	住房公積金	0.00	399,796.00	399,796.00	0.00
Labor union expenditure & personnel education fund	工會經費和職工教育經費	0.00	86,868.46	86,868.46	0.00
Total	合計	1,328,536.41	5,898,281.69	5,563,717.14	1,663,100.96

(3) Defined contribution plan

(3) 設定提存計劃

Item	項目	Opening balance 年初餘額	Increase in the current year 本年增加	Decrease in the current year 本年減少	Closing balance 年末餘額
Basic endowment insurance	基本養老保險	22,901.65	648,252.83	616,658.87	54,495.61
Unemployment insurance premium	失業保險費	964.27	27,294.93	25,964.62	2,294.58
Total	合計	23,865.92	675,547.76	642,623.49	56,790.19

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋

8. Taxes payable

8. 應交稅費

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Value-added tax	增值稅	77,047.15	165,326.01
Corporate income tax	企業所得稅	619,340.41	0.00
Individual income tax	個人所得稅	17,150.31	21,316.00
City maintenance and construction tax	城市維護建設稅	5,393.30	11,572.82
Education surcharge	教育費附加	2,311.41	4,959.78
Local education surcharge	地方教育費附加	1,540.94	3,306.52
Total	合計	722,783.52	206,481.13

9. Other payables

9. 其他應付款

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Interests payable	應付利息	0.00	86,395.83
Other payables	其他應付款	2,141,585.68	2,156,961.13
Total	合計	2,141,585.68	2,243,356.96

9.1 Interests payable (1) Classification

9.1 應付利息 (1) 應付利息分類

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Interest payable of short-term borrowing	短期借款應付利息	0.00	86,395.83

(2) There is no overdue unpaid interest at the end of the year

(2) 年末無已逾期未支付的利息

9.2 Other payables (1) Classification of other payables by nature

9.2 其他應付款 (1) 其他應付款按款項性質分類

Nature of amount	款項性質	Closing balance 年末餘額	Opening balance 年初餘額
Advance accounts	代墊款項	2,141,585.68	2,156,961.13

(2) No other payables with significant amount and aging of over 1 year

(2) 年末無賬齡超過1年的重要其他應付款

10. Other current liabilities

10. 其他流動負債

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Pending changeover VAT on sales	待轉銷項稅額	279,193.39	279,193.41

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋(續)

11. Share capital

The change of the legal, issued and paid share capital of the Company is as follows. All the shares of the Company are ordinary one with the book value of RMB 1 per share.

11. 股本

本公司的法定、已發行及繳足股本的變動表如下。所有本公司的股份均為每股面值人民幣1元的普通股。

(Unit: RMB 1000)

(單位：千元)

Item	項目	Opening amount		Changes in the current year					Closing amount	
		Amount	Proportion (%)	Issue of new shares	Bonus shares	Transfer from capital surplus to share capital	Others	Subtotal	Amount	Proportion (%)
Total restricted shares	有限售條件股份合計	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrestricted shares	無限售條件股份	-	-	-	-	-	-	-	-	-
RMB ordinary shares	人民幣普通股	322,000.00	76.30	0.00	0.00	0.00	0.00	0.00	322,000.00	76.30
Overseas listed foreign share	境外上市外資股	100,000.00	23.70	0.00	0.00	0.00	0.00	0.00	100,000.00	23.70
Total unrestricted shares	無限售條件股份合計	422,000.00	100.00	0.00	0.00	0.00	0.00	0.00	422,000.00	100.00
Total shares	股份總額	422,000.00	100.00	0.00	0.00	0.00	0.00	0.00	422,000.00	100.00

12. Capital reserves

12. 資本公積

Item	項目	Opening amount	Increase in the current year	Decrease in the current year	Closing amount
Share premiums	股本溢價	565,619,913.60	0.00	0.00	565,619,913.60
Other capital reserves	其他資本公積	101,020,074.25	0.00	0.00	101,020,074.25
Total	合計	666,639,987.85	0.00	0.00	666,639,987.85

13. Surplus reserves

13. 盈餘公積

Item	項目	Opening balance	Increase in the current year	Decrease in the current year	Closing balance
Statutory surplus reserve	法定盈餘公積	38,071,282.24	0.00	0.00	38,071,282.24

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋 (續)

14. Undistributed profits

14. 未分配利潤

Item	項目	Current year 本年	Previous year 上年
Closing balance of the previous year	上年年末餘額	-65,337,306.25	-73,295,826.87
Add: Adjustment of opening undistributed profits	加: 年初未分配利潤調整數	0.00	0.00
Including: Change in accounting policy	其中: 會計政策變更	0.00	0.00
Correction of major early errors	重要前期差錯更正	0.00	0.00
Other adjustment factors	其他調整因素	0.00	0.00
Opening balance of the current year	本年年初餘額	-65,337,306.25	-73,295,826.87
Add: Net profits in current year	加: 本年淨利潤	5,237,328.29	7,958,520.62
Less: Appropriation of statutory surplus reserve	減: 提取法定盈餘公積	0.00	0.00
Ordinary share dividends payable	應付普通股股利	0.00	0.00
Ordinary share dividends transferred into share capital	轉作股本的普通股股利	0.00	0.00
Closing balance of the current year	本年年末餘額	-60,099,977.96	-65,337,306.25

15. Operating revenues and operating costs

15. 營業收入和營業成本

Item	項目	Amount incurred in current period 本期發生額		Amount incurred in previous period 上期發生額	
		Revenue 收入	Cost 成本	Revenue 收入	Cost 成本
Other businesses	其他業務	2,547,169.81	0.00	2,830,188.68	0.00

16. Taxes and surcharges

16. 税金及附加

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
City maintenance and construction tax	城市維護建設稅	60,384.99	53,958.80
Education surcharge	教育費附加	25,879.28	23,125.20
Local education surcharge	地方教育費附加	17,252.85	15,416.80
Stamp duty	印花稅	579.90	2,500.00
Total	合計	104,097.02	95,000.80

17. General and administrative expenses

17. 管理費用

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Office fees	辦公費	3,991.50	15,326.82
Employee compensation	職工薪酬	6,573,829.45	4,853,455.89
Fees for employing intermediary organs	聘請中介機構費	2,452,266.40	2,828,384.64
Others	其他	698,644.43	410,733.92
Total	合計	9,728,731.78	8,107,901.27

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋(續)

18. Financial expenses

18. 財務費用

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Interest expenses	利息支出	1,445,166.69	1,413,750.01
Less: interest incomes	減: 利息收入	15,528,479.39	14,750,074.06
Add: exchange losses	加: 匯兌損失	-0.06	-0.08
Add: other expenditures	加: 其他支出	4,824.29	5,090.12
Total	合計	-14,078,488.47	-13,331,234.01

19. Income tax expenses

19. 所得稅費用

(1) Income tax expenses

(1) 所得稅費用

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Current income tax expense	當年所得稅費用	1,555,501.19	0.00
Deferred income tax expenses	遞延所得稅費用	0.00	0.00
Total	合計	1,555,501.19	0.00

(2) Adjustment process of accounting profits and income tax expenses

(2) 會計利潤與所得稅費用調整過程

Item	項目	Amount incurred in current year 本年發生額
Consolidated gross profits in the current year	本年合併利潤總額	6,792,829.48
Income taxes expense calculated at legal or applicable tax rate	按法定/適用稅率計算的所得稅費用	1,698,207.36
Effect from application of different tax rate to subsidiaries	子公司適用不同稅率的影響	0.00
Effect from adjustment of income tax in the previous period	調整以前期間所得稅的影響	0.00
Effect of non-assessable income	非應稅收入的影響	0.00
Effect from costs, expenses and losses that cannot be deducted	不可抵扣的成本、費用和損失的影響	-142,706.17
Effect from using the deductible losses of unrecognized deferred income tax assets	使用前期未確認遞延所得稅資產的可抵扣虧損的影響	0.00
Effect from deductible temporary difference or deductible losses of deferred income tax assets unrecognized in the current year	本年未確認遞延所得稅資產的可抵扣暫時性差異或可抵扣虧損的影響	0.00
Income tax expenses	所得稅費用	1,555,501.19

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋 (續)

20. Items of cash flow statement

20. 現金流量表項目

(1) Other cash received/paid relating to operating/ investment/financing activities

(1) 收到/支付的其他與經營/投資/籌資活動有關的現金

1) Other cash received relating to operating activities

1) 收到的其他與經營活動有關的現金

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Interest incomes	利息收入	18,495.07	22,542.56
Intercourse funds	往來款	1,589,793.89	899,170.23
Pretty cash	備用金	6,000.00	0.00
Others	其他	1,864.68	0.00
Total	合計	1,616,153.64	921,712.79

2) Other cash paid relating to operating activities

2) 支付的其他與經營活動有關的現金

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
General expenses	各項費用	1,141,416.28	2,926,342.75
Pretty cash	備用金	6,000.00	0.00
Intercourse funds	往來款	2,436,719.89	4,098,738.49
Total	合計	3,584,136.17	7,025,081.24

3) Other cash received relating to investing activities

3) 收到的其他與投資活動有關的現金

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Capital occupation and interest income	資金佔用及利息收入	58,560,045.21	12,035,766.67

4) Other cash paid relating to investing activities

4) 支付的其他與投資活動有關的現金

Item	項目	Amount incurred in current year 本年發生額	Amount incurred in previous year 上年發生額
Concerned intercourse funds	關聯往來	0.00	50,000,000.00

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋 (續)

20. Items of cash flow statement (Continued)

20. 現金流量表項目(續)

(2) Supplementary information to the cash flow statement

(2) 現金流量表補充資料

Item	項目	Amount in current year 本年金額	Amount in previous year 上年金額
1. Reconciliation from net profit to cash flows from operating activities:	1. 將淨利潤調節為經營活動現金流量:		
Net profit	淨利潤	5,237,328.29	7,958,520.62
Add: Provision for assets impairment	加: 資產減值準備	0.00	0.00
Depreciation of fixed assets	固定資產折舊	5,592.70	1,412.23
Amortization of intangible assets	無形資產攤銷	0.00	0.00
Amortization of long-term deferred expenses	長期待攤費用攤銷	0.00	0.00
Loss from disposal of fixed assets, intangible assets and other long-term assets (gains to be listed with "-")	處置固定資產、無形資產和其他長期資產的損失 (收益以「-」填列)	0.00	0.00
Losses on retirement of fixed assets (gains to be listed with "-")	固定資產報廢損失 (收益以「-」填列)	0.00	0.00
Profits and losses of changes in fair value (gains to be listed with "-")	公允價值變動損益 (收益以「-」填列)	0.00	0.00
Financial expenses (gains to be listed with "-")	財務費用 (收益以「-」填列)	1,445,166.63	-13,313,781.49
Losses on investment (gains to be listed with "-")	投資損失 (收益以「-」填列)	0.00	0.00
Decrease on deferred income tax asset (increases to be listed with "-")	遞延所得稅資產的減少 (增加以「-」填列)	0.00	0.00
Increases in deferred income tax liabilities (decreases to be listed with "-")	遞延所得稅負債的增加 (減少以「-」填列)	0.00	0.00
Decreases on inventory (increases to be listed with "-")	存貨的減少 (增加以「-」填列)	0.00	0.00
Decreases on operating receivables (increases to be listed with "-")	經營性應收項目的減少 (增加以「-」填列)	-14,088,981.86	-3,870,088.10
Increase on operating payables (decreases to be listed with "-")	經營性應付項目的增加 (減少以「-」填列)	868,415.79	-2,583,139.94
Others	其他	0.00	0.00
Net cash flows from operating activities	經營活動產生的現金流量淨額	-6,532,478.45	-11,807,076.68
2. Significant investing and financing activities that do not involve cash receipts and payments:	2. 不涉及現金收支的重大投資和籌資活動:		
Translation of debt into capital	債務轉為資本	0.00	0.00
Current portion of convertible corporate bonds	一年內到期的可轉換公司債券	0.00	0.00
Fixed assets acquired under finance leases	融資租入固定資產	0.00	0.00
3. Net change in cash and cash equivalents:	3. 現金及現金等價物淨變動情況:		
Closing balance of cash	現金的年末餘額	3,199,803.46	2,638,253.33
Less: opening balance of cash	減: 現金的年初餘額	2,638,253.33	3,764,017.52
Add: closing balance of cash equivalents	加: 現金等價物的年末餘額	0.00	0.00
Less: opening balance of cash equivalents	減: 現金等價物的年初餘額	0.00	0.00
Net increase in cash and cash equivalents	現金及現金等價物淨增加額	561,550.13	-1,125,764.19

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XVI. NOTES TO MAJOR ITEMS OF PARENT COMPANY'S FINANCIAL STATEMENTS (Continued)

十六、母公司財務報表主要項目註釋 (續)

20. Items of cash flow statement (Continued)

20. 現金流量表項目(續)

(3) Cash and cash equivalents

(3) 現金和現金等價物

Item	項目	Closing balance 年末餘額	Opening balance 年初餘額
Cash	現金	3,199,803.46	2,638,253.33
Including: cash on hand	其中: 庫存現金	107.03	107.03
Cash at bank available for payment at any time	可隨時用於支付的銀行存款	3,199,696.43	2,638,146.30
Other cash balances available for payment at any time	可隨時用於支付的其他貨幣資金	0.00	0.00
Cash equivalents	現金等價物	0.00	0.00
Including: bond investment due within three months	其中: 三個月內到期的債券投資	0.00	0.00
Closing balance of cash and cash equivalents	年末現金和現金等價物餘額	3,199,803.46	2,638,253.33
Including: cash and cash equivalents that parent company or subsidiaries of the Group are limited to use	其中: 母公司或集團內子公司使用受限制的現金和現金等價物	0.00	0.00

XVII. APPROVAL OF FINANCIAL REPORT

The financial report is released after being approved by Board of Directors of the Company on March 25, 2019.

十七、財務報告批准

本財務報告於2019年3月25日經本公司董事會批准報出。

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Supplementary Information to Financial Statements

1. List of non-recurring loss/gain in current year

- (1) In accordance with the Explanatory Announcement of China Securities Regulatory Commission on Information Disclosure by Companies Offering Securities to the Public No. 1 – Non-recurring Profit and Loss (2008), non-recurring profit and loss of the Group for 2018 is stated as following:

財務報表補充資料

1. 本年非經常性損益明細表

- (1) 按照中國證券監督管理委員會《公開發行證券的公司信息披露解釋性公告第1號—非經常性損益(2008)》的規定，本集團2018年度非經常性損益如下：

Item	項目	Amount in current year 本年金額	Notes 說明
Profits and losses from disposal of non-current assets	非流動資產處置損益	8,596,214.61	六、46
Tax return, reduction and exemption under occasional condition, approval beyond the authority or without official document	越權審批或無正式批准文件或偶發性的稅收返還、減免	0.00	
Government subsidies included in current profit or loss (other than those closely related to enterprise business or granted according to national standard fixed rate or quantity)	計入當期損益的政府補助(與企業業務密切相關，按照國家統一標準定額或定量享受的政府補助除外)	5,395,096.64	六、40、44、47
Fund possession cost levied on non-financial enterprises and included in the current profit and loss	計入當期損益的對非金融企業收取的資金佔用費	0.00	
Income arising from the fair value of net identifiable assets of the investee the enterprise should enjoy when the cost of investment it acquired from the subsidiary, affiliated enterprise and joint venture was less than the investment it obtained	企業取得子公司、聯營企業及合營企業的投資成本小於取得投資時應享有被投資單位可辨認淨資產公允價值產生的收益	0.00	
Profit or loss from exchange of non-monetary assets exchange	非貨幣性資產交換損益	0.00	
Profit or loss from assets commissioned others to invest or manage	委託他人投資或管理資產的損益	0.00	
Provisions for impairment of assets accrued due to force majeure (e.g. natural disasters)	因不可抗力因素，如遭受自然災害而計提的各項資產減值準備	0.00	
Debt restructuring profit and loss	債務重組損益	8,063,997.38	六、47
Enterprise restructuring charges, such as the staffing expenditure and integrating expenses	企業重組費用，如安置職工的支出、整合費用等	0.00	
Profit or loss of the part exceeding the fair value arising from the transaction with the bargain price losing fair	交易價格顯失公允的交易產生的超過公允價值部分的損益	0.00	
Net profit or loss of subsidiaries under common control from period-begin till combination date	同一控制下企業合併產生的子公司年初至合併日的當期淨損益	0.00	
Profits and losses from contingencies unrelated to normal operations	與公司正常經營業務無關的或有事項產生的損益	0.00	
In addition to the effective hedging business related to the normal business of the Company, profit and loss from changes in fair value arising from holding of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities, and investment gains from disposal of transactional financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debts	除同公司正常經營業務相關的有效套期保值業務外，持有交易性金融資產、衍生金融資產、交易性金融負債、衍生金融負債產生的公允價值變動損益，以及處置交易性金融資產、衍生金融資產、交易性金融負債、衍生金融負債和其他債權投資取得投資收益	0.00	
Reversal of impairment reserve for receivables and contract assets subject to impairment test separately	單獨進行減值測試的應收款項、合同資產減值準備轉回	0.00	
Profit or loss from externally entrusted loans	對外委託貸款取得的損益	0.00	
Profit or loss arising from changes in the fair value of investment property by using the fair value model for subsequent measurement	採用公允價值模式進行後續計量的投資性房地產公允價值變動產生的損益	0.00	
Influence on current profit or loss for once adjustment of current profit or loss as required by the relevant taxation or accounting laws and regulations	根據稅收、會計等法律、法規的要求對當期損益進行一次性調整對當期損益的影響	0.00	
Trustee fee income achieved from the entrusted operation	受托經營取得的托管費收入	0.00	
Non-operating revenues and costs other than the above mentioned	除上述各項之外的其他營業外收入和支出	1,022,601.69	六、47、48
Other profit/loss items conforming to definition of the non-recurring profit and loss	其他符合非經常性損益定義的損益項目	0.00	
Subtotal	小計	23,077,910.32	
Affected amount of income tax	所得稅影響額	4,007,545.54	
Affected amount of non-controlling interest (after tax)	少數股東權益影響額(稅後)	3,274,474.68	
Total	合計	15,795,890.10	

Notes to the Financial Statements

財務報表附註

From January 1, 2018 to December 31, 2018

(Unless otherwise specified in the Notes to Financial Statements, the amount shall be denominated in RMB)
2018年1月1日至2018年12月31日(本財務報表附註除特別註明外,均以人民幣元列示)

Supplementary Information to Financial Statements 財務報表補充資料(續)

(Continued)

2. Return on net assets and earnings per share

Based on the provisions in Preparation Rules for Information Disclosures by Companies Offering Shares to the Public No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (revised in 2010) issued by China Securities Regulatory Commission, the weighted average return on net assets, basic earnings per share, and diluted earnings per share for the Group are listed below:

Profit for the Reporting Period	報告期利潤	Weighted Average ROA (%)		Earnings per Share			
		加權平均淨資產收益率(%)		Basic earnings per share		Diluted earnings per share	
		2018年	2017年	每股收益		每股收益	
				Basic earnings per share		Diluted earnings per share	
				基本每股收益		稀釋每股收益	
		2018年	2017年	2018年	2017年	2018年	2017年
Net profits attributable to shareholders of parent company	歸屬於母公司股東的淨利潤	-17.35	3.61	-0.22	0.05	-0.22	0.05
Net profit attributable to shareholders of the parent company after deducting non-recurring profit and loss	扣除非經常性損益後歸屬於母公司股東的淨利潤	-20.27	-10.53	-0.26	-0.14	-0.26	-0.14

According to Article XIII of the *Accounting Standards for Business Enterprises No. 34 – Earnings Per Share*, the profit and loss of the previous year shall be retrospectively adjusted in accordance with the provisions of the *Accounting Standards for Business Enterprises No. 28 – Changes in Accounting Policies and Accounting Estimates and Correction of Errors*. If the restatement is retrospective, the earnings per share for each reporting period should be recalculated. For relevant items in the financial statements at the beginning of the year upon first implementation of the new financial instrument standards or the adjustment of the new revenue standards, previous year's profit and loss have not been retroactively adjusted, and it is not necessary to recalculate the earnings per share during the comparison period.

2. 淨資產收益率及每股收益

按照中國證券監督管理委員會《公開發行證券的公司信息披露編報規則第9號—淨資產收益率和每股收益的計算及披露(2010年修訂)》的規定,本集團加權平均淨資產收益率、基本每股收益和稀釋每股收益如下:

根據《企業會計準則第34號—每股收益》第十三條的規定,按照《企業會計準則第28號—會計政策、會計估計變更和差錯更正》的規定對以前年度損益進行追溯調整或追溯重述的,應當重新計算各列報期間的每股收益。本年首次執行新金融工具準則或新收入準則調整首次執行當年年初財務報表相關項目,未追溯調整以前年度損益,無需重新計算比較期間的每股收益。

3. Other information that needs to be disclosed

(1) Turnover

The turnover shall include the received and receivable net sales value of different types of cryogenic storage-transport vessels and spare parts and net value of service provision, and their analysis is shown as follows:

Item	項目	Amount in current year 本年金額	Amount in previous year 上年金額
Seamless steel gas cylinder	鋼質無縫氣瓶	451,822,363.07	487,850,148.57
Full-wrapped cylinder	纏繞瓶	200,284,106.42	199,270,780.58
Cryogenic cylinder	低溫瓶	116,136,013.97	134,008,683.64
Cryogenic storage and transportation equipment	低溫儲運裝備	107,310,711.54	228,314,625.38
Others	其他	188,766,368.53	117,027,981.80
Gross sales	銷售總額	1,064,319,563.53	1,166,472,219.97
Less: sales tax and other additional charges	減: 銷售稅及其他附加費用	11,017,884.56	16,443,274.58
Total	合計	1,053,301,678.97	1,150,028,945.39

3. 其他需要披露的信息

(1) 營業額

營業額是包括已收及應收不同類型低溫儲運容器銷售、備件銷售及提供服務之淨值,其分析如下:

Notes to the Financial Statements

財務報表附註

From January 1, 2018 to December 31, 2018

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2018年1月1日至2018年12月31日(本財務報表附註除特別註明外,均以人民幣元列示)

Supplementary Information to Financial Statements 財務報表補充資料(續)

(Continued)

3. Other information that needs to be disclosed

(Continued)

(2) Taxes

Item	項目	Amount in current year 本年年金額	Amount in previous year 上年金額
Corporate income tax in the current year	當年企業所得稅	7,094,094.19	8,496,222.40
Deferred tax liabilities	遞延所得稅	-4,223.30	-5,537.68
Total	合計	7,089,870.89	8,490,684.72

(3) Stock dividend

No dividend paid or declared during the year of 2018. No dividend is declared during this reporting period (2017: none).

3. 其他需要披露的信息(續)

(2) 稅項

(3) 股息

於2018年年度中並無已付或已建議之股息由報告期間結束起並無建議任何股息(2017年:無)。

Beijing Jingcheng Machinery Electric Co., Ltd.
March 25, 2019

北京京城機電股份有限公司
二〇一九年三月二十五日

Section 14 Internal Control 第十四節 內部控制

I. Responsibility statement and development of internal control system

Beijing Jingcheng Machinery Electric Holding Co., Ltd.
2018 Internal Control Evaluation Report

To all shareholders of Beijing Jingcheng Machinery Electric Company Limited:

According to the provisions of the Basic Standard for Enterprise Internal Control, the internal control and its supporting guidance as well as the other the internal control regulation requirements (hereinafter referred to as "Corporate Internal Control Standard System"), combining with the internal control system and evaluation methods of the Company, based on the routine supervision and special supervision over the internal control, we have evaluated the effectiveness of the internal control of the Company as of 31 December 2018 (being the benchmark date of the internal control evaluation report).

1. Important statement

According to the requirements of Corporate Internal Control Standard System, Board of Directors of the Company is responsible for establishing, improving and effectively implementing the internal control, evaluating the effectiveness of the internal control and disclosing the internal control evaluation report truly. The supervisory committee shall supervise the internal control established and implemented by the Board of Directors. The Management is responsible for organizing and leading the routine operation of the internal control of the Company. The Board, the supervisory committee and the Directors, supervisors and senior management officers of the Company confirm that information contained in this report is true, accurate, and complete without any false and misleading statements or material omissions, and assume several and joint liability for the above.

The objectives of the Company's internal control are to reasonably guarantee the authenticity and completeness of information of the compliance, asset security, financial report and relevant information of operation and management of the Company, improve the operating efficiency and results, and promote the realization of development strategies. Owing to the inherent limitations of the internal control, reasonable guarantees shall only be provided for realizing the above objectives. In addition, changes in situation may result in that the internal control becomes inappropriate or the extent to which the compliance with policies and process is lessened. There may be certain risks in presuming the effectiveness of future internal control according to the evaluation results of the internal control.

一、內部控制責任聲明及內部控制制度建設情況

北京京城機電股份有限公司
2018年度內部控制評價報告

北京京城機電股份有限公司全體股東：

根據《企業內部控制基本規範》及其配套指引的規定和其他內部控制監管要求(以下簡稱企業內部控制規範體系)，結合本公司(以下簡稱公司)內部控制制度和評價辦法，在內部控制日常監督和專項監督的基礎上，我們對公司2018年12月31日(內部控制評價報告基準日)的內部控制有效性進行了評價。

一、重要聲明

按照企業內部控制規範體系的規定，建立健全和有效實施內部控制，評價其有效性，並如實披露內部控制評價報告是公司董事會的責任。監事會對董事會建立和實施內部控制進行監督。經理層負責組織領導企業內部控制的日常運行。公司董事會、監事會及董事、監事、高級管理人員保證本報告內容不存在任何虛假記載、誤導性陳述或重大遺漏，並對報告內容的真實性、準確性和完整性承擔個別及連帶法律責任。

公司內部控制的目標是合理保證公司經營管理合法合規、資產安全、財務報告及相關信息真實完整，提高公司經營效率和效果，促進公司實現發展戰略。由於內部控制存在的固有局限性，故僅能為實現上述目標提供合理保證。此外，由於情況的變化可能導致內部控制變得恰當，或對控制政策和程序遵循的程度降低，根據內部控制評價結果推測未來內部控制的有效性具有一定的風險。

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

2. Conclusion of the internal control evaluation

1. **Whether there is any material deficiencies in the internal control over financial reporting of the Company, as at the benchmark date of the internal control evaluation report**

Yes No

2. **Results of internal control evaluation over financial reporting**

Effective Not Effective

According to the recognition of material deficiencies in the internal control over the Company's financial reporting, on the benchmark date of the internal control evaluation report, there are no material deficiencies in the financial reporting. The Board is of the opinion that, the Company has maintained, in all material respects, effective internal control over financial reporting in accordance with the requirements of Corporate Internal Control Standard System and the relevant provisions.

3. **Whether material deficiencies in internal control over non-financial reporting had been discovered**

Yes No

According to the recognition of material deficiencies in the internal control over the Company's non-financial reporting, on the benchmark date of the internal control evaluation report, the Company has not identified any material deficiencies in the internal control over non-financial reporting.

4. **The factors affecting the evaluation results of the effectiveness of internal control from the benchmark date to the date of issuing the internal control evaluation report.**

Applicable Not applicable

From the benchmark date of the internal control evaluation report to the date of issuing the internal control evaluation report, there are no factors that may impose any impacts on the result of the effectiveness of the internal control.

5. **Whether the auditing opinions on internal control are consistent with the Company's evaluation results of the effectiveness of internal control over financial reporting**

Yes No

6. **Whether the material deficiencies in internal control over non-financial reporting disclosed by the internal control audit report are consistent with those disclosed by the Company's internal control evaluation report**

Yes No

一、內部控制責任聲明及內部控制制度建設情況(續)

二、內部控制評價結論

1. 公司於內部控制評價報告基準日，是否存在財務報告內部控制重大缺陷

是 否

2. 財務報告內部控制評價結論

有效 無效

根據公司財務報告內部控制重大缺陷的認定情況，於內部控制評價報告基準日，不存在財務報告內部控制重大缺陷，董事會認為，公司已按照企業內部控制規範體系和相關規定的要求在所有重大方面保持了有效的財務報告內部控制。

3. 是否發現非財務報告內部控制重大缺陷

是 否

根據公司非財務報告內部控制重大缺陷認定情況，於內部控制評價報告基準日，公司未發現非財務報告內部控制重大缺陷。

4. 自內部控制評價報告基準日至內部控制評價報告發出日之間影響內部控制有效性評價結論的因素

適用 不適用

自內部控制評價報告基準日至內部控制評價報告發出日之間未發生影響內部控制有效性評價結論的因素。

5. 內部控制審計意見是否與公司對財務報告內部控制有效性的評價結論一致

是 否

6. 內部控制審計報告對非財務報告內部控制重大缺陷的披露是否與公司內部控制評價報告披露一致

是 否

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

3. Internal control evaluation

(i) Scope of the internal control evaluation

The Company determines the main units, business and events and high-risk areas that are included in the scope of the internal control evaluation based on the risk-oriented principle.

- Main entities included in the scope of evaluation include: Beijing Jingcheng Machinery Electric Company Limited' headquarters, Beijing Tianhai Industry Co., Ltd. and its subordinate companies, include: Beijing Minghui Tianhai Gas Storage and Transportation Equipment Co., Ltd, Beijing Tianhai Cryogenic Equipment Co., Ltd., Kuancheng Tianhai Pressure Containers Co., Ltd., Tianjin Tianhai High Pressure Container Co., Ltd., Shanghai Tianhai Composite Cylinders Co., Ltd., Beijing Pioneer Up Lifter Co., Ltd., Jingcheng Holding (Hong Kong) Co., Ltd. and BTIC AMERICA CORPORATION.
- The proportion of units included in the evaluation scope:

Index 指標

The proportion of the total assets included in the evaluation scope to the consolidated total assets of the Company
納入評價範圍單位的資產總額佔公司合併財務報表資產總額之比

The proportion of the operating income included in the evaluation scope to the consolidated total operating income of the Company
納入評價範圍單位的營業收入合計佔公司合併財務報表營業收入總額之比

Proportion (%) 佔比 (%)

100

99.94

一、內部控制責任聲明及內部控制制度建設情況(續)

三、內部控制評價工作情況

(一) 內部控制評價範圍

公司按照風險導向原則確定納入評價範圍的主要單位、業務和事項以及高風險領域。

- 納入評價範圍的主要單位包括：北京京城機電股份有限公司本部、北京天海工業有限公司以及北京天海工業有限公司下屬單位，包括：北京明暉天海氣體儲運裝備銷售有限公司、北京天海低溫設備有限公司、寬城天海壓力容器有限公司、天津天海高壓容器有限責任公司、上海天海複合氣瓶有限公司、北京攀尼高空作業設備有限公司、京城控股(香港)有限公司、天海美洲公司。
- 納入評價範圍的單位佔比：

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

3. Internal control evaluation (Continued)

(i) Scope of the internal control evaluation (Continued)

3. Main business and events included in the evaluation scope include: organization structure, development strategies, human resources, social responsibilities, fund activities, asset management, procurement business, sales, research and development, legal affairs management, financial reporting, guarantee business, comprehensive budget, contract management, construction projects, production management, tender management, communication of internal information and information systems etc..

Fund activities mainly include financing activities (namely, preparation and approval of financing scheme, formulation and implementation of financing plan, assessment and accountability of financing activities, repayment of funds raised), investing activities (namely, preparation and approval of investment scheme, formulation and implementation of investment plan, disposal of investment assets), collection, payment and custody of monetary funds (approval, re-check, balance point, bookkeeping, reconciliation, bank account management, bills and seal management), operating of funds (namely, the links in monetary funds, reserves, production funds, new reserves, new monetary fund) and other matters;

Procurement businesses mainly included preparation of demand and supply plan, application for procurement, selection of suppliers, pricing, entering into framework agreement or purchase contract, management of supply process, acceptance, payment and vendor information management, etc.;

Asset management mainly included inventories (namely acceptance warehousing, warehousing and deposition, acquiring and sending out, stock-tacking, disposal of inventories and accounting treatment), fixed assets(acceptance, registration, insurance, maintenance, technical improvement, check, mortgage, lease, elimination, sell, lease and accounting treatment), intangible assets (acceptance, use, disposal, accounting treatment) and other matters;

Sales business mainly included sales program management, customer development and credit management, sales pricing, entering into sales contract, delivery of goods, receiving payment, customer service, customer information management and other matters.

Research and development mainly included project initialization, R&D process management, conclusion and acceptance, core R&D personnel management, development and protection of results of R&D, evaluation of R&D activities.

一、內部控制責任聲明及內部控制制度建設情況(續)

三、內部控制評價工作情況(續)

(一) 內部控制評價範圍(續)

3. 納入評價範圍的主要業務和事項包括：組織架構、發展戰略、人力資源、社會責任、資金活動、資產管理、採購業務、銷售業務、研究與開發、法律事務管理、財務報告、擔保業務、全面預算、合同管理、工程項目、生產管理、招標管理、內部信息傳遞、信息系統等。

資金活動主要包括籌資活動(即籌資方案的編製及審批、制定籌資計劃、實施籌資、籌資活動評價與責任追究、歸還籌資)、投資活動(即投資方案編製與審批、制定投資計劃、實施投資方案、投資資產處置)、貨幣資金收付及保管(即審批、覆核、收支點、記帳、對賬、銀行賬戶管理、票據與印章管理)、資金營運(即貨幣資金環節、儲備資金環節、生產資金環節、新的儲備資金環節、新的貨幣資金環節)等事項；

採購業務主要包括編製需求計劃與採購計劃、請購、選擇供應商、確定採購價格、訂立框架協議或採購合同、管理供應過程、驗收、付款、供應商信息管理等等事項；

資產管理主要包括存貨(即驗收入庫、倉儲保管、領用發出、盤點清查、存貨處置、賬務處理)、固定資產(即驗收、登記、投保、維護、技改、清查、抵押、租賃、淘汰處置、出售、出租、賬務處理)、無形資產(即驗收、使用、處置、賬務處理)等等事項；

銷售業務主要包括銷售計劃管理、客戶開發與信用管理、銷售定價、訂立銷售合同、發貨、收款、客戶服務、客戶信息管理等等事項。

研究與開發主要包括立項、研發過程管理、結題驗收、核心研發人員的管理、研究成果開發、研究成果保護、研發活動評估等等事項。

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

3. Internal control evaluation (Continued)

(i) Scope of the internal control evaluation (Continued)

4. The high-risk areas to which required to pay great attention mainly included:

Preparation and approval of financing scheme, formulation and implementation of financing plan, assessment and accountability of financing activities, repayment of funds raised under financing activities, and preparation and approval of investment scheme, formulation and implementation of investment plan and disposal of investment assets under investment activities;

Preparation of demand and supply plan, application for procurement, selection of suppliers, pricing, entering into framework agreement or purchase contract, management of supply process, acceptance, payment and vendor information management under procurement businesses;

Sales program management, customer development and credit management, sales pricing, entering into sales contract, delivery of goods, receiving payment, customer service, customer information management and other matters under sales businesses.

5. Whether there is material omission in the entities, businesses and events and high-risk areas that are included in the above-mentioned evaluation scope cover the main aspects of the Company's operation and management
 Yes No
6. Is there any statutory exemption
 Yes No
7. Other explanation
None.

一、內部控制責任聲明及內部控制制度建設情況(續)

三、內部控制評價工作情況(續)

(一) 內部控制評價範圍(續)

4. 重點關注的高風險領域主要包括：

資金活動中籌資活動的籌資方案的編製及審批、制定籌資計劃、實施籌資、籌資活動評價與責任追究、歸還籌資及投資活動中投資方案的編製與審批、制定投資計劃、實施投資方案、投資資產處置；

採購業務中編製需求計劃與採購計劃、請購、選擇供應商、確定採購價格、訂立框架協議或採購合同、管理供應過程、驗收、付款、供應商信息管理等事項；

銷售業務中銷售計劃管理、客戶開發與信用管理、銷售定價、訂立銷售合同、發貨、收款、客戶服務、客戶信息管理等事項。

5. 上述納入評價範圍的單位、業務和事項以及高風險領域涵蓋了公司經營管理的主要方面，是否存在重大遺漏
 是 否
6. 是否存在法定豁免
 是 否
7. 其他說明事項
無。

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

3. Internal control evaluation (Continued)

(ii) Working basis of internal control evaluation and recognition standards for deficiencies

The Company organized and conducted its internal control evaluation in accordance with the Basic Standards for Corporate Internal Control.

1. Is there any adjustment of the specific identification criteria of deficiencies in internal control compared to the criteria last year

Yes No

In view of the size of the company, industry characteristics, risk preference and tolerance, the Board of Directors, in accordance with the requirements for material, major and general deficiencies as specified in the enterprise internal control standard system, differentiated financial reporting related and non-financial reporting related and formulated specific standards for recognition of deficiencies that is applicable to the Company, which are in consistent with those of past years.

2. Identification standards for deficiencies in internal control over financial reporting

The quantitative standards for identifying deficiencies in internal control over financial reporting by the Company are as follows:

Name of Index 指標名稱	Quantitative standards for material deficiencies 重大缺陷定量標準	Quantitative standards for major deficiencies 重要缺陷定量標準	Quantitative standards for ordinary deficiencies 一般缺陷定量標準
Total operating income 營業收入總額	Misstatement $\geq 0.5\%$ of the total operating income 錯報 \geq 營業收入總額 0.5%	0.2% of the total operating income \leq misstatement $< 0.5\%$ of the total operating income 營業收入總額 0.2% \leq 錯報 $<$ 營業收入總額 0.5%	Misstatement $< 0.2\%$ of the total operating income 錯報 $<$ 營業收入總額 0.2%
Total profit 利潤總額	Misstatement $\geq 5\%$ of the total profit 錯報 \geq 利潤總額 5%	2% of the total profit \leq misstatement $< 5\%$ of the total profit 利潤總額 2% \leq 錯報 $<$ 利潤總額 5%	Misstatement $< 2\%$ of the total profit 錯報 $<$ 利潤總額 2%
Total assets 資產總額	Misstatement $\geq 0.5\%$ of the total assets 錯報 \geq 資產總額 0.5%	0.2% of the total assets \leq misstatement $< 0.5\%$ of the total assets 資產總額 0.2% \leq 錯報 $<$ 資產總額 0.5%	Misstatement $< 0.2\%$ of the total assets 錯報 $<$ 資產總額 0.2%
Total owner's equity 所有者權益總額	Misstatement $\geq 0.5\%$ of the total owner's equity 錯報 \geq 所有者權益總額 0.5%	0.2% of the total owner's equity \leq misstatement $< 0.5\%$ of the total owner's equity 所有者權益總額 0.2% \leq 錯報 $<$ 所有者權益總額 0.5%	Misstatement $< 0.2\%$ of the total owner's equity 錯報 $<$ 所有者權益總額 0.2%
Remarks:	Nil		說明： 無。

一、內部控制責任聲明及內部控制制度建設情況(續)

三、內部控制評價工作情況(續)

(二) 內部控制評價工作依據及內部控制缺陷認定標準

公司依據企業內部控制規範體系，組織開展內部控制評價工作。

1. 內部控制缺陷具體認定標準是否與以前年度存在調整

是 否

公司董事會根據企業內部控制規範體系對重大缺陷、重要缺陷和一般缺陷的認定要求，結合公司規模、行業特徵、風險偏好和風險承受度等因素，區分財務報告內部控制和非財務報告內部控制，研究確定了適用於本公司的內部控制缺陷具體認定標準，並與以前年度保持一致。

2. 財務報告內部控制缺陷認定標準

公司確定的財務報告內部控制缺陷評價的定量標準如下：

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

3. Internal control evaluation (Continued)

(ii) Working basis of internal control evaluation and recognition standards for deficiencies (Continued)

2. Identification standards for deficiencies in internal control over financial reporting (Continued)

Qualitative standards for evaluation of financial reporting related internal control deficiencies defined by the Company are as follows:

Magnitude of Deficiency 缺陷性質	Qualitative standards 定性標準
Material deficiencies 重大缺陷	<p>Separate deficiency or together with other deficiencies lead to the failure to avoid, identify or correct the material misstatement in the financial reporting on a timely basis. 單獨缺陷或連同其他缺陷導致不能及時防止、發現並糾正財務報告中的重大錯報。</p> <p>In case of the occurrence of the following situations, material deficiencies are recognised: A • Ineffective control environment; B • The misconduct committed by directors, supervisors and members of senior management officers; C • The external audit identifies material misstatement in the current financial report which has not been identified by the Company during its operation; D • Material deficiencies identified and reported to the management have not been rectified after a reasonable period of time; E • The supervision of the Company's audit committee and department of audit and legal affairs over the internal control is proved to be ineffective; F • Other deficiencies which may affect the correct judgment of the statement users. 出現下列情形的，認定為重大缺陷：A • 控制環境無效；B • 董事、監事和高級管理人員舞弊行為；C • 外部審計發現當期財務報告存在重大錯報，公司在運行過程中未能發現該錯報；D • 已經發現並報告給管理層的重大缺陷在合理的時間後未加以改正；E • 公司審計委員會和審計部對內部控制的監督無效；F • 其他可能影響報表使用者正確判斷的缺陷。</p>
Major deficiencies 重要缺陷	<p>Separate deficiency or together with other deficiencies lead to the failure to avoid, identify or correct the misstatement in the financial reporting on a timely basis, which does not reach or exceed the level of importance but is still worth the attention of the management. 單獨缺陷或連同其他缺陷導致不能及時防止、發現並糾正財務報告中雖然未達到和超過重要性水平，但仍應引起管理層重視的錯報。</p>
General deficiencies 一般缺陷	Other internal control deficiencies that do not constitute material or major deficiencies. 不構成重大缺陷或重要缺陷的其他內部控制缺陷。
Remarks:	說明：
Nil	無。

一、內部控制責任聲明及內部控制制度建設情況(續)

三、內部控制評價工作情況(續)

(二) 內部控制評價工作依據及內部控制缺陷認定標準(續)

2. 財務報告內部控制缺陷認定標準(續)

公司確定的財務報告內部控制缺陷評價的定性標準如下：

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

3. Internal control evaluation (Continued)

(ii) Working basis of internal control evaluation and recognition standards for deficiencies (Continued)

3. The recognition standards of non-financial reporting related internal control deficiencies

Quantitative standards for evaluation of non-financial reporting related internal control deficiencies defined by the Company are as follows:

一、內部控制責任聲明及內部控制制度建設情況(續)

三、內部控制評價工作情況(續)

(二) 內部控制評價工作依據及內部控制缺陷認定標準(續)

3. 非財務報告內部控制缺陷認定標準

公司確定的非財務報告內部控制缺陷評價的定量標準如下：

Name of Index 指標名稱	Quantitative standards for material deficiencies 重大缺陷定量標準	Quantitative standards for major deficiencies 重要缺陷定量標準	Quantitative standards for ordinary deficiencies 一般缺陷定量標準
Direct property losses amount 直接財產損失金額	More than RMB10 million 1,000萬元以上	Between RMB1 million and RMB10 million (inclusive) 100萬元至1,000萬元(含1,000萬元)	Less than RMB1 million (inclusive) 100萬元(含100萬元)以下
Material adverse effects 重大負面影響	Material adverse effects on the Company and disclosed by way of announcement 對公司造成較大負面影響並以公告形式對外披露	The imposition of punishment by national government authority which does not adversely affect the Company 受到國家政府部門處罰但未對公司造成負面影響	The imposition of punishment by government authority at or below provincial level which does not adversely affect the Company 受到省級(含省級)以下政府部門處罰但未對公司造成負面影響
	Remarks: Nil		說明: 無。
	Qualitative standards for evaluation of non-financial reporting related internal control deficiencies defined by the Company are as follows:		公司確定的非財務報告內部控制缺陷評價的定性標準如下：
Magnitude of Deficiency 缺陷性質	Qualitative standards 定性標準		
Material deficiencies 重大缺陷	In case of the occurrence of the following situations, material deficiencies are recognised: 出現以下情形的，認定為重大缺陷：		
	A. Violation of the State's laws, regulations or regulatory documents; A. 違反國家法律、法規或規範性文件；		
	B. Unscientific material decision-making process; B. 重大決策程序不科學；		
	C. Lack of systems are likely to result in systemic failures; C. 制度缺失可能導致系統性失效；		
	D. Material or major deficiencies are not rectified; D. 重大或重要缺陷不能得到整改；		
	E. Other situations that materially affect the Company. E. 其他對公司影響重大的情形。		
Major deficiencies 重要缺陷	Save for above, deficiencies for which the severity and economic consequences are less than material deficiencies but which still shall be taken seriously by the Board and management, shall be regarded as major deficiencies. 除上述情形外，嚴重程度和經濟後果低於重大缺陷但仍應引起董事會和管理層重視的缺陷，應將該缺陷認定為重要缺陷。		
General deficiencies 一般缺陷	Other internal control deficiencies that do not constitute material or major deficiencies. 不構成重大缺陷或重要缺陷的其他內部控制缺陷。		
	Remarks: Nil		說明: 無。

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

3. Internal control evaluation (Continued)

(iii) Recognition of internal control deficiencies and rectifications

1. Recognition of internal control deficiencies in financial reporting and rectifications

- 1.1 Material deficiencies
Whether the Company had material deficiencies in internal control over financial reporting during the reporting period
 Yes No
- 1.2 Major deficiencies
Whether the Company had major deficiencies in internal control over financial reporting during the reporting period
 Yes No
- 1.3 General deficiencies
During the Reporting Period, the Company had no general deficiencies in the internal control over financial reporting.
- 1.4 After the above rectification, whether the Company had discovered any uncorrected material deficiencies in the internal control over financial reporting as at the benchmark date of the internal control evaluation report
 Yes No
- 1.5 After the above rectification, whether the Company had discovered any uncorrected major deficiencies in the internal control over financial reporting as at the benchmark date of the internal control evaluation report
 Yes No

一、內部控制責任聲明及內部控制制度建設情況(續)

三、內部控制評價工作情況(續)

(三) 內部控制缺陷認定及整改情況

1. 財務報告內部控制缺陷認定及整改情況

- 1.1. 重大缺陷
報告期內公司是否存在財務報告內部控制重大缺陷
是 否
- 1.2. 重要缺陷
報告期內公司是否存在財務報告內部控制重要缺陷
是 否
- 1.3. 一般缺陷
報告期內公司未發現財務報告內部控制一般缺陷。
- 1.4. 經過上述整改，於內部控制評價報告基準日，公司是否存在未完成整改的財務報告內部控制重大缺陷
是 否
- 1.5. 經過上述整改，於內部控制評價報告基準日，公司是否存在未完成整改的財務報告內部控制重要缺陷
是 否

Section 14 Internal Control

第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

3. Internal control evaluation (Continued)

(iii) Recognition of internal control deficiencies and rectifications (Continued)

2. Recognition of internal control deficiencies in non-financial reporting and rectifications

- 2.1 Material deficiencies
Whether the Company had discovered any material deficiencies in the internal control over non-financial reporting during the reporting period
 Yes No
- 2.2 Major deficiencies
Whether the Company had discovered any major deficiencies in the internal control over non-financial reporting during the reporting period
 Yes No
- 2.3 General deficiencies
General deficiencies may exist in daily operation of the internal control procedures. However, as there was a dual supervision system of self-evaluation and internal control audit in the internal control of the Company, the risks were under control which had no or less effect on the non-financial reporting matters of the Company, and the Company was able to carry out timely rectifications on general deficiencies with less effect.
- 2.4 After the above rectification, whether the Company had discovered any uncorrected major deficiencies in the internal control over financial reporting as at the benchmark date of the internal control evaluation report
 Yes No
- 2.5 After the above rectification, whether the Company had discovered any uncorrected major deficiencies in the internal control over financial reporting as at the benchmark date of the internal control evaluation report
 Yes No

一、內部控制責任聲明及內部控制制度建設情況(續)

三、內部控制評價工作情況(續)

(三) 內部控制缺陷認定及整改情況(續)

2. 非財務報告內部控制缺陷認定及整改情況

- 2.1. 重大缺陷
報告期內公司是否發現非財務報告內部控制重大缺陷
 是 否
- 2.2. 重要缺陷
報告期內公司是否發現非財務報告內部控制重要缺陷
 是 否
- 2.3. 一般缺陷
內部控制流程在日常運行中可能存在一般缺陷，但由於公司內部控制設有自我評價和內部審計的雙重監督機制，使風險可控，對公司非財務報告事項不構成影響或影響較小，並對有較小影響的一般缺陷進行及時整改。
- 2.4. 經過上述整改，於內部控制評價報告基準日，公司是否發現未完成整改的非財務報告內部控制重大缺陷
 是 否
- 2.5. 經過上述整改，於內部控制評價報告基準日，公司是否發現未完成整改的非財務報告內部控制重要缺陷
 是 否

Section 14 Internal Control 第十四節 內部控制

I. Responsibility statement and development of internal control system (Continued)

4. Explanation on other significant matters concerning internal control

1. Rectification of deficiencies in internal control of last year

Applicable Not applicable

The Company attached great importance to the rectification of deficiencies in internal control and required active implementation of rectifications. The rectification of general deficiencies in internal control as disclosed in the non-financial reporting in the year 2017 was completed.

2. Operation of the internal control of the year and improvement directions for next year

Applicable Not applicable

During the Reporting Period, there was no statement on other important issues on internal control nor other internal control information that was likely to have a significant impact on investors' understanding about the internal control self-evaluation report, evaluating the internal control conditions or making investment decisions. After evaluation and tests of the internal control, the design and operation of the internal control system of the Company is reasonable and effective and no material and major deficiencies were identified.

In 2019, the Company will continue to improve the internal control system, standardize the implementation of the internal control system, strengthen the supervision and inspection in internal control, and promote the healthy, stable and long-term development of the Company based on such evaluation.

3. Explanation on other significant matters

Applicable Not applicable

Chairman (who is authorised by the Board): Wang Jun
Beijing Jingcheng Machinery Electric Company Limited

25 March 2019

一、內部控制責任聲明及內部控制制度建設情況(續)

四、其他內部控制相關重大事項說明

1. 上一年度內部控制缺陷整改情況

適用 不適用

公司對內部控制缺陷整改情況高度重視，並要求積極落實整改。2017年度披露的非財務報告內部控制一般缺陷已整改完成。

2. 本年度內部控制運行情況及下一年度改進方向

適用 不適用

報告期內，公司無其他內部控制相關重大事項說明，也不存在其他可能對投資者理解內部控制評價報告、評價內部控制情況或進行投資決策產生重大影響的其他內部控制信息。通過內部控制的評價和測試，公司的內部控制制度設計合理、運行有效，未發現重大缺陷和重要缺陷。

2019年度，公司將在本次評價的基礎上繼續完善內部控制制度，規範內部控制制度執行，強化內部控制監督管理，保持公司健康穩定長遠發展。

3. 其他重大事項說明

適用 不適用

董事長(已經董事會授權)：王軍
北京京城機電股份有限公司

2019年3月25日

Section 14 Internal Control

第十四節 內部控制

II. Auditors' Report on Internal Control Over Financial Reporting

Internal Control Over Financial Reporting

D.H.N.Z[2019]No.000016

To All Shareholders of Beijing Jingcheng Machinery Electric Company Limited:

We have audited the effectiveness of internal control over financial reporting of Beijing Jingcheng Machinery Electric Company Limited(hereinafter referred to as "the Company") as of December 31,2018 based on criteria established in Audit Guidelines for Enterprise Internal Control and related standards established in the Professional Standards for Certified Public Accountants of China.

I. The Company's Responsibilities

According to Basic Standards for Enterprise Internal Control,Implementation Guidelines for Enterprise Internal Control and Guidelines for Evaluation and Assessment on Effectiveness of Enterprise Internal Control,the Company's board of directors is responsible for maintaining effective internal control over financial reporting and assessment of effectiveness of internal control over financial reporting.

II. Auditor's Responsibilities

Our responsibility is to express an opinion on the effectiveness of the Company's internal control over financial reporting and to disclose any material weaknesses of internal control over non-financial reporting matters we noticed based on our audits.

III. Inherent Limitations of Internal Control

Because of its inherent limitations,internal control over financial reporting may not prevent or detect misstatements.Also,projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions,or that the degree of compliance with the policies or procedures may deteriorate.

IV. Opinion

In our opinion,the Company maintained, in all material aspects,effective internal control over financial reporting as of December 31,2018,based on Basic Standards for Enterprise Internal Control and related rules.

Da Hua Certified Public Accountants (Special General Partnership) 大華會計師事務所（特殊普通合伙）

Beijing,China
中國·北京

March 25, 2019
二〇一九年三月二十五日

Note:

This Report has been prepared in both Chinese and English.Should there be any discrepancies or misunderstandings between the two versions,the Chinese version shall prevail.

二、內部控制審計報告的相關情況說明

內部控制審計報告

大華內字[2019]000016號

北京京城機電股份有限公司全體股東：

按照《企業內部控制審計指引》及中國註冊會計師執業準則的相關要求，我們審計了北京京城機電股份有限公司(以下簡稱京城股份)2018年12月31日的財務報告內部控制的有效性。

一、企業對內部控制的責任

按照《企業內部控制基本規範》、《企業內部控制應用指引》、《企業內部控制評價指引》的規定，建立健全和有效實施內部控制，並評價其有效性是京城股份董事會的責任。

二、註冊會計師的責任

我們的責任是在實施審計工作的基礎上，對財務報告內部控制的有效性發表審計意見，並對注意到的非財務報告內部控制的重大缺陷進行披露。

三、內部控制的固有局限性

內部控制具有固有局限性，存在不能防止和發現錯報的可能性。此外，由於情況的變化可能導致內部控制變得不恰當，或對控制政策和程序遵循的程度降低，根據內部控制審計結果推測未來內部控制的有效性具有一定風險。

四、財務報告內部控制審計意見

我們認為，京城股份於2018年12月31日按照《企業內部控制基本規範》和相關規定在所有重大方面保持了有效的財務報告內部控制。

Certified Public Accountant of China: **Liu Guoqing**
中國註冊會計師：劉國清

Certified Public Accountant of China: **Bai Lihan**
中國註冊會計師：白麗哈

附註：

本報告分別以中英文編製。倘兩個版本存在任何差異或誤解，則以中文版本為準。

Section 15 Five Years' Financial Summary

第十五節 五年業績摘要

The audited consolidated operating results and the audited balance sheet of the Company for each of the five years ended 31 December 2018 were summarized as follows:

本公司截至2018年12月31日止年度前五年每年之審定後綜合經營成果及審定後資產及負債情況匯總如下：

(1) Operating Results (Prepared under PRC Accounting Standards)

一、經營結果(根據中國會計準則編製)

		2018 RMB'0,000 人民幣萬元	2017 RMB'0,000 人民幣萬元	2016 RMB'0,000 人民幣萬元	2015 RMB'0,000 人民幣萬元	2014 RMB'0,000 人民幣萬元
Turnover	營業額	112,156.42	120,349.70	88,952.53	107,659.63	180,633.31
Total profit	利潤總額	-12,555.48	3,163.63	-17,901.45	-29,088.61	1,804.62
Income taxes expense	所得稅費用	708.99	849.07	164.33	583.31	503.42
Net profit attributable to shareholders of parent company	歸屬於母公司股東的淨利潤	-9,393.62	2,086.84	-14,878.76	-20,781.74	2,141.62
Equity attributable to the shareholders of parent company	歸屬於母公司股東權益	46,687.63	58,837.53	56,519.78	71,266.31	91,953.06
Minority equity	少數股東權益	39,639.26	43,596.70	40,668.75	43,731.05	52,522.87

(2) Assets and liabilities (Prepared under PRC Accounting Standards)

二、資產及負債(根據中國會計準則編製)

		2018 RMB'0,000 人民幣萬元	2017 RMB'0,000 人民幣萬元	2016 RMB'0,000 人民幣萬元	2015 RMB'0,000 人民幣萬元	2014 RMB'0,000 人民幣萬元
Assets	資產					
Current assets	流動資產	76,362.49	96,937.67	76,242.27	87,756.35	123,966.10
Non-current assets	非流動資產	101,186.09	95,568.53	108,748.62	119,992.87	126,822.24
Total assets	總資產	177,548.58	192,506.20	184,990.89	207,749.21	250,788.33
Liabilities	負債					
Current liabilities	流動負債	72,814.02	75,264.43	73,983.05	79,230.83	92,885.40
Non-current liabilities	非流動負債	18,407.67	14,807.54	13,819.31	13,521.03	13,427
Total liabilities	總負債	91,221.69	90,071.97	87,802.36	92,751.86	106,312.40
Shareholders' Equity	股東權益					
Equity attributable to the shareholders of parent company	歸屬於母公司股東權益	46,687.63	58,837.53	56,519.78	71,266.31	91,953.06
Minority equity	少數股東權益	39,639.26	43,596.70	40,668.75	43,731.05	52,522.87
Shareholders' Equity	股東權益	86,326.89	102,434.23	97,188.53	114,997.36	144,475.93

Section 16 Documents Available for Inspection

第十六節 備查文件目錄

- Documents Available for Inspection 1. Original copy of the annual report, which has been signed by the Chairman.
備查文件目錄 1、 載有董事長親筆簽名的年度報告正本。
- Documents Available for Inspection 2. Original copy of the auditors' report signed and chopped by the certified public accountant and under the seal of the accountant firm.
備查文件目錄 2、 載有會計師事務所蓋章、註冊會計師簽名並蓋章的審計報告原件。
- Documents Available for Inspection 3. The original copies of all documents and announcements of the Company publicly disclosed during the Reporting Period in Shanghai Securities News and the websites of Shanghai Stock Exchange and The Stock Exchange of Hong Kong.
備查文件目錄 3、 報告期內在《上海證券報》、上海交易所網站、香港聯合交易所有限公司披露易網站上公開披露過的所有公司文件的正本及公告原稿。
- Documents Available for Inspection 4. The Articles of Association of the Company.
備查文件目錄 4、 公司章程。
- Documents Available for Inspection 5. The above documents are available for inspection at the Office of the Board of Directors of the Company, situated at No.2 Huo Xian Nan San Road, Huo Xian Town, Tongzhou District, Beijing, the People's Republic of China.
備查文件目錄 5、 以上備查文件可到本公司董事會辦公室查閱，地址為中華人民共和國北京市通州區漷縣鎮漷縣南三街2號。

Chairman: **Wang Jun**

董事長：王軍

Date of approval by the Board for submission: 25 March 2019

董事會批准報送日期：2019年3月25日

